



**Waterhen Lake First Nation
Consolidated Financial Statements**

March 31, 2015

Waterhen Lake First Nation

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For the year ended March 31, 2015

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Management's Responsibility

To the Members of Waterhen Lake First Nation:

The accompanying consolidated financial statements of Waterhen Lake First Nation are the responsibility of management and have been approved by the Chief and Council.

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.

Management is responsible 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.

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

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

June 29, 2015

Signed: Judy Fiddler

Management

Independent Auditors' Report

To the Members of Waterhen Lake First Nation:

We have audited the accompanying consolidated financial statements of Waterhen Lake First Nation, which comprise the consolidated statement of financial position as at March 31, 2015 and the consolidated statements of operations and accumulated surplus, changes in net financial assets (net debt), cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly in all material respects the financial position of Waterhen Lake First Nation as at March 31, 2015 and the results of its operations, changes in net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

June 29, 2015

MNP LLP
Chartered Accountants

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

| | 2015 | 2014 |
|---|--------------------|-------------------|
| Financial assets | | |
| Current | | |
| Accounts receivable (Note 4) | 132,948 | 176,426 |
| Inventory for resale | 1,500 | 1,500 |
| | 134,448 | 177,926 |
| Portfolio investments (Note 6) | 21,502 | 21,502 |
| Due from Waterhen Forestry Products Inc. (Note 7) | 75,683 | 88,863 |
| Investment in Waterhen Forestry Products Inc. (Note 8) | 1,817,777 | 1,982,169 |
| Funds held in trust (Note 9) | 59,539 | 45,813 |
| Restricted cash (Note 5) | 396,726 | 357,151 |
| Total financial assets | 2,505,675 | 2,673,424 |
| Liabilities | | |
| Current | | |
| Bank indebtedness (Note 10) | 280,741 | 272,405 |
| Accounts payable and accruals | 435,030 | 192,654 |
| Deferred revenue | 39,492 | - |
| Current portion of long-term debt (Note 11) | 1,554,067 | 347,528 |
| | 2,309,330 | 812,587 |
| Long-term debt (Note 11) | 1,201,807 | 1,537,173 |
| Total financial liabilities | 3,511,137 | 2,349,760 |
| Net financial assets (net debt) | (1,005,462) | 323,664 |
| Non-financial assets | | |
| Tangible capital assets (Note 12) | 14,072,105 | 13,519,610 |
| Prepaid expenses | 110,000 | - |
| Total non-financial assets | 14,182,105 | 13,519,610 |
| Accumulated surplus (Note 13) | 13,176,643 | 13,843,274 |

Approved by:

| | | | |
|-------------------------|-----------|--------------------------|-----------|
| Signed: Carolyn Bernard | Chief | | Councilor |
| Signed: Blaine Fiddler | Councilor | Signed: Dennis Martell | Councilor |
| Signed: Richard Fiddler | Councilor | Signed: Delphine Vincent | Councilor |

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

| | 2015 Budget (Note 17) | 2015 | 2014 |
|--|-----------------------------|-------------------|-------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada (Note 15) | 4,025,148 | 4,465,802 | 4,530,919 |
| Meadow Lake Tribal Council | 861,643 | 2,089,237 | 2,041,019 |
| Meadow Lake Tribal Council - Health Services | 1,083,905 | 1,224,630 | 1,102,771 |
| Mistik Management Ltd. | 90,000 | 117,868 | 166,197 |
| Canada Mortgage and Housing Corporation | - | 73,892 | 119,113 |
| Other revenue | 153,377 | 115,243 | 75,500 |
| Health Canada | 35,000 | 35,000 | 38,186 |
| First Nations Trust | 640,000 | 692,433 | 721,908 |
| Earnings (loss) from investment in Nation business entities (Note 8) | - | (164,392) | 516,401 |
| Retail sales - Waterhen Lake Resort (North) Ltd. | - | - | 203,523 |
| Retail sales - Waterhen Lake Resort (South) Ltd. | - | 149,722 | 150,454 |
| Meadow Lake Tribal Council CFS Inc. | 122,929 | 257,122 | 167,929 |
| Rental income | 37,000 | 175,667 | 134,066 |
| Northern Lights CDC | - | 64,187 | 117,508 |
| Investment income - MLTC Resource Development LP | - | 150,000 | 100,000 |
| Province of Saskatchewan | - | 48,176 | 36,000 |
| Department of Highways | 37,000 | 17,325 | 17,496 |
| Sales Tax rebates | 34,000 | 33,260 | 16,131 |
| Interest income | - | 1,809 | 1,675 |
| | 7,120,002 | 9,546,981 | 10,256,796 |
| Program expenses | | | |
| Administration | 939,785 | 1,044,249 | 933,717 |
| Band Programs | 614,234 | 490,526 | 585,129 |
| Capital | 337,603 | 1,524,226 | 1,599,209 |
| Economic Development | 62,486 | 179,012 | 641,728 |
| Education | 2,810,997 | 2,803,982 | 2,917,490 |
| Health | 1,054,282 | 1,345,212 | 1,085,254 |
| Infrastructure | 951,808 | 1,021,519 | 936,978 |
| Reserves and Trusts | 104,401 | 101,421 | 115,262 |
| Social Services | 335,371 | 1,815,215 | 1,698,474 |
| | 7,210,967 | 10,325,362 | 10,513,241 |
| Operating deficit before other item | (90,965) | (778,381) | (256,445) |
| Other income | | | |
| Gain on disposal of tangible capital assets | - | 111,750 | 18,787 |
| | | | |
| Operating deficit | (90,965) | (666,631) | (237,658) |
| Surplus, beginning of year | 13,843,274 | 13,843,274 | 14,080,932 |
| | | | |
| Surplus, end of year | 13,752,309 | 13,176,643 | 13,843,274 |

