

Management's Responsibility

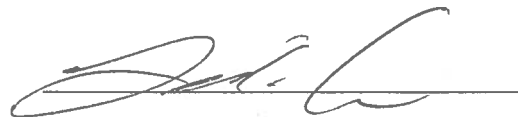
To the Members of **Ministikwan Lake Cree Nation**

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all the information in the annual report is consistent with the statements. The 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 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.

The Council is composed of elected officials. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfills these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the external auditors.

HNG Accounting Group, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the finance statements and report directly to them. 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.



2911A Cleveland Avenue
Saskatoon, Saskatchewan
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INDEPENDENT AUDITOR'S REPORT

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To the Members of Ministikwan Lake Cree Nation

We have audited the accompanying consolidated financial statements of **Ministikwan Lake Cree Nation** which is comprised of the consolidated statement of financial position as of March 31, 2014 and the consolidated statements of operations, changes in net financial assets (net debt), surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility of 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted my 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.

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

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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

Note 3 contains a listing of Ministikwan Lake Cree Nation's receivable amounts. We were unable to satisfy ourselves regarding the collectability of the members advances. As such, we were unable to determine whether adjustments were required to accounts receivable, wages, bad debts, and surplus (deficit) for the year.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis of Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material aspects, the financial position of **Ministikwan Lake Cree Nation** as at March 31, 2014, and the results of its operation, changes in net financial assets (net debt), and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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

Saskatoon, Saskatchewan
December 5, 2014



Chartered Professional
Accountants

MINISTIKWAN LAKE CREE NATIONSTATEMENT OF FINANCIAL POSITION
as at March 31, 2014

	<u>2014</u>	<u>2013</u>
<u>FINANCIAL ASSETS</u>		
Bank	\$ 208,645	\$ 784,676
Restricted deposit (Note 2)	392,782	385,321
Accounts receivable (Note 3)	658,795	825,588
Trust funds (Note 4)	424,001	367,425
Investments (Note 5)	2,568	2,568
Limited partnership interests (Note 6)	<u>4,789,660</u>	<u>4,658,261</u>
	<u>6,476,451</u>	<u>7,023,839</u>
<u>FINANCIAL LIABILITIES</u>		
Bank indebtedness	33,142	29,919
Accounts payable (Note 7)	960,338	196,182
Unexpended revenue (Note 8)	775,656	1,428,905
Term debt (Note 9)	5,468,630	4,694,712
Reserve liabilities	<u>254,802</u>	<u>148,496</u>
	<u>7,492,568</u>	<u>6,498,214</u>
NET FINANCIAL ASSETS	(<u>1,016,117</u>)	<u>525,625</u>
<u>NON-FINANCIAL ASSETS</u>		
Tangible capital assets (Note 10)	29,227,027	29,547,301
Inventory	<u>31,454</u>	<u>8,272</u>
	<u>29,258,481</u>	<u>29,555,573</u>
SURPLUS	\$ <u>28,242,364</u>	\$ <u>30,131,808</u>

APPROVED BY COUNCIL:


SEE ACCOMPANYING NOTES SUBJECT TO
INDEPENDENT AUDITOR'S REPORT DATED DECEMBER 5, 2014

MINISTIKWAN LAKE CREE NATION

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
for the period ended March 31, 2014

	<u>2014</u>	<u>2013</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (856,831)	\$ 157,791
Purchase of capital assets	(988,240)	(500,548)
Amortization of capital assets	326,511	431,126
Inventory	(23,182)	(8,272)
Prepaid expenses	<u>-</u>	<u>65,865</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(1,541,742)	145,962
BALANCE, beginning of the year	<u>525,625</u>	<u>379,663</u>
BALANCE, end of the year	<u>\$ (1,016,117)</u>	<u>\$ 525,625</u>

