

**Driftpile First Nation**

**Consolidated Financial Statements**

**March 31, 2014**

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# **Driftpile First Nation**

## **Consolidated Financial Statements**

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## Driftpile First Nation

### Management's Responsibility for Financial Reporting

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March 31, 2014

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The accompanying consolidated financial statements of Driftpile First Nation are the responsibility of management and have been approved by Chief and 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 judgments 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 Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.


The Chief and 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, Crowe MacKay LLP, 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 financial management of Driftpile First Nation and meet when required.

On behalf of Driftpile First Nation:

  
Chief

\_\_\_\_\_  
Date

  
Administrator

July 25/14  
Date

## **Independent Auditors' Report**

### **To the Members of Driftpile First Nation**

We have audited the accompanying consolidated financial statements of Driftpile First Nation, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations and accumulated surplus, change in net financial assets (debt) and cash flows 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 consolidated 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 auditors consider internal control relevant to the First Nation'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 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.

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 Driftpile First Nation as at March 31, 2014, and the results of its operations, the changes in its net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Edmonton, Canada  
July 25, 2014**

*Crowe MacKay LLP*  
**Chartered Accountants**

# Driftpile First Nation

## Consolidated Statement of Financial Position

March 31 2014 2013

### Financial Assets

Cash (Note 2)	\$ 576,780	\$ -
Accounts receivable (Note 3)	784,619	1,383,995
Investments (Note 4)	55,988	5,988
Investment in and advances to Driftpile Entity (Note 5)	1,346,844	1,741,810
Cash held in trust (Note 6)	175,341	-
Ottawa Trust Funds (Note 7)	1,083,865	1,141,362
	4,023,437	4,273,155

### Liabilities

Bank indebtedness (Note 8)	-	491,641
Accounts payable and accrued liabilities (Note 9)	1,129,892	663,464
Deferred revenue (Note 10)	371,849	228,474
Long-term debt (Note 11)	3,599,685	2,463,977
	5,101,426	3,847,556

Net financial assets (debt) (1,077,989) 425,599

### Non-financial Assets

Capital assets (Note 12)	32,446,799	32,637,257
Prepaid expenses	73,357	74,275
	32,520,156	32,711,532

Accumulated Surplus (Note 14) \$ 31,442,167 \$ 33,137,131

Contingent liabilities (Note 15)

Approved on behalf of the Driftpile First Nation

Chief

Councilor

Councilor

Councilor

Councilor

Councilor

Councilor

## Driftpile First Nation

### Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada (AANDC)	\$ 8,828,497	\$ 8,559,191	\$ -
Lesser Slave Lake Indian Regional Council (LSLIRC)	683,962	788,308	7,443,351
Health Canada	1,754,279	2,005,582	1,799,710
Band Funds - Capital	-	95,000	-
First Nation Development Funds	-	758,224	964,242
CMHC subsidy	57,000	55,428	57,511
Net Income (loss) from DFN Entity (Note 5)	-	(266,713)	(11,876)
Trust Funds - Interest revenue	-	27,794	27,782
Trust Funds - Resource revenue	-	9,708	22,828
Other income	1,090,779	1,324,812	2,583,014
	<b>12,414,517</b>	<b>13,357,334</b>	<b>12,886,562</b>
<b>Expenses (Note 20)</b>			
Band Government	1,559,282	1,405,935	1,818,300
Education	3,924,815	4,217,143	1,981,104
Health	1,802,942	1,956,811	1,618,408
Social Services	1,932,513	1,837,053	1,964,271
Housing	874,292	780,407	597,381
Community Services	139,598	139,231	152,284
Economic Development	692,181	818,200	1,616,542
Public Works	1,488,894	1,626,928	1,071,215
Other	-	219,088	185,055
Amortization	-	2,051,502	1,915,561
	<b>12,414,517</b>	<b>15,052,298</b>	<b>12,920,121</b>
<b>Deficiency of revenue over expenses</b>	-	<b>(1,694,964)</b>	<b>(33,559)</b>
<b>Accumulated surplus, beginning of year</b>	<b>33,137,131</b>	<b>33,137,131</b>	<b>33,170,690</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 33,137,131</b>	<b>\$ 31,442,167</b>	<b>\$ 33,137,131</b>

