



**Muskowekwan First Nation  
Consolidated Financial Statements**  
*March 31, 2014*



ACCOUNTING › CONSULTING › TAX  
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# Muskowekwan First Nation

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For the year ended March 31, 2014

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## **Management's Responsibility**

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To the Members of Muskowekwan First Nation:

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

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

Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

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

Signed Elaine Severight

Management

## Independent Auditors' Report

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To the Members of Muskowekwan First Nation:

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

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 qualified audit opinion.

### *Basis for Qualified Opinion*

We were unable to obtain sufficient appropriate audit evidence about the completeness, accuracy and occurrence of gaming revenues and related cost of sales incurred in the Muskowekwan Gaming Inc. program. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Due to significant deficiencies in the accounting records of Muskowekwan Gas Bar & Confectionary Ltd. we were unable to obtain sufficient appropriate audit evidence related to the First Nation's investment in this government business enterprise. Accordingly, we were not able to determine whether any adjustments were required to Investment in Nation business entities, Loss from investment in Nation business entities, accumulated surplus, and summary financial information disclosed in Note 6 for the Muskowekwan Gas Bar & Confectionary Ltd.

### *Qualified Opinion*

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Muskowekwan First Nation as at March 31, 2014, and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

September 10, 2014

**MNP LLP**  
Chartered Accountants

**Muskowekwan First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2014*

	<b>2014</b>	<b>2013</b>
<b>Financial assets</b>		
<b>Current</b>		
Cash	-	141,847
Term deposits	100,793	100,793
Restricted cash (Note 3)	100,223	149,988
Accounts receivable (Note 4)	1,736,604	1,430,391
Inventory for resale	3,231	42,001
Due from related party (Note 5)	36,356	35,995
<b>Subtotal of current assets</b>	<b>1,977,207</b>	<b>1,901,015</b>
Restricted cash (Note 3)	1,050,718	1,023,326
Investment in Nation business entities (Note 6)	77,948	1,756,623
Funds held in Ottawa Trust Fund (Note 7)	290,406	364,747
<b>Total financial assets</b>	<b>3,396,279</b>	<b>5,045,711</b>
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 8)	294,348	-
Accounts payable and accruals	1,540,526	2,192,617
Deferred revenue (Note 9)	104,027	126,444
Due to related parties (Note 10)	285,827	434,053
Current portion of long-term debt (Note 11)	1,158,301	1,100,306
<b>Subtotal of current liabilities</b>	<b>3,383,029</b>	<b>3,853,420</b>
Long-term debt (Note 11)	7,247,402	8,055,013
<b>Total financial liabilities</b>	<b>10,630,431</b>	<b>11,908,433</b>
<b>Net debt</b>	<b>(7,234,152)</b>	<b>(6,862,722)</b>
<b>Contingent liabilities (Note 12)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 13)	34,785,922	35,998,318
Prepaid expenses	-	11,413
<b>Total non-financial assets</b>	<b>34,785,922</b>	<b>36,009,731</b>
<b>Accumulated surplus (Note 14)</b>	<b>27,551,770</b>	<b>29,147,009</b>

Approved on behalf of Chief and Council

Signed Reginal Bellerose      **Chief**

Signed Julius Manitope      **Councillor**

**Muskowekwan First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2014*

	<b>2014 Budget (Note 20)</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada (Note 18)	5,522,068	6,245,397	6,174,947
Gaming	-	1,954,847	2,374,375
Lease	951,269	1,193,129	924,833
First Nations Trust	632,185	637,042	632,185
Other	1,310,693	562,999	386,969
Rental income	826,362	542,083	504,050
Health Canada	530,715	541,693	534,887
CMHC	1,074,656	449,207	446,734
Dakota Dunes Community Development Corporation	66,000	391,968	209,285
Touchwood Agency Tribal Council	225,003	355,576	382,313
Interest	27,560	92,607	145,340
Loss from investment in Nation business entities (Note 6)	-	(679,430)	(425,013)
	<b>11,166,511</b>	<b>12,287,118</b>	<b>12,290,905</b>
<b>Program expenses</b>			
Band Government	937,663	1,330,587	1,320,291
Capital	656,971	345,386	651,497
Community Infrastructure	783,026	787,344	1,048,250
Education	3,763,924	4,466,004	4,233,783
Lands	508,485	444,137	445,113
Social Development	1,609,661	1,470,608	1,720,244
Health	601,707	717,776	709,791
Economic Development	60,000	103,170	105,678
Housing	895,461	1,068,886	1,134,120
Muskowekwan Gaming Inc.	-	2,263,317	2,551,527
<b>Total expenses</b>	<b>9,816,898</b>	<b>12,997,215</b>	<b>13,920,294</b>
<b>Surplus (deficit) before other income</b>	<b>1,349,613</b>	<b>(710,097)</b>	<b>(1,629,389)</b>
<b>Other income</b>			
Gain on discontinued farming operations (Note 19)	-	114,103	-
Gain on disposal of tangible capital assets	-	-	5,800
	<b>-</b>	<b>114,103</b>	<b>5,800</b>
<b>Annual surplus (deficit)</b>	<b>1,349,613</b>	<b>(595,994)</b>	<b>(1,623,589)</b>
<b>Accumulated surplus, beginning of year</b>	<b>29,147,009</b>	<b>29,147,009</b>	<b>29,153,715</b>
Contribution from Muskowekwan Treaty Land Entitlement Trust	-	-	1,844,519
Change in other comprehensive income (Note 6)	-	(999,245)	(227,636)
<b>Accumulated surplus, end of year</b>	<b>30,496,622</b>	<b>27,551,770</b>	<b>29,147,009</b>

