

WOODLAND CREE FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENT  
FOR THE YEAR ENDED MARCH 31, 2015

WOODLAND CREE FIRST NATION

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FOR THE YEAR ENDED MARCH 31, 2015

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**WOODLAND CREE FIRST NATION**  
**MARCH 31, 2015**

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of the Woodland Cree First Nation and all the information in the annual report are the responsibility of management and have been approved by the Chief and Tribal Administrator on behalf of Council.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Woodland Cree First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

The Chief and Council carries out its responsibility for the financial statements through the Office of Chief and Council, which is comprised of a quorum of council. The Chief and Council meets with the auditors to satisfy itself on the adequacy of internal controls and to review the financial statements and auditor's report.

The financial statements have been audited by John M. Beale, CMA in accordance with generally accepted auditing standards on behalf of the members. John M. Beale, CMA has full and free access to the Chief and Council.



Chief



Tribal Administrator

# JOHN M. BEALE, CMA

## CERTIFIED MANAGEMENT ACCOUNTANT

BOX 659  
TWO HILLS, ALBERTA  
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(780) 657 - 2492  
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### INDEPENDENT AUDITORS' REPORT

#### **To the Chief and Council:**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Woodland Cree First Nation, which comprise the consolidated statement of financial position as at March 31, 2015 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 in necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors's 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 auditor's judgment including the assessment of the risks of material misstatement on 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 on 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 statements.

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

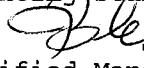
#### **Basis for Qualified Opinion**

The financial information for some of the government business enterprises and long term investments were not audited or not available. Since the earnings (losses) of these entities enters into the determination of the results from operations and valuations of investments shown in the financial statements of the Cree Nation, we were unable to determine whether adjustments might be necessary to investments in the nations business entities, earnings (loss) from investments in Cree Nation business entities, statements of revenue and expenses and surplus (deficit), and change in equity.

#### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Woodland Cree First Nation as at March 31, 2015, the results of its operations, change in its net financial assets and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Two Hills, Alberta  
August 20, 2015

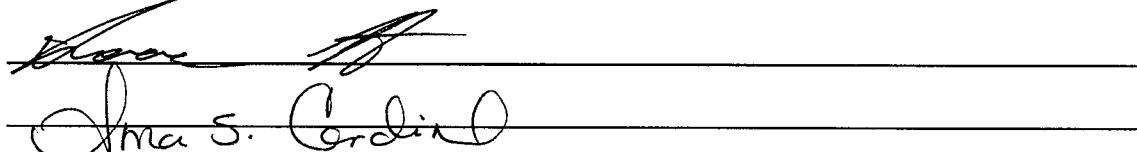
  
John M. Beale, CMA  
Certified Management Accountant

WOODLAND CREE FIRST NATIONCONSOLIDATED STATEMENT OF FINANCIAL POSITIONMARCH 31, 2015ASSETS

	<u>2015</u>	<u>2014</u>
<b>Financial Assets</b>		
Cash and cash equivalents (Note 2)	\$ 129,075	\$ 2,130,359
Accounts receivable (Note 3)	953,492	2,126,740
Investment in		
government business enterprises (Note 4)	2,562,439	2,193,832
Long term investments (Note 5)	3,041,132	3,044,761
Restricted cash and Investments (Note 6)	25,456,653	25,146,678
Capital trust funds (Note 7)	24,916	24,916
Revenue trust funds (Note 7)	<u>92,495</u>	<u>59,423</u>
<b>Total financial assets</b>	<u>32,260,202</u>	<u>34,726,709</u>
<b>Liabilities</b>		
Bank Indebtedness (Note 8)	1,345,645	634,385
Accounts payable (Note 9)	2,819,139	2,766,671
Deferred trust funds (Note 7)	117,411	84,339
Contributions carried forward (Note 10)	623,129	655,410
Long term debt (Note 11)	<u>3,520,145</u>	<u>4,416,887</u>
<b>Total liabilities</b>	<u>8,425,469</u>	<u>8,557,692</u>
<b>Net financial assets</b>	<u>23,834,733</u>	<u>26,169,017</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 13)	34,841,783	32,189,426
Deposits and prepaid expenses	<u>333,478</u>	<u>65,490</u>
<b>Total non-financial assets</b>	<u>35,175,261</u>	<u>32,254,916</u>
<b>Accumulated surplus</b>	<u>\$ 59,009,994</u>	<u>\$ 58,423,933</u>

(See accompanying notes)

APPROVED BY CHIEF AND COUNCIL:



The image shows two handwritten signatures. The top signature is a stylized 'John' and the bottom signature is 'Anna S. Gordien'.

