

**BUFFALO RIVER DENE NATION**

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

for the year ended March 31, 2015

**BUFFALO RIVER DENE NATION**  
**INDEX TO THE FINANCIAL STATEMENT**

<u>Page</u>	
1	MANAGEMENT'S RESPONSIBILITY
2	INDEPENDENT AUDITOR'S REPORT
4	STATEMENT OF FINANCIAL POSITION
5	STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
6	STATEMENT OF OPERATIONS
7	STATEMENT OF SURPLUS / EQUITY BALANCES
9	STATEMENT OF CASH FLOWS
10	NOTES TO THE FINANCIAL STATEMENT
20	SUMMARY OF REVENUE AND EXPENSES BY ACTIVITY
24	SCHEDULES OF REVENUE AND EXPENSES BY ACTIVITY

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

To the Members of Buffalo River Dene Nation:

The accompanying consolidated financial statements of Buffalo River Dene Nation are the responsibility of management and have been approved by the Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgements of management.

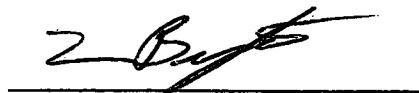
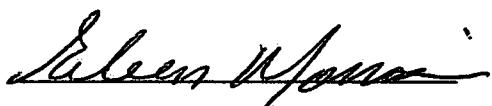
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, HNG Accounting Group conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to the financial management of Buffalo River Dene Nation and meet when required.

On behalf of Buffalo River Dene Nation:



2911A Cleveland Avenue  
Saskatoon, Saskatchewan  
S7K 8A9

INDEPENDENT AUDITOR'S REPORT

Phone: (306) 931 2131  
Fax: (306) 931 2323  
hngcpas@gmail.com

To the Members of the **Buffalo River Dene Nation**:

We have audited the accompanying consolidated financial statements of **Buffalo River Dene Nation** which is comprised of the consolidated statement of financial position as of March 31, 2015 and the consolidated statements of operations, changes in net financial assets, 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 my 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.



Chartered  
Professional  
Accountants

2911A Cleveland Avenue  
Saskatoon, Saskatchewan  
S7K 8A9

Phone: (306) 931 2131  
Fax: (306) 931 2323  
hngcpas@gmail.com

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 financial statements present fairly, in all material aspects, the financial position of **Buffalo River Dene Nation** as at March 31, 2015, and the results of its operation 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 my audit of the financial statements to the extent necessary to allow me to render an opinion thereon.

Saskatoon, Saskatchewan  
September 3, 2015

*HNG Accounting Group*

Chartered Professional  
Accountants

**BUFFALO RIVER DENE NATION**

**STATEMENT OF FINANCIAL POSITION**  
**as at March 31, 2015**

	<u>2015</u>	<u>2014</u>
<b><u>FINANCIAL ASSETS</u></b>		
Bank	\$ -	\$ 495,847
Restricted deposits	827,668	468,351
Accounts receivable (Note 2)	210,912	217,934
Advances receivable (Note 3)	400,000	400,000
Trust funds (Note 4)	57,405	56,054
Investments (Note 5)	874,932	858,028
Limited partnership interests (Note 6)	<u>4,892,083</u>	<u>4,989,487</u>
	<u>7,263,000</u>	<u>7,485,701</u>
<b><u>FINANCIAL LIABILITIES</u></b>		
Bank indebtedness	240,453	-
Accounts payable (Note 7)	384,273	454,844
Unexpended revenue (Note 8)	418,596	562,857
Funded reserves (Note 9)	548,956	468,351
Term debt (Notes 10 & 11)	<u>4,275,959</u>	<u>4,271,409</u>
	<u>5,868,237</u>	<u>5,757,461</u>
<b>NET FINANCIAL ASSETS</b>	<b>1,394,763</b>	<b>1,728,240</b>
<b><u>NON-FINANCIAL ASSETS</u></b>		
Tangible capital assets (Note 12)	<u>14,738,229</u>	<u>14,846,676</u>
<b>SURPLUS</b>	<b>\$ 16,132,992</b>	<b>\$ 16,574,916</b>
	<u>=====</u>	<u>=====</u>