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**Driftpile First Nation****Consolidated Statement of Change in Net Financial Assets (Debt)**

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<b>For the year ended March 31</b>	<b>2014 Budget</b>	<b>2014 Actual</b>	<b>2013</b>
<b>Deficiency of revenue over expenses</b>	<b>\$ -</b>	<b>\$ (1,694,964)</b>	<b>\$ (33,559)</b>
Acquisition of capital assets	(1,861,044)	(1,861,044)	(3,937,480)
Amortization of capital assets	2,051,502	2,051,502	1,915,561
	190,458	190,458	(2,021,919)
Acquisition of prepaid asset	918	918	10,742
<b>Decrease in net financial assets</b>	<b>191,376</b>	<b>(1,503,588)</b>	<b>(2,044,736)</b>
<b>Net financial assets, beginning of year</b>	<b>425,599</b>	<b>425,599</b>	<b>2,470,335</b>
<b>(Net debt) net financial assets, end of year</b>	<b>\$ 616,975</b>	<b>\$ (1,077,989)</b>	<b>\$ 425,599</b>

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**Driftpile First Nation****Consolidated Statement of Cash Flow**

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<b>For the year ended March 31,</b>	<b>2014</b>	<b>2013</b>
<b>Cash flows from</b>		
<b>Operating activities</b>		
Deficiency of revenue over expenses	\$ (1,694,964)	\$ (33,559)
Items not affecting cash		
Amortization of capital assets	2,051,502	1,915,561
	356,538	1,882,002
Change in non-cash operating working capital		
Accounts receivable	599,376	(610,804)
Prepaid expenses	918	10,742
Accounts payable and accrued liabilities	466,429	96,770
Deferred revenue	143,375	(301,656)
	1,566,636	1,077,054
<b>Financing activities</b>		
Repayment of long-term debt	(83,722)	(214,776)
Proceeds of long-term debt	1,219,429	1,873,186
	1,135,707	1,658,410
<b>Investing activities</b>		
Purchase of investments	(50,000)	(150)
Dividends received	-	784,005
Investment in First Nation controlled entities	219,625	178,855
Ottawa trust funds	57,497	(50,610)
Purchase of capital assets	(1,861,044)	(3,937,480)
	(1,633,922)	(3,025,380)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>1,068,421</b>	<b>(289,916)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>(491,641)</b>	<b>(201,725)</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 576,780</b>	<b>\$ (491,641)</b>

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# **Driftpile First Nation**

## **Notes to Consolidated Financial Statements**

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**March 31, 2014**

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### **1. Basis of Presentation and Significant Accounting Policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

#### **(a) Reporting entity principles of financial reporting**

The Driftpile First Nation reporting entity includes the Driftpile First Nation government and all related entities that are accountable to the First Nation and are either owned or controlled by the Driftpile First Nation.

First Nation business enterprises, that are owned or controlled by the Driftpile First Nation Council and that are not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method, in accordance with the Public Sector Accounting recommendations.

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 with those of the First Nation. Thus, the First Nation's investment in these enterprises is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses. Enterprises accounted for by the modified equity basis includes Driftpile First Nation Enterprises Inc.

All inter-entity balances have been eliminated on consolidation.

#### **(b) Cash**

Cash consists of funds held with financial institutions, and cheques issued in excess of funds held on deposit.

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## Driftpile First Nation

### Notes to Consolidated Financial Statements

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March 31, 2014

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#### (c) Capital assets

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.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Driftpile First Nation's incremental cost of borrowing.

Amortization is provided on the straight-line basis over the estimated useful life of the asset as follows

Buildings	10-40 years straight line
Automotive equipment	5 years straight line
Equipment	5 years straight line

Capital assets are written down when conditions indicate that they no longer contribute to Driftpile First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

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.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

#### (d) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

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## Driftpile First Nation

### Notes to Consolidated Financial Statements

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March 31, 2014

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#### (e) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the financial statements, together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

#### (f) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### (g) Investments

The investment in Driftpile First Nation Enterprises Inc. is recorded using the modified equity method of accounting. All other investments are recorded at cost.