WOODLAND CREE FIRST NATION  
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
FOR THE YEAR ENDED MARCH 31, 2015

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	<u>Budget</u> <u>2015</u>	<u>Actual</u> <u>2015</u>	<u>Actual</u> <u>2014</u>
<b>Revenues</b>			
KTC - Block	\$ 6,496,778	\$ 6,797,971	\$ 6,693,680
KTC - Targeted	274,666	1,114,231	1,184,119
KTC - HRD	280,795	285,752	312,606
First Nation Development Fund	560,000	557,474	134,414
Canada Mortgage & Housing Corporation	220,000	181,584	98,502
Insurance proceeds	-	136,009	-
Health Canada (FNIHB)	963,861	1,277,490	1,176,332
Rental Income	122,696	53,616	44,536
Province of Alberta	395,060	361,623	141,525
Revenue Trust Funds	-	-	-
Lapsed Funding	-	-	(71,282)
Interest Income	-	1,052,099	1,116,602
Other Income	2,180,410	4,141,941	3,351,955
Contributions carried forward from prior year	-	655,410	2,458,356
Contributions carried forward to next year	-	(623,129)	(655,410)
	<u>11,494,266</u>	<u>15,992,071</u>	<u>15,985,935</u>
<b>Expenses</b>			
Public Works	1,220,779	2,219,159	2,148,233
Housing	649,896	1,689,312	1,381,908
Health Services	1,043,969	1,456,805	1,463,794
Home Care	-	124,511	130,511
Human Resource Development	169,000	156,020	205,180
Education	3,365,784	3,740,276	3,922,725
Early Intervention	75,000	75,000	81,693
Social Assistance	1,689,140	1,312,756	1,538,907
Day Care	323,000	259,181	283,667
Administration	1,973,500	4,494,131	3,935,309
Economic Development	178,100	184,651	129,881
Lands Department	254,560	243,459	208,202
First Nation Development Fund	-	51	271
	<u>10,942,728</u>	<u>15,955,312</u>	<u>15,430,281</u>
<b>Surplus (Deficit) from operations</b>	551,538	36,759	555,654
<b>Other income (expense)</b>			
Net increase (reduction) in income allocation from Woodland Cree			
First Nation Development Trust	-	553,373	24,278
Earnings (loss) from investments	-	(3,629)	369,986
Earnings (loss) from government business enterprises	-	(442)	512,889
<b>Surplus (Deficit)</b>	551,538	586,061	1,462,807
<b>Accumulated surplus, beginning of year</b>		<u>58,423,933</u>	<u>56,961,126</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 59,009,994</u>	<u>\$ 58,423,933</u>

WOODLAND CREE FIRST NATION  
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDED MARCH 31, 2015

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	Actual <u>2015</u>	Actual <u>2014</u>
<b>Surplus of revenue over expenses</b>	<b>\$ 586,061</b>	<b>\$ 1,462,807</b>
Acquisition of tangible capital assets	(3,838,834)	(2,077,725)
Amortization of tangible capital assets	<u>1,186,477</u>	<u>1,138,031</u>
	(2,066,296)	523,113
Change in deposits and prepaid expense	<u>(267,988)</u>	<u>(3,590)</u>
<b>Change in net Financial Assets</b>	<b>(2,334,284)</b>	<b>519,523</b>
<b>Net financial assets at beginning of year</b>	<b><u>26,169,017</u></b>	<b><u>25,649,494</u></b>
<b>Net financial assets at end of year</b>	<b>\$ 23,834,733</b>	<b>\$ 26,169,017</b>