APPROVED BY COUNCIL:

THE ACCOMPANYING NOTES ARE AN INTEGRAL  
 PART OF THESE FINANCIAL STATEMENTS

**BUFFALO RIVER DENE NATION****STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**for the year ended March 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	\$ 246,106	\$ 723,042
Sale of capital assets	187,640	-
Purchase of capital assets	( 1,010,145)	( 111,714)
Amortization of capital assets	195,945	151,052
Receipt of capital transfers	48,781	111,714
Funding agency adjustment	( 1,804)	-
 <b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	 ( 333,477)	 874,094
 <b>BALANCE, beginning of the year</b>	 <u>1,728,240</u>	 <u>854,146</u>
 <b>BALANCE, end of the year</b>	 \$ 1,394,763	 \$ 1,728,240
	 <hr/>	 <hr/>

**BUFFALO RIVER DENE NATION**

**STATEMENT OF OPERATIONS**  
**for the year ended March 31, 2015**

	<u>Budget</u>	<u>2015</u>	<u>2014</u>
<b>REVENUE:</b>			
Grants and Contributions:			
- Aboriginal Affairs	\$ 4,294,813	\$ 4,294,813	\$ 4,034,907
- Meadow Lake Tribal Council	4,002,814	3,914,934	3,873,265
- Northern Recreation Committee	43,987	43,987	44,350
- Government of Saskatchewan	10,500	10,500	21,000
- Solicitor General	-	5,031	14,792
- Health Canada	116,080	121,899	96,839
- First Nations Trust Gaming	450,000	480,081	492,248
- Northern Lights Community	108,218	108,218	205,011
- Canada Mortgage and Housing	-	-	14,000
Trust fund interest	2,000	2,167	1,551
Rentals	76,800	116,997	92,984
Earnings distributions and interest	320,000	535,147	431,415
Limited partnership earnings	100,000	46,881	231,099
Administrative fees	291,255	291,255	112,532
Contracting and service fees	205,000	234,091	183,957
Expense recoveries and other income	53,639	124,201	688,503
Sales tax rebates	30,000	37,497	9,527
Housing rentals and subsidy	<u>246,008</u>	<u>246,008</u>	<u>255,021</u>
	10,351,114	10,613,707	10,803,001
Unexpended revenue - prior year	562,857	562,857	592,762
- current year	<u>-</u>	<u>(418,596)</u>	<u>(562,857)</u>
	10,913,971	10,757,968	10,832,906
 <b>EXPENSES</b>	 <u>10,548,616</u>	 <u>10,528,766</u>	 <u>10,137,880</u>
 <b>SURPLUS (DEFICIT) BEFORE THE UNDERNOTED</b>	 365,355	 229,202	 695,026
 Change in investment equity	 <u>-</u>	 <u>16,904</u>	 <u>28,016</u>
 <b>SURPLUS (DEFICIT) FOR THE YEAR</b>	 <u>\$ 365,355</u>	 <u>\$ 246,106</u>	 <u>\$ 723,042</u>

**BUFFALO RIVER DENE NATION**

**STATEMENT OF SURPLUS BALANCES**  
**for the year ended March 31, 2015**

	<u>2015</u>	<u>2014</u>
<b><u>SURPLUS, DEFERRED CAPITAL TRANSFERS</u></b>		
BALANCE, beginning of the year	\$ 11,204,566	\$ 11,950,034
PLUS: Capital contributions received	48,781	111,714
LESS: Amortization recorded	( 735,007)	( 857,182)
BALANCE, end of the year	\$ 10,518,340	\$ 11,204,566
	<u>=====</u>	<u>=====</u>
<b><u>SURPLUS, APPROPRIATED FOR INVESTMENTS</u></b>		
BALANCE, beginning of the year	\$ 858,028	\$ 830,012
Buffalo River Dene Development - earnings (loss) for the year	( 642)	642
Meadow Lake Co-op - equity allocation	20,563	23,909
- funds distributed	( 21,024)	( 15,178)
Buffalo River Mini Mart & Gas Bar Inc. - earnings (loss) for the year	353,189	172,719
- funds distributed	( 335,182)	( 154,076)
BALANCE, end of the year	\$ 874,932	\$ 858,028
	<u>=====</u>	<u>=====</u>