**Muskowekwan First Nation**  
**Consolidated Statement of Changes in Net Debt**  
*For the year ended March 31, 2014*

	<b>2014 Budget (Note 20)</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Annual surplus (deficit)</b>	<b>1,349,613</b>	<b>(595,994)</b>	<b>(1,623,589)</b>
Purchases of tangible capital assets	-	(297,222)	(635,808)
Amortization of tangible capital assets	-	1,418,180	1,453,060
Gain on disposal of tangible capital assets	-	-	(5,800)
Proceeds of disposal of tangible capital assets	-	91,438	12,000
	-	1,212,396	823,452
Use of prepaid expenses	-	11,413	868
Acquisition of prepaid expenses	-	-	(11,413)
Change in other comprehensive income	-	(999,245)	(227,636)
	-	(987,832)	(238,181)
<b>Change in net debt</b>	<b>1,349,613</b>	<b>(371,430)</b>	<b>(1,038,318)</b>
<b>Net debt, beginning of year</b>	<b>(6,862,722)</b>	<b>(6,862,722)</b>	<b>(5,824,404)</b>
<b>Net debt, end of year</b>	<b>(5,513,109)</b>	<b>(7,234,152)</b>	<b>(6,862,722)</b>

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

**Muskowekwan First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2014*

	<b>2014</b>	<b>2013</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	(595,994)	(1,623,589)
Non-cash items		
Amortization	1,418,180	1,453,060
Gain on disposal of capital assets	-	(5,800)
Loss from investment in Nation business entities	679,430	425,013
Contingent gain	(114,103)	-
	1,387,513	248,684
Changes in accounts		
Accounts receivable	(306,213)	(722,883)
Prepaid expenses	11,413	(10,545)
Inventory for resale	38,770	(1,538)
Accounts payable and accruals	(537,988)	1,189,623
Deferred revenue	(22,417)	(144,467)
	571,078	558,874
<b>Financing activities</b>		
Increase (decrease) in due to related parties (net)	(148,226)	275,284
Advances of long-term debt	146,404	793,724
Repayment of long-term debt	(896,020)	(925,743)
	(897,842)	143,265
<b>Capital activities</b>		
Purchases of tangible capital assets	(297,222)	(635,808)
Proceeds of disposal of tangible capital assets	91,438	12,000
	(205,784)	(623,808)
<b>Investing activities</b>		
Decrease in restricted cash	22,373	43,598
Decrease (increase) in due from related parties (net)	(361)	2,394
Decrease (increase) in funds held in Ottawa Trust Fund (net)	74,341	(167,122)
	96,353	(121,130)
<b>Decrease in cash resources</b>	(436,195)	(42,799)
<b>Cash resources, beginning of year</b>	141,847	184,646
<b>Cash resources (deficiency), end of year</b>	(294,348)	141,847
<b>Supplementary cash flow information</b>		
Interest paid	416,666	526,101

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**1. Nature of Operations**

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

**2. Significant accounting policies**

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

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity. The following entities and departments have been consolidated:

- Muskowekwan First Nation;
- Muskowekwan First Nation CMHC Housing;
- Muskowekwan Treaty Land Entitlement - Revenue Account; and
- Muskowekwan Gaming Inc.

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.

First Nation business entities, owned or controlled by the First Nation, but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include Muskowekwan Resources Ltd. and Muskowekwan Gas Bar & Confectionary Ltd. The Muskowekwan Treaty Land Entitlement Trust - Principal Account and Ledcor Trust - Principal Account are not included in the consolidated financial statements as they are administered and controlled by Trustees.

***Basis of presentation***

Sources of revenues and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses 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.

***Restricted cash***

Restricted cash consists of funds held for specific purposes. Cash held for specific purposes is maintained in separate bank accounts. Amounts restricted are for capital projects, CMHC replacement reserve, CMHC operating reserve and the Treaty Land Entitlement revenue account.

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

Funds held in trust on behalf of First Nation Members by the Government of Canada consist of:

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

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

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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

***Portfolio investments***

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

***Inventory***

Inventory is valued at the lower of cost and estimated net realizable value.

***Tangible capital assets***

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

Tangible capital assets disclosed 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
Housing	20 - 25 years
Buildings	25 years
Water and sewer	25 years
Equipment	10 years
Subdivision	25 years

Land is not amortized. Work in progress is not amortized until assets are put into use.

***Asset classification***

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

***Net debt***

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

***Revenue recognition***

***Non-government 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 are reflected as deferred revenue on the statement of financial position in the year of receipt.

***Government Transfers***

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

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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

***Other revenue***

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

***Other comprehensive income***

The First Nation's business entities are required to report under International Financial Reporting Standards (IFRS). Under IFRS, comprehensive income includes all changes in equity of an entity, except those resulting from investments by owners and distributions to owners. Comprehensive income is the total of net income and other comprehensive income. Other comprehensive income comprises revenues, expenses, gains and losses that, in accordance with International Financial Reporting Standards, require recognition, but are excluded from net income. Other comprehensive income represents adjustments to available-for-sale financial assets.

Other comprehensive income is derived in the First Nation's investments in Nation business entities and is recorded as a change in accumulated surplus.

***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 revenues and expenses during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, there are reported in the records in the period in which they become known.

***Segments***

The First Nation conducts its business through 12 reportable segments (Note 16). These operating segments are established by senior management to achieve the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

***Related Entities Financial Statements***

Separate financial statements are prepared for the following related entities:

- Muskowekwan First Nation CMHC Housing Authority;
- Muskowekwan Treaty Land Entitlement - Revenue Trust Account;
- Muskowekwan Treaty Land Entitlement - Principal Trust Account;
- Muskowekwan Gaming Inc.;
- Muskowekwan Resources Ltd.; and
- Muskowekwan Gas Bar & Confectionary Ltd.

