

**Smith's Landing First Nation #196**  
**Consolidated Financial Statements**  
**March 31, 2015**

# Smith's Landing First Nation #196

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## Smith's Landing First Nation #196

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

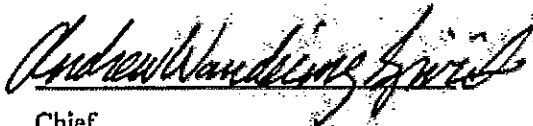
The accompanying financial statements of the **Smith's Landing First Nation #196** are the responsibility of management and have been approved by the Chief and Senior Financial Officer on behalf of Council.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgment. 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.

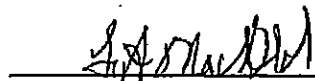
The First Nation maintains systems of internal accounting and administrative controls of high quality. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately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

The First Nation's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The financial statements have been audited by Doyle & Company in accordance with Canadian auditing standards on behalf of the members. Doyle & Company have full and free access to the Council.



Chief



Band Manager

Allan J. Grykuliak, C.A.\*

Scott T. Mockford, C.A.\*

\* Operates as a Professional Corporation

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Edmonton, Alberta T5H 0Y1

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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 the **Smith's Landing First Nation #196**, which comprise the statement of financial position as at March 31, 2015 and the statements of financial activities, change in net financial assets and the statement of 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 financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor'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 auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparations and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

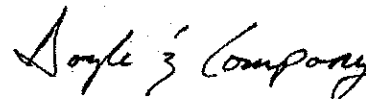
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Smith's Landing First Nation #196 as at March 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

July 27, 2015

Edmonton, Alberta

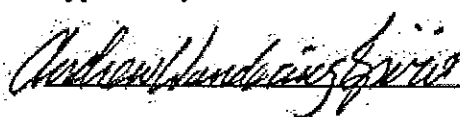


Chartered Accountants

**Smith's Landing First Nation #196**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2015**

|   | 2015       | 2014       |
|---|------------|------------|
|   | \$         | \$         |
| <b>FINANCIAL ASSETS</b>                                 |            |            |
| Cash  | 360,366    | 336,207    |
| Accounts receivable (Note 3)                            | 334,629    | 581,337    |
| Investment in First Nation controlled entities (Note 4) | 1,425      | 1,425      |
|   | 696,420    | 918,969    |
| <b>LIABILITIES</b>                                      |            |            |
| Accounts payable  | 37,950     | 200,448    |
| Deferred revenue (Note 5)                               | 275,592    | 465,735    |
| Long-term debt (Note 6)                                 | 31,667     | 37,549     |
|   | 345,209    | 703,732    |
| <b>NET FINANCIAL ASSETS</b>                             | 351,211    | 215,237    |
| <b>NON-FINANCIAL ASSETS</b>                             |            |            |
| Investments (Note 7)                                    | 27,450,835 | 26,094,730 |
| Tangible capital assets (Schedule 2)                    | 2,372,832  | 2,454,898  |
| Prepaid expenses  | 25,134     | 11,162     |
|   | 29,848,801 | 28,560,790 |
| <b>ACCUMULATED SURPLUS (Schedule 1 and Note 10)</b>     | 30,200,012 | 28,776,027 |

Approved by the First Nation:

 Chief

\_\_\_\_\_ Councillor

\_\_\_\_\_ Councillor

\_\_\_\_\_ Councillor

\_\_\_\_\_ Councillor

**Smith's Landing First Nation #196**  
**Consolidated Statement of Financial Activities**  
**For the year ended March 31, 2015**

|  | 2015<br>Budget<br>\$ | 2015<br>Actual<br>\$ | 2014<br>Actual<br>\$ |
|--|----------------------|----------------------|----------------------|
| <b>REVENUE</b>                                     |                      |                      |                      |
| Aboriginal Affairs and Northern Development Canada | 574,992              | 650,856              | 618,432              |
| Akaiicho Territory Government                      | -                    | 65,000               | 20,371               |
| Alberta Government                                 | 134,269              | 209,269              | 134,269              |
| First Nation Development Fund                      | 460,000              | 524,539              | 373,539              |
| Investment income                                  | 1,000,000            | 1,000,000            | 1,000,000            |
| Other revenue                                      | -                    | 65,788               | 68,604               |
| Revenue deferred from previous period              | -                    | 293,450              | 411,012              |
| Revenue deferred to subsequent period              | -                    | (103,186)            | (293,450)            |
|  | <b>2,169,261</b>     | <b>2,705,716</b>     | <b>2,332,777</b>     |
| <b>EXPENDITURES</b>                                |                      |                      |                      |
| Administration                                     | 729,940              | 760,982              | 635,154              |
| Alberta Government                                 | 134,269              | 134,423              | 134,269              |
| Capital Projects                                   | -                    | 54,910               | 75,000               |
| Chief and Council                                  | 282,312              | 270,952              | 300,251              |
| Economic Development                               | 65,740               | 65,740               | 65,740               |
| Education  | 280,000              | 191,538              | 186,597              |
| First Nation Development Fund                      | 460,000              | 680,913              | 378,896              |
| Housing  | 142,000              | 133,373              | 122,448              |
| Public Works                                       | 75,000               | 192,481              | 186,253              |
|  | <b>2,169,261</b>     | <b>2,485,312</b>     | <b>2,084,608</b>     |
| <b>Excess of Revenue Over Expenditures</b>         |                      |                      |                      |
| - Before Other Expenditures                        | -                    | 220,404              | 248,169              |
| <b>Other Expenditures</b>                          |                      |                      |                      |
| Amortization                                       | -                    | (152,524)            | (145,370)            |
| <b>EXCESS OF REVENUE OVER EXPENDITURES</b>         | -                    | <b>67,880</b>        | <b>102,799</b>       |

