

**Star Blanket Cree Nation**  
**Consolidated Financial Statements**  
*March 31, 2016*

# Star Blanket Cree Nation Contents

For the year ended March 31, 2016

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## **Management's Responsibility**

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To the Members of Star Blanket Cree Nation:

Management is responsible for the preparation and fair 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 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. The Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for appointing the Cree Nation's external auditors.

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

Signed By - Sonya Starr

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Management

To the Members of Star Blanket Cree Nation:

We have audited the accompanying consolidated financial statements of Star Blanket Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and 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 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 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 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 Star Blanket Cree Nation as at March 31, 2016 and the results of its operations, change in net debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

August 8, 2016

*MNP LLP*

Chartered Professional Accountants

**Star Blanket Cree Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2016*

|   | <b>2016</b>        | <b>2015</b> |
|---|--------------------|-------------|
| <b>Financial assets</b>   |                    |             |
| <b>Current</b>  |                    |             |
| Cash resources  | 318,199            | 380,493     |
| Accounts receivable (Note 3)  | 180,006            | 687,646     |
| Restricted cash (Note 4)  | -                  | 14,510      |
|   | <b>498,205</b>     | 1,082,649   |
| <b>Restricted cash (Note 4)</b>                                     | <b>243,964</b>     | 185,972     |
| <b>Portfolio investments (Note 5)</b>                               | <b>1,245,500</b>   | 2,963,000   |
| <b>Funds held in trust (Note 6)</b>                                 | <b>8,697</b>       | 8,522       |
| <b>Due from Star Blanket Treaty Land Entitlement Trust (Note 7)</b> | <b>48,248</b>      | 45,613      |
| <b>Total financial assets</b>                                       | <b>2,044,614</b>   | 4,285,756   |
| <b>Liabilities</b>  |                    |             |
| <b>Current</b>  |                    |             |
| Bank indebtedness (Note 8)  | 92,603             | 316,461     |
| Accounts payable and accruals                                       | 998,568            | 1,661,823   |
| Goods and Services Tax Payable                                      | 65,524             | 58,306      |
| Due to Star Blanket Treaty Land Entitlement Trust (Note 7)          | 60,000             | 60,000      |
| Deferred revenue (Note 9)   | 12,339             | 12,339      |
| Current portion of long-term debt (Note 10)                         | 878,297            | 719,804     |
|   | <b>2,107,331</b>   | 2,828,733   |
| <b>Long-term debt (Note 10)</b>                                     | <b>4,188,604</b>   | 3,616,888   |
| <b>Total financial liabilities</b>                                  | <b>6,295,935</b>   | 6,445,621   |
| <b>Net debt</b>   | <b>(4,251,321)</b> | (2,159,865) |
| <b>Contingent liability (Note 11)</b>                               |                    |             |
| <b>Non-financial assets</b>   |                    |             |
| Tangible capital assets (Note 12)                                   | 8,640,698          | 9,044,781   |
| Inventories of supplies   | 1,367              | 1,367       |
| Prepaid expenses  | 31,394             | 31,394      |
| <b>Total non-financial assets</b>                                   | <b>8,673,459</b>   | 9,077,542   |
| <b>Accumulated surplus (Note 13)</b>                                | <b>4,422,138</b>   | 6,917,677   |

**Approved on behalf of the Council**

Signed By - Michael Starr  
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Signed By - Joanne Starr  
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Signed By - James Starblanket  
\_\_\_\_\_

**Chief**  
**Councillor**  
**Councillor**

Signed By - Edgar Starr  
\_\_\_\_\_  
Signed By - Catherine Stonechild  
\_\_\_\_\_

**Councillor**  
**Councillor**

**Star Blanket Cree Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2016*

|  | <i>Schedules</i> | <i>2016<br/>Budget<br/>(Note 17)</i> | <i>2016<br/>Actual</i> | <i>2015<br/>Actual</i> |
|--|------------------|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                                  |                  |                                      |                        |                        |
| Indigenous and Northern Affairs Canada (Note 16) |                  | 2,563,586                            | 1,856,382              | 2,636,595              |
| Bingo revenue                                    |                  | 710,357                              | 692,270                | 680,396                |
| Rental income                                    |                  | 319,967                              | 325,260                | 342,612                |
| Other revenue                                    |                  | 363,501                              | 259,129                | 152,835                |
| First Nations Trust                              |                  | 192,743                              | 233,611                | 234,760                |
| File Hills Community Health Services Inc.        |                  | 213,207                              | 184,615                | 181,179                |
| Crawford Class Action Services                   |                  | -                                    | 180,000                | -                      |
| FHQ Tribal Council                               |                  | 139,314                              | 157,959                | 167,144                |
| FHQ Casino Holdings                              |                  | -                                    | 60,000                 | 70,000                 |
| Health Canada                                    |                  | 9,878                                | 59,385                 | 55,277                 |
| Canada Mortgage and Housing Corporation          |                  | 61,070                               | 54,976                 | 52,166                 |
| Living Skies Community Development Corporation   |                  | -                                    | 45,145                 | 35,378                 |
| CMHC tenant rent                                 |                  | -                                    | 35,380                 | 24,259                 |
| Investment income                                |                  | -                                    | -                      | 143,000                |
|  |                  | <b>4,573,623</b>                     | <b>4,144,112</b>       | <b>4,775,601</b>       |
| <b>Program expenses</b>                          |                  |                                      |                        |                        |
| Band Government                                  | 3                | 468,448                              | 616,676                | 614,115                |
| Capital  | 4                | -                                    | 506,799                | 474,596                |
| Economic Development                             | 5                | 1,178,917                            | 1,396,545              | 1,284,013              |
| Education  | 6                | 1,205,609                            | 426,668                | 1,187,062              |
| Health   | 7                | 337,373                              | 398,332                | 367,907                |
| Housing  | 8                | 227,636                              | 201,252                | 283,843                |
| Operations and Maintenance                       | 9                | 555,143                              | 548,820                | 967,177                |
| Reserves and Trusts                              | 10               | 5,000                                | 7,676                  | 5,055                  |
| Social Development                               | 11               | 632,851                              | 974,959                | 602,605                |
| <b>Total expenses</b>                            |                  | <b>4,610,977</b>                     | <b>5,077,727</b>       | <b>5,786,373</b>       |
| <b>Deficit before other items and transfers</b>  |                  | <b>(37,354)</b>                      | <b>(933,615)</b>       | <b>(1,010,772)</b>     |
| <b>Other items</b>                               |                  |                                      |                        |                        |
| Insurance proceeds                               |                  | -                                    | 155,576                | 593,757                |
| Valuation loss on investments (Note 5)           |                  | -                                    | (1,717,500)            | -                      |
| <b>Deficit</b>                                   |                  | <b>(37,354)</b>                      | <b>(2,495,539)</b>     | <b>(417,015)</b>       |
| <b>Accumulated surplus, beginning of year</b>    |                  | <b>6,917,677</b>                     | <b>6,917,677</b>       | <b>7,334,692</b>       |
| <b>Accumulated surplus, end of year</b>          |                  | <b>6,880,323</b>                     | <b>4,422,138</b>       | <b>6,917,677</b>       |