These entities are owned by the First Nation, except for Muskowekwan Treaty Land Entitlement Trust - Principal Trust Account, which is related by common membership.

The financial results of the Muskowekwan Treaty Land Entitlement - Principal Trust Account and Muskowekwan Ledcor Trust are not included in the financial statements of the Muskowekwan First Nation as the Nation does not control the operations of the Trusts and they are governed by Trust Agreements. The financial statements of Muskowekwan Treaty Land Entitlement Trust - Revenue Trust and Principal Trust Accounts have December 31 year ends.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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

***Other Economic Interests***

The Muskowekwan First Nation is a member of the Touchwood Agency Specific Claim. The Touchwood Agency Specific Claim is an organization of five Nations, whose purpose is to negotiate a specific claim with regards to the Department of Aboriginal Affairs' alleged mismanagement of funds of the Touchwood Agency during the period 1920 to 1924.

The Muskowekwan First Nation is a member of Touchwood Child & Family Services Inc. The Touchwood Child & Family Services Inc. is an organization of six member Nations, whose purpose is to provide Child and Family services to the six member Nations.

The Muskowekwan First Nation is a member of Touchwood Post Secondary Program Inc. The Touchwood Post Secondary Program Inc. is an organization of three member Nations, whose purpose is to provide services to the member Nations.

The Muskowekwan First Nation is a member of Touchwood Agency Tribal Council Inc. The Touchwood Agency Tribal Council Inc. is an organization of four member Nations, whose purpose is to enhance the services provided to the member Nations.

The First Nation does not have a share in the profit or loss of the above entities. As a result, the financial statements of the Touchwood Agency Specific Claim, Touchwood Child & Family Services Inc., Touchwood Post Secondary Program Inc. and Touchwood Agency Tribal Council Inc. have not been consolidated in the financial statements of Muskowekwan First Nation.

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

***Recent accounting pronouncements***

***Liability for contaminated sites***

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The First Nation has not yet determined the effect of the new section in its consolidated financial statements.

***Financial instruments***

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2016.

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

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**3. Restricted cash**

	<b>2014</b>	<b>2013</b>
CMHC replacement reserve (long-term)	773,773	770,757
CMHC operating reserve (long-term)	276,945	252,569
Capital projects	98,455	147,403
TLE revenue account	1,768	2,585
	<b>1,150,941</b>	<b>1,173,314</b>

**4. Accounts receivable**

	<b>2014</b>	<b>2013</b>
Aboriginal Affairs and Northern Development Canada	963,424	1,169,927
Rent	461,299	60,134
Dakota Dunes Community Development Corporation	139,969	38,840
Touchwood Agency Tribal Council	133,408	68,968
Canada Mortgage and Housing Corporation	36,777	39,379
Other	1,727	12,690
Government of Saskatchewan	-	23,181
Health Canada	-	17,272
	<b>1,736,604</b>	<b>1,430,391</b>

**5. Due from related party**

Amounts due from Ledcor Trust - Principal Account are non-interest bearing, unsecured and without fixed repayment terms. Ledcor Trust - Principal Account is related by common membership.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**6. Investment in Nation business entities**

The First Nation has investments in the following entities:

	<i>Opening balance</i>	<i>Cumulative share of earnings (loss)</i>	<i>Other comprehensive income (loss)</i>	<b>2014</b>
				<b>Total investment</b>
<b>Portfolio investment</b>				
IMI Brokerage	24,500	-	-	24,500
<b>Wholly-owned Businesses:</b>				
Muskowekwan Gas Bar & Confectionary Ltd.	315,027	(261,679)	-	53,348
Muskowekwan Resources Ltd.	1,417,096	(417,751)	(999,245)	100
	<hr/>	<hr/>	<hr/>	<hr/>
	1,732,123	(679,430)	(999,245)	53,448
	<hr/>	<hr/>	<hr/>	<hr/>
	1,756,623	(679,430)	(999,245)	77,948
	<hr/>	<hr/>	<hr/>	<hr/>

Summary financial information for each business investment, accounted for using the modified equity method:

	<i>Muskowekwan Gas Bar &amp; Confectionary Ltd.</i>	<i>Muskowekwan Resources Ltd.</i>
	<i>As at March 31, 2014</i>	<i>As at March 31, 2014</i>
<b>Assets</b>		
Cash	-	39,496
Accounts receivable	61,715	87,324
Inventory	39,346	-
Investments	114,599	2,341,676
Building and equipment	236,953	13,424
Prepays	-	39,042
Due from related parties	-	270,243
<b>Total assets</b>	<b>452,613</b>	<b>2,791,205</b>
<b>Liabilities</b>		
Bank indebtedness	114,310	-
Accounts payable and accruals	144,429	71,231
Deferred revenue	-	38,732
Debenture	-	3,908,943
Long-term debt	97,823	-
Due to related parties	42,703	-
<b>Total liabilities</b>	<b>399,265</b>	<b>4,018,906</b>
<b>Accumulated other comprehensive loss</b>		
	-	(987,660)
<b>Net assets excluding accumulated other comprehensive loss</b>	<b>53,348</b>	<b>(240,041)</b>
<b>Total revenue</b>	<b>2,048,365</b>	<b>864,939</b>
<b>Total expenses</b>	<b>2,310,044</b>	<b>1,282,690</b>
<b>Net loss</b>	<b>(261,679)</b>	<b>(417,751)</b>
<b>Other comprehensive loss</b>	<b>-</b>	<b>(2,227,046)</b>
<b>Comprehensive loss</b>	<b>(261,679)</b>	<b>(2,644,797)</b>

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**6. Investment in Nation business entities** *(Continued from previous page)*

The First Nation's investment in Muskowekwan Resources Ltd. has been reduced to \$100 which is the cost of the shares owned by the First Nation. The other comprehensive loss recognized in the First Nation is \$1,227,801 less than the actual other comprehensive loss in Muskowekwan Resources Ltd. as the First Nation does not have a liability for additional unrealized losses incurred by Muskowekwan Resources Ltd. The other comprehensive loss is the result of a decline in the fair market value of investments held by Muskowekwan Resources Ltd. Subsequent to year-end, there has been a further significant decline in the fair market value of investments held by Muskowekwan Resources Ltd. This does not impact the consolidated financial statements as the investment has been reduced to \$100.