SEE ACCOMPANYING NOTES SUBJECT TO
INDEPENDENT AUDITOR'S REPORT DATED DECEMBER 5, 2014

MINISTIKWAN LAKE CREE NATION

STATEMENT OF OPERATIONS for the period ended March 31, 2014

	Budget 2014	2014	2013
REVENUE:			
Grants and Contributions:			
- AANDC	\$ 4,655,808	\$ 4,683,907	\$ 4,893,050
- Meadow Lake Tribal Council	4,137,894	4,292,708	4,494,201
- Canada Mortgage and Housing	514,684	514,684	470,454
- Health Canada	148,000	152,013	149,170
- Gaming Trust	400,000	485,267	496,577
- Northern Light Community Fund	153,392	153,392	144,031
- Government of Saskatchewan	-	-	2,500
Trust fund interest and leases	52,000	56,575	52,943
Expense recoveries and other income	-	221,387	162,047
Sales	1,260,000	1,447,220	457,622
Insurance proceeds	-	-	88,000
Rental revenue	18,000	17,861	27,865
Limited partnership earnings (Note 4)	<u>100,000</u>	<u>231,099</u>	<u>429,954</u>
	11,439,778	12,256,113	11,868,414
Unexpended revenue - prior year	1,428,905	1,428,905	1,141,763
- current year	<u>-</u>	<u>(775,656)</u>	<u>(1,428,905)</u>
	12,868,683	12,909,362	11,528,329
EXPENSES	<u>13,028,991</u>	<u>13,766,193</u>	<u>11,423,481</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (160,308)	\$ (856,831)	\$ 157,791

MINISTIKWAN LAKE CREE NATION**STATEMENT OF SURPLUS BALANCES**
for the year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
<u>SURPLUS, DEFERRED CAPITAL CONTRIBUTIONS</u>		
BALANCE, beginning of the year	\$ 23,862,407	\$ 24,758,381
PLUS: Capital assets acquired with contribution funding	-	54,326
LESS: Amortization recorded	(989,464)	(950,300)
BALANCE, end of the year	<u>\$ 22,872,943</u>	<u>\$ 23,862,407</u>
<u>SURPLUS, FUNDED RESERVES</u>		
BALANCE, beginning of the year	\$ 385,321	\$ 277,225
PLUS: Contributions	-	105,000
Interest	<u>7,461</u>	<u>3,096</u>
BALANCE, end of the year	<u>\$ 392,782</u>	<u>\$ 385,321</u>

MINISTIKWAN LAKE CREE NATIONSTATEMENT OF CHANGES IN EQUITY/SURPLUS BALANCES
for the year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
<u>SURPLUS (DEFICIT) UNAPPROPRIATED</u>		
BALANCE, as previously reported	\$ 5,833,470	\$ 6,116,785
PRIOR PERIOD ADJUSTMENT:		
- Adjustments to Unexpended Revenue	-	(370,275)
- Adjustment to change reporting practices to the current model	<u>-</u>	<u>(70,831)</u>
BALANCE, as restated	5,833,470	5,675,679
SURPLUS (DEFICIT) FOR THE YEAR	<u>(856,831)</u>	<u>157,791</u>
BALANCE, end of the year	\$ <u>4,976,639</u>	\$ <u>5,833,470</u>

SEE ACCOMPANYING NOTES SUBJECT TO
INDEPENDENT AUDITOR'S REPORT DATED DECEMBER 5, 2014

MINISTIKWAN LAKE CREE NATIONSTATEMENT OF CASH FLOWS
for the year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
OPERATIONS:		
Surplus (Deficit) for the year	\$ (856,831)	\$ 157,791
Plus amortization	<u>326,511</u>	<u>431,126</u>
	(530,320)	588,917
Changes in non-cash Working Capital items:		
Accounts receivable	166,793	(112,771)
Inventory	(23,182)	(8,272)
Prepaid expenses	-	65,865
Trust funds	(56,576)	27,057
Accounts payable	764,156	(1,134,310)
Unexpended revenue	(653,249)	287,142
Reserve liabilities	<u>106,306</u>	<u>97,886</u>
	(226,072)	(188,486)
INVESTING ACTIVITIES:		
Limited partnership equity change	(131,399)	(429,954)
Purchase of capital assets	(988,240)	(713,580)
	(1,119,639)	(1,143,534)
FINANCING ACTIVITIES:		
Receipt of deferred capital	-	213,332
Proceeds of term debt	919,043	760,539
Repayment of term debt	(145,125)	(176,224)
	<u>773,918</u>	<u>797,647</u>
INCREASE (DECREASE) IN CASH RESOURCES	(571,793)	(534,373)
CASH RESOURCES, beginning of the year	<u>1,140,078</u>	<u>1,674,451</u>
CASH RESOURCES, end of the year	\$ <u>568,285</u>	\$ <u>1,140,078</u>
Cash resources consist of:		
Bank	\$ 208,645	\$ 784,676
Restricted deposit	392,782	385,321
Bank indebtedness	(33,142)	(29,919)
	\$ <u>568,285</u>	\$ <u>1,140,078</u>