### 2. Cash

	2014	2013
Externally restricted cash		
First Nation Development Funds	\$ 638,341	\$ 59,181
Unrestricted cash		
General bank accounts	(61,561)	(550,822)
	<b>\$ 576,780</b>	<b>\$ (491,641)</b>

### 3. Accounts receivable

	2014	2013
First Nation Development Funds	\$ 191,801	\$ 187,969
LSLIRC	42,061	488,193
AANDC	141,465	-
Health Canada	85,892	-
CMHC	147,080	57,000
Members	31,833	515,245
Other	428,055	1,003,374
Allowance for doubtful accounts	(283,568)	(867,786)
	<b>\$ 784,619</b>	<b>\$ 1,383,995</b>

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## Driftpile First Nation

### Notes to Consolidated Financial Statements

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March 31, 2014

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#### 4. Investments

	2014	2013
United Farmers of Alberta Co-operative Limited, at cost	\$ 5,064	\$ 5,064
Co-op shares, at cost	672	672
Riverboat Inc. shares, at cost	100	100
1210104 Alberta Ltd. shares, at cost	2	2
Lesser Slave Lake Limited Partnership, at cost	100	100
Lesser Slave Lake Management Services Ltd., at cost	50	50
Wanska Treaty Energy Alliance Limited Partnership, at cost	50,000	-
	<b>\$ 55,988</b>	<b>\$ 5,988</b>

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# Driftpile First Nation

## Notes to Consolidated Financial Statements

March 31, 2014

### 5. Investment in and advances to Driftpile Entity

#### Driftpile First Nation Enterprises Inc.

#### Statement of Financial Position

	2014	2013
Cash	\$ 61,762	\$ 76,071
Accounts receivable	511,350	519,878
Investment	55,786	32,570
Due from related party	-	142,143
Property and equipment	1,783,243	1,977,039
<b>Total assets</b>	<b>\$ 2,412,141</b>	<b>\$ 2,747,701</b>
Accounts payable	\$ 137,811	\$ 162,127
Unearned revenue	175,341	-
Current portion of long-term debt	222,248	360,349
Current portion of capital lease obligation	57,042	-
Due to related party	41,276	-
Long-term debt	241,769	652,944
Capital lease obligation	231,086	-
<b>Total liabilities</b>	<b>1,106,573</b>	<b>1,175,420</b>
<b>Equity</b>	<b>1,305,568</b>	<b>1,572,281</b>
<b>Total liabilities and equity</b>	<b>\$ 2,412,141</b>	<b>\$ 2,747,701</b>

#### Statement of Operations

	2014	2013
Revenue	\$ 2,021,848	\$ 2,220,862
Expenses	2,288,561	2,257,271
Gain on disposal of equipment	-	(47,684)
<b>Total expenses</b>	<b>2,288,561</b>	<b>2,209,587</b>
<b>Net income (loss)</b>	<b>\$ (266,713)</b>	<b>\$ 11,275</b>

	2014	2013
Advances to (from) Driftpile First Nation Entities	\$ 41,276	\$ (33,278)
Accumulated earnings	1,305,568	1,775,088
<b>Investment in and advances to Driftpile First Nation Enterprises Inc.</b>	<b>\$ 1,346,844</b>	<b>\$ 1,741,810</b>

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## Driftpile First Nation

### Notes to Consolidated Financial Statements

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**March 31, 2014**

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#### 6. Cash held in trust

The Nation has an agreement with a third party in which funds held in lawyers trust account are released to the Nation when certain milestones have been achieved. At March 31, 2014, \$175,341 was held in trust.

#### 7. Ottawa Trust Funds

The Ottawa Trust Funds include funds held by the Government of Canada for the use and benefit of the Driftpile First Nation. These funds are accounted for as received and the release of such funds is subject to Ministerial approval.