**Star Blanket Cree Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2016*

|   | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|---|--------------------------------------|------------------------|------------------------|
| <b>Annual deficit</b>                   | <b>(37,354)</b>                      | <b>(2,495,539)</b>     | <b>(417,015)</b>       |
| Purchases of tangible capital assets    | -                                    | (151,551)              | (155,601)              |
| Amortization of tangible capital assets | -                                    | 555,634                | 545,386                |
| Acquisition of prepaid expenses         | -                                    | -                      | (26,026)               |
| <b>Change in net debt</b>               | <b>(37,354)</b>                      | <b>(2,091,456)</b>     | <b>(53,256)</b>        |
| <b>Net debt, beginning of year</b>      | <b>(2,159,865)</b>                   | <b>(2,159,865)</b>     | <b>(2,106,609)</b>     |
| <b>Net debt, end of year</b>            | <b>(2,197,219)</b>                   | <b>(4,251,321)</b>     | <b>(2,159,865)</b>     |

**Star Blanket Cree Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2016*

|   | <b>2016</b><br><i>Actual</i> | <b>2015</b><br><i>Actual</i> |
|---|------------------------------|------------------------------|
| <b>Cash provided by (used for) the following activities</b> |                              |                              |
| <b>Operating activities</b>                                 |                              |                              |
| Deficit   | (2,495,539)                  | (417,015)                    |
| Non-cash items  |                              |                              |
| Amortization  | 555,634                      | 545,386                      |
| Valuation loss on investments (Note 5)                      | 1,717,500                    | -                            |
|   | <b>(222,405)</b>             | 128,371                      |
| Changes in working capital accounts                         |                              |                              |
| Accounts receivable   | 507,640                      | (445,232)                    |
| Prepaid expenses  | -                            | (26,026)                     |
| Accounts payable and accruals                               | (663,255)                    | 787,917                      |
| Goods and Services Tax payable                              | 7,218                        | (3,363)                      |
|   | <b>(370,802)</b>             | 441,667                      |
| <b>Financing activities</b>                                 |                              |                              |
| Advances of long-term debt                                  | 1,799,455                    | 149,969                      |
| Repayments of long-term debt                                | (1,069,246)                  | (332,983)                    |
| Increase (decrease) in bank indebtedness                    | (223,858)                    | 98,243                       |
|   | <b>506,351</b>               | (84,771)                     |
| <b>Capital activities</b>                                   |                              |                              |
| Purchases of tangible capital assets                        | (151,551)                    | (155,601)                    |
| <b>Investing activities</b>                                 |                              |                              |
| Increase in funds held in trust                             | (175)                        | (200)                        |
| Increase in investments                                     | -                            | (143,000)                    |
| Increase in restricted cash                                 | (43,482)                     | (49,599)                     |
| Decrease in due to/from TLE Trust                           | (2,635)                      | (17,064)                     |
|   | <b>(46,292)</b>              | (209,863)                    |
| <b>Decrease in cash resources</b>                           | <b>(62,294)</b>              | (8,568)                      |
| <b>Cash resources, beginning of year</b>                    | <b>380,493</b>               | 389,061                      |
| <b>Cash resources, end of year</b>                          | <b>318,199</b>               | 380,493                      |
| <b>Supplementary cash flow information</b>                  |                              |                              |
| Interest paid   | 134,265                      | 142,534                      |

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

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**1. Operations**

The Star Blanket Cree Nation (the "Cree Nation") is located in the Province of Saskatchewan, and provides various services to its members. The Star Blanket Cree Nation financial reporting entity includes the Cree Nation's operations and all related entities that are accountable to the Cree Nation and are either owned or controlled by the 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 Cree Nation reporting entity. Star Blanket Cree Nation Treaty Land Entitlement Trust is not controlled by the Cree Nation and is excluded from the Cree Nation reporting entity.

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

- Star Blanket Cree Nation
- Wahpiimoostosis Healing Centre
- Star Blanket Cree Nation - CMHC Housing Program
- White Buffalo Calf Gaming Authority
- Star Blanket Rentals
- Red Dog Holdings Ltd.
- Red Dog Holdings Limited Partnership

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

***Basis of presentation***

Sources of revenue 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 and short-term investments with maturities of three months or less.

***Restricted cash***

Restricted cash consists of funds held in the CMHC operating and replacement reserve bank accounts and funds managed by a project manager. The project manager is responsible for the completion of the capital projects and the CMHC reserves are used to pay eligible expenditures of the CMHC housing units.

***Portfolio investments***

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

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of Cree Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust moneys consist of:

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

***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. Tangible capital assets recorded at a nominal amount include the original reserve land. Land purchased is recorded at the purchase price.

***Amortization***

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

|                | Rate          |
|----------------|---------------|
| Buildings      | 15 - 40 years |
| Band housing   | 15 - 25 years |
| CMHC housing   | 15 - 25 years |
| Computers      | 3 years       |
| Equipment      | 6 - 10 years  |
| Infrastructure | 40 years      |
| Roads          | 40 years      |

Land is not amortized.

***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, inventories of supplies and prepaid expenses.

***Net financial debt***

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

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

***Revenue recognition***

**Funding**

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 is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

**Government Transfers**

The Cree 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 Cree Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

**Funds held in Ottawa Trust Fund**

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

**Other Revenue**

Rental revenue is recognized over the rental term. Other revenues are earned from services provided by the Cree Nation and are recognized when the service has been provided. Bingo revenue is recognized when the bingo event has occurred. Investment income is recognized on an accrual basis.

**Use of estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards 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 revenue and expenditures 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.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

***Investment in the oil industry***

The Cree Nation has an investment in the oil industry. The assessment of whether this asset is impaired requires significant judgment and requires management to make certain estimates and assumptions regarding future events and circumstances in regards to oil prices and the industry. Any such estimates or assumptions change if / when new information becomes available. If / when management concludes that the Cree Nation is unlikely to recover or receive a return on this asset the amount will be written off to annual surplus (deficit). Changes in estimates or assumptions may result in a significant adjustment to the carrying amount of the investment.

During the year, the Cree Nation recognized an impairment loss of \$1,717,500 on its investment in Can Elson 120601 Drilling Partnership #3.

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

**Segments**

The Nation conducts its business through nine reportable segments: Band Government, Capital, Economic Development, Education, Health, Housing, Operations and Maintenance, Reserves and Trusts and Social Development. These operating segments are established by Council and senior management to facilitate the achievement of the Cree Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenditures 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. Administration fees have been apportioned based on a percentage of budgeted revenues, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the Significant Accounting Policies.

***Liability for contaminated site***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Cree Nation is either directly responsible or accepts responsibility, it is expected that future economic benefit 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, 2016.