MINISTIKWAN LAKE CREE NATIONSUMMARY OF REVENUE AND EXPENSES BY ACTIVITY
for the year ended March 31, 2014

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Unexpended Revenue</u>	<u>Surplus / (Deficit)</u>
RESERVES AND TRUSTS:					
Registry	1	\$ <u>9,378</u>	<u>23,261</u>	<u>-</u>	\$ (<u>13,883</u>)
EDUCATION:					
Instructional	2	1,371,602	1,693,889	322,287	-
Support Services	3	110,536	112,329	-	(1,793)
Low Cost	3	128,118	128,118	-	-
Post Secondary	4	469,879	352,765	(117,114)	-
Student Transportation	5	222,273	222,650	-	(377)
High Cost	6	186,335	186,335	-	-
Enhanced Salaries	6	53,041	53,041	-	-
Student Success	7	<u>220,635</u>	<u>224,793</u>	<u>-</u>	(<u>4,158</u>)
		<u>2,762,419</u>	<u>2,973,920</u>	<u>205,173</u>	(<u>6,328</u>)
SOCIAL:					
Social Services	8	2,346,962	2,384,316	-	(37,354)
CRIF	8	126,918	126,918	-	-
National Child Benefit	9	463,920	463,920	-	-
Home Care	10	<u>55,589</u>	<u>55,589</u>	<u>-</u>	<u>-</u>
		<u>2,993,389</u>	<u>3,030,743</u>	<u>-</u>	(<u>37,354</u>)
INFRASTRUCTURE:					
Water Operations	12	49,650	49,650	-	-
Water Systems	12	55,690	105,690	-	(50,000)
Sanitation	13	42,892	88,011	-	(45,119)
Other Protection	14	7,118	7,118	-	-
School	15	364,972	366,646	-	(1,674)
Teacherage	15	18,468	18,468	-	-
Roads	16	57,014	323,759	-	(266,745)
Fire	17	-	5,143	-	(5,143)
Electrification	17	3,200	3,200	-	-
Community Building	18	<u>68,166</u>	<u>206,751</u>	<u>-</u>	(<u>138,585</u>)
		<u>667,170</u>	<u>1,174,436</u>	<u>-</u>	(<u>507,266</u>)

MINISTIKWAN LAKE CREE NATION

SUMMARY OF REVENUE AND EXPENSES BY ACTIVITY for the year ended March 31, 2014

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Unexpended Revenue</u>	<u>Surplus / (Deficit)</u>
CAPITAL PROJECTS:					
Water Treatment Plant	19	50,000	98,896	48,896	-
Subdivision	19	-	185,268	185,268	-
Lagoon	20	-	27,372	27,372	-
Fire Hall	21	117,500	300,132	182,632	-
Housing	22	<u>328,345</u>	<u>553,447</u>	<u>88,000</u>	(137,102)
		<u>495,845</u>	<u>1,165,115</u>	<u>532,168</u>	(137,102)
ADMINISTRATION:					
Band Support	23	644,488	920,369	-	(275,881)
Benefits	24	84,564	88,472	3,908	-
Service	24	91,899	91,899	-	-
Radio	25	46,918	46,918	-	-
Pension	25	<u>28,099</u>	<u>28,099</u>	<u>-</u>	<u>-</u>
		<u>895,968</u>	<u>1,175,757</u>	<u>3,908</u>	(275,881)
HEALTH:					
Community Based	27	26,745	27,617	-	(872)
Community Health	27	50,003	50,837	-	(834)
Community Wellness	28	81,174	82,641	-	(1,467)
Health Facility Management	29	43,982	83,977	-	(39,995)
Health Coordinator	30	77,279	86,263	-	(8,984)
Health Secretary	30	16,727	21,908	-	(5,181)
Health Committee	31	5,101	7,621	-	(2,520)
Addictions	31	63,462	57,466	-	5,996
Nursing	32	246,816	248,762	-	(1,946)
Pre-Natal	32	20,838	21,752	-	(914)
Health Transportation	33	174,454	266,553	-	(92,099)
Youth Suicide Prevention	34	9,833	12,899	-	(3,066)
Home Care	34	139,143	136,374	-	2,769
Aboriginal Headstart	35	77,807	77,810	-	(3)
Maternal Child Health	35	34,496	34,916	-	(420)
Aboriginal Diabetes	36	5,000	5,161	-	(161)
Fetal Alcohol Syndrome	36	3,000	3,650	-	(650)
Child and Family Services	37	138,686	139,303	-	(617)
Prevention	37	29,243	29,243	-	-
Daycare	38	71,178	72,900	-	(1,722)
Addictions and Rehab	39	11,102	11,102	-	-
Community Liaison	39	<u>150</u>	<u>-</u>	<u>-</u>	<u>150</u>
		<u>1,326,219</u>	<u>1,478,755</u>	<u>-</u>	(152,536)