	March 31, 2013	Income	Withdrawals	March 31, 2014
Ottawa funds held in trust - Capital	\$ 1,055,079	\$ 222	\$ -	\$ 1,055,301
Ottawa funds held in trust - Revenue	86,283	37,281	(95,000)	28,564
	<u>\$ 1,141,362</u>	<u>\$ 37,503</u>	<u>\$ (95,000)</u>	<u>\$ 1,083,865</u>

The trust fund accounts held in Ottawa arise from monies derived from capital and revenue sources which the Crown considers are described in Section 62 of the Indian Act. These funds are held in trust by the Government of Canada and the Crown treats these funds as primarily governed by sections 64 and 69 of the Indian Act.

These funds are treated by Canada as held in trust in the Consolidated Revenue fund of the Government of Canada. The funds attract interest pursuant to Section 61(2) of the Indian Act.

#### 8. Bank indebtedness

Bank indebtedness represents cheques issued in excess of funds on deposit.

#### 9. Accounts payable and accrued liabilities

	2014	2013
Trade payables	\$ 1,030,884	\$ 482,786
Accrued liabilities	99,009	180,676
	<u>\$ 1,129,893</u>	<u>\$ 663,462</u>

Included in trade payables is \$532,669 (2013: nil) due to High Prairie School Division.

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## Driftpile First Nation

### Notes to Consolidated Financial Statements

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**March 31, 2014**

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#### 10. Deferred Revenue

Deferred revenue represents funds received that will be recognized as revenue in the next fiscal year, when the related expenses are incurred, or when the terms of the funding have been fulfilled.

	March 31, 2013	Funding received	Revenue recognized	March 31, 2014
AANDC	\$ -	\$ 8,907,950	\$ (8,559,191)	\$ 348,759
LSLIRC	163,943	624,365	(788,308)	-
Heath Canada	64,531	2,031,143	(2,095,674)	-
Other	-	1,937,251	(1,914,161)	23,090
	\$ 228,474	\$ 13,500,709	\$ (13,357,334)	\$ 371,849

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**Driftpile First Nation****Notes to Consolidated Financial Statements**

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**March 31, 2014**

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**11. Long-term debt**

	2014	2013
Peace Hills Trust mortgage loan payable in monthly payments of \$1,669 with interest at 5.19% due in March 2016, secured by capital assets.	\$ 38,229	\$ 55,889
CMHC mortgage bearing interest at 1.92%, repayable in monthly instalments of \$1,183 maturing April 2014. Secured by a ministerial guarantee.	187,636	198,365
TD Bank mortgage loan payable in monthly payments of \$1,771 with interest at 6.19% due in September 2017, secured by capital assets.	66,927	84,569
Peace Hills Trust commercial loan payable in monthly payments of \$2,935 with interest at 7.5%, repaid during the year.	-	28,193
CMHC mortgage bearing interest at 1.64%, repayable in monthly instalments of \$1,068 maturing February 2017. Secured by a ministerial guarantee.	199,278	208,775
John Deere Credit Company loan, repayable in blended monthly instalments of \$6,523 including interest at 3.90%, maturing September 2016, and secured by equipment with a net book value of \$251,280.	183,469	-
Native Claims loan, secured by a promissory note, payable on the earlier of March 31, 2017, or the date the claim is settled. The note is interest free unless the Nation defaults on the note, or the note matures.	36,931	36,931
ATB term loan payable in monthly interest only payments at prime plus 1.50%. Blended payments of \$175,000 per quarter will commence upon completion of the related housing project, secured by capital assets and a guarantee by Lesser Slave Lake Indian Regional Council.	2,887,215	1,851,255
	<b>\$ 3,599,685</b>	<b>\$ 2,463,977</b>

Principal portion of long-term debt due within the next five years:

2015	\$ 517,126
2016	835,352
2017	778,270
2018	729,906
2019 and thereafter	739,031
	<b>\$ 3,599,685</b>

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**Driftpile First Nation****Notes to Consolidated Financial Statements**

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**March 31, 2014**

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**12. Capital Assets**

	Cost			Accumulated amortization			2014 net book value
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	
Buildings	\$ 44,965,327	\$ 1,403,335	\$ 46,368,662	\$ 12,836,053	\$ 1,566,277	\$ 14,402,330	\$ 31,966,332
Automotive equipment	2,340,766	68,807	2,409,573	1,942,955	234,306	2,177,261	232,312
Equipment	1,256,984	388,902	1,645,886	1,146,812	250,919	1,397,731	248,155
	<b>\$ 48,563,077</b>	<b>\$ 1,861,044</b>	<b>\$ 50,424,121</b>	<b>\$ 15,925,820</b>	<b>\$ 2,051,502</b>	<b>\$ 17,977,322</b>	<b>\$ 32,446,799</b>