The accompanying notes are an integral part of these financial statements

Waterhen Lake First Nation
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the year ended March 31, 2015

| | 2015 Budget (Note 17) | 2015 | 2014 |
|---|--------------------------------------|-----------------|-------------|
| Annual operating deficit | (90,965) | (666,631) | (237,658) |
| Purchases of tangible capital assets | - | (1,460,595) | (479,124) |
| Amortization of tangible capital assets | - | 908,100 | 877,373 |
| Proceeds on disposal of tangible capital assets | - | 111,750 | 196,767 |
| Gain on disposal of tangible capital assets | - | (111,750) | (18,787) |
| Acquisition of prepaid expenses | - | (110,000) | - |
| Decrease (increase) in net debt | (90,965) | (1,329,126) | 338,571 |
| Net financial assets, beginning of year | 323,664 | 323,664 | (14,907) |
| Net debt, end of year | 232,699 | (1,005,462) | 323,664 |

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

| | 2015 | 2014 |
|---|-------------|-------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Operating deficit | (666,631) | (237,658) |
| Non-cash items | | |
| Amortization | 908,100 | 877,373 |
| Gain on disposal of capital assets | (111,750) | (18,787) |
| Loss (earnings) from investment in Nation business entities | 164,392 | (516,401) |
| | 294,111 | 104,527 |
| Changes in working capital accounts | | |
| Accounts receivable | 43,478 | 616,897 |
| Prepaid expenses | (110,000) | - |
| Restricted cash | (39,575) | (251,670) |
| Inventory for resale | - | 58,359 |
| Accounts payable and accruals | 242,376 | (232,049) |
| Due from Waterhen Forestry Products Inc. | 13,180 | - |
| Deferred revenue | 39,492 | (81,720) |
| | 483,062 | 214,344 |
| Financing activities | | |
| Increase in bank indebtedness | 8,336 | 41,192 |
| Advances of long-term debt | 1,221,115 | 359,210 |
| Repayment of long-term debt | (349,942) | (329,214) |
| | 879,509 | 71,188 |
| Capital activities | | |
| Purchases of tangible capital assets | (1,460,595) | (479,124) |
| Insurance proceeds on housing units | 111,750 | 196,767 |
| | (1,348,845) | (282,357) |
| Investing activities | | |
| Increase in funds held in trust | (13,726) | (1,675) |
| Investment in Bird's Confectionary | - | (1,500) |
| | (13,726) | (3,175) |
| Increase in cash resources | - | - |
| Cash resources, beginning of year | - | - |
| Cash resources, end of year | - | - |

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

1. Operations

The Waterhen Lake First Nation (the "First Nation") is located in the province of Saskatchewan, and provides various services to its members. Waterhen Lake First Nation includes the Nation's government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

2. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as set out in the CPA Canada Handbook - Public Sector Accounting as issued by the Accounting Standards Board in Canada 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, except for First Nation business entities.

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

- Waterhen First Nation CMHC Housing Program 100% interest
- Waterhen Lake Resort (North) Ltd. 100% interest
- Waterhen Lake Resort (South) Ltd. 100% interest

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.

Waterhen Lake First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the 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. The following entity is accounted for by the modified equity basis:

- Waterhen Forestry Products Inc. 100% interest

Basis of presentation

Sources of revenue 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.

Cash resources

Cash resources include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Inventory for resale

Inventory is valued at the lower of cost and net realizable value using weighted average cost.

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.

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

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

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys 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.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

| | Method | Rate |
|----------------|---------------|----------|
| Buildings | straight-line | 30 years |
| Housing | straight-line | 30 years |
| Equipment | straight-line | 10 years |
| Infrastructure | straight-line | 50 years |
| CMHC Housing | straight-line | 30 years |
| Automotive | straight-line | 10 years |

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cashflow from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Any impairment is included in deficit for the year.

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.

Net financial assets

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

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

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

Revenue recognition

Non-government funding

Funding 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.

Rental income

Income associated with the rental of homes to members is recorded monthly when rental amounts are measurable and collection is reasonably assured.

Retail sales

Income from retail sales is recognized when the sale is made and the customer takes possession of the merchandise.

Investment income

Investment income is recognized when earned.

Segments

The First Nation conducts its business through 9 reportable segments:

- Administration - includes the administration and governance activities.
- Band programs - includes all other band activities of the First Nation.
- Capital - includes the operations and maintenance of all on reserve housing.
- Economic development - includes the activities of the First Nation's economic development initiatives and its business entities.
- Education - includes the operations of education programs.
- Health - includes the operations of health and community wellness programming.
- Infrastructure - includes the operations and maintenance of the First Nation's buildings and infrastructure.
- Reserves and trusts - includes activities for the development of the First Nation's land.
- Social services - includes all activities relating to income assistance for membership.

For each reported segment, revenue 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. Inter program administration fees have been recorded based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

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

2. Significant accounting policies (Continued from previous page)

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after an assessment as to their collectability has been made.