At each financial reporting date, the Cree Nation reviewed the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Cree Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

***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. A related standard, PS 1201, was issued to address changes to financial statement presentation related to financial instruments. In 2015 the effective date has been deferred to fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

**Related Party Transactions and Inter-Entity Transactions**

In March 2015, PSAB issued PS 2200 *Related Party Disclosures* and PS 3420 *Inter-Entity Transactions*. These new Sections define related parties and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

**Assets, Contingent Assets and Contractual Rights**

In June 2015, new PS 3210 *Assets*, PS 3320 *Contingent Assets* and PS 3380 *Contractual Rights* were included in the CPA Canada Public Sector Accounting Handbook (PSA HB).

PS 3210 *Assets* provides additional guidance to clarify the definition of assets set out in PS 1000 *Financial Statement Concepts*.

PS 3320 *Contingent Assets* establishes disclosure standards on contingent assets. Under previous standards contingent assets could not be recognized.

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

PS 3380 *Contractual Rights* establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

These standards are effective for fiscal years beginning on or after April 1, 2017. The First Nation does not expect the adoption of these new standards to have a material impact on its financial statements.

**3. Accounts receivable**

|   | <b>2016</b>        | <b>2015</b>         |
|---|--------------------|---------------------|
| FHQ Tribal Council                      | 89,250             | 100,219             |
| Rent receivable                         | 67,748             | 13,564              |
| Indigenous and Northern Affairs Canada  | 15,440             | 562,199             |
| Members                                 | 11,732             | 11,084              |
| Canada Mortgage and Housing Corporation | 4,264              | 4,347               |
| Other                                   | 565                | 556                 |
| Health Canada                           | -                  | 9,759               |
| <br>                                    |                    |                     |
| Allowance for doubtful accounts         | 188,999<br>(8,993) | 701,728<br>(14,082) |
| <br>                                    |                    |                     |
|   | <b>180,006</b>     | <b>687,646</b>      |

**4. Restricted cash**

|                                 | <b>2016</b>    | <b>2015</b>    |
|---------------------------------|----------------|----------------|
| <b>Current</b>                  |                |                |
| Water treatment plant           | -              | 14,510         |
| <br>                            |                |                |
| <b>Long-term</b>                |                |                |
| CMHC replacement reserve - bank | 6,531          | 155,624        |
| CMHC replacement reserve - GIC  | 152,700        | -              |
| CMHC operating reserve - bank   | 1,733          | 30,348         |
| CMHC operating reserve - GIC    | 52,000         | -              |
| CMHC operating reserve - GIC    | 31,000         | -              |
| <br>                            |                |                |
|                                 | <b>243,964</b> | <b>185,972</b> |
| <br>                            |                |                |
|                                 | <b>243,964</b> | <b>200,482</b> |

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**5. Portfolio investments**

|  | <b>2016</b>      | <b>2015</b>      |
|--|------------------|------------------|
| FHQ Casino Holdings Ltd.                         | 60,000           | 60,000           |
| Can Elson 120601 Drilling Limited Partnership #3 | 1,185,500        | 2,903,000        |
|  | <b>1,245,500</b> | <b>2,963,000</b> |

The Cree Nation has a 8.3% interest in FHQ Casino Holdings Ltd., a Company which holds a rental property. It also owns (through ownership of Red Dog Holdings Limited Partnership) 50% of the partnership units in Can Elson 120601 Drilling Limited Partnership #3, an entity which owns and operates a drilling rig.

The Cree Nation's investee, Can Elson 120601 Drilling Limited Partnership #3, reports using a fiscal year-end of December 31. Can Elson 120601 Drilling Limited Partnership #3 allocates its earnings at its year-end date of December 31. At December 31, 2015, in response to the deterioration of the industry conditions, a writedown of the investment value of \$1,717,500 was recognized.

**6. Funds held in trust**

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Aboriginal Affairs and Northern Development Canada, with the consent of the First Nation's Council.

|                                    | <b>2016</b>  | <b>2015</b> |
|------------------------------------|--------------|-------------|
| <b>Capital Trust</b>               |              |             |
| Balance, beginning and end of year | <b>5,960</b> | 5,960       |
| <b>Revenue Trust</b>               |              |             |
| Balance, beginning of year         | 2,562        | 2,362       |
| Interest                           | 175          | 200         |
| Balance, end of year               | <b>2,737</b> | 2,562       |
| Total funds in trust, end of year  | <b>8,697</b> | 8,522       |

**7. Due from (to) Star Blanket Treaty Land Entitlement Trust**

Amounts owing between the Cree Nation and the Star Blanket Treaty Land Entitlement Trust are without fixed repayment terms and bear no interest.

The Star Blanket Treaty Land Entitlement Trust has been established for the benefit of the Members of Star Blanket Cree Nation and is managed by an independent group of Trustees.

**8. Bank indebtedness**

The Cree Nation has an operating line of credit with a limit of \$75,000. Interest is payable at Peace Hills Trust prime plus 2%. At March 31, 2016, the Cree Nation has drawn \$31,326 (2015 - \$75,000) against its overdraft limit. The line of credit is secured by a band council resolution redirecting gaming revenue and INAC funding.

The Cree Nation has an additional operating line of credit with a limit of \$247,000. Interest is payable at 24%. At March 31, 2016, the Cree Nation has drawn \$nil (2015 - \$131,973) against its overdraft limit. The line of credit is secured by a band council resolution redirecting First Nations Trust and INAC funding.

The bank indebtedness reported on the financial statements is represented by advances plus outstanding cheques.

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**9. Deferred revenue**

|                                      | <b>2016</b>   | <b>2015</b> |
|--------------------------------------|---------------|-------------|
| Unearned rental revenue from tenants | <b>12,339</b> | 12,339      |