	Cost			Accumulated amortization			2013 Net book value
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	
Buildings	\$ 41,420,521	\$ 3,544,806	\$ 44,965,327	\$ 11,236,309	\$ 1,599,744	\$ 12,836,053	\$ 32,129,274
Automotive equipment	2,018,312	322,454	2,340,766	1,730,390	212,565	1,942,955	397,811
Equipment	1,186,764	70,220	1,256,984	1,043,559	103,253	1,146,812	110,172
	<b>\$ 44,625,597</b>	<b>\$ 3,937,480</b>	<b>\$ 48,563,077</b>	<b>\$ 14,010,258</b>	<b>\$ 1,915,562</b>	<b>\$ 15,925,820</b>	<b>\$ 32,637,257</b>

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## Driftpile First Nation

### Notes to Consolidated Financial Statements

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March 31, 2014

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#### 13. CMHC Replacement Reserve

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation is required to provide a replacement reserve. This reserve is to ensure replacement of buildings financed by Canada Mortgage and Housing Corporation. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation, or as may otherwise be approved by Canada Mortgage and Housing Corporation. Withdrawals are to be credited to interest first and then to the principal. At the year-end date the reserve is under funded by \$153,768 (2013 - \$144,768).

#### 14. Accumulated surplus

	2014	2013
Operating Fund	\$ (103,915)	\$ 37,759
Enterprise Funds - Driftpile Entities	1,346,844	1,741,810
Capital Asset Fund	28,884,045	30,210,212
Investment Fund	55,988	5,988
Trust Funds	1,259,205	1,141,362
	<b>\$ 31,442,167</b>	<b>\$ 33,137,131</b>

#### 15. Contingent liabilities

Government contributions related to the projects of the organization are subject to conditions regarding the expenditure of funds. The organization's accounting records are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective funding agencies. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

Driftpile First Nation has guaranteed loans for Driftpile First Nation Enterprises Inc. At the year end, the balance outstanding on the guarantees were \$752,145 (2013 - \$1,013,293)

#### 16. Economic Dependence

Driftpile First Nation receives a significant portion of its revenue pursuant to a funding agreement with Aboriginal Affairs and Northern Development Canada and Health Canada.

#### 17. Employment retirement plan

Driftpile First Nation has a defined contribution plan for its employees. Participation in the pension plan is available to substantially all employees. Employees may contribute between 1.95% and 6.9% of their gross pay with the Nation making a matching contribution to the plan. Any voluntary amounts paid by the employee are not matched. Total employer contributions for 2014 were \$47,563 (2013 - \$61,462)

# Driftpile First Nation

## Notes to Consolidated Financial Statements

March 31, 2014

### 18. Budget

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Chief and Council and is unaudited.

### 19. Comparative Amounts

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current year.

### 20. Expenses

For the year ended March 31	2014 Budget	2014 Actual	2013 Actual
<b>Expenses</b>			
Administration fees	\$ -	\$ 50,112	\$ -
Advertising	-	-	26,934
Amortization	-	2,051,502	1,915,561
Bad debt	-	125,580	311,906
Cultural events	172,019	227,104	369,916
Education allowance	317,015	459,956	382,875
Election expense	-	-	22,897
Equipment rental	4,000	15,176	234,099
Fixed expenses	355,334	355,344	-
Health care expenses	597,538	888,636	750,934
Human resources development	177,544	151,269	219,566
Insurance	160,245	136,932	127,132
Interest and bank charges	14,226	2,672	16,211
Interest on long-term debt	-	145,171	53,363
Materials and supplies	202,836	200,218	200,474
Meeting and travel expenses	651,343	526,804	547,570
Office	128,024	201,795	223,633
Professional fees	166,179	141,107	505,785
Program costs	230,197	33,474	27,610
Repairs and maintenance	965,752	920,401	822,276
Set expenses	588,782	1,017,876	584,654
Social assistance	924,840	761,173	808,157
Subcontractors	3,200	750	23,302
Training	196,850	89,631	116,522
Trust funds withdrawals	-	95,000	-
Tuition fees	1,329,885	1,230,388	131,508
Utilities and telephone	544,347	493,479	542,036
Vehicle operation and maintenance	234,417	165,690	160,437
Wages and benefits	4,449,944	4,565,058	3,794,763
	<b>\$ 12,414,517</b>	<b>\$ 15,052,298</b>	<b>\$ 12,920,121</b>