**7. Funds held in Ottawa Trust Fund**

Funds held in Ottawa Trust Fund are held on behalf of the Members of Muskowekwan First Nation by the Government of Canada and consist of a capital and revenue trust moneys. Moneys are transferred from these funds to the First Nation on the authorization of the First Nation's Chief and Council, with the consent of the Minister of Aboriginal Affairs and Northern Development Canada.

	<b>2014</b>	<b>2013</b>
<b>Capital Trust</b>		
Balance, beginning of year	268,806	171,681
Lease	-	97,125
Balance, end of year	<b>268,806</b>	268,806
<b>Revenue Trust</b>		
Balance, beginning of year	95,941	25,944
Interest	11,056	8,331
Lease	29,603	61,666
Payments to First Nation	(115,000)	-
Balance, end of year	<b>21,600</b>	95,941
	<b>290,406</b>	364,747

**8. Bank indebtedness**

The First Nation has a line of credit with Peace Hills Trust with an authorized limit of \$75,000. As at March 31, 2014 the First Nation had drawn \$49,392 from the line of credit, with the remaining bank indebtedness consisting of outstanding cheques and overdraft balances. The line of credit is secured by assignment of AANDC transfers and bears interest at prime plus 2.00%.

**9. Deferred revenue**

Revenue has been deferred for capital projects funded by Aboriginal Affairs and Northern Development Canada.

**10. Due to related parties**

	<b>2014</b>	<b>2013</b>
Muskowekwan Resources Ltd.	270,243	315,569
Muskowekwan Gas Bar & Confectionary Ltd.	15,584	118,484
	<b>285,827</b>	434,053

Amounts due to related parties are non-interest bearing, unsecured and without fixed repayment terms. The First Nation owns these related entities.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**11. Long-term debt**

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

Phase	Monthly Payment Including Interest	Interest Rate	Renewal Date	2014	2013
VII	1,691	5.15%	1-Feb-15	54,984	71,964
VIII	1,562	5.24%	1-Jan-18	65,047	79,861
XI	350	1.64%	1-Feb-17	11,960	15,931
XII	691	2.63%	1-Jun-16	25,800	33,308
XIII	2,328	2.37%	1-Jun-16	110,774	135,778
XIV	701	2.61%	1-Sep-14	75,109	81,483
XV	1,164	2.26%	1-Aug-16	149,421	159,898
XVI	800	1.67%	1-Apr-17	112,751	120,401
XVII	1,338	1.67%	1-Jun-18	201,429	213,664
XVIII	1,045	1.92%	1-Apr-19	162,610	172,027
XIX	1,422	2.84%	1-Apr-15	161,234	173,560
XX	8,002	1.64%	1-Dec-16	1,104,410	1,181,692
XXI	7,499	2.11%	1-Jan-19	1,448,584	1,502,721
XXII	8,362	2.86%	1-Aug-14	1,539,527	1,595,227
XXIII	2,143	1.44%	1-Jul-17	509,676	526,735
				5,733,316	6,064,250
Peace Hills Trust loan payable, interest at 6%, with blended principal and interest payments of \$9,688 monthly, matures September 2016, secured by an assignment of facility and land lease revenues				1,404,435	1,435,408
Peace Hills Trust loan payable, interest at 6%, with principal and interest payments of \$30,000 semi-annually, matures October 2015, secured by a GSA				403,677	303,595
Peace Hills Trust loan payable, interest at 7%, with principal and interest payments of \$18,000 quarterly, matures October 2015, secured by a GSA				282,000	300,000
Peace Hills Trust loan payable, interest at 6.75%, with principal and interest payments of \$150,000 semi-annually, matures April 2015, secured by an assignment of land lease revenues				233,031	360,233
Peace Hills Trust loan payable, interest at 7.5%, with principal and interest payments of \$25,000 quarterly, matures April 2016, secured by a GSA				202,729	283,685
Peace Hills Trust loan payable, interest 7%, with principal and interest payments of \$33,200 semi-annually, matures May 2015, secured by a GSA				91,505	148,491
Peace Hills Trust loan payable, interest at 7.5%, with principal and interest payments of \$5,000 quarterly, matures April 2016, secured by a GSA				39,655	55,910
Peace Hills Trust loan payable, interest at 8.5%, with principal and interest payments of \$16,750 annually, matures November 2014, secured by equipment and an assignment of Ledcor Trust revenues				15,355	29,876
Peace Hills Trust loan payable				-	18,021

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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

	<b>2014</b>	<b>2013</b>
Peace Hills Trust loan payable	-	155,850
	<b>8,405,703</b>	9,155,319
Current portion	<b>(1,158,301)</b>	(1,100,306)
	<b>7,247,402</b>	8,055,013

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed with similar rates and terms, are estimated as follows:

2015	1,158,301
2016	1,046,736
2017	949,314
2018	821,991
2019	404,545

**12. Contingent liabilities**

Funding

These consolidated financial statements are subject to review by the First Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

Touchwood Agency Specific Claim

The Government of Canada provided Touchwood Agency Specific Claim with an interest-free loan of approximately \$2,251,000 repayable on the earlier of March 31, 2010 or the date on which the claim is settled. The loan was advanced subject to conditions contained in a Native Claims Loan Agreement. If the conditions of this agreement are not met, the Agency must repay all funds advanced by the Government of Canada. The five Nations who are members of the Touchwood Agency Specific Claim may be directly or indirectly responsible for the repayment of this loan. The amount of the liability, if any, is not determinable at this time. If any liability results from the guarantee, it will be recorded in the period the liability is determinable.