WOODLAND CREE FIRST NATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2015

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	<u>Actual</u> <u>2015</u>	<u>Actual</u> <u>2014</u>
<b>Operating activities</b>		
Surplus of revenues over expenses	\$ 586,061	\$ 1,462,807
Add items not affecting cash and cash equivalents		
Amortization of tangible capital assets	<u>1,186,477</u>	<u>1,138,031</u>
	1,772,538	2,600,838
Changes in non cash working capital		
(Increase) decrease in accounts receivable	1,173,248	2,714,700
(Increase) decrease in prepaid expenses	(267,988)	(3,590)
Increase (decrease) in accounts payable	52,468	168,037
Increase (Decrease) in contributions carried forward	<u>(32,281)</u>	<u>(1,827,224)</u>
Cash provided by (used in) operating activities	<u>2,697,985</u>	<u>3,652,761</u>
<b>Financing activities</b>		
Long term debt obtained	-	2,400,000
Reduction of Long Term Debt	<u>(896,742)</u>	<u>(638,854)</u>
	<u>(896,742)</u>	<u>1,761,146</u>
<b>Capital activities</b>		
Additions to tangible capital assets	<u>(3,838,834)</u>	<u>(2,077,725)</u>
<b>Investing activities</b>		
Decrease (Increase) in government business enterprises	(368,607)	(512,889)
Decrease (Increase) in long term investments	3,629	(369,986)
Decrease (Increase) in restricted investments	<u>(309,975)</u>	<u>(366,867)</u>
	<u>(674,953)</u>	<u>(1,249,742)</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(2,712,544)</b>	<b>2,086,440</b>
<b>Cash and cash equivalents, beginning on year</b>	<b><u>1,495,974</u></b>	<b><u>(590,466)</u></b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ <u>(1,216,570)</u></b>	<b>\$ <u>1,495,974</u></b>

WOODLAND CREE FIRST NATION  
SCHEDULE OF TOTAL EXPENSES BY OBJECT  
FOR THE YEAR ENDED MARCH 31, 2015

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	<u>Budget</u> <u>2015</u>	<u>Actual</u> <u>2015</u>	<u>Actual</u> <u>2014</u>
Salaries and benefits	\$ 5,641,343	\$ 6,281,786	\$ 5,955,251
Travel	269,340	873,337	885,346
Advertising	-	217,614	137,145
Automotive	21,000	6,784	44,770
Bad Debts	-	804,967	165,617
Consultants	4,000	99,960	-
Donations and sponsorship	128,500	478,864	287,992
Honorariums	-	60,300	-
Insurance	136,100	108,571	103,033
Interest and bank charges	125,796	275,868	280,796
Office and general	86,454	99,779	121,761
Professional fees	93,768	116,623	296,740
Rentals	114,900	238,374	185,163
Repair and maintenance	154,577	390,385	560,560
Subcontracts	921,500	1,381,639	1,101,281
Supplies and materials	392,287	444,668	385,742
Telephone and utilities	701,440	848,465	1,110,998
Workshops and training	195,292	334,565	535,902
Freight and delivery	-	1,905	-
Amortization	-	1,186,477	1,138,031
Direct program costs	<u>1,956,431</u>	<u>1,704,381</u>	<u>2,134,153</u>
	<u>\$ 10,942,728</u>	<u>\$ 15,955,312</u>	<u>\$ 15,430,281</u>

WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSMARCH 31, 2015Nature of Operations

Woodland Cree First Nation is committed to developing an effective government structure to enhance the community services, culture, education, wellness and economic prosperity while retaining the Treaty Rights of the Woodland Cree First Nation members.

1. Significant Accounting PoliciesBasis of accounting

The consolidated financial statements of the Woodland Cree First Nation have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and are consistent with accounting policies set out by the Department of Indian and Northern Affairs. Significant aspects of the accounting policies adopted by the Woodland Cree First Nation are as follows:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Woodland Cree First Nation reporting entity, and all related entities that are accountable to the Woodland Cree First Nation and are either owned or controlled by the Woodland Cree First Nation.

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

The modified 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 proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

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.

Government Business Enterprises consist of:

Woodland Cree Industries Ltd.

1024044 Alberta Ltd.

Woodland Cree Exploration Inc.

Woodland Cree Energy Inc.

(continued)

WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 2015Cash and cash equivalents

Cash and cash equivalents consist of cash, cash account balances with financial institutions, and short term investments that are readily conversable into known amounts of cash and that are subject to an insignificant risk of change in value. These short term investments generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short term cash commitments rather than for investing.

Portfolio investments

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset. 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 tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future payments discounted at the lower of the interest rate inherent in the lease contracts and the Woodland Cree First Nation's incremental cost of borrowing.