The accompanying notes form part of these financial statements.

# Smith's Landing First Nation #196

## Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2015

|   | 2015<br>\$      | 2014<br>\$       |
|---|-----------------|------------------|
| <b>EXCESS OF REVENUES OVER EXPENDITURES</b>     | <b>67,880</b>   | <b>102,799</b>   |
| Acquisition of tangible capital assets          | (71,313)        | (219,475)        |
| Proceeds on disposal of tangible capital assets | 3,380           | -                |
| Amortization of tangible capital assets         | 152,525         | 145,370          |
| Loss on disposal of capital assets              | (2,526)         | -                |
| Transfer to investments                         | -               | (106,400)        |
|   | <b>82,066</b>   | <b>(180,505)</b> |
| Acquisition of prepaid assets                   | (25,134)        | (11,162)         |
| Use of prepaid assets                           | 11,162          | 15,783           |
|   | <b>(13,972)</b> | <b>4,621</b>     |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>        | <b>135,974</b>  | <b>(73,085)</b>  |
| <b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>  | <b>215,237</b>  | <b>288,322</b>   |
| <b>NET FINANCIAL ASSETS, END OF YEAR</b>        | <b>351,211</b>  | <b>215,237</b>   |

The accompanying notes form part of these financial statements.

# Smith's Landing First Nation #196

## Consolidated Statement of Cash Flows

For the year ended March 31, 2015

|  | 2015<br>\$  | 2014<br>\$  |
|--|-------------|-------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>          |             |             |
| Cash received from funding agencies and other income | 3,762,921   | 3,889,977   |
| Cash paid to suppliers and employees                 | (2,308,842) | (1,924,806) |
|  | 1,454,079   | 1,965,171   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>          |             |             |
| Increase (Decrease) in long-term debt                | (5,882)     | 37,549      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>          |             |             |
| Increase in investments                              | (1,356,105) | (1,788,579) |
| Purchase of tangible capital assets                  | (71,313)    | (219,475)   |
| Sale of tangible capital assets                      | 3,380       | -           |
|  | (1,424,038) | (2,008,054) |
| <b>DECREASE IN CASH DURING THE YEAR</b>              | 24,159      | (5,334)     |
| <b>CASH - Beginning of year</b>                      | 336,207     | 341,541     |
| <b>CASH - End of year</b>                            | 360,366     | 336,207     |

The accompanying notes form part of these financial statements.



# Smith's Landing First Nation #196

## Schedule of Changes in Accumulated Surplus - Schedule 1

For the year ended March 31, 2015

|  | Unrestricted<br>Surplus | Equity in Tangible<br>Capital Assets | Equity in<br>Enterprise Fund | Equity in<br>Settlement Capital | 2015<br>\$        | 2014<br>\$        |
|--|-------------------------|--------------------------------------|------------------------------|---------------------------------|-------------------|-------------------|
| <b>Balance, Beginning of Year</b>                    | <b>262,523</b>          | <b>2,417,349</b>                     | <b>1,425</b>                 | <b>26,094,730</b>               | <b>28,776,027</b> | <b>26,991,050</b> |
| Excess of revenue over expenses                      | 67,880                  | -                                    | -                            | 2,356,105                       | 2,423,985         | 2,784,977         |
| Capital funds used for operations                    | -                       | -                                    | -                            | (1,000,000)                     | (1,000,000)       | (1,000,000)       |
| Current years funds used for tangible capital assets | (71,313)                | 71,313                               | -                            | -                               | -                 | -                 |
| Disposal of tangible capital assets                  | 50,832                  | (50,832)                             | -                            | -                               | -                 | -                 |
| Annual amortization expense                          | 152,525                 | (152,525)                            | -                            | -                               | -                 | -                 |
| Amortization of disposed assets                      | (49,978)                | 49,978                               | -                            | -                               | -                 | -                 |
| Long-term liabilities repaid                         | (5,882)                 | 5,882                                | -                            | -                               | -                 | -                 |
| <b>Change in accumulated surplus</b>                 | <b>144,064</b>          | <b>(76,184)</b>                      | <b>-</b>                     | <b>1,356,105</b>                | <b>1,423,985</b>  | <b>1,784,977</b>  |
| <b>Balance, End of Year</b>                          | <b>406,587</b>          | <b>2,341,165</b>                     | <b>1,425</b>                 | <b>27,450,835</b>               | <b>30,200,012</b> | <b>28,776,027</b> |