**10. Long-term debt**

|   | <b>2016</b>      | <b>2015</b> |
|---|------------------|-------------|
| First Nations and Metis Fund loan with principal payments of \$125,000 annually, commencing 2017 increasing to \$250,000 in 2019 and \$500,000 in 2021, including fixed interest at 14.00% paid annually and additional interest charge of 5% per annum due at maturity, secured by all current and future property of Red Dog Holdings Limited Partnership (see Note 5). | <b>1,250,000</b> | 1,250,000   |
| Peace Hills Trust consolidation loan with principal and interest payments of \$48,000 quarterly and an additional annual payment of \$70,000 with interest at 6.25%, secured by guarantees and assignment of particular contracts, a promissory note, and a general security agreement, maturing January 2020.  | <b>1,665,849</b> | -           |
| Crown Investments Corporation of Saskatchewan loan with payment of all distributions received from Can Elson 120601 Drilling Partnership #3 after the full repayment of principal owed on the First Nations and Metis Fund loan, non-interest bearing, secured by all current and future property of Red Dog Holdings Limited Partnership (see Note 5).                   | <b>700,000</b>   | 700,000     |
| Star Blanket Treaty Land Entitlement Trust loan due on demand, interest payable on demand and calculated at 5.75%.  | <b>360,000</b>   | 360,000     |
| Peace Hills Trust loan with principal and interest payments of \$7,905 monthly with interest at 6%, secured by guarantees and assignment of White Buffalo Calf Gaming proceeds and SIGA/SGC Trust receipts, maturing August 2019.   | <b>351,863</b>   | 423,233     |
| Canada Mortgage and Housing Corporation mortgage for CMHC Phase X housing, payable in monthly instalments of \$1,631 including interest at 2.11%, secured by ministerial guarantee and due January 2019.  | <b>217,489</b>   | 232,311     |
| Peace Hills Trust loan to purchase two school buses with principal and interest payments of \$2,627 monthly with interest at 6.00%, secured by a general security agreement, maturing September 2020.   | <b>118,552</b>   | -           |
| Peace Hills Trust loan relating to economic development with principal and interest payments of \$33,000 annually with interest at 6.00%, secured by guarantees and assignment of FHQ Casino Holdings Ltd, and a general security agreement, maturing November 2019.  | <b>116,253</b>   | 140,805     |
| Canada Mortgage and Housing Corporation mortgage for CMHC Phase XI housing, payable in monthly instalments of \$579 including interest at 1.08%, secured by ministerial guarantee and due August 2020.  | <b>114,357</b>   | 106,669     |
| Canada Mortgage and Housing Corporation mortgage for CMHC Phase IX housing, payable in monthly instalments of \$1,043 including interest at 1.08%, secured by ministerial guarantee and due August 2020.  | <b>110,187</b>   | 121,069     |
| De Lage Landen loan with principal and interest payments of \$1,352 monthly with interest at 7.74%, secured by equipment with a net book value of \$43,470, and general security agreements, maturing September 2017.   | <b>22,901</b>    | 36,761      |

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**10. Long-term debt** *(Continued from previous page)*

|  |                  |           |
|--|------------------|-----------|
| Peace Hills Trust mortgage for CMHC Phase IV housing, payable in monthly instalments of \$1,337 including interest at 5.44%, secured by ministerial guarantee and due May 2017.  | <b>17,799</b>    | 32,176    |
| Peace Hills Trust loan with principal and interest payments of \$1,663 monthly with interest at 6.50%, secured by equipment with a net book value of \$50,100, and general security agreements, maturing October 2016. | <b>9,674</b>     | 28,302    |
| Peace Hills Trust mortgage for CMHC Phase VIII housing, payable in monthly instalments of \$922 including interest at 4.64%, secured by ministerial guarantee and due January 2017.                                    | <b>8,969</b>     | 19,280    |
| Peace Hills Trust mortgage for CMHC Phase VII housing, payable in monthly instalments of \$310 including interest at 5.29%, secured by ministerial guarantee and due January 2017.                                     | <b>3,008</b>     | 6,442     |
| Peace Hills Trust loan.  | <b>-</b>         | 879,644   |
|  | <b>5,066,901</b> | 4,336,692 |
| Less: current portion  | <b>878,297</b>   | 719,804   |
|  | <b>4,188,604</b> | 3,616,888 |

Principal repayments on term loans in each of the next five years, assuming the term loans are renewed with similar terms, are estimated below. Loans with either a demand feature or which have matured subsequent to year end and are without renewed terms have been recorded as current and are included below as demandable loans.

|      | <b>Term loans</b> | <b>Demandable loans</b> | <b>Total</b> |
|------|-------------------|-------------------------|--------------|
| 2017 | 518,297           | 360,000                 | 878,297      |
| 2018 | 474,746           | -                       | 474,746      |
| 2019 | 609,439           | -                       | 609,439      |
| 2020 | 1,561,341         | -                       | 1,561,341    |
| 2021 | 659,935           | -                       | 659,935      |

The First Nation and Metis Fund loan (FNMF) and the Crown Investments Corporation of Saskatchewan loan are subject to certain financial and non-financial covenants, including submission of annual financial statements to the lender within 120 days of year end, and an annual interest payment due April 30, 2016 on the FNMF loan. The Cree Nation was in default on both of these covenants. Under the terms of the loan agreements, such default allows the lenders to immediately demand full payment of these loan balances. However, the lender has granted a grace period to April 1, 2017 to remedy the defaults noted above.

**11. Contingent liability**

In prior years Goods and Services Tax was collected which was subsequently determined to have been charged in error. These amounts have not yet been remitted. Only the actual amount collected has been reflected in these financial statements. It is possible these amounts could be subject to penalties and interest. Any additional amounts to be paid will be recorded in the period in which they are assessed. The Nation has taken steps to resolve this issue subsequent to year end.

**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**12. Tangible capital assets**

The tangible capital assets reconciliation is included in Schedule 1.

**13. Accumulated surplus**

Accumulated surplus consists of the following:

|  | <b>2016</b>        | <b>2015</b>        |
|--|--------------------|--------------------|
| Equity in funds held in trust                    | 8,697              | 8,522              |
| Canada Mortgage and Housing Corporation reserves | 245,731            | 234,426            |
| Equity in tangible capital assets                | 7,665,897          | 8,038,535          |
| Equity in investments                            | (1,180,753)        | 512,195            |
| Unrestricted deficit                             | <u>(2,317,434)</u> | <u>(1,876,001)</u> |
|  | <b>4,422,138</b>   | <b>6,917,677</b>   |

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**14. Canada Mortgage and Housing Corporation reserves**

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the Cree Nation established the following:

- A replacement reserve, established to ensure replacement of capital equipment and for major repairs to the housing units, which requires an annual allocation to the reserve. At March 31, 2016 \$149,322 (2015 - \$144,809) has been charged to this reserve. The reserve is fully funded.
- A operating surplus reserve established for housing units under the post 1997 Fixed Subsidy Program requires surpluses to be retained to offset future operating losses. At March 31, 2016 \$96,408 (2015 - \$89,617) has been charged to this reserve. At March 31, 2016 the reserve is underfunded \$11,675 (2015 - underfunded - \$59,269).

**15. Economic dependence**

Star Blanket Cree Nation receives a significant portion of its revenues from Indigenous and Northern Affairs Canada (INAC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

Due to certain deficiencies in its operating fund position, the Cree Nation is also party to a Management Action Plan agreement with INAC that will expire when certain financial indicators are met by the Cree Nation. Under the terms of the Management Action Plan, INAC can suspend transfers to the Nation if it does not comply with the terms of the agreement. Management believes that they are in compliance with the Management Action Plan.

**16. Reconciliation of Indigenous and Northern Affairs Canada funding**

|   |                  |
|---|------------------|
| Funding per confirmation                | 1,881,098        |
| Less: Basic Needs funding adjustment    | (20,274)         |
| Less: Child Savings funding adjustment  | (3,259)          |
| Less: Specific Needs funding adjustment | <u>(1,182)</u>   |
|   | <b>1,856,383</b> |

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**Star Blanket Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**17. Budget information**

The disclosed budget information for the following entities has been approved by Chief and Council on:

|                                     |                   |
|-------------------------------------|-------------------|
| Star Blanket Cree Nation            | November 6, 2012. |
| Star Blanket Rentals                | July, 2015.       |
| White Buffalo Calf Gaming Authority | June 24, 2015.    |

The consolidated budget does not include capital projects. These projects require separate applications for funding or financing, and budgets are prepared on a project-by-project basis to accompany the applications.