The cost less residual value, of the tangible capital asset is amortized on a straight line basis over the estimate useful life as follows:

Buildings	25-50 years
Automotive	10 years
Land Improvements	15-25 years
Engineering structures	30-75 years
Machinery and Equipment	3-20 years

One half the amortization is charged in the year of acquisition.

Assets under construction are not amortized until the asset is available for productive use.

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WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 2015

Tangible capital assets are written down when conditions indicate that they no longer contribute to Woodland Cree 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 revenue 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.

Employee benefit obligations

The Woodland Cree First Nation provides a defined contribution pension plan to all eligible members of its staff. Members are required to contribute 5% of their salary. Woodland Cree First Nation contributes a matching amount to the members contribution account. The amount of retirement benefit to be received by the employee will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. Woodland Cree First Nation contributed \$ 53,273 (2014 - \$58,721) during the year for retirement benefits. Woodland Cree First Nation does not have any other obligations with regards to the pension plan.

Revenue recognition

Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. 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 statements 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 recognize when the fee is earned or service performed.

(continued)

WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 2015Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Gains and losses resulting from foreign currency transactions are included in the consolidated statement of operation.

Measurement uncertainty

In preparing the consolidated financial statements for Woodland Cree First Nation, management is required 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 period. Actual results could differ from these estimates.

Financial instruments

Woodland Cree First Nations's financial instruments consist of cash resources, investments, accounts receivable, trust funds, accounts payable, and long term debt. It is managements opinion that Woodland Cree First Nation is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values.

Segments

During 2015, the Woodland Cree First Nation had reportable segments in the form of departments as listed on the consolidated statement of revenue and expenses. These segments are differentiated by service lines and accountability and control relationships. Additional information on segment revenue and expenses can be found in the schedules of revenue and expenses.

2. Cash and cash equivalents

Cash and cash equivalents consist of current account balances with financial institutions.

(continued)

WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
<b>3. Accounts receivable</b>		
Accounts receivable consist of:		
Kee Tas Kee Now Tribal Council	\$ 228,938	\$ 725,246
Other	2,118,559	2,039,064
First Nation Development Fund	137,195	134,413
Government of Canada	85,493	11,190
Canada Mortgage and Housing	62,778	-
Province of Alberta	54,149	179,406
Individuals	<u>-</u>	<u>1,327,000</u>
	2,687,112	4,416,319
Allowance for Uncollectible	(1,733,620)	(2,289,579)
	<u>\$ 953,492</u>	<u>\$ 2,126,740</u>
<b>4. Investment in Woodland Cree First Nation Owned enterprises</b>		
	<u>2015</u>	<u>2014</u>
Woodland Cree Industries Ltd. - 100%		
Investment in Shares	\$ 1,265,100	\$ 1,265,100
Advances to (from)	3,244,630	2,875,582
Accumulated net Income (Loss)	(2,059,289)	(2,058,847)
	<u>2,450,441</u>	<u>2,081,834</u>
1024044 Alberta Ltd. - 100%		
Investment in Shares	\$ 100	\$ 100
Advances to (from)	111,570	111,570
Accumulated net Income (Loss)	(301)	(301)
	<u>111,369</u>	<u>111,369</u>
Woodland Cree Exploration Inc. - 100%		
Investment in Shares	\$ 500	\$ 500
Accumulated net Income (Loss)	(221)	(221)
	<u>279</u>	<u>279</u>
Woodland Cree Energy Inc. - 100%		
Investment in Shares	\$ 500	\$ 500
Accumulated net Income (Loss)	(150)	(150)
	<u>350</u>	<u>350</u>
	<u>\$ 2,562,439</u>	<u>\$ 2,193,832</u>

(continued)

WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 20155. Long Term Investments

	<u>2015</u>	<u>2014</u>
Peace River Logging - 50%	3,101,098	\$ 3,104,727
New Water Ltd. - 25%	-	-
Tuff Oilfield Services Ltd. - 50%	<u>(59,966)</u>	<u>(59,966)</u>
	<u><u>\$ 3,041,132</u></u>	<u><u>\$ 3,044,761</u></u>

6. Restricted cash and investments

Restricted cash and investments is valued at cost. Market value at March 31, 2015 is \$28,144,791

Cash and investments maintained in the Investment fund, have the following restrictions placed on them:

- a) No funds shall be withdrawn from the Capital Account except in accordance with the procedures specified in the banking agreement,
- b) Funds may be invested in any type of investment specified in the banking agreement and detailed in schedule 1 of that agreement,
- c) No funds may either directly or indirectly be used for a per capita distribution for Band members,
- d) Thirty five percent (35%) of the interest or income earned from the investment of the Capital account as of December 31 of each calendar year shall be retained in the Capital Account.
- e) Thirty three and one third percent (33 1/3%) of the funds in the Capital Account at any time may be expended or invested for any other purpose on the condition that such expenditures or investment be approved by eighty percent (80%) of the members of the band who are eligible to vote in a referendum as set out in the banking agreement. Only one (1) such referendum may be held in any calendar year.