Guarantee

The First Nation has guaranteed debt on behalf of 4 Directions Child & Family Services Inc. for the construction of a youth support facility located on the First Nation's land. The outstanding debt at March 31, 2014 was approximately \$2,650,000 (2013 - \$2,700,000). The First Nation would be liable if 4 Directions Child & Family Services Inc. default on the loan. As at March 31, 2014 the First Nation has no liability associated with this guarantee.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**13. Tangible capital assets**

<b>Cost</b>	<b>Housing</b>	<b>Buildings</b>	<b>Water and sewer</b>	<b>Equipment</b>	<b>Subdivision</b>	<b>Work in Progress</b>	<b>Purchased Land</b>	<b>Original Reserve Land</b>	<b>2014</b>	<b>2013</b>
Balance, beginning of year	20,750,738	12,199,809	2,869,012	2,187,019	2,257,394	84,319	14,374,657	1	54,722,949	52,250,622
Acquisition of tangible capital assets	-	-	12,650	160,734	-	123,838	-	-	297,222	635,808
Contribution from Muskowekwan TLE	-	-	-	-	-	-	-	-	-	1,844,519
Disposal of tangible capital assets	-	-	-	-	(163,282)	-	-	-	(163,282)	(8,000)
<b>Balance, end of year</b>	<b>20,750,738</b>	<b>12,199,809</b>	<b>2,881,662</b>	<b>2,184,471</b>	<b>2,257,394</b>	<b>208,157</b>	<b>14,374,657</b>	<b>1</b>	<b>54,856,889</b>	<b>54,722,949</b>
<b>Accumulated amortization</b>										
Balance, beginning of year	10,639,682	6,271,891	186,019	1,536,743	90,296	-	-	-	18,724,631	17,273,371
Annual amortization	652,100	473,299	72,042	130,443	90,296	-	-	-	1,418,180	1,453,060
Disposal of tangible capital assets	-	-	-	(71,844)	-	-	-	-	(71,844)	(1,800)
<b>Balance, end of year</b>	<b>11,291,782</b>	<b>6,745,190</b>	<b>258,061</b>	<b>1,595,342</b>	<b>180,592</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,070,967</b>	<b>18,724,631</b>
<b>Net book value</b>	<b>9,458,956</b>	<b>5,454,619</b>	<b>2,623,601</b>	<b>589,129</b>	<b>2,076,802</b>	<b>208,157</b>	<b>14,374,657</b>	<b>1</b>	<b>34,785,922</b>	
<b>2013 Net book value</b>	<b>10,111,056</b>	<b>5,927,918</b>	<b>2,682,993</b>	<b>650,276</b>	<b>2,167,098</b>	<b>84,319</b>	<b>14,374,657</b>	<b>1</b>	<b>35,998,318</b>	

Tangible capital assets includes the Original Reserve Land disclosed at a nominal amount.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**14. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2014</b>	<b>2013</b>
Operating	(1,103,653)	(1,977,074)
Capital Asset	27,137,634	27,842,827
Commercial	77,948	517,237
CMHC Operating Reserve	328,801	276,473
CMHC Replacement Reserve	820,634	883,413
Ottawa Trust Funds	290,406	364,747
Accumulated other comprehensive income	-	1,239,386
	<b>27,551,770</b>	<b>29,147,009</b>

**15. Funds and reserves**

The Muskowekwan First Nation maintains the following funds and reserves as part of its operations.

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

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**16. Segments**

The First Nation has 12 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

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

Investment in Business Entities - reports on gains and losses of the First Nation's business enterprises.

Band Government - reports on administration and governance activities.

Capital - reports on capital projects.

Community Infrastructure - reports on the maintenance of the community and its infrastructure.

Education - reports on the operations of education programs.

Lands - reports on activities for the development of the First Nation's land.

Social Development - reports on activities related to delivering social programs.

Health - reports on the First Nation's health programs.

Economic Development - reports on operations relating to developing the First Nation's economic opportunities.

Housing - reports on housing operations funded by Canada Mortgage and Housing Corporation.

Muskowekwan Gaming Inc. - reports on operations of the First Nation's not for profit organization.

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

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

**17. Economic dependence**

Muskowekwan First Nation receives a significant portion of its revenues from the Government of Canada as a result of Treaties entered into with the Crown in Right of Canada. However, these Treaties are administered by Aboriginal Affairs and Northern Development Canada under the terms and conditions of the Indian Act. The ability of the First Nation to continue to provide program and essential services is dependent upon Canada's continued financial commitments as guaranteed by these Treaties.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**18. Aboriginal Affairs and Northern Development Canada reconciliation**

AANDC funding per confirmation	6,282,139
Add:	
Deferred revenue - beginning of year	126,444
Deduct:	
Deferred revenue - end of year	(104,027)
Funding forfeited (P&ID)	(5,158)
12/13 Employee benefits reconciliation	(3,056)
13/14 Band Employee Benefits reconciliation	(740)
13/14 Child Tax Benefit (NCBR) reconciliation	(12,450)
13/14 Home/Adult Care reconciliation	(12,572)
13/14 Basic Needs reconciliation	(15,509)
13/14 ECIP reconciliation	(674)
13/14 Special Education/Prov reconciliation	(9,000)
	<hr/>
	6,245,397

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**19. Gain on discontinued farming operations**

During the year, the First Nation reached a settlement for unpaid accounts payables and accruals related to its discontinued farming operations. The gain resulting from amounts not payable has been recorded in the current period.