MINISTIKWAN LAKE CREE NATIONSUMMARY OF REVENUE AND EXPENSES BY ACTIVITY
for the year ended March 31, 2014

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Unexpended Revenue</u>	<u>Surplus / (Deficit)</u>
BAND PROGRAMS:					
Economic Development	40	\$ 54,920	54,424	-	\$ 496
Gaming Trust	41	326,263	326,263	-	-
Active Measures	42	35,150	39,160	-	(4,010)
AANDC Trust	43	56,575	5,585	-	50,990
Rentals	43	17,861	40,216	-	(22,355)
Fire Suppression	44	57,702	58,528	-	(826)
Recreation	45	127,397	127,397	-	-
Northern Lights	46	153,392	65,392	(88,000)	-
Band Revenue	47	231,099	-	-	231,099
Elders	47	27,391	27,391	-	-
Self-Government	48	15,300	16,059	-	(759)
Justice	48	40,771	45,727	-	(4,956)
		<u>1,143,821</u>	<u>806,142</u>	<u>(88,000)</u>	<u>249,679</u>
OTHER:					
Convenience Store	49	1,447,220	1,423,380	-	23,840
CMHC Housing	50	<u>514,684</u>	<u>514,684</u>	<u>-</u>	<u>-</u>
		<u>1,961,904</u>	<u>1,938,064</u>	<u>-</u>	<u>23,840</u>
		<u>\$ 12,256,113</u>	<u>\$ 13,766,193</u>	<u>\$ 653,249</u>	<u>\$ (856,831)</u>

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, which encompasses the following principles:

Reporting Entity and Principles of Financial Reporting

The Ministikwan Lake Cree Nation reporting entity includes the Ministikwan Lake Cree Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Ministikwan Lake Cree Nation
- Ministikwan Lake Cree Nation Health Authority
- Ministikwan Lake Cree Nation CMHC Housing Authority
- Ministikwan Lake Convenience Store Enterprise

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Bank

Bank includes cash on hand and bank balances.

Investments

Incorporated business entities, which are owned or controlled by the Ministikwan Lake Cree Nation and which are not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method.

Long term investments in non-controlled entities are recorded at the lower of cost or net realizable value.

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Trust Funds

Funds held in trust on behalf of the First Nation by the Government of Canada in the Ottawa Trust Fund consist of:

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

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

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Amortization

Capital assets in the Capital Fund recorded are amortized annually over their expected useful life using the straight-line method at the following rates:

Buildings and improvements	20 to 75 years
General equipment	10 to 20 years
Vehicles and machinery	4 years
Trailers	10 years
Roads	25 years
Infrastructure	20 to 80 years
Houses	40 years

No amortization is recorded in the year of acquisition. Assets under construction are not amortized.

Deferred Capital Contribution

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Revenue Recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements, which relates to a subsequent fiscal year is reflected as unexpended revenue in the year of receipt.

Measurement Uncertainty

In preparing the consolidated financial statements for Ministikwan Lake Cree Nation, management is required to make estimates and assumptions that affect the reported amount 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 expenses during the period. Items requiring the use of significant estimate include allowance for doubtful accounts and amortization. Actual results could differ from these estimates.

Basis of Segmentation

The First Nation has adopted the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment.

The segments (functions) are as follows:

Reserves and Trusts: The reserves segment provides administration of the First Nation's registry.

Education: The education segment provides for the delivery of educational services, student transportation services, and post secondary support.

Social Services: The social services segment is comprised of home care, basic needs, special needs, social administration, and the National Child Benefit program.

Infrastructure: The infrastructure segment provides for the delivery of water, collecting and treating of wastewater, collection and disposal of solid waste, maintenance of community buildings and roads, maintenance of teacherages, and fire protection and fire suppression.

Capital Projects: The capital projects segment provides for the development of major infrastructure to benefit band members.

