

Chipewyan Prairie First Nation
Consolidated Financial Statements
March 31, 2014

Chipewyan Prairie First Nation

Consolidated Financial Statements

March 31, 2014

Page

Management's Responsibility for Financial Reporting	3
Independent Auditors' Report	4
 Financial Statements	
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations and Accumulated Surplus	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flow	8
Notes to Consolidated Financial Statements	9 - 24

Chipewyan Prairie First Nation

Management's Responsibility for Financial Reporting

March 31, 2014

The accompanying consolidated financial statements of Chipewyan Prairie First Nation are the responsibility of management and have been approved by 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.

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.

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 Chipewyan Prairie First Nation and meet when required.

On behalf of Chipewyan Prairie First Nation:



Chief


Administrative Director

August 26, 2014
Date

August 26, 2014
Date



Independent Auditors' Report

To the Members of Chipewyan Prairie First Nation

We have audited the accompanying consolidated financial statements of Chipewyan Prairie 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 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 auditor considers 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 Chipewyan Prairie First Nation as at March 31, 2014, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Edmonton, Canada
August 26, 2014

Crowe MacKay LLP
Chartered Accountants

Chipewyan Prairie First Nation

Consolidated Statement of Financial Position

March 31	2014	2013
----------	------	------

Financial Assets

Cash (Note 2)	\$ 736,349	\$ 1,141,023
Accounts receivable (Note 3)	1,071,629	632,014
Chipewyan Prairie Business Trust (Note 4)	12,984,218	8,590,871
Investments in First Nation Controlled Entities (Note 5)	885,636	892,208
Investments (Note 6)	101	101
Chipewyan Prairie First Nation Business Trust (Note 7)	5,648,176	7,873,182
Cash held in Trust (Note 8)	100,000	100,000
Restricted investment (Note 9)	6,220,838	6,163,377
Ottawa Trust Funds (Note 10)	238,226	208,384
	27,885,173	25,601,160

Liabilities

Accounts payable (Note 11)	657,764	527,762
Deferred revenue (Note 12)	663,848	821,674
Due to related parties (Note 13)	2,287,109	1,697,139
Long-term debt (Note 14)	4,188,869	3,667,332
	7,797,590	6,713,907

Net financial assets	20,087,583	18,887,253
-----------------------------	-------------------	-------------------

Non-financial Assets

Tangible capital assets (Note 15)	19,967,013	16,586,159
Accumulated Surplus (Note 16)	\$ 40,054,596	\$ 35,473,412

Contingent liabilities (Note 17)

Approved on behalf of the Chipewyan Prairie First Nation

, Chief

, Councilor

Chipewyan Prairie First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2014 Budget	2014 Actual	2013 Actual
Revenue			
Federal Government:			
Aboriginal Affairs Northern Development Canada - Fixed	\$ 1,554,710	\$ 1,051,118	\$ 1,017,349
Aboriginal Affairs Northern Development Canada - Set	36,722	550,945	592,280
Aboriginal Affairs Northern Development Canada - Grant	283,570	283,570	283,570
Capital Band Funds	-	-	221
Revenue Band Funds	-	29,842	21,056
First Nation Inuit Health	870,771	1,022,992	950,167
Canada Mortgage and Housing Corporation subsidies	-	168,346	165,475
Athabasca Tribal Council	165,500	162,677	155,147
First Nation Development Funds	500,000	580,853	886,956
Enterprises income (loss)	-	(6,772)	36,012
Land Claims Settlement Trust	-	253,892	261,143
Chipewyan Prairie Business Trust	-	15,571,188	24,094,162
Rental Income	-	88,100	21,600
Social priorities - IRC	1,367,530	2,330,775	1,391,900
Other revenue	2,193,742	859,004	554,039
Transfers from (to) administration	5,224,955	-	-
	12,197,500	22,946,530	30,431,077
Expenses (Note 18)			
Amortization	-	834,668	770,899
Band government	2,636,300	4,409,672	4,788,660
Capital projects and housing	4,599,850	3,746,729	2,617,100
Economic development	689,200	3,945,158	3,682,550
Education	453,000	482,049	406,935
Employment programs	271,100	216,730	256,012
Health	1,403,439	1,089,230	1,116,753
Other	500,000	25,817	-
Public works	1,636,411	2,987,464	865,803
Social services	-	627,829	831,856
	12,189,300	18,365,346	15,336,568
Excess of revenue over expenses	8,200	4,581,184	15,094,509
Accumulated surplus, beginning of year	-	35,473,412	20,378,903
Accumulated surplus, end of year	\$ 8,200	\$ 40,054,596	\$ 35,473,412