**18. Commitments**

The Cree Nation has entered into an agreement to complete a new phase of CMHC Housing. The Cree Nation has committed \$315,000 to building 3 housing units. As of March 31, 2016 no costs have been incurred. The houses are expected to be completed in the 2016/17 fiscal year.

**19. Comparative figures**

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

**20. Compliance with authorities**

The Cree Nation is required to make its financial statements publicly available and submit its consolidated financial statements to Indigenous and Northern Affairs Canada by July 29, 2016. The Cree Nation was unable to meet the legislated filing deadline of July 29, 2016. The effects of late filing have not yet been determined.

# Star Blanket Cree Nation

## Schedule 1 - Schedule of Tangible Capital Assets

For the year ended March 31, 2016

|  | <i>Buildings</i> | <i>Band housing</i> | <i>CMMHC housing</i> | <i>Equipment</i> | <i>Infrastructure</i> | <i>Office equipment</i> | <i>Subtotal</i>  |
|--|------------------|---------------------|----------------------|------------------|-----------------------|-------------------------|------------------|
| <b>Cost</b>                                      |                  |                     |                      |                  |                       |                         |                  |
| Balance, beginning of year                       | 9,599,302        | 2,823,372           | 1,433,766            | 420,448          | 4,384,816             | 7,739                   | 18,669,443       |
| Acquisition of tangible capital assets           | -                | -                   | 20,851               | 130,700          | -                     | -                       | 151,551          |
| Construction-in-progress                         | (107,301)        | -                   | -                    | -                | -                     | -                       | (107,301)        |
| Transfer between classes                         | -                | -                   | 107,301              | -                | -                     | -                       | 107,301          |
| Balance, end of year                             | 9,492,001        | 2,823,372           | 1,561,918            | 551,148          | 4,384,816             | 7,739                   | 18,820,994       |
| <b>Accumulated amortization</b>                  |                  |                     |                      |                  |                       |                         |                  |
| Balance, beginning of year                       | 6,710,152        | 2,710,912           | 996,422              | 272,802          | 1,021,079             | 7,739                   | 11,719,106       |
| Annual amortization                              | 318,994          | 30,603              | 55,341               | 39,801           | 110,083               | -                       | 554,822          |
| Balance, end of year                             | 7,029,146        | 2,741,515           | 1,051,763            | 312,603          | 1,131,162             | 7,739                   | 12,273,928       |
| <b>Net book value of tangible capital assets</b> | <b>2,462,855</b> | <b>81,857</b>       | <b>510,155</b>       | <b>238,545</b>   | <b>3,253,654</b>      | <b>-</b>                | <b>6,547,066</b> |
| 2015 Net book value of tangible capital assets   | 2,889,150        | 112,460             | 437,344              | 147,646          | 3,363,737             | -                       | 6,952,352        |

# Star Blanket Cree Nation

## Schedule 1 - Schedule of Tangible Capital Assets

For the year ended March 31, 2016

|  | <i>Subtotal</i>   | <i>Roads</i>   | <i>Land - 5,646<br/>hectares</i> | <i>TLE Land -<br/>3,120 hectares</i> | <i>Computers</i> | <i>2016</i>       | <i>2015</i>       |
|--|-------------------|----------------|----------------------------------|--------------------------------------|------------------|-------------------|-------------------|
|  |                   |                |                                  |                                      |                  | <i>Actual</i>     | <i>Actual</i>     |
| <b>Cost</b>                                      |                   |                |                                  |                                      |                  |                   |                   |
| Balance, beginning of year                       | <b>18,669,443</b> | <b>149,290</b> | <b>2</b>                         | <b>2,065,201</b>                     | <b>91,773</b>    | <b>20,975,709</b> | <b>20,820,108</b> |
| Acquisition of tangible capital assets           | <b>151,551</b>    | <b>-</b>       | <b>-</b>                         | <b>-</b>                             | <b>-</b>         | <b>151,551</b>    | <b>155,601</b>    |
| Construction-in-progress                         | <b>(107,301)</b>  | <b>-</b>       | <b>-</b>                         | <b>-</b>                             | <b>-</b>         | <b>(107,301)</b>  | <b>-</b>          |
| Transfer between classes                         | <b>107,301</b>    | <b>-</b>       | <b>-</b>                         | <b>-</b>                             | <b>-</b>         | <b>107,301</b>    | <b>-</b>          |
| Balance, end of year                             | <b>18,820,994</b> | <b>149,290</b> | <b>2</b>                         | <b>2,065,201</b>                     | <b>91,773</b>    | <b>21,127,260</b> | <b>20,975,709</b> |
| <b>Accumulated amortization</b>                  |                   |                |                                  |                                      |                  |                   |                   |
| Balance, beginning of year                       | <b>11,719,106</b> | <b>120,049</b> | <b>-</b>                         | <b>-</b>                             | <b>91,773</b>    | <b>11,930,928</b> | <b>11,385,542</b> |
| Annual amortization                              | <b>554,822</b>    | <b>812</b>     | <b>-</b>                         | <b>-</b>                             | <b>-</b>         | <b>555,634</b>    | <b>545,386</b>    |
| Balance, end of year                             | <b>12,273,928</b> | <b>120,861</b> | <b>-</b>                         | <b>-</b>                             | <b>91,773</b>    | <b>12,486,562</b> | <b>11,930,928</b> |
| <b>Net book value of tangible capital assets</b> | <b>6,547,066</b>  | <b>28,429</b>  | <b>2</b>                         | <b>2,065,201</b>                     | <b>-</b>         | <b>8,640,698</b>  | <b>9,044,781</b>  |
| 2015 Net book value of tangible capital assets   | 6,952,352         | 29,241         | 2                                | 2,065,201                            | -                | 9,044,781         |                   |