Administration: The administration segment provides for the administration of the First Nation.

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Health: The health segment delivers health services including prevention projects, medical transportation, mental health, solvent abuse, prenatal nutrition, and oral health, among others.

Band Programs: The band program segment delivers services aimed at stimulating economic development, and the delivery of assistance and community assistance through trust and other revenues.

Other Programs: The other programs segment includes houses operated under the Section 95 Social Housing CMHC program and the band owned convenience store.

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.

Recent Accounting Pronouncements – Financial Instruments

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

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial instruments 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.

Comparative Figures

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

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2014

2. RESTRICTED DEPOSITS:

Restricted deposits include short-term investments held in money markets. These deposits are held to satisfy the reserve requirements of Canada Mortgage and Housing Corp.

The CMHC Housing Authority has a contractual obligation to fund the replacement and operating reserves. At March 31, 2014, the Authority had a liability of \$254,802 (2013 - \$148,496).

3. ACCOUNTS RECEIVABLE:

Accounts receivable includes the following:

	<u>2014</u>	<u>2013</u>
Aboriginal Affairs	\$ 3,908	\$ 17,155
Canada Mortgage and Housing Corp	29,693	22,281
Meadow Lake Tribal Council	116,626	229,136
First Nations Trust	-	413,670
Northern Lights Community Development	160,107	116,862
Member advances	339,182	23,400
Goods and services taxes	<u>9,279</u>	<u>3,084</u>
	\$ 658,795	\$ 825,588
	<u><u> </u></u>	<u><u> </u></u>

4. FUNDS IN TRUST:

Trust funds held by the Aboriginal Affairs and Northern Development Canada include:

	<u>Capital</u>	<u>Revenue</u>	<u>Total</u>
Balance, March 31, 2013	\$ 325,387	\$ 42,038	\$ 367,425
Plus: Interest earned	<u>-</u>	<u>56,576</u>	<u>56,576</u>
	325,387	98,614	424,001
Less: Payments received	<u>-</u>	<u>-</u>	<u>-</u>
Balance, March 31, 2014	\$ 325,387	\$ 98,614	\$ 424,001
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2014

5. INVESTMENTS:

Ministikwan Lake Cree Nation has the following investments:

	<u>2014</u>	<u>2013</u>
Meadow Lake Co-op	\$ 1,627	\$ 1,627
First Nations Bank - 537 common shares	940	940
MLTC Program Services Inc. - 1 Class A common share (11% ownership)	1	1
	<u>\$ 2,568</u>	<u>\$ 2,568</u>

6. LIMITED PARTNERSHIPS:

MLTC Resource Development Limited Partnerships (11.1% interest):

	<u>2014</u>	<u>2013</u>
BALANCE, beginning of the period	\$ 4,658,561	\$ 4,228,607
PLUS: share of earnings	231,099	429,954
LESS: distribution received	(100,000)	-
BALANCE, end of the period	<u>\$ 4,789,660</u>	<u>\$ 4,658,561</u>

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2014

7. ACCOUNTS PAYABLE:

Accounts payable includes:

	<u>2014</u>	<u>2013</u>
Source deduction remittance arrears	\$ 361,952	\$ 112,528
Trade payables	205,428	3,708
Employees benefits payable	204,174	72,179
Housing Authority - mortgage arrears	98,388	-
- capital costa	81,000	-
- accrued interest	<u>9,396</u>	<u>7,767</u>
	\$ 960,338	\$ 196,182
	<u><u> </u></u>	<u><u> </u></u>

8. UNEXPENDED REVENUE:

The unexpended revenue balances include:

	<u>Sch</u>	<u>2014</u>	<u>2013</u>
Instructional	2	\$ 26,609	\$ 348,896
Post secondary	4	117,114	-
Capital water treatment plant*	20	107,729	156,625
Capital sub-division*	20	(44,718)	140,550
Capital lagoon*	21	24,648	52,020
Capital fire hall and truck*	22	343,320	525,952
Capital housing	23	-	88,000
Benefits	25	(3,908)	-
Northern lights	46	<u>204,862</u>	<u>116,862</u>
		\$ 775,656	\$ 1,428,905
		<u><u> </u></u>	<u><u> </u></u>

Certain of the capital program's funding is maintained in separate bank accounts (*).