**BUFFALO RIVER DENE NATION**

**STATEMENT OF SURPLUS / EQUITY BALANCES**  
**for the year ended March 31, 2015**

	<u>2015</u>	<u>2014</u>
<b><u>SURPLUS (DEFICIT), APPROPRIATED FOR CMHC HOUSING</u></b>		
BALANCE, as beginning of the year	\$ -	\$ -
ADJUSTMENTS BY FUNDING AGENCY	( 1,804)	-
SURPLUS (DEFICIT) for the year	-----	-----
BALANCE, end of the year	\$ ( 1,804)	\$ -
<b><u>SURPLUS (DEFICIT), UNAPPROPRIATED</u></b>		
BALANCE, as beginning of the year	\$ 4,512,322	\$ 3,817,296
SURPLUS (DEFICIT) FOR THE YEAR	246,106	723,042
	4,758,428	4,540,338
<b>ALLOCATION OF SURPLUS TO APPROPRIATED ACCOUNTS</b>		
- Investments	( 16,904)	( 28,016)
BALANCE, end of the year	\$ 4,741,524	\$ 4,512,322

**BUFFALO RIVER DENE NATION**

**STATEMENT OF CASH FLOWS**  
**for the year ended March 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>OPERATIONS:</b>		
Surplus (Deficit) for the year	\$ 246,106	\$ 723,042
Plus : amortization	195,945	151,052
: funding agency adjustment	<u>( 1,804)</u>	<u>-</u>
	440,247	874,094
<b>Changes in non-cash Working Capital items:</b>		
Accounts receivable	7,022	35,537
Accounts payable	<u>( 70,571)</u>	229,379
Unexpended revenue	<u>( 144,261)</u>	<u>( 29,905)</u>
	<u>232,437</u>	<u>1,109,105</u>
<b>INVESTING ACTIVITIES:</b>		
Sale of capital assets	187,640	-
Advances receivable	<u>-</u>	640
Purchase of capital assets	<u>( 1,010,145)</u>	<u>( 111,714)</u>
Trust equity change	<u>( 1,351)</u>	<u>( 1,550)</u>
Investment equity change	<u>( 16,904)</u>	<u>( 28,016)</u>
Limited partnership equity change	<u>97,404</u>	<u>( 127,059)</u>
	<u>( 743,356)</u>	<u>( 267,699)</u>
<b>FINANCING ACTIVITIES:</b>		
Receipt of capital funding	48,781	111,714
Proceeds of term debt	730,555	320,364
Repayment of term debt	<u>( 726,005)</u>	<u>( 753,358)</u>
	<u>53,331</u>	<u>( 321,280)</u>
INCREASE (DECREASE) IN CASH RESOURCES	<u>( 457,588)</u>	520,126
CASH RESOURCES, beginning of the year	<u>495,847</u>	<u>( 24,279)</u>
CASH RESOURCES, end of the year	<u>\$ 38,259</u>	<u>\$ 495,847</u>
<b>CASH RESOURCES:</b>		
Bank	<u>\$ ( 240,453)</u>	<u>\$ 495,847</u>
Restricted deposits	<u>827,668</u>	<u>468,351</u>
Funded reserves	<u>( 548,956)</u>	<u>( 468,351)</u>
	<u>\$ 38,259</u>	<u>\$ 495,847</u>

## **BUFFALO RIVER DENE NATION**

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2015

#### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These summary financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles:

##### Common Government Reporting Model

Buffalo River Dene Nation has adopted the common government reporting model, as defined by the CICA Public Sector Accounting Handbook and required for First Nation government bodies for fiscal years beginning on or after January 1, 2009. The changes have been applied retroactively.

##### Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management 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 financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

##### Reporting Entity and Principles of Financial Reporting

The Buffalo River Dene Nation reporting entity includes the Buffalo River Dene Nation government and all related entities, which are accountable to the Dene Nation and are either owned or controlled by the Dene 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:

- Buffalo River Dene Nation – CMHC Housing Fund

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.

Incorporated business entities, which are owned or controlled by the Buffalo River Dene Nation council and which are not dependent on the Dene Nation for their continuing operations, are included in the financial statements using the modified equity method. These include:

Buffalo River Dene Nation Development Corporation  
Buffalo River Mini Mart & Gas Bar Inc.

## BUFFALO RIVER DENE NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2015

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

##### Capital Assets

Property, equipment and infrastructure expenditures incurred are valued at acquisition cost.

Housing units of Buffalo River Dene Nation CMHC Housing Fund are amortized at the same rate as the principal repayment of the mortgages.

Amortization is provided over the estimated economic useful life of the asset on a straight-line basis on the following assets at the following rates:

Buildings	20 to 75 years
Housing units	40 years
Vehicles	4 years
Equipment and furniture	5 to 10 years
Trailers	10 years
Roads	25 years
Infrastructure	20 to 80 years

#### 2. ACCOUNTS RECEIVABLE:

	<u>2015</u>	<u>2014</u>
Housing rentals	\$ 51,220	\$ -
Housing subsidy receivable	20,808	11,657
MLTC Program Services	65,907	100,022
Northern Lights Community Development	14,585	33,533
Saskatchewan Highways	6,300	16,000
Government of Saskatchewan	-	6,484
MLTC Health & Social Development	3,264	12,183
Social Assistance advances	-	29,035
Payroll advances	8,071	1,000
Rentals and expense recoveries	<u>40,757</u>	<u>8,020</u>
	<hr/> \$ 210,912	<hr/> \$ 217,934
	<hr/> <hr/>	<hr/> <hr/>

## BUFFALO RIVER DENE NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2015

#### 3. ADVANCES RECEIVABLE:

The Dene Nation has made an advance to Buffalo River Mini Mart & Gas Bar Inc. of \$400,000 (2014 - \$400,000), which is unsecured, non-interest bearing and not subject to a fixed repayment schedule. Advances were made to purchase term deposits which are being held as security for bank operating lines of credit.

#### 4. TRUST FUNDS:

The following funds are held in trust for the Dene Nation by Aboriginal Affairs and Northern Development Canada:

	<u>Capital</u>	<u>Revenue</u>	<u>Total</u>
Balance, March 31, 2014	\$ 31,881	\$ 24,173	\$ 56,054
Plus: Interest	-	2,167	2,167
Less: Interest adjustment	-	( 817)	( 817)
Balance, March 31, 2015	<u>\$ 31,881</u>	<u>\$ 25,523</u>	<u>\$ 57,405</u>

#### 5. INVESTMENTS:

The First Nation holds the following investments:

	<u>2015</u>	<u>2014</u>
Innovation Credit Union patronage equity account	\$ 468	\$ 468
Meadow Lake Co-op patronage equity account	55,735	56,195
Buffalo River Dene Nation Development Corp.		
- Share capital	-	1
- Retained earnings	-	642
Buffalo River Mini Mart & Gas Bar Inc.		
- Share capital	100	100
- Contributed capital	88,252	88,252
- Retained earnings	729,434	711,427
First Nations Bank		
- 537 Class A common shares	940	940

## BUFFALO RIVER DENE NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2015

#### 5. INVESTMENTS: (Continued)

The First Nation holds the following investments:

	<u>2015</u>	<u>2014</u>
MLDC Program Services		
- 1 Class A common share (11%)	\$ 1	\$ 1
MLDC Investment Co. Ltd.		
- 1 Class A common share (11%)	1	1
MLTC Resource Development Inc.		
- 1 Class A common share	<u>1</u>	<u>1</u>
	<u>\$ 874,932</u>	<u>\$ 858,028</u>

Buffalo River Mart made an earnings distribution of \$335,182 (2014 - \$154,076) to the First Nation.