7. Trust funds

Trust fund accounts arise from money derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

(continued)

WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 2015

	<u>CAPITAL ACCOUNT</u>	<u>2015</u>	<u>2014</u>
BALANCE, beginning of year	\$ 24,916	\$ 24,916	\$ 24,916
Receipts during the year	-	-	-
Payments to the Cree Nation during the year	-	-	-
<b>BALANCE, end of year</b>	<b>\$ 24,916</b>	<b>\$ 24,916</b>	<b>\$ 24,916</b>

	<u>REVENUE ACCOUNT</u>		
BALANCE, beginning of year	\$ 59,423	\$ 28,058	\$ 28,058
Receipts during the year	33,072	31,365	31,365
Payments to the Band during the year	-	-	-
<b>BALANCE, end of year</b>	<b>\$ 92,495</b>	<b>\$ 59,423</b>	<b>\$ 59,423</b>
<b>BALANCE, end of year is comprised of:</b>			
Capital account	\$ 24,916	\$ 24,916	\$ 24,916
Revenue account	92,495	59,423	59,423
	<b>\$ 117,411</b>	<b>\$ 84,339</b>	<b>\$ 84,339</b>

**8. Bank indebtedness**

The Woodland Cree First Nation has an authorized line of credit of \$400,000. A bank loan for \$3,000,000 was approved before the year end, but not disbursed to the First Nation until after the year end. (Note 11)

**9. Accounts payable**

Accounts payable consists of:

Trade payable	\$ 1,629,251	\$ 2,464,844
Tangible capital assets payable	149,594	-
Accrued salaries and benefits	213,910	164,806
Government of Canada	719,841	127,647
Pension Plan	106,545	9,374
	<b>\$ 2,819,141</b>	<b>\$ 2,766,671</b>

(continued)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED MARCH 31, 2015

#### 10. Contributions carried forward

Contributions carried forward represents monies received for projects to be completed in the future for the following:

	Balance March 31 2014	Funding Received 2015	Revenue Recognized 2015	Balance March 31 2015
First nation Development Fund	\$ 134,414	\$ 468,543	\$ 201,027	\$ 401,930
Province of Alberta	35,000	-	35,000	-
Canada Mortgage and Housing	-	136,008	-	136,008
<b>KTC - Targeted</b>				
Water Line	430,826	-	430,826	-
School Roof	55,170	-	55,170	-
Energy Efficiency Init	-	50,000	-	50,000
Water O&M	-	507,747	487,556	20,191
Wastewater	<u>-</u>	<u>97,901</u>	<u>82,901</u>	<u>15,000</u>
	<b>\$ 655,410</b>	<b>\$ 1,260,199</b>	<b>\$ 1,292,480</b>	<b>\$ 623,129</b>

### 11. Long term debt

Long Term Debt payable consist of the following: 2015 2014

CMHC mortgage bearing interest at 2.69% per annum, repayable at \$970.01 per month including interest, renewable August 2015, secured by a ministerial guarantee, for the purpose of housing. Due May 1, 2025. \$ 103,508 \$ 112,252

CMHC mortgage bearing interest at 1.80% per annum, repayable at \$911.73 per month including interest, renewable October 2016, secured by a ministerial guarantee, for the purpose of housing. Due July 1, 2026.

CMHC mortgage bearing interest at 1.81% per annum, repayable at \$849.24 per month including interest, renewable April, 2019, secured by a ministerial guarantee, for the purpose of housing. Due March 1, 2029.

CMHC mortgage bearing interest at 1.71% per annum, repayable at \$1,437.59 per month including interest, renewable September, 2017, secured by a ministerial guarantee, for the purpose of housing. Due August 1, 2032.

359 811 373 516

(continued)

WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 2015

CMHC mortgage bearing interest at 1.71% per annum, repayable at \$5,333.25 per month including interest, renewable September, 2017, secured by a ministerial guarantee, for the purpose of housing. Due August 1, 2027.