Chipewyan Prairie First Nation

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2014 Budget	2014 Actual	2013 Actual
Excess of revenue over expenses	\$ 8,200	\$ 4,581,184	\$ 15,094,509
Acquisition of tangible capital assets	-	(4,806,494)	(5,329,056)
Amortization of tangible capital assets	-	834,668	770,899
Loss on disposal of tangible capital assets	-	590,972	-
	-	(3,380,854)	(4,558,157)
<u>Acquisition of prepaid asset</u>	-	-	813
Increase in net financial assets	8,200	1,200,330	10,537,165
Net financial assets, beginning of year	18,887,253	18,887,253	8,350,088
Net financial assets, end of year	\$ 18,895,453	\$ 20,087,583	\$ 18,887,253

Chipewyan Prairie First Nation

Consolidated Statement of Cash Flow

<u>For the year ended March 31, 2014</u>	2014	2013
Cash flows from		
Operating activities		
Excess of revenue over expenses	\$ 4,581,184	\$ 15,094,509
Items not affecting cash		
Amortization of capital assets	834,668	770,899
Loss on disposal of equipment	590,972	-
	6,006,824	15,865,408
Change in non-cash operating working capital		
Accounts receivable	(439,615)	987,183
Prepaid expenses	-	813
Restricted investment	(57,461)	(47,504)
Accounts payable	130,002	(42,358)
Deferred revenue	(157,826)	(313,092)
	5,481,924	16,450,450
Capital activities		
Purchase capital assets	(4,806,494)	(5,329,058)
Financing activities		
Due from (to) related parties	589,970	(522,631)
Proceeds from long term debt	808,355	392,304
Repayment of long term debt	(286,818)	(225,211)
	1,111,507	(355,538)
Investing activities		
Increase in Ottawa Trust Funds	(29,842)	(21,277)
Investments in First Nation Controlled Entities	6,572	(36,012)
Chipewyan Prairie First Nation Business Trust	2,225,006	(2,569,978)
Chipewyan Prairie Business Trust	(4,393,347)	(8,721,184)
	(2,191,611)	(11,348,451)
Decrease in cash and cash equivalents	(404,674)	(582,597)
Cash and cash equivalents, beginning of year	1,141,023	1,723,620
Cash and cash equivalents, end of year	\$ 736,349	\$ 1,141,023

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

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

These consolidated financial statements include the operations of Chipewyan Prairie First Nation Land Claim Settlement Trust.

First Nation business enterprises and Trusts, that are owned or controlled by the First Nation Council and that are not dependent on the First Nation for their continuing operations, are included in the consolidated 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 include:

1. Chipewyan Prairie Ventures Inc.
2. Chipewyan Prairie Camp and Catering Corporation
3. Chipewyan Prairie Oil Field Development Corporation
4. Chipewyan Prairie First Nation Housing Society
5. 1027511 Alberta Limited
6. Janvier Aboriginal Industrial Services Co. (JAISCO)
7. Chipewyan Prairie Business Trust
8. Prairie Dene Development Corporation
9. Chipewyan Prairie First Nation Business Trust
10. Chipewyan Prairie First Nation Land Claim Settlement Business Trust
11. Chipewyan Prairie Real Estate Development Corporation
12. Chipewyan Prairie Store Corporation

Long-term investments in non-controlled entities are recorded at cost.

The First Nation also has investments in the Chipewyan Prairie First Nation Land Claim Settlement Trust, the Chipewyan Prairie First Nation Business Trust and Chipewyan Prairie Business Trust. These funds are accounted for as received and release of funds are subject to the terms of the Trust Agreements.