#### 6. LIMITED PARTNERSHIPS AND JOINT VENTURES:

The First Nation has the following holdings:

##### 1) MLTC Resource Development Limited Partnerships (11.1% interest):

	<u>2015</u>	<u>2014</u>
BALANCE, beginning of the year	\$ 4,789,660	\$ 4,658,561
PLUS: share of earnings	46,881	231,099
LESS: distribution received	( 150,000)	( 100,000)
BALANCE, end of the year	<u>4,686,541</u>	<u>4,789,660</u>

## **BUFFALO RIVER DENE NATION**

## NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2015

## 6. LIMITED PARTNERSHIPS AND JOINT VENTURES: (Continued)

## 2) Mudjatik Enterprises Joint Venture:

	<u>2015</u>	<u>2014</u>
BALANCE, beginning of the year	\$ 199,827	\$ 203,867
PLUS: share of earnings	179,400	262,161
LESS: distribution received	( 173,685)	( 266,201)
BALANCE, end of the year	<u>205,542</u>	<u>199,827</u>
	\$ 4,892,083	\$ 4,989,487

## 7. ACCOUNTS PAYABLE:

	<u>2015</u>	<u>2014</u>
Accrued capital housing costs	\$ 7,613	\$ -
Accrued mortgage interest	2,365	2,557
Employee payroll deductions	11,670	-
Employee pension contributions	12,480	17,813
Employee insurance contributions	6,452	14,637
Legal fees	45,689	63,170
Buffalo River Mini Mart	118,357	65,468
Trade creditors	127,884	206,175
Housing reserve obligations (Note 9)	( 5,736)	85,024
Capital asset purchases	<u>57,499</u>	-
	\$ 384,273	\$ 454,844

## BUFFALO RIVER DENE NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2015

#### 8. UNEXPENDED REVENUE:

The First Nation has the following unexpended (overexpended) revenue:

	<u>Sch</u>	<u>2015</u>	<u>2014</u>
Instruction	2	\$ 151,812	\$ 171,037
Benefits	15	( 15,420)	7,227
Capital Water and Sewer	18	111,006	147,315
Capital School Upgrade	19	165,817	237,278
Tuberculosis	26	<u>5,381</u>	-
		<u>\$ 418,596</u>	<u>\$ 562,857</u>

#### 9. FUNDED RESERVES:

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation is required to fund both an asset replacement reserve and an operations surplus reserve. Use of the funded reserves is subject to the terms of the agreement. As for the fiscal year end the reserve obligation is:

	<u>2015</u>	<u>2014</u>
Total obligation	\$ 543,220	\$ 553,375
Funds on deposit	<u>548,956</u>	<u>468,351</u>
Payable balance (Note 7)	<u>\$ ( 5,736)</u>	<u>\$ 85,024</u>

**BUFFALO RIVER DENE NATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended March 31, 2015**

**10. TERM DEBT:**

	<u>2015</u>	<u>2014</u>
<u>Bank Loans</u>		
First Nations Bank # 1- proceeds of which were used to repay existing loans, fund a contribution to a CMHC housing program and provide working capital. The loan is repayable in quarterly instalments of \$67,083 plus interest monthly at 5.35%.	\$ 1,759,050	\$ 2,027,383
First Nations Bank # 2 – proceeds of which were used to fund working capital, complete capital projects and fund reserve accounts. The loan is repayable in annual instalments of \$150,000 plus monthly instalments of \$4,808 plus interest 5.35%.	444,231	651,923
First Nations Bank # 3 – proceeds of which were used to fund working capital. The loan is repayable in monthly instalments of \$4,167 plus interest at 5.35%.	112,500	162,500
First Nations Bank # 4 – proceeds of which were used to payout a finance contract. The loan is repayable monthly instalments of \$2,333 plus interest at 5.35%.	70,576	99,570
First Nations Bank # 5 – proceeds of which were used to finance legal costs. The loan is repayable in monthly instalments of \$5,000 plus interest at 5.35%.	180,000	-
	<hr/>	<hr/>
	\$ 2,566,357	\$ 2,941,376
	<hr/>	<hr/>