Amortization is based on useful life of the assets.

Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2015.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation will not recognize any liability as it is not expected that economic benefits will be given up.

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. In the period that a public sector entity applies PS 3450, it also applies PS 1201, PS 2601 and PS 3041. Earlier adoption is permitted.

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

3. Change in accounting policy

Effective April 1, 2014, the First Nation adopted Section 3260, *Liability for Contaminated Sites* issued by the Canadian Public Sector Accounting Standards Board. This section establishes standards for governments and government type organizations reporting under Canadian public sector accounting standards about how to account for, and report a liability which is associated with remediation of a contaminated site. The change in accounting policy has been applied prospectively.

The adoption of PS 3260 does not have an impact on the measurement of the Nation's liabilities but has resulted in additional disclosure.

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

4. Accounts receivable

| | 2015 | 2014 |
|---|----------------|-------------|
| AANDC | 11,903 | 11,373 |
| Meadow Lake Tribal Council | 89,909 | 143,730 |
| Canada Mortgage and Housing Corporation | 6,157 | 12,315 |
| Member advances | 71,026 | 81,435 |
| Other | 24,979 | 9,008 |
| | 203,974 | 257,861 |
| Less: Allowance for doubtful accounts | 71,026 | 81,435 |
| | 132,948 | 176,426 |

5. Restricted cash

| | 2015 | 2014 |
|--------------------------|----------------|-------------|
| Long-term: | | |
| CMHC replacement reserve | 278,102 | 278,070 |
| CMHC operating reserve | 118,624 | 79,081 |
| | 396,726 | 357,151 |

6. Portfolio investments

| | 2015 | 2014 |
|--------------------------------|---------------|-------------|
| Measured at cost: | | |
| IMI Brokerage LP | 20,000 | 20,000 |
| MLTC Resource Development Inc. | 1 | 1 |
| MLTC Resource Development LP | 1 | 1 |
| Bird's Confectionary | 1,500 | 1,500 |
| | 21,502 | 21,502 |

7. Due from Waterhen Forestry Products Inc.

During a previous year, funds were advanced to Waterhen Forestry Products Inc., a wholly owned business entity of the First Nation. The advances are unsecured, bear no interest and have no fixed terms of repayment.

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

8. Investment in Waterhen Forestry Products Inc.

The First Nation has an investment in the following entity:

| | <i>2014</i> | <i>Current loss</i> | <i>2014</i> |
|--|------------------|---------------------|------------------|
| Wholly-owned Business: Waterhen Forestry Products Inc. | 1,982,169 | (164,392) | 1,817,777 |

Summary financial information of the First Nation business enterprise, accounted for using the modified equity method, for its respective year-end is as follows:

| <i>Waterhen Forestry Products Inc. As at March 31, 2015</i> | |
|---|------------------|
| Assets | |
| Accounts receivable | 587,900 |
| Equipment | 2,971,511 |
| Total assets | 3,559,411 |
| Liabilities | |
| Bank indebtedness | 82,525 |
| Accounts payable and accruals | 555,702 |
| Due to Waterhen Lake First Nation | 75,683 |
| Long-term debt | 1,027,724 |
| Total liabilities | 1,741,634 |
| Retained earnings | 1,817,777 |
| Total revenue | 4,153,542 |
| Total expenses | 4,317,934 |
| Comprehensive income | (164,392) |

Waterhen Forestry Products Inc. has long-term debt which the First Nation has issued guarantees for repayment. The guarantees relate to loans outstanding of \$571,281 (2014 - \$1,060,664) used to acquire machinery. Interest rates range from prime +1.75% to prime + 2.00%. The current portion of these loans is \$216,029.

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

9. Funds held in trust

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

| | 2015 | 2014 |
|------------------------------------|---------------|-------------|
| Capital Trust | | |
| Balance, beginning and end of year | 33,890 | 33,890 |
| Revenue Trust | | |
| Balance, beginning of year | 11,923 | 10,248 |
| Interest | 1,809 | 1,675 |
| Land leases | 11,917 | - |
| Balance, end of year | 25,649 | 11,923 |
| | 59,539 | 45,813 |

10. Bank indebtedness

Bank indebtedness includes draws against lines of credit and bank balance less outstanding cheques. At March 31, 2015 the First Nation had a line of credit available:

- - approved limit of \$250,000; of which \$248,266 has been drawn.

The line of credit charges interest at bank prime plus 1.25% and is secured by a General Security Agreement allowing for a first charge on all assets and direction of AANDC funding to First Nations Bank.