## Driftpile First Nation

### Notes to Consolidated Financial Statements

March 31, 2014

#### 21. Segmented information

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function.

	Band Government			Education			Health		
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
<b>Revenues</b>									
AANDC	794,674	836,866	-	3,865,246	3,711,576	-	-	-	-
LSLIRC	1,000	4,100	1,035,646	-	2,000	1,792,363	-	-	-
Health Canada	-	-	-	-	-	-	1,754,279	2,005,582	1,799,710
Transfers (to) from other programs	274,723	32,438	582,592	(56,344)	115,433	97,358	38,663	(81,960)	(92,392)
Other revenue	488,885	547,968	872,989	115,913	170,742	112,565	10,000	57,562	801
<b>Total revenue</b>	<b>1,559,282</b>	<b>1,421,372</b>	<b>2,491,227</b>	<b>3,924,815</b>	<b>3,999,751</b>	<b>2,002,286</b>	<b>1,802,942</b>	<b>1,981,184</b>	<b>1,708,119</b>
<b>Expenses</b>									
Wages and benefits	723,259	470,575	863,927	1,090,974	1,293,012	795,356	941,305	988,101	829,919
Meeting and travel expenses	225,405	229,830	129,227	56,247	78,399	34,911	262,474	96,431	38,070
Office	45,923	67,338	114,641	24,050	38,750	23,287	-	-	-
Program expenses	-	-	-	-	-	-	593,163	868,014	734,872
Repairs and maintenance	13,342	13,134	40,361	151,200	138,763	100,126	-	-	-
Tuition fees	-	-	-	1,329,885	1,230,388	131,508	-	-	-
Utilities and telephone	50,400	76,463	99,762	133,226	170,113	129,245	-	-	-
Other expenses	500,953	548,595	570,382	1,139,233	1,267,718	766,671	6,000	4,265	15,547
<b>Total expenses</b>	<b>1,559,282</b>	<b>1,405,935</b>	<b>1,818,300</b>	<b>3,924,815</b>	<b>4,217,143</b>	<b>1,981,104</b>	<b>1,802,942</b>	<b>1,956,811</b>	<b>1,618,408</b>
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>15,437</b>	<b>672,927</b>	<b>-</b>	<b>(217,392)</b>	<b>21,182</b>	<b>-</b>	<b>24,373</b>	<b>89,711</b>

## Driftpile First Nation

### Notes to Consolidated Financial Statements

March 31, 2014

#### 21. Segmented information, continued

	Social Services			Housing			Community Services		
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
<b>Revenues</b>									
AANDC	2,105,781	1,869,779	-	648,652	648,652	-	-	-	-
LSLIRC	147,443	237,411	2,277,125	-	-	526,340	113,598	113,598	113,598
Transfers (to) from other programs	(327,339)	(381,991)	(360,239)	-	14,157	101,108	20,000	18,746	33,906
Other revenue	6,628	114,214	163,644	225,640	204,370	175,242	6,000	6,887	4,780
<b>Total revenue</b>	<b>1,932,513</b>	<b>1,839,413</b>	<b>2,080,530</b>	<b>874,292</b>	<b>867,179</b>	<b>802,690</b>	<b>139,598</b>	<b>139,231</b>	<b>152,284</b>
<b>Expenses</b>									
Wages and benefits	496,291	596,891	543,646	400,000	103,578	84,894	81,597	81,312	114,818
Meeting and travel expenses	61,613	30,580	70,298	2,500	3,013	9,157	8,168	6,609	3,015
Office	27,353	40,610	26,662	-	-	-	5,200	13,731	2,600
Health care expenses	4,375	10,907	16,062	-	-	-	-	9,715	-
Repairs and maintenance	49,237	25,245	94,833	449,499	630,188	488,265	1,712	1,239	4,737
Utilities and telephone	20,000	5,500	19,049	22,293	25,419	4,158	13,600	12,299	11,176
Other expenses	1,273,644	1,127,320	1,193,721	-	18,209	10,907	29,321	14,326	15,938
<b>Total expenses</b>	<b>1,932,513</b>	<b>1,837,053</b>	<b>1,964,271</b>	<b>874,292</b>	<b>780,407</b>	<b>597,381</b>	<b>139,598</b>	<b>139,231</b>	<b>152,284</b>
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>2,360</b>	<b>116,259</b>	<b>-</b>	<b>86,772</b>	<b>205,309</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Driftpile First Nation