The amount of debt repayable in subsequent periods is estimated to be:

	<u>Loan # 1</u>	<u>Loan # 2</u>	<u>Loan # 3</u>
2016	\$ 268,333	\$ 207,696	\$ 50,004
2017	268,333	207,696	50,004
2018	268,333	28,839	12,492
2019	268,333	-	-
2020	268,333	-	-
Subsequent years	<u>417,385</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>
	\$ 1,759,050	\$ 444,231	\$ 112,500
	<hr/>	<hr/>	<hr/>

**BUFFALO RIVER DENE NATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended March 31, 2015**

**10. TERM DEBT: (Continued)**

	<u>Loan # 4</u>	<u>Loan # 5</u>	<u>Total</u>
2016	\$ 27,996	\$ 60,000	\$ 614,029
2017	27,996	60,000	614,029
2018	14,584	60,000	384,248
2019	-	-	268,333
2020	-	-	268,333
Subsequent years	<u>-</u>	<u>-</u>	<u>417,385</u>
	<u>\$ 70,576</u>	<u>\$ 180,000</u>	<u>\$ 2,566,357</u>

**11. RENTAL MORTGAGES:**

	<u>2015</u>	<u>2014</u>
<u>Phase 2</u> CMHC mortgage with payments of \$561 per month including interest at the rate of 2.69%. Renewal date May 1, 2015.	\$ 1,118	\$ 7,724
<u>Phase 3</u> CMHC mortgage	-	9,017
<u>Phase 4</u> CMHC mortgage with payments of \$1,698 per month including interest at the rate of 2.63%. Renewal date June 1, 2016.	197,076	212,077
<u>Phase 5</u> CMHC mortgage with payments of \$1,524 per month including interest at the rate of 1.53%. Renewal date December 1, 2017.	218,922	234,585
<u>Phase 6</u> CMHC mortgage with payments of \$1,645 per month including interest at the rate of 2.84%. Renewal date April 1, 2015.	241,147	253,881
<u>Phase 7</u> CMHC mortgage with payments of \$4,384 per month including interest at the rate of 3.17%. Renewal date December 1, 2013.	576,871	612,749

**BUFFALO RIVER DENE NATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended March 31, 2015**

**11. RENTAL MORTGAGES:**

	<u>2015</u>	<u>2014</u>
<b>Phase 8</b>		
CMHC mortgage with payments of \$3,118 per month including interest at the rate of 3.23%. Renewal date is May 1, 2020.	\$ 474,468	\$ -
	<u>_____</u>	<u>_____</u>
	\$ 1,709,602	\$ 1,330,033
	<u>_____</u>	<u>_____</u>

The amount of debt to be repaid in subsequent years is estimated at:

Year ended 2016	\$ 108,200
2017	112,500
2018	119,000
2019	126,000
2020	137,000
Subsequent years	<u>1,106,902</u>
	<u>_____</u>
	\$ 1,709,602
	<u>_____</u>

## **BUFFALO RIVER DENE NATION**

## NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2015

## 12. CAPITAL ASSETS:

The major categories of capital assets are:

	<u>2015</u>	<u>2014</u>
<u>Cost</u>		
Rental housing	\$ 3,432,319	\$ 3,037,734
Buildings	9,771,662	9,771,662
Equipment	217,874	217,874
Vehicles	716,607	600,326
Machinery	461,629	461,629
Trailers	439,634	439,634
Rental residences	868,792	868,792
Infrastructure	5,871,832	5,871,832
Roads	254,483	254,483
Houses	<u>14,000,766</u>	<u>13,813,126</u>
	36,035,598	35,337,092