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2014

9. TERM DEBT:

The CMHC Housing Authority has the following mortgages outstanding with Canada Mortgage and Housing Corporation which are all secured by a guarantee from Aboriginal Affairs and Northern Development:

	<u>2014</u>	<u>2013</u>
1) CMHC, repayable at \$1,228 per month including interest at 2.61%. The mortgage term expires on September 1, 2014.	\$ 136,787	\$ 145,374
2) CMHC, repayable at \$1,624 per month including interest at 1.64%. The mortgage term expires on December 1, 2016.	228,763	241,165
3) CMHC, repayable at \$4,886 per month including interest at 2.78%. The mortgage term expires on August 1, 2015.	792,934	805,227
4) CMHC, repayable at \$4,716 per month including interest at 2.39%. The mortgage term expires on September 1, 2015.	784,335	807,897
5) CMHC, repayable at \$3,909 per month including interest at 2.78%. The mortgage term expires on September 1, 2015.	626,164	643,842
6) CMHC, repayable at \$2,031 per month including interest at 1.64%. The mortgage term expires on December 1, 2016.	468,565	479,121
7) CMHC, repayable at \$998 per month including interest at 1.49%. The mortgage term expires on August 1, 2017.	233,363	239,831
8) CMHC repayable at \$3,104 per month including interest at 1.80%. The mortgage term expires on May 1, 2017.	717,836	729,735

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2014

9. TERM DEBT: (Continued)

	<u>2014</u>	<u>2013</u>
9) CMHC repayable at \$7,292 per month including interest at 2.11%. The mortgage term expires on Dec 31, 2018.	\$ 1,021,563	\$ 602,520
	<u>5,010,310</u>	<u>4,694,712</u>

The principal payments on the mortgages during the subsequent years is estimated at:

Year ended 2015	\$ 260,000
2016	198,000
2017	208,000
2018	220,000
2019	230,000
Subsequent years	<u>3,894,310</u>
	<u>\$ 5,010,310</u>

Ministikwan Lake Cree Nation also has the following term loan payable with First Nations Bank of Canada:

	<u>2014</u>	<u>2013</u>
FNBC, repayable at \$41,680 per month including interest at 4.35%.	\$ 458,330	\$ -
Less current portion	<u>458,330</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>

MINISTIKWAN LAKE CREE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2014

10. CAPITAL ASSETS:

The major categories of capital assets are:

	<u>2014</u>	<u>2013</u>
<u>Cost</u>		
Buildings – Band	\$ 17,557,698	\$ 17,557,698
Buildings – Health	1,410,519	1,410,519
Buildings – Store	451,997	451,997
Infrastructure	5,817,442	5,817,442
Roads	7,831,514	7,831,514
Houses	9,441,881	9,408,261
Equipment – Band	404,807	201,307
Equipment – Health	53,814	53,814
Equipment – Store	204,908	204,908
Vehicles – Band	1,338,232	1,310,641
Vehicles – Health	217,193	217,193
Computers – Band	158,563	158,563
Computers – Health	6,657	6,657
Computers – Store	33,336	22,673
Rental Houses	7,211,614	6,498,747
Land	<u>220,000</u>	<u>220,000</u>
	<u>52,360,175</u>	<u>51,371,934</u>
<u>Accumulated Amortization</u>		
Buildings – Band	\$ 6,674,202	\$ 6,295,847
Buildings – Health	440,843	411,335
Buildings – Store	280,238	262,158
Infrastructure	2,111,529	1,995,181
Roads	3,696,503	3,539,869
Houses	7,216,969	6,870,069
Equipment – Band	186,629	168,604
Equipment – Health	49,038	44,475
Equipment – Store	204,908	204,908
Vehicles – Band	1,102,137	996,713
Vehicles – Health	178,647	157,412
Computers – Band	153,133	144,967
Computers – Health	6,153	5,387
Computers – Store	23,739	22,673
Rental Houses	<u>808,480</u>	<u>705,035</u>
	<u>23,133,148</u>	<u>21,824,633</u>
Net Book Value	<u>\$ 29,227,027</u>	<u>\$ 29,547,301</u>

MINISTIKWAN LAKE CREE NATION**NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2014****11. FINANCIAL INSTRUMENTS:**

For financial assets and financial liabilities, the carrying amounts of these financial instruments approximate their fair value due to their short-term maturity or capacity for prompt liquidation.

The First Nation does not believe it is subject to any significant concentration of credit risk. Bank and restricted deposits are in place with major financial institutions.