**20. Budget information**

The budget information disclosed is available for only some of the programs and has been approved by the First Nation's Chief and Council. Budget information is not available for Ottawa Trust Funds, investment in business enterprises, capital projects, and Muskowekwan Gaming Inc. The budget approved by Chief and Council included loan payments of \$786,400 as expenses. Canadian public sector accounting standards does not consider loan payments to be expenses. To ensure the budgeted information is in accordance with Canadian public sector accounting standards, loan payments have been excluded.

**21. Comparative figures**

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

**22. Compliance with laws**

The First Nation is required to post its consolidated financial statements on a website and submit the consolidated financial statements to Aboriginal Affairs and Northern Development Canada by July 29, 2014. The First Nation is in violation of this requirement. The possible effect of this violation has not yet been determined.

**Muskowekwan First Nation**  
**Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
Salaries and benefits	2,646,014	2,870,736	2,900,733
Cost of sales	-	1,655,265	1,771,729
Amortization	-	1,418,180	1,453,060
Social assistance	1,196,518	1,112,485	1,140,982
Tuition	825,440	1,091,569	986,590
Program education	654,679	624,679	624,679
Repairs and maintenance	1,152,843	507,674	662,333
Contracted services	770,810	485,518	554,824
Community support	168,069	366,414	468,279
Interest on long-term debt	458,247	321,532	354,104
Travel	286,042	300,341	420,473
Honourarium	220,000	299,460	315,138
Insurance	194,436	214,920	147,720
Professional fees	191,579	205,683	287,968
Utilities	158,604	151,614	177,422
Youth and elder activities	119,761	150,241	233,500
Rent	-	147,645	54,614
Student	26,412	113,069	121,553
Administration	10,032	110,445	93,554
Vehicle	62,526	102,557	135,950
Bank charges and interest	22,837	94,995	70,185
Training	65,745	93,093	54,620
Supplies	140,899	79,098	135,273
Professional development	36,050	76,143	26,743
Bad debts	-	69,654	133,051
School supplies	22,240	60,381	102,222
Telephone	35,514	54,389	61,914
Office supplies	116,802	48,761	95,867
Property tax	-	48,664	27,994
Office equipment lease	22,250	38,724	64,385
Miscellaneous	152,417	26,766	58,416
Cultural	31,079	23,000	24,350
Program	4,000	15,185	8,185
Funeral	11,000	10,375	9,750
Advertising	5,040	5,513	19,768
User fees	9,013	2,447	5,162
Construction	-	-	76,313
Management fees	-	-	39,669
Registration	-	-	1,312
Cash (over) short	-	-	(90)
	<b>9,816,898</b>	<b>12,997,215</b>	<b>13,920,294</b>

**Muskowekwan First Nation**  
**Ottawa Trust Funds**  
**Schedule of Segment Revenue and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Lease	-	29,603	158,791
Interest	-	11,055	8,331
<b>Surplus before transfers</b>	-	40,658	167,122
<b>Transfers between programs</b>	-	(115,000)	-
<b>Surplus (deficit)</b>	-	(74,342)	167,122

**Muskowekwan First Nation**  
**Investment in Business Entities**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Loss from investment in Nation business entities	-	(679,430)	(425,013)
<b>Deficit</b>	-	(679,430)	(425,013)

**Muskowekwan First Nation**  
**Band Government**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada	436,310	424,452	399,734
Dakota Dunes Community Development Corporation	36,000	329,468	-
Other	181,560	225,049	36,375
Lease	-	7,500	212,890
Interest	8,178	2,450	11,370
Rental income	20,000	-	-
	<b>682,048</b>	<b>988,919</b>	660,369
<b>Expenses</b>			
Honouraria	208,000	271,667	279,538
Salaries and benefits	220,360	270,253	303,980
Community support	16,000	170,808	105,982
Rent	-	147,645	54,614
Professional fees	158,186	117,680	230,802
Insurance	16,415	61,813	34,304
Travel	102,443	61,365	174,739
Bad debts	-	58,214	-
Youth and elder activities	20,000	49,025	872
Bank charges and interest	17,533	38,295	22,783
Telephone	26,599	26,271	35,818
Office equipment lease	22,250	23,815	45,224
Contracted services	82,945	18,828	9,418
Office supplies	25,838	10,863	8,161
Miscellaneous	1,008	5,274	-
Utilities	8,639	4,762	6,621
Advertising	5,040	2,858	5,559
Vehicle	-	1,535	202
Professional development	-	784	-
Repairs and maintenance	6,407	591	(6,771)
User fees	-	115	851
Supplies	-	-	41
Administration	-	(11,874)	7,553
	<b>937,663</b>	<b>1,330,587</b>	1,320,291
<b>Deficit before transfers</b>	<b>(255,615)</b>	<b>(341,668)</b>	(659,922)
<b>Transfers between programs</b>	<b>188,000</b>	<b>115,000</b>	-
<b>Deficit</b>	<b>(67,615)</b>	<b>(226,668)</b>	(659,922)

**Muskowekwan First Nation**  
**Capital**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada	219,368	326,785	294,835
Dakota Dunes Community Development Corporation	-	62,500	-
Rental income	190,593	22,028	-
Touchwood Agency Tribal Council	10,623	10,623	3,541
Other	65,046	902	115,300
Interest	-	-	93
	<b>485,630</b>	<b>422,838</b>	<b>413,769</b>
<b>Expenses</b>			
Repairs and maintenance	555,100	200,209	281,540
Salaries and benefits	52,085	48,874	74,962
Insurance	34,714	46,926	34,714
Bank charges and interest	-	31,421	29,492
Utilities	-	8,745	(5,391)
Travel	14,374	7,205	10,303
Contracted services	-	1,946	15,751
Vehicle	-	60	-
Bad debts	-	-	133,051
Construction	-	-	76,313
Office supplies	698	-	762
	<b>656,971</b>	<b>345,386</b>	<b>651,497</b>
<b>Surplus (deficit) before transfers</b>	<b>(171,341)</b>	<b>77,452</b>	<b>(237,728)</b>
<b>Transfers between programs</b>	<b>40,000</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>(131,341)</b>	<b>77,452</b>	<b>(237,728)</b>