### **Accumulated Amortization**

Rental housing	690,849	719,863
Buildings	3,781,614	3,574,658
Equipment	156,478	138,274
Vehicles	535,916	502,455
Machinery	378,629	295,629
Trailers	409,275	405,615
Rental residences	532,269	504,010
Infrastructure	2,869,899	2,752,463
Roads	254,483	249,791
Houses	<u>11,687,957</u>	<u>11,347,658</u>
	21,297,369	20,490,416

**Net Book Value** \$ 14,738,229 \$ 14,846,676

**BUFFALO RIVER DENE NATION****NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended March 31, 2015****13. CONTINGENCIES:**

Buffalo River Dene Nation has provided a guarantee of \$400,000 on the bank indebtedness of Buffalo River Mini Mart & Gas Bar Inc. At March 31, 2015 the outstanding bank indebtedness of the above organizations was \$148,414. Buffalo River Mini Mart & Gas Bar Inc. is a wholly owned businesses of the Dene Nation. The bank indebtedness is fully secured by pledged term deposits.

**14. FINANCIAL INSTRUMENTS:**

The First Nation, as part of its operations, carries a number of financial instruments which include term deposit, accounts/advances receivable, trust funds, investments, bank indebtedness, accounts/advances payable, unexpended revenue, and term debt. The carrying amounts of the First Nation's financial instruments approximates their market value due to their relatively short-term maturity or capacity for prompt liquidation. It is the management's opinion that the First Nation is not exposed to significant liquidity, interest rate, or credit risk arising from these financial instruments.

**15. COMPARATIVE NUMBERS:**

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

**BUFFALO RIVER DENE NATION****SCHEDULE OF REVENUE AND EXPENSES BY ACTIVITY**  
for the year ended March 31, 2015

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue Adjust</u>	<u>Surplus (Deficit)</u>
<b>RESERVES:</b>					
Registry	1	\$ 10,004	10,202	-	\$ ( 198)
<b>EDUCATION:</b>					
Instruction	2	1,513,073	1,532,298	19,225	-
Transportation	3	118,565	133,402	-	( 14,837)
Post Secondary	3	467,554	459,743	-	7,811
Support	4	145,639	146,949	-	( 1,310)
Low Cost	4	132,339	132,339	-	-
Behaviour Modification	5	169,543	169,543	-	-
Enhanced	5	54,788	54,788	-	-
		<u>2,601,501</u>	<u>2,629,062</u>	<u>19,225</u>	<u>( 8,336)</u>
<b>SOCIAL SERVICES:</b>					
National Child	6	48,637	48,637	-	-
Safety Ticket	6	28,205	30,000	-	( 1,795)
Home Care	7	42,484	42,484	-	-
Assisted Living	7	6,318	6,438	-	( 120)
		<u>125,644</u>	<u>127,559</u>	<u>-</u>	<u>( 1,915)</u>
<b>INFRASTRUCTURE:</b>					
Electrification	8	21,921	21,921	-	-
Community Building	8	229,678	229,678	-	-
Roads	9	170,621	172,121	-	( 1,500)
Fire Protection	9	16,092	16,605	-	( 513)
Water	10	230,297	230,297	-	-
Water Salaries	10	62,392	62,392	-	-
Sanitation	11	143,665	148,681	-	( 5,016)
Facility Insurance	11	63,891	63,891	-	-
School Maintenance	12	320,149	321,011	-	( 862)
Teacherage	13	27,205	27,860	-	( 655)
Other Protection	13	8,111	8,111	-	-
		<u>1,294,022</u>	<u>1,302,568</u>	<u>-</u>	<u>( 8,546)</u>