The accompanying notes form part of these financial statements.

# Smith's Landing First Nation #196

## Consolidated Statement of Tangible Capital Assets - Schedule 2

For the year ended March 31, 2015

|  | Land           | Automotive     | Buildings & Infrastructure | Equipment     | Infrastructure | 2015             | 2014             |
|--|----------------|----------------|----------------------------|---------------|----------------|------------------|------------------|
|  | \$             | \$             | \$                         | \$            | \$             | \$               | \$               |
| <b>COST:</b>                           |                |                |                            |               |                |                  |                  |
| Balance, Beginning of Year             | 391,772        | 440,122        | 2,038,168                  | 218,928       | 251,543        | 3,340,533        | 3,121,058        |
| Acquisition of tangible capital assets | -              | 18,674         | 33,500                     | 19,139        | -              | 71,313           | 219,475          |
| Disposal of tangible capital assets    | -              | (50,832)       | -                          | -             | -              | (50,832)         | -                |
| Balance, End of Year                   | 391,772        | 407,964        | 2,071,668                  | 238,067       | 251,543        | 3,361,014        | 3,340,533        |
| <b>ACCUMULATED AMORTIZATION:</b>       |                |                |                            |               |                |                  |                  |
| Balance, Beginning of Year             | -              | 240,325        | 419,877                    | 140,483       | 84,950         | 885,635          | 740,265          |
| Annual amortization                    | -              | 62,484         | 65,402                     | 17,975        | 6,664          | 152,525          | 145,370          |
| Accumulated amortization on disposals  | -              | (49,978)       | -                          | -             | -              | (49,978)         | -                |
| Balance, End of Year                   | -              | 252,831        | 485,279                    | 158,458       | 91,614         | 988,182          | 885,635          |
| <b>NET BOOK VALUE</b>                  | <b>391,772</b> | <b>155,133</b> | <b>1,586,389</b>           | <b>79,609</b> | <b>159,929</b> | <b>2,372,832</b> | <b>2,454,898</b> |

The accompanying notes form part of these financial statements.

**Smith's Landing First Nation #196**  
**Consolidated Statement of Financial Activities - Schedule 3**  
**For the year ended March 31, 2015**

|                               | AANDC<br>Revenue<br>\$ | Other<br>\$ | Total<br>Revenue<br>\$ | Total<br>Expenditures<br>\$ | Surplus<br>(Deficit)<br>2015<br>\$ | Surplus<br>(Deficit)<br>2014<br>\$ |
|-------------------------------|------------------------|-------------|------------------------|-----------------------------|------------------------------------|------------------------------------|
| Administration                | 203,848                | 644,512     | 848,360                | 760,982                     | 87,378                             | 86,724                             |
| Alberta Government            | -                      | 134,423     | 134,423                | 134,423                     | -                                  | -                                  |
| Capital Projects              | 88,410                 | -           | 88,410                 | 54,910                      | 33,500                             | -                                  |
| Chief and Council             | -                      | 290,562     | 290,562                | 270,952                     | 19,610                             | -                                  |
| Economic Development          | 65,740                 | -           | 65,740                 | 65,740                      | -                                  | -                                  |
| Education                     | 4,606                  | 212,594     | 217,200                | 191,538                     | 25,662                             | -                                  |
| First Nation Development Fund | -                      | 735,167     | 735,167                | 680,913                     | 54,254                             | 161,445                            |
| Housing                       | 102,000                | 31,373      | 133,373                | 133,373                     | -                                  | 1                                  |
| Public Works                  | 186,252                | 6,229       | 192,481                | 192,481                     | -                                  | (1)                                |
|                               | 650,856                | 2,054,860   | 2,705,716              | 2,485,312                   | 220,404                            | 248,169                            |

The accompanying notes form part of these financial statements.