**Star Blanket Cree Nation**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2016*

|                                  | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|----------------------------------|--------------------------------------|------------------------|------------------------|
| <b>Expenses</b>                  |                                      |                        |                        |
| Administration                   | 115,340                              | 68,947                 | -                      |
| Advertising, promotion and gifts | 500                                  | 7,804                  | 17,204                 |
| Amortization                     | -                                    | 555,634                | 545,386                |
| Assistance                       | 50,182                               | 181,547                | 154,325                |
| Bad debts                        | -                                    | 27,876                 | 5,851                  |
| Bank charges and interest        | 10,650                               | 31,498                 | 25,670                 |
| Basic needs                      | 361,564                              | 416,256                | 359,192                |
| Community donations              | 157,000                              | 24,535                 | 3,675                  |
| Contracted services              | 171,161                              | 322,143                | 671,645                |
| Forfeited funding                | -                                    | 500                    | -                      |
| Fuel                             | 38,000                               | 26,153                 | 42,407                 |
| Honouraria                       | 10,100                               | 14,188                 | 17,147                 |
| Insurance                        | 93,912                               | 146,073                | 129,652                |
| Interest on long-term debt       | 264,849                              | 444,521                | 397,291                |
| Lunches                          | 9,490                                | 27,729                 | 20,944                 |
| Meetings                         | 19,817                               | 57,032                 | 39,251                 |
| Miscellaneous                    | 15,168                               | 25,506                 | 93,668                 |
| Office supplies and expenses     | 7,750                                | 6,657                  | 5,742                  |
| Paper - bingo                    | 17,200                               | 20,115                 | 12,831                 |
| Prize payouts                    | 490,000                              | 440,480                | 428,059                |
| Professional fees                | 70,624                               | 160,494                | 191,407                |
| Program expense                  | 169,276                              | 30,425                 | 29,724                 |
| Pump outs                        | -                                    | 6,750                  | 28,817                 |
| Registration fees                | -                                    | 5,836                  | 8,836                  |
| Rent                             | -                                    | 22,524                 | 36,509                 |
| Repairs and maintenance          | 259,147                              | 134,267                | 100,220                |
| Salaries and benefits            | 949,634                              | 888,235                | 824,187                |
| Service agreements               | 41,300                               | 56,550                 | 71,123                 |
| Student allowance                | 104,050                              | 84,090                 | 84,013                 |
| Supplies                         | 72,830                               | 101,600                | 154,591                |
| Telephone                        | 15,000                               | 44,175                 | 34,373                 |
| Training                         | 2,700                                | 43,377                 | 30,040                 |
| Travel                           | 96,341                               | 231,175                | 176,541                |
| Tuition                          | 756,728                              | 60,049                 | 841,579                |
| Utilities                        | 228,800                              | 146,850                | 144,430                |
| Youth and cultural activities    | 11,864                               | 216,136                | 60,043                 |
|                                  | <b>4,610,977</b>                     | <b>5,077,727</b>       | <b>5,786,373</b>       |

**Star Blanket Cree Nation**  
**Band Government**  
**Schedule 3 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|--|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                        |                                      |                        |                        |
| Indigenous and Northern Affairs Canada | 265,762                              | 236,498                | 230,703                |
| Other revenue                          | -                                    | 7,335                  | 98,880                 |
|  | <b>265,762</b>                       | <b>243,833</b>         | 329,583                |
| <b>Expenses</b>                        |                                      |                        |                        |
| Advertising, promotion and gifts       | -                                    | 1,229                  | 4,424                  |
| Assistance                             | -                                    | 1,715                  | 23,528                 |
| Bad debts (recovery)                   | -                                    | (5,089)                | 74,608                 |
| Bank charges and interest              | 9,500                                | 28,424                 | 23,445                 |
| Contracted services                    | 6,000                                | 73,198                 | 93,882                 |
| Fuel                                   | -                                    | 1,000                  | 1,500                  |
| Honouraria                             | 1,500                                | -                      | 600                    |
| Interest on long-term debt             | -                                    | 13,720                 | 1,619                  |
| Lunches                                | 800                                  | 4,267                  | 5,079                  |
| Meetings                               | -                                    | 5,704                  | 3,351                  |
| Miscellaneous                          | -                                    | 5,046                  | 35,245                 |
| Office supplies and expenses           | 7,000                                | 3,371                  | 3,486                  |
| Professional fees                      | 40,000                               | 80,101                 | 40,552                 |
| Registration fees                      | -                                    | 1,240                  | 4,783                  |
| Rent                                   | -                                    | 18,269                 | 883                    |
| Salaries and benefits                  | 323,148                              | 283,160                | 191,952                |
| Supplies                               | 10,000                               | 6,695                  | 15,173                 |
| Telephone                              | 13,000                               | 38,500                 | 29,081                 |
| Training                               | -                                    | -                      | 419                    |
| Travel                                 | 40,000                               | 56,126                 | 60,505                 |
| Utilities                              | 17,500                               | -                      | -                      |
|  | <b>468,448</b>                       | <b>616,676</b>         | 614,115                |
| <b>Deficit</b>                         | <b>(202,686)</b>                     | <b>(372,843)</b>       | (284,532)              |

**Star Blanket Cree Nation**  
**Capital**  
**Schedule 4 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|                 | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|-----------------|--------------------------------------|------------------------|------------------------|
| <b>Expenses</b> |                                      |                        |                        |
| Amortization    | -                                    | <b>506,799</b>         | 474,596                |
| <b>Deficit</b>  | -                                    | <b>(506,799)</b>       | (474,596)              |

**Star Blanket Cree Nation**  
**Economic Development**  
**Schedule 5 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|   | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|---|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                           |                                      |                        |                        |
| Indigenous and Northern Affairs Canada    | -                                    | 31,000                 | 44,565                 |
| Bingo revenue                             | 710,357                              | 692,270                | 680,396                |
| Rental income                             | 319,967                              | 325,260                | 342,612                |
| First Nations Trust                       | 192,743                              | 233,611                | 234,760                |
| Other revenue                             | -                                    | 45,944                 | 18,264                 |
| FHQ Casino Holdings Ltd.                  | -                                    | 60,000                 | 70,000                 |
| FHQ Tribal Council                        | 36,597                               | 34,500                 | 36,597                 |
| Investment income (loss)                  | -                                    | -                      | 143,000                |
|   | <b>1,259,664</b>                     | <b>1,422,585</b>       | <b>1,570,194</b>       |
| <b>Expenses</b>                           |                                      |                        |                        |
| Administration                            | 14,325                               | -                      | -                      |
| Advertising, promotion and gifts          | 500                                  | 5,156                  | 7,864                  |
| Amortization                              | -                                    | 18,233                 | 20,575                 |
| Assistance                                | -                                    | 1,500                  | 6,000                  |
| Bad debts (recovery)                      | -                                    | 32,965                 | (68,757)               |
| Bank charges and interest                 | 1,000                                | 2,159                  | 1,929                  |
| Community donations                       | 157,000                              | 24,535                 | 3,675                  |
| Contracted services                       | 25,725                               | 53,346                 | 53,286                 |
| Forfeited funding                         | -                                    | 500                    | -                      |
| Honouraria                                | 8,600                                | 14,088                 | 16,547                 |
| Insurance                                 | 5,500                                | 10,740                 | 6,533                  |
| Interest on long-term debt                | 200,000                              | 391,633                | 353,519                |
| Meetings                                  | -                                    | 24,007                 | 20,329                 |
| Miscellaneous                             | 2,600                                | 6,484                  | 31,620                 |
| Office supplies and expenses              | 750                                  | 2,414                  | 1,730                  |
| Paper - bingo                             | 17,200                               | 20,115                 | 12,831                 |
| Prize payouts                             | 490,000                              | 440,480                | 428,059                |
| Professional fees                         | 23,500                               | 73,402                 | 96,497                 |
| Rent                                      | -                                    | 4,255                  | 6,875                  |
| Repairs and maintenance                   | 34,150                               | 34,137                 | 40,294                 |
| Salaries and benefits                     | 129,316                              | 143,960                | 166,740                |
| Service agreements                        | 41,300                               | 4,915                  | 27,807                 |
| Supplies                                  | 4,870                                | 20,918                 | 5,160                  |
| Telephone                                 | 2,000                                | 3,383                  | 3,866                  |
| Training                                  | -                                    | 23,907                 | 11,456                 |
| Travel                                    | 3,081                                | 22,927                 | 11,494                 |
| Utilities                                 | 17,500                               | 16,386                 | 18,084                 |
|   | <b>1,178,917</b>                     | <b>1,396,545</b>       | <b>1,284,013</b>       |
| <b>Surplus before other items</b>         | <b>80,747</b>                        | <b>26,040</b>          | <b>286,181</b>         |
| <b>Other item</b>                         |                                      |                        |                        |
| Valuation loss on investments (Note 5)    | -                                    | (1,717,500)            | -                      |
| <b>Surplus (deficit) before transfers</b> | <b>80,747</b>                        | <b>(1,691,460)</b>     | <b>286,181</b>         |
| <b>Transfers between programs</b>         | <b>-</b>                             | <b>(104,111)</b>       | <b>(109,559)</b>       |
| <b>Surplus (deficit)</b>                  | <b>80,747</b>                        | <b>(1,795,571)</b>     | <b>176,622</b>         |