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

11. Long-term debt

| | 2015 | 2014 |
|---|------------------|------------------|
| First Nations Bank loan repayable in quarterly instalments of \$50,000 plus monthly interest at prime plus 2.0%. Secured by a general security agreement of the First Nation. Due April 2016. | 250,000 | 450,000 |
| First Nations Bank demand loan at an interest rate of prime plus 1.25% for the construction of 10 band homes. No stated principal repayment amounts. Principal disbursements occur on demand. Secured by First Nations Trust gaming distribution and fire insurance. Due November 2015. | 1,221,115 | - |
| First Nations Bank loan advances in regard to the RCMP building project, repayable in monthly instalments of \$1,612 blended principal and interest at 5.05%. Secured by a general security agreement of the First Nation. Due September 2018. | 265,207 | 271,075 |
| First Nations Bank loan in regard to a grader purchase, repayable in monthly instalments of \$3,770 blended principal and interest at prime plus 1.25%, due April 2019. Secured by a general security agreement of the First Nation and equipment having net book value of \$167,452. | 169,308 | 206,484 |
| First Nations Bank operating debt repayable in monthly instalments of \$2,292 blended principal and interest at 5.5%, due October 2018. Secured by a general security agreement of the First Nation. | 88,856 | 111,275 |
| CMHC Mortgage, phase 1, repayable in monthly instalments of \$746 blended principal and interest at 1.05%. Secured by a guarantee by AANDC. Due January 2025. | 83,598 | 91,090 |
| CMHC Mortgage, phase 2, repayable in monthly instalments of \$1,978 blended principal and interest at 2.26%. Secured by a guarantee by AANDC. Due June 2026. | 235,687 | 254,380 |
| CMHC Mortgage, phase 3, repayable in monthly instalments of \$1,365 blended principal and interest at 2.35%. Secured by a guarantee by AANDC. Due July 2028. | 187,463 | 199,704 |
| CMHC Mortgage, phase 4, repayable in monthly instalments of \$2,295 blended principal and interest at 2.69%. Secured by a guarantee by AANDC. Due July 2025. | 248,487 | 269,701 |
| Ford Credit finance contract repayable in monthly instalments of \$1,049 blended principal and interest at 6.69%. Secured by a vehicle of the First Nation. | 6,153 | 17,900 |
| Ford Credit finance. | - | 13,092 |
| | 2,755,874 | 1,884,701 |
| Less: current portion | 1,554,067 | 347,528 |
| | 1,201,807 | 1,537,173 |

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

| | |
|------|-----------|
| 2016 | 1,554,067 |
| 2017 | 181,590 |
| 2018 | 136,583 |
| 2019 | 129,649 |
| 2020 | 76,065 |

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

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

Long-term debt is subject to certain financial covenants with respect to timely submission of the annual audited financial statements to their lender as well as restrictions that may be in place. As at March 31, 2015, the First Nation is in compliance with all such covenants. It is management's opinion that the First Nation is likely to remain in compliance with all long-term debt covenants throughout the next twelve months subsequent to March 31, 2015.

12. Tangible capital assets

| | Cost | Additions | Disposals | Accumulated amortization | 2015 Net book value |
|----------------|-------------------|------------------|------------------|---------------------------------|----------------------------|
| Buildings | 8,792,111 | 59,041 | - | 5,478,087 | 3,373,065 |
| Housing | 9,426,075 | 1,240,719 | - | 6,750,813 | 3,915,981 |
| Equipment | 729,030 | 44,085 | - | 675,212 | 97,903 |
| Infrastructure | 7,427,216 | - | - | 2,129,693 | 5,297,523 |
| CMHC Housing | 1,546,963 | 116,750 | - | 564,099 | 1,099,614 |
| Automotive | 763,313 | - | - | 475,294 | 288,019 |
| | 28,684,708 | 1,460,595 | - | 16,073,198 | 14,072,105 |

| | Cost | Additions | Disposals | Accumulated amortization | 2014 Net book value |
|----------------|-------------------|------------------|------------------|---------------------------------|----------------------------|
| Buildings | 8,539,625 | 252,486 | - | 5,221,980 | 3,570,131 |
| Housing | 9,426,075 | - | - | 6,395,609 | 3,030,466 |
| Equipment | 722,195 | 6,835 | - | 654,718 | 74,312 |
| Infrastructure | 7,427,216 | - | - | 1,981,149 | 5,446,067 |
| CMHC Housing | 1,573,560 | 219,803 | 246,400 | 508,697 | 1,038,266 |
| Automotive | 763,313 | - | - | 402,945 | 360,368 |
| | 28,451,984 | 479,124 | 246,400 | 15,165,098 | 13,519,610 |

Amortization expense of \$908,100 (2014 - \$877,373) was recorded in the Capital segment. Total amortization expense comprises \$55,402 amortization for CMHC housing, \$355,204 for housing, \$256,107 for buildings, \$20,494 for equipment, \$72,349 for automotive, and \$148,544 for infrastructure.

Buildings includes assets under construction with a carrying value of \$379,944 (2014 - \$361,970) for which no amortization has been recorded. CMHC Housing includes assets under construction with a carrying value of \$nil (2014 - \$219,803) for which no amortization has been recorded.

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

13. Accumulated surplus

Accumulated surplus consists of the following:

| | 2015 | 2014 |
|-----------------------------------|-------------------|-------------------|
| Equity in Ottawa Trust Funds | 59,539 | 45,813 |
| Equity in investments | 1,839,279 | 2,003,671 |
| CMHC reserves | 514,821 | 482,739 |
| Equity in tangible capital assets | 11,655,087 | 12,196,184 |
| Operating | (892,083) | (885,133) |
| | 13,176,643 | 13,843,274 |

The equity in tangible capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating tangible capital assets that will be used to provide future services.

The CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

The equity in investments represents amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

14. Canada Mortgage and Housing Corporation reserves

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

- The replacement reserve requires an annual cash allocation of \$26,180 to ensure replacement of housing unit components. At March 31, 2015, the replacement reserve is required to be funded to a level of \$301,589 (2014 - \$275,906). At March 31, 2015 the cash balance in the reserve is \$278,102 (2014 - \$278,070).
- An operating surplus reserve established for housing units under the Post 1997 Fixed Subsidy Program requires any surpluses to be funded with cash. These reserve funds may be used to offset any future deficits incurred in the Post 97 Housing Program. At March 31, 2015 the operating reserve is required to be funded to a level of \$213,232 (2014 - \$206,833). At March 31, 2015 the cash balance in the reserve is \$118,624 (2014 - \$79,081).

In accordance with terms of the agreements, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

15. Reconciliation of funding from Aboriginal Affairs and Northern Development Canada

| | |
|--------------------------------|-----------|
| Funding per AANDC confirmation | 4,465,802 |
|--------------------------------|-----------|

16. Economic dependence

Waterhen Lake First Nation receives substantially all of its revenue from Aboriginal Affairs and Northern Development Canada (AANDC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by AANDC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

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

17. Budget information

The disclosed budget information was approved by the Chief and Council of the Waterhen Lake First Nation on April 17, 2014.

In preparation of the annual budget of the First nation, management does not budget for purchases of capital assets or principal payments on debt.

The budget process followed by management only includes activities directly by the First Nation. Management does not prepare a budget for capital projects administered through third party project managers.

Waterhen Lake First Nation
Schedule 1 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2015

| | 2015 Budget (Note 17) | 2015 | 2014 |
|--|--------------------------------------|-------------------|-------------------|
| Consolidated expenses by object | | | |
| Administration | - | 2,350 | 1,000 |
| Advertising | - | 3,788 | 2,221 |
| Amortization | - | 908,100 | 877,373 |
| Assistance | 102,000 | 1,490,667 | 1,355,125 |
| Assisted living | - | 17,570 | - |
| Bad debts (recovery) | - | (12,704) | 132,620 |
| Bank charges and interest | 19,000 | 40,405 | 44,957 |
| Child care | 6,000 | 6,000 | 4,110 |
| Community donations | 5,000 | 928 | 940 |
| Community support | - | 15,019 | 18,725 |
| Contracted services | 534,822 | 958,394 | 945,499 |
| Cost of goods sold | - | 14,951 | 260,759 |
| Cultural activities | 79,950 | 106,635 | 108,141 |
| Economic | 25,000 | 29,978 | 13,264 |
| Elders fees | 24,900 | 4,800 | 69,437 |
| Election | - | 20,100 | - |
| Expense recoveries | (30,500) | (104,998) | (68,619) |
| Forfeited funding | - | - | 8,043 |
| Child nutrition program | 78,676 | 78,677 | 41,497 |
| Health | 14,931 | 6,165 | 3,835 |
| Honouraria | 366,800 | 361,712 | 367,295 |
| Insurance | 53,046 | 119,121 | 69,691 |
| Inter program administration fees | 32,200 | - | - |
| Interest on long-term debt | 278,819 | 82,161 | 87,860 |
| Meeting | 15,000 | 19,125 | 2,783 |
| Miscellaneous | 68,400 | 2,500 | 4,700 |
| Office equipment lease | 34,500 | 33,896 | 34,824 |
| Prevention | 6,500 | 87,780 | 6,850 |
| Professional development | 33,500 | 25,804 | 27,398 |
| Professional fees | 84,000 | 133,189 | 156,511 |
| Program expense | 31,700 | 39,802 | 31,675 |
| Rent | - | - | 2,644 |
| Repairs and maintenance | 275,471 | 322,115 | 364,899 |
| Salaries and benefits | 3,263,663 | 3,314,889 | 3,320,367 |
| Sports, recreation and extra curricular activities | 13,400 | 4,140 | 51,379 |
| Student allowances | 252,255 | 404,432 | 385,304 |
| Student expenses | 4,888 | 14,903 | 32,167 |
| Student transportation | 30,000 | 26,152 | 25,254 |
| Supplies | 570,651 | 596,282 | 594,416 |
| Telephone | 43,650 | 54,854 | 55,220 |
| Training | 125,791 | 115,812 | 104,839 |
| Travel | 379,942 | 473,325 | 416,899 |
| Tuition | 147,000 | 204,968 | 240,348 |
| Utilities | 240,012 | 301,575 | 310,991 |
| | 7,210,967 | 10,325,362 | 10,513,241 |

Waterhen Lake First Nation
Administration
Schedule 2 - Schedule of Segment Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 <i>Budget</i> <i>(Note 17)</i> | 2015 | 2014 |
|--|--|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 532,391 | 571,068 | 535,425 |
| Other revenue | - | 10,561 | 26,420 |
| Meadow Lake Tribal Council | 136,274 | 137,320 | 162,371 |
| GST and Sales Tax rebates | 34,000 | 33,260 | 16,131 |
| Province of Saskatchewan | - | 27,176 | 15,000 |
| | 702,665 | 779,385 | 755,347 |
| Expenses | | | |
| Bad debts (recovery) | - | (12,704) | 58,694 |
| Bank charges and interest | 19,000 | 30,633 | 29,530 |
| Contracted services | 13,000 | 88,159 | 31,958 |
| Election | - | 20,100 | - |
| Expense recoveries | (30,000) | (62,805) | (39,645) |
| Honouraria | 336,000 | 338,533 | 338,038 |
| Insurance | 16,847 | 12,620 | 11,178 |
| Inter program administration fees | (408,393) | (409,761) | (432,645) |
| Interest on long-term debt | - | - | 27,121 |
| Office equipment lease | 8,500 | - | 1,567 |
| Professional development | 17,500 | 8,838 | 16,991 |
| Professional fees | 59,000 | 107,178 | 116,911 |
| Repairs and maintenance | 500 | 370 | 340 |
| Salaries and benefits | 544,519 | 532,005 | 414,174 |
| Supplies | 140,912 | 130,445 | 134,319 |
| Telephone | 30,400 | 30,125 | 30,451 |
| Travel | 180,000 | 222,216 | 181,467 |
| Utilities | 12,000 | 8,297 | 13,268 |
| | 939,785 | 1,044,249 | 933,717 |
| Deficit before transfers | (237,120) | (264,864) | (178,370) |
| Transfers between programs | - | 277,400 | 218,618 |
| Surplus (deficit) | (237,120) | 12,536 | 40,248 |