**Muskowekwan First Nation**  
**Community Infrastructure**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014 Actual</i>	<i>2013 Actual</i>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada	335,723	369,735	484,459
Other	166,561	11,875	7,670
Rental income	22,138	7,250	-
Health Canada	-	5,200	-
	<b>524,422</b>	<b>394,060</b>	<b>492,129</b>
<b>Expenses</b>			
Amortization	-	266,629	280,580
Contracted services	170,123	154,907	190,434
Salaries and benefits	160,638	108,995	161,142
Repairs and maintenance	161,688	99,188	123,497
Utilities	85,029	58,980	85,030
Vehicle	48,695	30,456	48,450
Travel	25,689	20,938	24,834
Office supplies	59,674	20,757	47,675
Supplies	68,512	19,544	68,512
Professional development	-	2,415	-
Bank charges and interest	-	1,786	3,013
Community support	-	1,033	3,746
Telephone	815	846	815
Office equipment lease	-	720	8,102
User fees	2,163	150	2,163
Youth and elder activities	-	-	150
Honourarium	-	-	107
	<b>783,026</b>	<b>787,344</b>	<b>1,048,250</b>
<b>Deficit</b>	<b>(258,604)</b>	<b>(393,284)</b>	<b>(556,121)</b>

**Muskowekwan First Nation**  
**Education**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada	2,993,624	3,672,471	3,532,038
Touchwood Agency Tribal Council	119,400	253,751	191,166
Other	620,000	210,751	198,333
Dakota Dunes Community Development Corporation	30,000	-	32,000
Interest	-	(13)	3,749
	<b>3,763,024</b>	<b>4,136,960</b>	<b>3,957,286</b>
<b>Expenses</b>			
Salaries and benefits	1,607,974	1,757,295	1,619,235
Tuition	825,440	1,091,569	986,590
Program education	654,679	624,679	624,679
Amortization	-	291,527	284,380
Contracted services	261,218	227,682	227,133
Student	-	91,657	95,141
Repairs and maintenance	109,000	74,565	59,009
Professional development	30,000	61,682	20,437
School supplies	22,240	60,381	102,222
Supplies	54,203	57,056	45,713
Travel	40,776	38,955	66,969
Utilities	50,000	27,103	46,648
Professional fees	-	14,500	533
Honourarium	-	12,350	21,832
Office equipment lease	-	10,451	8,734
Vehicle	-	8,944	7,515
Telephone	6,600	6,482	6,445
Miscellaneous	81,874	3,946	2,166
Bank charges and interest	2,670	2,133	6,210
Training	2,000	1,070	448
Office supplies	3,050	907	736
Insurance	3,000	500	500
Cultural	-	300	-
Administration	9,000	270	455
Community support	-	-	53
User fees	200	-	-
	<b>3,763,924</b>	<b>4,466,004</b>	<b>4,233,783</b>
<b>Deficit</b>	<b>(900)</b>	<b>(329,044)</b>	<b>(276,497)</b>

**Muskowekwan First Nation**  
**Lands**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada	84,084	95,211	84,571
Lease	951,269	880,092	392,110
Interest	16,068	39,015	69,945
Other	38,858	8,004	-
Rental income	-	200	-
	<b>1,090,279</b>	<b>1,022,522</b>	546,626
<b>Expenses</b>			
Interest on long-term debt	-	177,197	190,902
Salaries and benefits	205,141	70,539	78,963
Property tax	-	48,664	31,767
Travel	7,546	44,767	26,704
Administration	-	30,000	8,514
Professional fees	7,510	26,831	20,640
Training	-	12,701	-
Contracted services	192,444	9,800	17,364
Honourarium	-	4,493	-
Office supplies	5,000	3,837	10,973
Bank charges and interest	525	3,715	3,013
Youth and elder activities	-	3,020	-
Miscellaneous	37,996	2,200	31,612
Telephone	-	1,869	1,779
Insurance	7,131	1,799	1,422
Utilities	1,936	938	4,806
Vehicle	11,731	700	-
Funeral	-	600	-
Repairs and maintenance	29,380	351	-
Community support	-	300	2,000
Supplies	2,145	-	13,342
Registration	-	-	1,312
User fees	-	(184)	-
	<b>508,485</b>	<b>444,137</b>	445,113
<b>Surplus before other income</b>	<b>581,794</b>	<b>578,385</b>	101,513
<b>Other income</b>			
Gain on discontinued operations	-	114,103	-
<b>Surplus before transfers</b>	<b>581,794</b>	<b>692,488</b>	101,513
<b>Transfers between programs</b>	<b>(83,000)</b>	<b>-</b>	-
<b>Surplus</b>	<b>498,794</b>	<b>692,488</b>	101,513