### Notes to Consolidated Financial Statements

March 31, 2014

#### 21. Segmented information, continued

	Economic Development			Public Works			Other		
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
Revenues									
AANDC	149,568	186,182	-	1,264,576	1,306,136	-	-	-	-
LSLIRC	421,921	421,921	565,488	-	9,278	1,132,791	-	-	-
Transfers (to) from other programs	(50,000)	45,689	(164,764)	100,297	237,487	(197,568)	-	-	-
Other revenue	170,692	(94,005)	1,130,404	124,021	200,790	168,224	-	795,726	1,014,851
<b>Total revenue</b>	<b>692,181</b>	<b>559,787</b>	<b>1,531,128</b>	<b>1,488,894</b>	<b>1,753,691</b>	<b>1,103,447</b>	<b>-</b>	<b>795,726</b>	<b>1,014,851</b>
Expenses									
Wages and benefits	374,221	443,538	250,708	342,297	588,052	311,493	-	-	-
Meeting and travel expenses	27,719	60,294	226,217	7,217	21,650	36,675	-	-	-
Office	22,806	37,640	51,980	2,692	3,725	4,463	-	-	-
Repairs and maintenance	-	-	18,439	300,762	111,832	75,513	-	-	-
Utilities and telephone	5,241	4,871	3,895	299,587	198,815	274,751	-	-	-
Other expenses	262,194	271,857	1,065,303	536,339	702,854	368,320	-	219,088	185,055
<b>Total expenses</b>	<b>692,181</b>	<b>818,200</b>	<b>1,616,542</b>	<b>1,488,894</b>	<b>1,626,928</b>	<b>1,071,215</b>	<b>-</b>	<b>219,088</b>	<b>185,055</b>
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>(258,413)</b>	<b>(85,414)</b>	<b>-</b>	<b>126,763</b>	<b>32,232</b>	<b>-</b>	<b>576,638</b>	<b>829,796</b>

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**Driftpile First Nation****Notes to Consolidated Financial Statements**

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**March 31, 2014**

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**21. Segmented information, continued**

	Amortization			Consolidated totals		
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
Revenues						
AANDC	-	-	-	8,828,497	8,559,191	-
LSLIRC	-	-	-	683,962	788,308	7,443,351
Health Canada	-	-	-	1,754,279	2,005,582	1,799,710
FNDF	-	758,224	762,706	-	758,224	762,706
Other revenue	-	(758,224)	(762,706)	1,147,779	1,246,030	2,880,794
Total revenue	-	-	-	12,414,517	13,357,334	12,886,562
Expenses						
Wages and benefits	-	-	-	4,449,944	4,565,059	3,794,781
Meeting and travel expenses	-	-	-	651,343	526,806	547,570
Office	-	-	-	128,024	201,794	223,633
Health care expenses	-	-	-	597,538	888,636	750,934
Repairs and maintenance	-	-	-	965,752	920,401	822,274
Tuition fees	-	-	-	1,329,885	1,230,388	131,508
Utilities and telephone	-	-	-	544,347	493,480	542,036
Other expenses	-	2,051,502	1,915,561	3,747,684	6,225,734	6,107,405
Total expenses	-	2,051,502	1,915,561	12,414,517	15,052,298	12,920,121
Annual surplus (deficit)	-	(2,051,502)	(1,915,561)	-	(1,694,964)	(33,559)

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