RBC term loan bearing interest at 5.16% per annum, repayable at \$16,073 per month including interest due 2015. Secured by minister guarantee of the Minister of Aboriginal Affairs and Northern Development

715,696 767,022

- 220,360

PHT commercial loan bearing interest at 6.75% per annum, repayable at \$438,736 annually including interest, due 2015. - 390,964

PHT commercial loan bearing interest at 4.75% per annum, repayable at \$335,907 annually including interest due 2018. Secured by income earned on investments of funds held by Woodland Cree First Nation Development Trust

2,203,925 2,400,000

PHT commercial loan bearing interest at 6.00% per annum, repayable at \$538,992 annually including interest due 2022. Secured by income earned on restricted investments. This loan for \$3,000,000 was approved in February 2015, but not disbursed to the First Nation until April, 2015.

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\$ 3,520,145 \$ 4,416,887

## Future payments on principle:

2016	320,628
2017	333,487
2018	346,925
2019	360,922
2020	375,520

2015 2014

Interest expense for the year 193,193 119,201

12. Economic dependence

The Woodland Cree First Nation receives a major portion of its revenues pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada.

(continued)

WOODLAND CREE FIRST NATION  
NOTE 13 - TANGIBLE CAPITAL ASSETS  
For the Year Ended March 31, 2015

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	Buildings	Land Improvements	Engineering Structures	Machinery Equipment	Vehicles	Under Construction	2015	2014
<b>COST:</b>								
BALANCE, Beginning of Year	42,510,945	433,560	6,582,202	276,064	414,594	-	50,217,365	48,139,640
Acquisition of tangible capital assets	123,090	-	588,244	-	-	3,127,500	3,838,834	2,077,725
Write Off	-	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-	-
BALANCE, End of Year	<u>42,634,035</u>	<u>433,560</u>	<u>7,170,446</u>	<u>276,064</u>	<u>414,594</u>	<u>3,127,500</u>	<u>54,056,199</u>	<u>50,217,365</u>
 <b>ACCUMULATED AMORTIZATION:</b>								
BALANCE, Beginning of Year	14,948,024	151,658	2,340,967	276,064	311,226	-	18,027,939	16,889,908
Annual Amortization	851,117	28,904	271,497	-	34,959	-	1,186,477	1,138,031
Write Off	-	-	-	-	-	-	-	-
Accumulated Amortization on disposals	-	-	-	-	-	-	-	-
BALANCE, End of Year	<u>15,799,141</u>	<u>180,562</u>	<u>2,612,464</u>	<u>276,064</u>	<u>346,185</u>	<u>-</u>	<u>19,214,416</u>	<u>18,027,939</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>26,334,894</u>	<u>252,998</u>	<u>4,557,982</u>	<u>-</u>	<u>68,409</u>	<u>3,127,500</u>	<u>34,841,783</u>	<u>32,189,426</u>
2014 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS (restated)	<u>27,552,921</u>	<u>281,902</u>	<u>4,241,235</u>	<u>-</u>	<u>103,368</u>	<u>-</u>	<u>32,189,426</u>	<u>-</u>



WOODLAND CREE FIRST NATIONNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED MARCH 31, 2015**15. Financial Instruments**

Woodland Cree First Nations's financial instruments consist of cash resources, investments, accounts receivable, trust funds, accounts payable, and long term debt. It is managements opinion that Woodland Cree First Nation is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values.

**16. Contingent liabilities**

Four statements of claim have been filed against the First Nation for breach of contract. At present, the outcome is not determinable. The amount of an future settlement would be accounted for as a current transaction in the year of the settlement.

The first nation has filed a claim for breach of contract. At present, the outcome is not determinable. The amount of an future settlement would be accounted for as a current transaction in the year of the settlement.

**17. Canada Mortgage and Housing Corporation**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the Woodland Cree First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the replacement reserve fund. The balance of funds to be set aside as of March 31, 2013 amount to \$216,700.

During the year the Woodland Cree First Nation received \$90,710 as a forgivable RRAP loan. If there is a breach of the loan agreement the loan will become repayable.

**18. Budgeted figures**

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approve by management.

**19. Comparative figures**

Some of the comparative figures have been reclassified to compare with the current financial statement presentation.

**20. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by Council and Management.