**Star Blanket Cree Nation**  
**Education**  
**Schedule 6 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|--|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                        |                                      |                        |                        |
| Indigenous and Northern Affairs Canada | 1,194,993                            | 466,619                | 1,285,183              |
| Other revenue                          | -                                    | 110                    | 40                     |
| FHQ Tribal Council                     | 6,192                                | 6,192                  | 6,192                  |
|  | <b>1,201,185</b>                     | <b>472,921</b>         | <b>1,291,415</b>       |
| <b>Expenses</b>                        |                                      |                        |                        |
| Administration                         | 4,318                                | 4,006                  | -                      |
| Assistance                             | -                                    | 19,117                 | 13,783                 |
| Contracted services                    | 104,309                              | 70,400                 | 64,587                 |
| Fuel                                   | 27,000                               | 15,717                 | 21,971                 |
| Honouraria                             | -                                    | 100                    | -                      |
| Insurance                              | 3,323                                | 5,028                  | 2,715                  |
| Interest on long-term debt             | 43,520                               | 4,942                  | 2,471                  |
| Lunches                                | 2,000                                | 4,072                  | 1,155                  |
| Meetings                               | 3,500                                | 400                    | 400                    |
| Miscellaneous                          | -                                    | 591                    | 1,163                  |
| Office supplies and expenses           | -                                    | -                      | 75                     |
| Professional fees                      | -                                    | 2,700                  | 1,425                  |
| Program expense                        | 6,000                                | 13,958                 | 15,529                 |
| Registration fees                      | -                                    | 2,466                  | 1,318                  |
| Repairs and maintenance                | 27,000                               | 20,559                 | 21,557                 |
| Salaries and benefits                  | 79,161                               | 83,878                 | 80,404                 |
| Student allowance                      | 104,050                              | 84,090                 | 84,013                 |
| Supplies                               | 31,000                               | 25,202                 | 20,337                 |
| Training                               | 500                                  | 125                    | -                      |
| Travel                                 | 11,500                               | 8,568                  | 12,020                 |
| Tuition                                | 756,728                              | 60,049                 | 841,579                |
| Utilities                              | 500                                  | 700                    | 560                    |
| Youth and cultural activities          | 1,200                                | -                      | -                      |
|  | <b>1,205,609</b>                     | <b>426,668</b>         | <b>1,187,062</b>       |
| <b>Surplus (deficit)</b>               | <b>(4,424)</b>                       | <b>46,253</b>          | <b>104,353</b>         |

**Star Blanket Cree Nation**  
**Health**  
**Schedule 7 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|   | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|---|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                           |                                      |                        |                        |
| Indigenous and Northern Affairs Canada    | 3,769                                | -                      | -                      |
| File Hills Community Health Services Inc. | 213,207                              | 184,615                | 181,179                |
| FHQ Tribal Council                        | 91,436                               | 112,178                | 119,266                |
| Health Canada                             | 9,878                                | 59,385                 | 55,277                 |
| Other revenue                             | -                                    | 850                    | -                      |
|   | <b>318,290</b>                       | <b>357,028</b>         | <b>355,722</b>         |
| <b>Expenses</b>                           |                                      |                        |                        |
| Administration                            | 28,407                               | 23,840                 | 29,248                 |
| Advertising, promotion and gifts          | -                                    | 1,418                  | 1,265                  |
| Assistance                                | 8,000                                | 14,474                 | 15,697                 |
| Contracted services                       | 3,158                                | 11,493                 | 9,840                  |
| Insurance                                 | -                                    | 1,474                  | 1,435                  |
| Lunches                                   | 6,690                                | 2,456                  | 900                    |
| Meetings                                  | 16,317                               | 15,429                 | 12,965                 |
| Miscellaneous                             | -                                    | 10,345                 | 15,773                 |
| Office supplies and expenses              | -                                    | 871                    | 450                    |
| Professional fees                         | -                                    | 800                    | -                      |
| Program expense                           | 31,746                               | 3,368                  | 10,130                 |
| Registration fees                         | -                                    | 580                    | 2,010                  |
| Repairs and maintenance                   | -                                    | 25                     | 3,000                  |
| Salaries and benefits                     | 194,958                              | 181,782                | 169,237                |
| Supplies                                  | 1,373                                | 26,636                 | 17,463                 |
| Telephone                                 | -                                    | 1,000                  | 600                    |
| Training                                  | 2,000                                | 3,944                  | 4,192                  |
| Travel                                    | 34,060                               | 85,318                 | 61,288                 |
| Utilities                                 | -                                    | -                      | 3,092                  |
| Youth and cultural activities             | 10,664                               | 13,079                 | 9,322                  |
|   | <b>337,373</b>                       | <b>398,332</b>         | <b>367,907</b>         |
| <b>Deficit</b>                            | <b>(19,083)</b>                      | <b>(41,304)</b>        | <b>(12,185)</b>        |