**Waterhen Lake First Nation
Band Programs**
Schedule 3 - Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 Budget (Note 17) | 2015 | 2014 |
|--|--------------------------------------|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | - | - | 10,330 |
| Other revenue | 101,902 | 29,467 | 12,500 |
| Meadow Lake Tribal Council | 94,521 | 205,114 | 207,384 |
| Northern Lights CDC | - | - | 20,930 |
| Rental income | - | 52,039 | 70,054 |
| Interest income | - | 1,809 | 1,675 |
| First Nations Trust | 640,000 | 692,433 | 721,908 |
| Province of Saskatchewan | - | 21,000 | 21,000 |
| | 836,423 | 1,001,862 | 1,065,781 |
| Expenses | | | |
| Administration | - | - | 1,000 |
| Assistance | 82,000 | 88,090 | 78,121 |
| Bank charges and interest | - | 194 | 219 |
| Community donations | 5,000 | 928 | 940 |
| Community support | - | 15,019 | 18,725 |
| Contracted services | 13,500 | 5,785 | 20,271 |
| Cultural activities | 23,000 | 56,785 | 47,093 |
| Elders fees | 4,900 | 4,800 | 69,437 |
| Expense recoveries | - | (23) | (19,007) |
| Honouraria | 8,800 | 8,669 | 6,165 |
| Insurance | - | 3,959 | 6,297 |
| Inter program administration fees | - | 1,000 | 1,000 |
| Interest on long-term debt | 208,000 | 21,741 | 13,792 |
| Meeting | - | 325 | - |
| Miscellaneous | 4,000 | 2,500 | 4,386 |
| Professional fees | - | 1,000 | 750 |
| Program expense | - | 9,675 | - |
| Repairs and maintenance | - | 680 | 5,988 |
| Salaries and benefits | 169,255 | 177,437 | 198,779 |
| Sports, recreation and extra curricular activities | - | 4,040 | 10,930 |
| Supplies | 40,000 | 20,422 | 49,479 |
| Telephone | - | - | 80 |
| Travel | 7,779 | 12,378 | 17,478 |
| Utilities | 48,000 | 55,122 | 53,206 |
| | 614,234 | 490,526 | 585,129 |
| Surplus before transfers | 222,189 | 511,336 | 480,652 |
| Transfers between programs | (22,100) | (470,790) | (460,728) |
| Surplus | 200,089 | 40,546 | 19,924 |

Waterhen Lake First Nation
Capital
Schedule 4 - Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 <i>Budget</i> <i>(Note 17)</i> | 2015 | 2014 |
|--|--|--------------------|-------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 337,603 | 337,603 | 444,323 |
| Other revenue | - | - | 18,295 |
| Meadow Lake Tribal Council | - | - | 108,570 |
| Canada Mortgage and Housing Corporation | - | 73,892 | 119,113 |
| Northern Lights CDC | - | 37,657 | 96,578 |
| Rental income | - | 68,879 | 63,075 |
| | 337,603 | 518,031 | 849,954 |
| Expenses | | | |
| Administration | - | 1,850 | - |
| Amortization | - | 908,100 | 877,373 |
| Bank charges and interest | - | 1,198 | 841 |
| Contracted services | 44,843 | 230,365 | 265,499 |
| Insurance | - | 32,850 | 18,260 |
| Inter program administration fees | 37,760 | - | - |
| Interest on long-term debt | - | 45,533 | 21,851 |
| Professional fees | - | 6,804 | 4,950 |
| Program expense | - | - | 2,915 |
| Repairs and maintenance | 245,000 | 231,262 | 335,502 |
| Salaries and benefits | - | 19,727 | 41,580 |
| Supplies | - | 6,761 | 11,072 |
| Travel | 10,000 | 37,961 | 19,366 |
| Utilities | - | 1,815 | - |
| | 337,603 | 1,524,226 | 1,599,209 |
| Operating deficit before other items | - | (1,006,195) | (749,255) |
| Other income | | | |
| Gain on disposal of tangible capital assets | - | 111,750 | 18,787 |
| Deficit before transfers | - | (894,445) | (730,468) |
| Transfers between programs | - | - | 167,237 |
| Deficit | - | (894,445) | (563,231) |