(b) Cash

Cash and cash equivalents includes cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

1. Basis of Presentation and Significant Accounting Policies (continued)

(c) Tangible capital assets

Tangible capital assets are recorded at cost except for reserve lands, natural resources and cultural resources which are not recorded.

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

Buildings	5%	Declining balance
Automotive equipment	5%	Declining balance
Office equipment	20%	Declining balance
Equipment	25%	Declining balance
Infrastructure	30%	Declining balance
Emergency trailers	5%	Declining balance

(d) Financial instruments

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

(e) 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.

Income from investments is recorded on the accrual basis.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

1. Basis of Presentation and Significant Accounting Policies (continued)

(f) Use of estimates

The preparation of 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 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.

Oil and gas royalties and surface rights payments related to oil and gas exploration and development activities are administered directly by the Government of Canada ("Canada") under the provisions of the Indian Oil and Gas Act. The Nation records receipts based on currently available information supplied by Canada. Royalty payments from oil and gas producers are subject to periodic revision. Adjustments are recorded by the Nation in the period that the information becomes available.

2. Cash

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the 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. At March 31, 2014 the reserve is under funded by \$184,881 (2013 - \$128,541).

3. Accounts receivable

	2014	2013
Aboriginal Affairs and Northern Development Canada (AANDC)	\$ 583,567	\$ 355,727
Athabasca Tribal Council	65,169	29,085
Canada Mortgage and Housing Corporation	3,572	33,262
First Nations Development Fund	125,682	122,856
Other	313,639	93,084
Allowance for doubtful accounts	1,091,629 (20,000)	634,014 (2,000)
	\$ 1,071,629	\$ 632,014

4. Investment in Chipewyan Prairie Business Trust

The Investment in Chipewyan Prairie Business Trust consists of the First Nation's share of net income of limited partnerships, which includes Janvier Gravel Services Limited Partnership, Janvier Fabrication Services Limited Partnership, Janvier Pipeline Services Limited Partnership and Janvier Landsite Services Limited Partnership, Chipewyan Prairie Real Estate Development Limited Partnership, Chipewyan Prairie Store Limited Partnership, less the cash distributions made by the limited partnerships to the First Nation. Peace Hills Trust is the Trustee.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

5. Investments in First Nation Controlled Entities

	2014	2013
Prairie Dene Development Corporation - 100% ownership	\$ 596,667	\$ 590,117
Chipewyan Prairie Camp and Catering Corporation - 100% ownership	(21,202)	(18,541)
Chipewyan Prairie First Nation Housing Society - 12.5% ownership	325,725	325,725
Chipewyan Prairie Oil Field Development Corporation - 100% ownership	14,370	14,513
Chipewyan Prairie Ventures Inc. - 100% ownership	(18,321)	(16,322)
1027511 Alberta Ltd. - 100% ownership	2,396	2,396
Janvier Aboriginal Industrial Services Corporation - 100% ownership	(7,656)	(5,680)
Chipewyan Prairie Real Estate Development Corporation - 100% ownership	(3,527)	-
Chipewyan Prairie Store Limited - 100% ownership	(2,816)	-
	<hr/> \$ 885,636	<hr/> \$ 892,208

6. Investments

	2014	2013
Athabasca Tribal Council Ltd.	\$ 1	\$ 1
JHL Forestry Inc.	100	100
	<hr/> \$ 101	<hr/> \$ 101

7. Investment in Chipewyan Prairie First Nation Business Trust

The Investment in Chipewyan Prairie First Nation Business Trust consists of the First Nation's share of net income of limited partnerships, which includes Chipewyan Prairie Cats Limited Partnership, Chipewyan Prairie Ventures Limited Partnership, Chipewyan Prairie Oilfield Developments Limited Partnership, Chipewyan Prairie Clearing Limited Partnership, Chipewyan Prairie Camp and Catering Limited Partnership, less the cash distributions made by the limited partnerships to the First Nation. CIBC is the Trustee.