**Star Blanket Cree Nation**  
**Housing**  
**Schedule 8 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|   | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|---|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                         |                                      |                        |                        |
| Indigenous and Northern Affairs Canada  | 130,566                              | 130,566                | 130,566                |
| Canada Mortgage and Housing Corporation | 61,070                               | 54,976                 | 52,166                 |
| Other revenue                           | 36,000                               | 44,576                 | -                      |
| CMHC tenant rent                        | -                                    | 35,380                 | 24,259                 |
|   | <b>227,636</b>                       | <b>265,498</b>         | 206,991                |
| <b>Expenses</b>                         |                                      |                        |                        |
| Administration                          | 16,150                               | 10,000                 | 12,000                 |
| Amortization                            | -                                    | 30,603                 | 50,215                 |
| Bank charges and interest               | -                                    | 489                    | 140                    |
| Contracted services                     | -                                    | 25,461                 | 89,206                 |
| Fuel                                    | -                                    | 103                    | 1,550                  |
| Insurance                               | 51,391                               | 57,728                 | 61,706                 |
| Interest on long-term debt              | 21,329                               | 10,737                 | 10,972                 |
| Miscellaneous                           | 10,568                               | -                      | 3,375                  |
| Professional fees                       | 7,124                                | 3,491                  | -                      |
| Repairs and maintenance                 | 121,074                              | 52,551                 | 16,521                 |
| Supplies                                | -                                    | 5,210                  | 38,005                 |
| Travel                                  | -                                    | 4,879                  | 153                    |
|   | <b>227,636</b>                       | <b>201,252</b>         | 283,843                |
| <b>Surplus (deficit)</b>                | <b>-</b>                             | <b>64,246</b>          | <b>(76,852)</b>        |

**Star Blanket Cree Nation**  
**Operations and Maintenance**  
**Schedule 9 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|--|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                                |                                      |                        |                        |
| Indigenous and Northern Affairs Canada         | 339,673                              | 423,975                | 410,474                |
| Other revenue                                  | -                                    | 8,900                  | 11,726                 |
| FHQ Tribal Council                             | 5,089                                | 5,089                  | 5,089                  |
|  | <b>344,762</b>                       | <b>437,964</b>         | 427,289                |
| <b>Expenses</b>                                |                                      |                        |                        |
| Administration                                 | 28,929                               | 31,101                 | 33,188                 |
| Bank charges and interest                      | 150                                  | 180                    | 158                    |
| Contracted services                            | 31,969                               | 56,044                 | 352,641                |
| Fuel   | 11,000                               | 9,333                  | 17,386                 |
| Insurance                                      | 33,698                               | 70,867                 | 57,262                 |
| Meetings                                       | -                                    | 379                    | 100                    |
| Miscellaneous                                  | 2,000                                | 40                     | 4,067                  |
| Professional fees                              | -                                    | -                      | 50,150                 |
| Program expense                                | -                                    | 100                    | -                      |
| Pump outs                                      | -                                    | 6,750                  | 28,817                 |
| Registration fees                              | -                                    | 1,550                  | 150                    |
| Rent   | -                                    | -                      | 28,752                 |
| Repairs and maintenance                        | 76,923                               | 26,996                 | 18,847                 |
| Salaries and benefits                          | 149,281                              | 134,871                | 143,955                |
| Service agreements                             | -                                    | 51,635                 | 43,315                 |
| Supplies                                       | 24,893                               | 15,027                 | 58,214                 |
| Telephone                                      | -                                    | 1,292                  | 826                    |
| Training                                       | 200                                  | 4,200                  | -                      |
| Travel   | 2,800                                | 8,691                  | 6,654                  |
| Utilities                                      | 193,300                              | 129,764                | 122,695                |
|  | <b>555,143</b>                       | <b>548,820</b>         | 967,177                |
| <b>Deficit before other item and transfers</b> | <b>(210,381)</b>                     | <b>(110,856)</b>       | (539,888)              |
| <b>Other item</b>                              |                                      |                        |                        |
| Insurance proceeds                             | -                                    | 155,576                | 593,757                |
| <b>Surplus (deficit)</b>                       | <b>(210,381)</b>                     | <b>44,720</b>          | 53,869                 |

**Star Blanket Cree Nation**  
**Reserves and Trusts**  
**Schedule 10 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|--|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                        |                                      |                        |                        |
| Indigenous and Northern Affairs Canada | 5,000                                | 5,000                  | 5,000                  |
| Other revenue                          | 26,579                               | 175                    | 209                    |
|  | <b>31,579</b>                        | <b>5,175</b>           | 5,209                  |
| <b>Expenses</b>                        |                                      |                        |                        |
| Contracted services                    | -                                    | 4,200                  | 3,893                  |
| Salaries and benefits                  | 4,306                                | 228                    | 108                    |
| Supplies                               | 694                                  | 12                     | -                      |
| Travel                                 | -                                    | 3,236                  | 1,054                  |
|  | <b>5,000</b>                         | <b>7,676</b>           | 5,055                  |
| <b>Surplus (deficit)</b>               | <b>26,579</b>                        | <b>(2,501)</b>         | 154                    |

**Star Blanket Cree Nation**  
**Social Development**  
**Schedule 11 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 17)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|--|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                                |                                      |                        |                        |
| Indigenous and Northern Affairs Canada         | 623,823                              | 562,724                | 530,104                |
| Other revenue                                  | 300,922                              | 151,239                | 23,715                 |
| Living Skies Community Development Corporation | -                                    | 45,145                 | 35,378                 |
| Crawford Class Action Services                 | -                                    | 180,000                | -                      |
|  | <b>924,745</b>                       | <b>939,108</b>         | <b>589,197</b>         |
| <b>Expenses</b>                                |                                      |                        |                        |
| Administration                                 | 23,211                               | -                      | (74,436)               |
| Advertising, promotion and gifts               | -                                    | -                      | 3,650                  |
| Assistance                                     | 42,182                               | 144,741                | 95,317                 |
| Bank charges and interest                      | -                                    | 246                    | (2)                    |
| Basic needs                                    | 361,564                              | 416,256                | 359,192                |
| Contracted services                            | -                                    | 28,000                 | 4,310                  |
| Insurance                                      | -                                    | 236                    | -                      |
| Interest on long-term debt                     | -                                    | 23,490                 | 28,710                 |
| Lunches  | -                                    | 16,934                 | 13,809                 |
| Meetings                                       | -                                    | 11,114                 | 2,105                  |
| Miscellaneous                                  | -                                    | 3,000                  | 2,425                  |
| Professional fees                              | -                                    | -                      | 2,783                  |
| Program expense                                | 131,530                              | 12,999                 | 4,065                  |
| Registration fees                              | -                                    | -                      | 575                    |
| Salaries and benefits                          | 69,464                               | 60,356                 | 71,797                 |
| Supplies                                       | -                                    | 1,900                  | 238                    |
| Training                                       | -                                    | 11,200                 | 13,972                 |
| Travel   | 4,900                                | 41,430                 | 23,374                 |
| Youth and cultural activities                  | -                                    | 203,057                | 50,721                 |
|  | <b>632,851</b>                       | <b>974,959</b>         | <b>602,605</b>         |
| <b>Surplus (deficit) before transfers</b>      | <b>291,894</b>                       | <b>(35,851)</b>        | <b>(13,408)</b>        |
| <b>Transfers between programs</b>              | <b>-</b>                             | <b>104,111</b>         | <b>109,559</b>         |
| <b>Surplus</b>                                 | <b>291,894</b>                       | <b>68,260</b>          | <b>96,151</b>          |