Waterhen Lake First Nation
Economic Development
Schedule 5 - Schedule of Segment Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 <i>Budget</i> <i>(Note 17)</i> | 2015 | 2014 |
|---|--|-----------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | - | - | 42,185 |
| Meadow Lake Tribal Council | 62,486 | 98,589 | 63,682 |
| Mistik Management Ltd. | - | - | 74,125 |
| Other revenue | - | 65,215 | - |
| Earnings (loss) from investment in Nation business entities | - | (164,392) | 516,401 |
| Investment income - MLTC Resource Development LP | - | 150,000 | 100,000 |
| Retail sales - Waterhen Lake Resort (North) Ltd. | - | - | 203,523 |
| Retail sales - Waterhen Lake Resort (South) Ltd. | - | 149,722 | 150,454 |
| Northern Lights CDC | - | 26,530 | - |
| | 62,486 | 325,664 | 1,150,370 |
| Expenses | | | |
| Advertising | - | 3,788 | 2,221 |
| Bad debts (recovery) | - | - | 73,926 |
| Bank charges and interest | - | 7,578 | 14,366 |
| Contracted services | 31,237 | 1,333 | 96,835 |
| Cost of goods sold | - | 14,951 | 260,759 |
| Economic | 25,000 | 29,978 | 13,264 |
| Expense recoveries | - | - | (360) |
| Insurance | - | 2,930 | 2,836 |
| Inter program administration fees | 6,249 | 6,359 | 6,368 |
| Interest on long-term debt | - | 5,467 | 2,737 |
| Professional fees | - | 4,273 | 33,900 |
| Rent | - | - | 2,643 |
| Repairs and maintenance | - | 14,621 | 4,353 |
| Salaries and benefits | - | 45,142 | 91,232 |
| Supplies | - | 6,799 | 8,338 |
| Telephone | - | - | 4,241 |
| Travel | - | 10,709 | 10,832 |
| Utilities | - | 25,084 | 13,237 |
| | 62,486 | 179,012 | 641,728 |
| Surplus before transfers | - | 146,652 | 508,642 |
| Transfers between programs | - | (20,000) | - |
| Surplus | - | 126,652 | 508,642 |

Waterhen Lake First Nation
Education
Schedule 6 - Schedule of Segment Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 <i>Budget</i> <i>(Note 17)</i> | 2015 | 2014 |
|--|--|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 2,643,335 | 2,669,540 | 2,624,209 |
| Other revenue | - | - | 12,481 |
| Meadow Lake Tribal Council - Health Services | 69,060 | 72,931 | 77,807 |
| Meadow Lake Tribal Council | 220,635 | 220,635 | 220,635 |
| | 2,933,030 | 2,963,106 | 2,935,132 |
| Expenses | | | |
| Assistance | 20,000 | 11,697 | - |
| Bank charges and interest | - | 802 | - |
| Contracted services | 232,212 | 223,123 | 212,888 |
| Cultural activities | 29,000 | 21,851 | 6,419 |
| Expense recoveries | - | (7,295) | (2,840) |
| Honouraria | 11,500 | 9,145 | 17,856 |
| Insurance | - | 2,096 | - |
| Inter program administration fees | 221,668 | 220,188 | 220,062 |
| Interest on long-term debt | 13,000 | 1,354 | 11,519 |
| Meeting | 15,000 | 1,076 | 2,783 |
| Miscellaneous | 50,000 | - | 215 |
| Office equipment lease | - | 8,250 | 442 |
| Professional development | 6,500 | 7,334 | 1,510 |
| Professional fees | - | 5,497 | - |
| Program expense | 31,700 | 30,127 | 28,560 |
| Repairs and maintenance | - | - | 2,423 |
| Salaries and benefits | 1,540,682 | 1,434,949 | 1,587,464 |
| Sports, recreation and extra curricular activities | 13,400 | 100 | 13,534 |
| Student allowances | 252,255 | 404,432 | 385,304 |
| Student expenses | 4,888 | 14,903 | 32,167 |
| Student transportation | 30,000 | 26,152 | 25,254 |
| Supplies | 162,044 | 163,195 | 114,796 |
| Telephone | 800 | 2,362 | 6,763 |
| Training | 7,000 | - | - |
| Travel | 22,348 | 17,448 | 10,023 |
| Tuition | 147,000 | 204,968 | 240,348 |
| Utilities | - | 228 | - |
| | 2,810,997 | 2,803,982 | 2,917,490 |
| Surplus (deficit) before transfers | 122,033 | 159,124 | 17,642 |
| Transfers between programs | 22,100 | 9,598 | - |
| Surplus | 144,133 | 168,722 | 17,642 |