8. Cash held in Trust

Cash held in trust include a \$100,000 guaranteed investment certificate held as a letter of guarantee by the Government of Alberta Sustainable Resource Development.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

9. Restricted investments - Chipewyan Prairie First Nation Land Claim Settlement Trust

The restricted investments held in the Chipewyan Prairie First Nation Land Claim Settlement Trust are carried at cost plus accrued interest.

The Chipewyan Prairie First Nation Land Claim Settlement Trust (the "Trust") was established on February 19, 1993, with a partial settlement of obligations of the Government of Canada to the Chipewyan Prairie First Nation under the land provisions of Treaty 8. The purpose of the Trust is to provide programs and projects for the benefit of members of the Chipewyan Prairie First Nation.

Equity of the Trust is separated into Capital and Revenue Funds, as set out in the terms of the Trust Agreement.

10. Ottawa Trust Funds

The Ottawa Trust accounts 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 63 and 69 of the Indian Act.

These Ottawa Funds are held in trust in the Consolidated Revenue fund of the Government of Canada. The funds earn interest as specified in Section 61(2) of the Indian Act.

11. Accounts payable

	2014	2013
Trade payables	\$ 657,764	\$ 527,488
Government remittances payable	-	277
	\$ 657,764	\$ 527,765

12. Deferred revenue

Deferred revenue represents funding received during the year that has not been expended as at March 31, 2014

	2014	2013
Community Economic Development	\$ -	\$ 75,361
First Nation Development Fund	663,848	746,313
	\$ 663,848	\$ 821,674

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

13. Due from (to) Related Parties

	2014	2013
Chipewyan Prairie Cats Limited Partnership	\$ (5,611)	\$ (560,424)
Chipewyan Prairie Clearing Limited Partnership	(8,760)	(425,943)
Chipewyan Prairie Camp and Catering Corporation	23,468	23,468
Chipewyan Prairie Camp and Catering Limited Partnership	(125,764)	(1,460,900)
Chipewyan Prairie Oil Field Development Limited Partnership	(440,340)	(1,248,568)
Chipewyan Prairie Oil Field Development Corporation	16,885	16,885
Chipewyan Prairie Ventures Inc.	11,885	11,885
1027511 Alberta Ltd.	505,104	369,858
Chipewyan Prairie Ventures Limited Partnership	(1,874,280)	1,846,492
Janvier Land Site Services Limited Partnership	-	112,432
Janvier Aboriginal Industrial Services Corporation	4,900	4,900
Janvier Pipeline Service Limited Partnership	(394,296)	(387,124)
Prairie Dene Development Corporation	(100)	(100)
Chipewyan Prairie Real Estate Development Corporation	(100)	-
Chipewyan Prairie Store Corporation	(100)	-
	\$ (2,287,109)	\$ (1,697,139)

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

14. Long-term debt

	2014	2013
Peace Hills Trust mortgage payable in monthly payments of \$370, including interest at 3.95%, matures in July 2017.	\$ 46,134	\$ 48,722
Peace Hills Trust mortgage payable in monthly payments of \$882 with interest at 3.95%, matures in July 2018.	41,520	50,047
Canada Mortgage and Housing Corporation mortgage payable in monthly payments of \$3,645 with interest at 2.11%, matures in December 2028.	778,056	673,931
Canada Mortgage and Housing Corporation mortgage payable in monthly payments of \$3,456 with interest at 1.62%, matures in January 2028.	513,813	546,697
Peace Hills Trust loan payable in annual payments of \$174,780 with interest at 6.75%, matures in July 2014.	130,097	281,548
Canada Mortgage and Housing Corporation mortgage payable in monthly payments of \$1,116 with interest at 1.71%, matures in July 2032.	210,702	220,412
Canada Mortgage and Housing Corporation mortgage payable in monthly payments of \$3,520 with interest at 1.71%. matures in August 2027.	506,173	539,473
Canada Mortgage and Housing Corporation mortgage payable in monthly payments of \$1,354 with interest at 2.57%, matures in December 2034.	261,378	270,816
Bank of Montreal loan, due on demand with monthly interest payments at prime plus 1.5%, matures in November 2023.	485,800	-
Ford Credit loan, repaid during the year.	-	22,494
Canada Mortgage and Housing Corporation mortgage payable in monthly payments of \$1,480 with interest at 2.51%, matures in March 2035.	287,704	274,058
Canada Mortgage and Housing Corporation mortgage payable in monthly payments of \$4,374 with interest of 2.11%, matures in December 2038.	927,492	739,134
	<hr/> \$ 4,188,869	<hr/> \$ 3,667,332