**Muskowekwan First Nation**  
**Social Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada	1,413,833	1,329,873	1,347,090
First Nations Trust	632,185	637,042	632,185
Lease	-	275,934	161,043
Other	238,668	101,736	29,290
Rental income	-	1,000	-
Interest	-	18	251
Dakota Dunes Community Development Corporation	-	-	177,285
	<b>2,284,686</b>	<b>2,345,603</b>	<b>2,347,144</b>
<b>Expenses</b>			
Social assistance	1,196,518	1,112,485	1,140,982
Training	63,745	79,322	54,172
Salaries and benefits	66,173	65,545	56,125
Youth and elder activities	70,136	57,116	209,539
Community support	86,510	44,679	106,962
Contracted services	14,750	27,884	39,462
Student	26,412	21,412	26,412
Cultural	25,779	19,850	21,200
Bank charges and interest	2,059	13,186	2,300
Funeral	11,000	9,775	9,750
Insurance	-	7,256	542
Travel	3,959	6,096	9,886
Miscellaneous	17,039	3,010	4,913
Supplies	5,080	1,365	2,615
Office supplies	17,374	818	1,128
Vehicle	-	519	27,723
Repairs and maintenance	3,127	290	7,463
Honourarium	-	-	1,500
Professional fees	-	-	942
Professional development	-	-	400
Property tax	-	-	(3,772)
	<b>1,609,661</b>	<b>1,470,608</b>	<b>1,720,244</b>
<b>Surplus before transfers</b>	<b>675,025</b>	<b>874,995</b>	<b>626,900</b>
<b>Transfers between programs</b>	<b>(105,000)</b>	<b>-</b>	<b>-</b>
<b>Surplus</b>	<b>570,025</b>	<b>874,995</b>	<b>626,900</b>

**Muskowekwan First Nation**  
**Health**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014 Actual</i>	<i>2013 Actual</i>
<b>Revenues</b>			
Aboriginal Affairs and Northern Development Canada	39,126	26,870	32,220
Health Canada	530,715	536,493	534,887
Touchwood Agency Tribal Council	34,980	29,702	21,155
Other	-	4,682	-
Interest	-	-	1
	<b>604,821</b>	<b>597,747</b>	<b>588,263</b>
<b>Expenses</b>			
Salaries and benefits	333,643	301,841	310,933
Amortization	-	77,184	78,347
Vehicle	2,100	60,343	52,059
Travel	91,255	54,057	66,041
Contracted services	44,330	43,270	52,262
Youth and elder activities	29,625	41,080	22,939
Community support	10,559	26,658	29,867
Administration	-	20,915	6,588
Program	4,000	15,185	8,185
Professional development	6,050	11,262	5,906
Honourarium	12,000	10,950	12,161
Telephone	1,500	9,814	10,468
Miscellaneous	14,500	8,019	10,382
Insurance	5,600	7,525	6,957
Repairs and maintenance	5,418	6,854	2,167
Utilities	13,000	6,388	5,710
Office supplies	5,168	5,056	14,405
Office equipment lease	-	3,738	2,325
Cultural	5,300	2,850	3,150
User fees	6,650	2,366	2,148
Supplies	10,959	1,133	5,050
Advertising	-	1,035	1,589
Bank charges and interest	50	253	152
	<b>601,707</b>	<b>717,776</b>	<b>709,791</b>
<b>Deficit</b>	<b>3,114</b>	<b>(120,029)</b>	<b>(121,528)</b>

**Muskowekwan First Nation**  
**Economic Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Touchwood Agency Tribal Council Interest	60,000 -	61,500 36,356	166,451 37,260
	<b>60,000</b>	<b>97,856</b>	<b>203,711</b>
<b>Expenses</b>			
Amortization	-	96,370	102,678
Community support	55,000	5,600	-
Contracted services	5,000	1,200	3,000
	<b>60,000</b>	<b>103,170</b>	<b>105,678</b>
<b>Surplus (deficit)</b>	<b>-</b>	<b>(5,314)</b>	<b>98,033</b>

**Muskowekwan First Nation**  
**Housing**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
CMHC	1,074,656	449,207	446,734
Rental income	593,631	446,834	442,542
Interest	3,314	3,519	14,080
	<b>1,671,601</b>	<b>899,560</b>	903,356
<b>Expenses</b>			
Amortization	-	652,100	672,704
Interest on long-term debt	458,247	144,335	158,811
Repairs and maintenance	282,723	102,922	160,496
Insurance	127,576	81,830	56,781
Administration	1,032	71,134	70,444
Professional fees	25,883	16,565	14,884
	<b>895,461</b>	<b>1,068,886</b>	1,134,120
<b>Surplus (deficit) before transfers</b>	<b>776,140</b>	<b>(169,326)</b>	(230,764)
<b>Transfers between programs</b>	<b>(40,000)</b>	<b>-</b>	-
<b>Surplus (deficit)</b>	<b>736,140</b>	<b>(169,326)</b>	(230,764)

**Muskowekwan First Nation**  
**Muskowekwan Gaming Inc.**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>Revenues</b>			
Gaming	-	1,954,847	2,374,375
Rental income	-	64,772	61,508
Interest	-	206	261
		<b>2,019,825</b>	2,436,144
<b>Expenses</b>			
Cost of sales	-	1,655,265	1,771,729
Salaries and benefits	-	247,394	295,394
Community support	-	117,337	219,670
Travel	-	66,957	40,998
Utilities	-	44,699	33,998
Amortization	-	34,371	34,371
Professional fees	-	30,107	20,168
Repairs and maintenance	-	22,702	34,933
Bad debts	-	11,440	-
Telephone	-	9,107	6,589
Insurance	-	7,271	12,500
Office supplies	-	6,525	12,028
Bank charges and interest	-	4,207	3,222
Miscellaneous	-	4,315	9,337
Advertising	-	1,620	12,620
Management fees	-	-	39,669
Interest on long-term debt	-	-	4,391
Cash over	-	-	(90)
		<b>2,263,317</b>	2,551,527
<b>Deficit before other income</b>	-	<b>(243,492)</b>	(115,383)
<b>Other income</b>			
Gain on disposal of capital assets	-	-	5,800
<b>Deficit</b>	-	<b>(243,492)</b>	(109,583)