Waterhen Lake First Nation
Health
Schedule 7 - Schedule of Segment Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 <i>Budget</i> <i>(Note 17)</i> | 2015 | 2014 |
|--|--|------------------|------------------|
| Revenue | | | |
| Other revenue | 16,000 | 10,000 | 5,805 |
| Meadow Lake Tribal Council - Health Services | 875,465 | 1,012,319 | 885,584 |
| Meadow Lake Tribal Council | 25,000 | 35,000 | 35,000 |
| Health Canada | 35,000 | 35,000 | 38,186 |
| Meadow Lake Tribal Council CFS Inc. | 122,929 | 257,122 | 167,929 |
| | 1,074,394 | 1,349,441 | 1,132,504 |
| Expenses | | | |
| Administration | - | 500 | - |
| Contracted services | 22,330 | 101,144 | 79,313 |
| Cultural activities | - | - | 19,416 |
| Elders fees | 20,000 | - | - |
| Expense recoveries | (500) | (7,054) | (4,196) |
| Forfeited funding | - | - | 8,043 |
| Health | 14,931 | 6,165 | 3,835 |
| Honouraria | 4,200 | 2,850 | 4,036 |
| Insurance | 2,745 | 7,286 | 2,707 |
| Inter program administration fees | 105,691 | 133,263 | 113,719 |
| Meeting | - | 17,724 | - |
| Office equipment lease | 26,000 | 25,646 | 32,815 |
| Prevention | 6,500 | 87,780 | 6,850 |
| Professional development | 4,000 | 7,136 | 3,561 |
| Repairs and maintenance | 3,280 | 20,434 | 930 |
| Salaries and benefits | 619,295 | 694,185 | 569,449 |
| Supplies | 90,294 | 109,371 | 110,022 |
| Telephone | 8,850 | 12,739 | 9,097 |
| Training | 20,850 | 17,871 | 8,791 |
| Travel | 82,316 | 83,017 | 90,549 |
| Utilities | 23,500 | 25,155 | 26,317 |
| | 1,054,282 | 1,345,212 | 1,085,254 |
| Surplus | 20,112 | 4,229 | 47,250 |

**Waterhen Lake First Nation
Infrastructure**
Schedule 8 - Schedule of Segment Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 Budget (Note 17) | 2015 | 2014 |
|--|--------------------------------------|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 230,083 | 588,285 | 586,469 |
| Other revenue | 35,475 | - | - |
| Meadow Lake Tribal Council | 322,727 | - | - |
| Rental income | 37,000 | 54,749 | 937 |
| Department of Highways | 37,000 | 17,325 | 17,496 |
| | 662,285 | 660,359 | 604,902 |
| Expenses | | | |
| Contracted services | 123,000 | 234,982 | 109,928 |
| Expense recoveries | - | (27,821) | (2,572) |
| Insurance | 33,454 | 57,380 | 28,413 |
| Inter program administration fees | 55,288 | 35,013 | 55,844 |
| Interest on long-term debt | 57,819 | 8,066 | 10,840 |
| Miscellaneous | 14,400 | - | 99 |
| Professional development | 2,500 | 2,250 | 1,782 |
| Repairs and maintenance | 26,691 | 54,748 | 15,363 |
| Salaries and benefits | 306,044 | 263,327 | 303,869 |
| Supplies | 129,000 | 151,171 | 156,508 |
| Telephone | 3,600 | 9,628 | 4,588 |
| Travel | 43,500 | 46,901 | 47,353 |
| Utilities | 156,512 | 185,874 | 204,963 |
| | 951,808 | 1,021,519 | 936,978 |
| Deficit before transfers | (289,523) | (361,160) | (332,076) |
| Transfers between programs | - | 203,792 | 74,873 |
| Deficit | (289,523) | (157,368) | (257,203) |

Waterhen Lake First Nation
Reserves and Trusts
Schedule 9 - Schedule of Segment Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

| | 2015 <i>Budget</i> (Note 17) | 2015 | 2014 |
|--|---|----------------|----------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 14,401 | 14,401 | 14,056 |
| Mistik Management Ltd. | 90,000 | 117,868 | 92,072 |
| | 104,401 | 132,269 | 106,128 |
| Expenses | | | |
| Contracted services | 46,700 | 65,243 | 80,400 |
| Honouraria | 6,300 | 2,515 | 1,200 |
| Professional development | - | 246 | - |
| Professional fees | 25,000 | 8,437 | - |
| Supplies | 1,401 | 4,114 | 3,010 |
| Travel | 25,000 | 20,866 | 30,652 |
| | 104,401 | 101,421 | 115,262 |
| Surplus (deficit) | - | 30,848 | (9,134) |

Waterhen Lake First Nation
Social Services

Schedule 10 - Schedule of Segment Revenue and Expenses Surplus (Deficit)

For the year ended March 31, 2015

| | 2015 <i>Budget</i> <i>(Note 17)</i> | 2015 | 2014 |
|--|---|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 267,335 | 284,905 | 273,922 |
| Meadow Lake Tribal Council - Health Services | 139,380 | 139,380 | 139,380 |
| Meadow Lake Tribal Council | - | 1,392,579 | 1,243,376 |
| | 406,715 | 1,816,864 | 1,656,678 |
| Expenses | | | |
| Assistance | - | 1,390,880 | 1,277,003 |
| Assisted living | - | 17,570 | - |
| Child care | 6,000 | 6,000 | 4,110 |
| Child nutrition program | 78,676 | 78,677 | 41,497 |
| Contracted services | 8,000 | 8,260 | 48,408 |
| Cultural activities | 27,950 | 27,999 | 35,213 |
| Inter program administration fees | 13,938 | 13,938 | 35,653 |
| Professional development | 3,000 | - | 3,554 |
| Program expense | - | - | 200 |
| Salaries and benefits | 83,866 | 148,117 | 113,821 |
| Sports, recreation and extra curricular activities | - | - | 26,916 |
| Supplies | 7,000 | 4,004 | 6,871 |
| Training | 97,941 | 97,941 | 96,048 |
| Travel | 9,000 | 21,829 | 9,180 |
| | 335,371 | 1,815,215 | 1,698,474 |
| Surplus (deficit) | 71,344 | 1,649 | (41,796) |