All housing loans are secured by a redirection of Aboriginal Affairs Northern Development Canada funds and Ministerial guarantees.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

14. Long-term debt, continued

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

2015	\$ 300,160
2016	173,510
2017	177,179
2018	180,931
2019 and thereafter	3,357,089
	<hr/>
	\$ 4,188,869

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

15. Tangible Capital Assets

	Cost				Accumulated amortization				2014 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	
Land	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ 9,000
Buildings	16,518,523	4,291,511	-	20,810,034	4,058,020	580,652	-	4,638,672	16,171,362
Automotive equipment	1,318,045	35,707	-	1,353,752	946,176	19,486	-	965,662	388,090
Computer equipment	27,537	-	-	27,537	27,537	-	-	27,537	-
Office equipment	273,582	-	-	273,582	174,766	4,940	-	179,706	93,876
Equipment	1,057,077	377,276	(675,397)	758,956	330,450	81,073	(84,425)	327,098	431,858
Infrastructure	4,444,935	102,000	-	4,546,935	1,618,933	143,850	-	1,762,783	2,784,152
Emergency trailers	111,398	-	-	111,398	18,056	4,667	-	22,723	88,675
	\$ 23,760,097	\$ 4,806,494	\$ (675,397)	\$ 27,891,194	\$ 7,173,938	\$ 834,668	\$ (84,425)	\$ 7,924,181	\$ 19,967,013
Cost									
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2013 Net book value
	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ 9,000
Land	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ 3,541,570	516,450	-	4,058,020	12,460,503
Buildings	13,121,271	3,397,252	-	16,518,523	928,372	17,804	-	946,176	371,869
Automotive equipment	1,250,860	67,185	-	1,318,045	27,537	-	-	27,537	-
Computer equipment	27,537	-	-	27,537	169,683	5,083	-	174,766	98,816
Office equipment	269,075	4,507	-	273,582	225,214	105,236	-	330,450	726,627
Equipment	235,238	821,839	-	1,057,077	1,497,519	121,414	-	1,618,933	2,826,002
Infrastructure	3,406,661	1,038,274	-	4,444,935	13,143	4,913	-	18,056	93,342
	\$ 18,431,040	\$ 5,329,057	\$ -	\$ 23,760,097	\$ 6,403,038	\$ 770,900	\$ -	\$ 7,173,938	\$ 16,586,159

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

16. Accumulated surplus

	2014	2013
Unrestricted operating deficit	\$ (2,679,891)	\$ (1,308,463)
Equity in Tangible Capital Assets	15,778,144	12,918,828
Equity in Ottawa Trust Fund	238,226	208,385
Equity in Enterprise Fund	885,637	893,202
Equity in CMHC Replacement Reserve	184,881	128,541
Equity in Land Claims Settlement Trust Fund	6,223,205	6,168,866
Equity in Business Trust Fund	<u>19,424,394</u>	<u>16,464,053</u>
	<hr/> \$ 40,054,596	<hr/> \$ 35,473,412

17. Contingent Liabilities

Chipewyan Prairie First Nation has been named as defendant in various legal proceedings. The Chipewyan Prairie First Nation is actively defending all lawsuits. As of March 31, 2014, it was not possible to determine the outcomes of these actions and no provision for possible loss has been included in these financial statements.