**BUFFALO RIVER DENE NATION****SCHEDULE OF REVENUE AND EXPENSES BY ACTIVITY**  
**for the year ended March 31, 2015**

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue Adjust</u>	<u>Surplus (Deficit)</u>
<b>BAND SUPPORT:</b>					
Administration	14	\$ 800,783	842,859	-	\$ ( 42,076)
Benefits	15	76,852	99,499	22,647	-
Service Delivery	15	72,150	73,835	-	( 1,685)
Benefits	16	<u>35,877</u>	<u>35,877</u>	-	-
		<u>985,662</u>	<u>1,052,070</u>	<u>22,647</u>	<u>( 43,761)</u>
<b>CAPITAL:</b>					
Housing	17	138,445	138,445	-	-
Renovations	17	230,400	232,296	-	( 1,896)
Water	18	-	36,309	36,309	-
School Upgrade	19	<u>50,000</u>	<u>121,461</u>	<u>71,461</u>	-
		<u>418,845</u>	<u>528,511</u>	<u>107,770</u>	<u>( 1,896)</u>
<b>HEALTH:</b>					
Management	20	138,127	128,143	-	9,984
Community Health	21	103,606	83,778	-	19,828
Addictions	22	65,502	65,248	-	254
Home Care	22	102,887	113,110	-	( 10,223)
FASD	23	52,539	51,334	-	1,205
Family Life	24	105,036	115,647	-	( 10,611)
Nursing	25	422,179	435,342	-	( 13,163)
Tuberculous	26	37,440	32,059	( 5,381)	-
Transportation Clerk	27	36,672	42,871	-	( 6,199)
Child and Family	28	233,306	219,952	-	13,354
Prevention	28	15,000	15,000	-	-
Daycare	29	139,214	138,227	-	987
Programming	30	35,234	37,575	-	( 2,341)
Domestic Violence	30	12,000	12,213	-	( 213)
Facility Management	31	53,009	54,885	-	( 1,876)
Water Technician	31	14,457	14,844	-	( 387)
Headstart	32	91,966	91,966	-	-
Threat and Risk	33	85,233	85,440	-	( 207)
Youth Suicide	34	9,833	10,088	-	( 255)
Maternal Child	34	<u>34,922</u>	<u>35,033</u>	-	<u>( 111)</u>
		<u>1,788,162</u>	<u>1,782,755</u>	<u>( 5,381)</u>	<u>26</u>

**BUFFALO RIVER DENE NATION****STATEMENT OF REVENUE AND EXPENSES BY ACTIVITY**  
**for the year ended March 31, 2015**

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue/Cost Adjust</u>	<u>Surplus (Deficit)</u>
<b>OTHER PROGRAMS:</b>					
Assistance	35	\$ 1,613,530	1,624,434	-	\$ ( 10,904)
Special Needs	35	106,660	109,803	-	( 3,143)
Student Success	36	220,635	244,190	-	( 23,555)
CRIF Training	36	21,000	21,250	-	( 250)
Justice	37	40,771	41,696	-	( 925)
Police Board	38	15,531	15,599	-	( 68)
Elder Support	38	10,000	10,000	-	-
Economic Development	39	55,612	69,925	-	( 14,313)
Fire Suppression	40	152,140	151,826	-	314
RCMP Rentals	41	17,600	25,920	-	( 8,320)
Housing Rent	41	38,497	31,136	-	7,361
Ottawa Trust	42	2,167	-	-	2,167
Hot Meals	43	98,618	105,594	-	( 6,976)
Active Measures	43	35,000	36,314	-	( 1,314)
Northern Recreation	44	43,987	46,399	-	( 2,412)
Northern Lights	45	58,338	67,094	-	( 8,756)
Cultural Support	45	10,000	10,551	-	( 551)
Own Source Revenue	46	536,463	34,603	-	501,860
Primrose Settlement	46	<u>125,380</u>	<u>261,767</u>	<u>-</u>	<u>( 136,387)</u>
		<u>3,201,929</u>	<u>2,908,101</u>	<u>-</u>	<u>293,828</u>
<b>APPROPRIATED:</b>					
CMHC Housing	48	<u>246,008</u>	<u>246,008</u>	<u>-</u>	<u>-</u>
		<u>\$ 10,671,777</u>	<u>10,586,836</u>	<u>144,261</u>	<u>\$ 229,202</u>