Government contributions related to the projects of the First Nation are subject to conditions regarding the expenditure of funds. The Nation'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.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

18. Expenditures by object

For the year ended March 31	2014 Budget	2014 Actual	2013 Actual
Expenses by object			
Administration fees	\$ -	\$ 99,737	\$ 102,553
Advertising	-	10,817	10,595
Allowances - HRD	74,950	71,542	66,521
Amortization	-	834,668	770,899
Bad debts	-	41,062	128,988
Capital expenditures	1,086,500	-	-
Courses	71,250	51,248	60,740
Distribution to members	-	2,335,000	3,088,000
Economic development project - Industrial Park	-	2,360,416	2,500,000
Education and tuition fees	-	7,460	-
Health care expenses	5,000	37,228	158,762
Insurance	-	126,007	102,649
Interest and bank charges	-	20,179	41,547
Interest on loans	-	87,661	111,160
Loss on disposal of assets	-	590,972	-
Materials and supplies	325,558	1,293,313	914,299
Meetings and travel	436,050	1,938,951	1,426,798
Office	1,678,700	101,970	66,801
Professional fees	11,500	229,042	166,275
Rent	46,600	79,708	44,216
Repairs and maintenance	-	100,213	50,254
Social Assistance	-	528,507	670,306
Utilities and telephone	183,800	491,476	359,193
Vehicle	-	184,785	80,600
Wages and subcontractors	8,269,392	6,743,384	4,415,412
	\$ 12,189,300	\$ 18,365,346	\$ 15,336,568

19. CMHC Replacement Reserve

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the 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. At March 31, 2014 the reserve is under funded by \$184,881 (2013 - \$128,541).

20. Budget Information

The budget information for the year ended March 31, 2014 is unaudited, prepared by management and has been approved by the Chief and Council.

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

21. Economic Dependence

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

22. Comparative Amounts

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

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

23. 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. The segment revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounts Policies as described in Note 2. The segment results for the year are as follows:

	Amortization			Band government			Capital projects and housing		
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
Revenues									
Aboriginal Affairs Northern Development Canada	-	-	-	333,939	333,944	333,486	934,331	181,400	283,900
CMHC subsidies	-	-	-	-	12,610,847	10,303,000	-	168,346	165,475
Chipewyan Prairie Business Trust	-	-	-	985,230	1,780,552	717,937	6,000	550,223	673,963
Social priorities - IRC	-	-	-	474,100	(12,000,931)	(7,256,544)	2,982,069	5,347,344	3,386,300
Transfers from (to) administration	-	-	-	842,131	468,583	235,959	681,550	259,556	257,495
Other revenue	-	-	-	-	-	-	-	-	-
Total revenue	-	-	-	2,635,400	3,192,995	4,333,838	4,603,950	6,506,869	4,767,133
Expenses									
Amortization	-	834,668	770,899	-	-	-	-	-	-
Distribution to members	-	-	-	-	2,335,000	3,088,000	-	-	-
Materials and supplies	-	-	-	-	148,469	25,478	156,000	758,255	655,598
Meetings and travel	-	-	-	228,700	475,182	443,161	81,700	539,836	306,103
Wages and subcontractors	-	-	-	869,800	806,390	771,871	4,262,550	2,180,247	1,349,282
Other expenses	-	-	-	1,537,800	644,631	460,150	99,600	268,391	306,117
Total expenses	-	834,668	770,899	2,636,300	4,409,672	4,788,660	4,599,850	3,746,729	2,617,100
Annual surplus (deficit)	-	(834,668)	(770,899)	(900)	(1,216,677)	(454,822)	4,100	2,760,140	2,150,033

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

23. Segmented information, continued

	Economic development			Education			Employment programs		
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
Revenues									
Aboriginal Affairs Northern Development Canada	60,587	100,587	80,587	253,804	399,214	244,797	-	-	-
Chipewyan Prairie Business Trust	-	-	2,500,000	-	-	-	-	-	-
Social priorities - IRC	376,300	-	-	-	-	-	-	-	-
Transfers from (to) administration	469,413	3,627,018	890,579	-	-	151,135	-	-	139,674
Other revenue	(217,100)	217,553	211,384	199,196	82,835	11,003	271,100	116,338	116,338
Total revenue	689,200	3,945,158	3,682,550	453,000	482,049	406,935	271,100	116,338	256,012
Expenses									
Economic development project - Industrial Park	-	2,360,416	2,500,000	-	-	-	-	-	-
Materials and supplies	121,200	139,428	98,927	-	96,334	24,540	-	603	-
Meetings and travel	8,100	282,721	271,826	-	35,728	32,590	-	16,628	20,843
Wages and subcontractors	263,600	934,195	649,680	391,400	290,457	302,164	100,000	42,160	97,727
Other expenses	296,300	228,398	162,117	61,600	59,530	47,641	171,100	157,339	137,442
Total expenses	689,200	3,945,158	3,682,550	453,000	482,049	406,935	271,100	216,730	256,012
Annual surplus (deficit)	-	-	-	-	-	-	-	(100,392)	-

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

23. Segmented information, continued

	Health			Other		Public works			
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
Revenues									
Aboriginal Affairs Northern Development Canada	-	-	-	-	-	-	292,341	448,003	405,503
Band funds	-	-	-	-	29,842	21,277	-	-	-
First Nation Inuit Health	870,771	990,482	1,025,528	-	-	-	-	-	-
First Nation Development Funds	-	-	-	-	498,388	498,503	-	-	-
Chipewyan Prairie Business Trust	-	-	-	-	2,960,341	11,291,162	-	-	-
Transfers from (to) administration	118,600	59,125	-	-	-	-	1,180,773	2,967,444	2,401,927
Other revenue	419,068	52,870	(17,529)	500,000	186,372	508,382	163,297	87,000	18,000
Total revenue	1,408,439	1,102,477	1,007,999	500,000	3,674,943	12,319,324	1,636,411	3,502,447	2,825,430
Expenses									
Materials and supplies	29,958	47,095	73,416	-	-	-	18,400	103,131	36,340
Meetings and travel	102,375	144,727	140,481	-	22,692	-	15,175	417,216	196,257
Wages and subcontractors	1,266,106	760,583	661,777	-	-	-	1,115,936	1,675,880	537,075
Other expenses	5,000	136,825	241,079	500,000	3,125	-	486,900	791,237	96,131
Total expenses	1,403,439	1,089,230	1,116,753	500,000	25,817	-	1,636,411	2,987,464	865,803
Annual surplus (deficit)	5,000	13,247	(108,754)	-	3,649,126	12,319,324	-	514,983	1,959,627

Chipewyan Prairie First Nation

Notes to Consolidated Financial Statements

March 31, 2014

23. Segmented information, continued

	Social services			Consolidated totals		
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual
Revenues						
Aboriginal Affairs Northern Development Canada	-	422,485	544,926	1,875,002	1,885,633	1,893,199
Band Funds	-	-	-	-	29,842	21,277
First Nation Inuit Health	-	-	-	870,771	990,482	1,025,528
CMHC subsidies	-	-	-	-	168,346	165,475
First Nation Development Funds	-	-	-	-	498,388	498,503
Chipewyan Prairie Business Trust	-	-	-	-	15,571,188	24,094,162
Social priorities - IRC	-	-	-	1,367,530	2,330,775	1,391,900
Transfers from (to) administration	-	-	286,930	5,224,955	-	1
Other revenue	-	769	-	2,859,242	1,471,876	1,341,032
Total revenue	-	423,254	831,856	12,197,500	22,946,530	30,431,077
Expenses						
Amortization	-	-	-	-	834,668	770,899
Distribution to members	-	-	-	-	2,335,000	3,088,000
Economic development project - Industrial Park	-	-	-	-	2,360,416	2,500,000
Materials and supplies	-	-	-	325,558	1,293,315	914,299
Meetings and travel	-	4,221	15,536	436,050	1,938,951	1,426,797
Social Assistance	-	528,507	670,306	-	528,507	670,306
Wages and subcontractors	-	53,474	45,836	8,269,392	6,743,386	4,415,412
Other expenses	-	41,627	100,178	3,158,300	2,331,103	1,550,855
Total expenses	-	627,829	831,856	12,189,300	18,365,346	15,336,568
Annual surplus (deficit)	-	(204,575)	-	8,200	4,581,184	15,094,509