**Smith's Landing First Nation #196**  
**Consolidated Statement of Expenditures by Object**

**For the year ended March 31, 2015**

|   | 2015<br>Actual<br>\$ | 2014<br>Actual<br>\$ |
|---|----------------------|----------------------|
| <b>EXPENDITURES</b>                         |                      |                      |
| Administration                              | 3,184                | 6,226                |
| Bad debts (recovery)                        | 23,896               | (1,062)              |
| Contract labour                             | 66,467               | 68,408               |
| Honorarium                                  | 106,776              | 112,645              |
| Housing                                     | 44,783               | 17,095               |
| Insurance                                   | 38,944               | 33,353               |
| Interest, bank charges and loan payments    | 101,043              | 5,837                |
| Meeting costs                               | 23,106               | 11,050               |
| Members needs                               | 59,016               | 51,398               |
| Office and supplies                         | 80,085               | 208,059              |
| Professional fees                           | 147,094              | 169,365              |
| Program expenses                            | 179,964              | 102,893              |
| Repairs and maintenance                     | 379,954              | 306,938              |
| Travel                                      | 126,391              | 167,588              |
| Tuition, allowances, bursaries and training | 395,362              | 118,935              |
| Vehicle                                     | 23,550               | 11,175               |
| Wages and employee benefits                 | 685,697              | 694,705              |
| <b>TOTAL EXPENDITURES</b>                   | <b>2,485,312</b>     | <b>2,084,608</b>     |

**Smith's Landing First Nation #196**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2015**

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**1. DESCRIPTION OF OPERATIONS**

The Smith's Landing First Nation's (the "First Nation") primary function is to administer the affairs of the Smith's Landing First Nation #196. The main focus of the Council is the social and political programs of the First Nation.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Smith's Landing First Nation #196 are the representations of the management prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

**(a) Basis of Accounting**

The financial statements are prepared using accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted as deferred revenue until used for the purpose specified.

Revenue is recognized in the period when the related expenses are incurred, services performed or the related tangible capital assets are acquired or built.

**(b) Measurement Uncertainty**

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 revenues and expenses during the reporting period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

**(c) Investments**

Smith's Landing First Nation #196 accounts for its investment in the Smith's Landing Development Corporation on the modified equity basis, which records the initial investment at cost, and is adjusted annually by the subsidiary's net earnings. Unrealised gains or losses are eliminated, but inter-organizational transactions and balances are not eliminated on consolidation.

Investments with CIBC Wood Gundy are recorded at fair market value.

**(d) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets for the year.

# Smith's Landing First Nation #196

## Notes to the Consolidated Financial Statements

March 31, 2015

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### 2. SIGNIFICANT ACCOUNTING POLICIES - continued

#### (d) Non-Financial Assets - continued

##### i) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a declining balance method over the estimated useful life of the assets at the annual rates as follows:

|                |     |
|----------------|-----|
| Automotive     | 30% |
| Buildings      | 4%  |
| Equipment      | 20% |
| Infrastructure | 10% |

Annual amortization is charged in the year of acquisition and not in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

##### ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

##### iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operation leases and the related lease payments are charges to expenses as incurred.

#### (e) Financial Instruments

The Nation's financial instruments consist of cash, accounts receivable, investments, trust funds, accounts payable, deferred revenue and long-term liabilities. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

##### Credit Risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Nation by failing to discharge an obligation. The Nation's credit risk is mainly related to accounts receivable. The Nation provides credit to its clients in the normal course of its operations and assesses on a continuous basis the accounts receivable and records any amounts that are not collectible in the allowance for doubtful accounts.

##### Market Risk

Market risk is the risk that the fair value or future cash flows of the Nation's financial instrument will fluctuate because of changes in market prices. Some of the Nation's financial instruments expose it to this risk which comprises currency risk, interest rate risk, and other price risk.

**Smith's Landing First Nation #196**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2015**

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**2. SIGNIFICANT ACCOUNTING POLICIES - continued**

**(e) Financial Instruments - continued**

**Currency Risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Nation may purchase services and goods from outside of Canada and incurs expenditures in foreign currency.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate. The Nation is exposed to interest rate risk on its bank account balances and any of its fixed and/or floating interest rate financial instruments.

**Liquidity Risk**

Liquidity risk is the risk that the Nation will encounter difficulty in meeting its obligations associated with financial liabilities. The Nation manages its liquidity risk by monitoring its operating requirements and cash forecasts to ensure it has sufficient funds to fulfil its financial obligations.

**3. ACCOUNTS RECEIVABLE**

|  | 2015     | 2014     |
|--|----------|----------|
|  | \$       | \$       |
| Akaiitcho Territory Government                     | 45,197   | 53,099   |
| Aboriginal Affairs and Northern Development Canada | -        | 177,000  |
| First Nation Development Fund                      | 108,385  | 233,354  |
| Members  | 79,003   | 77,651   |
| GST  | 43,005   | 34,629   |
| Other  | 131,685  | 54,240   |
| Allowance for doubtful accounts                    | (72,646) | (48,636) |
|  | 334,629  | 581,337  |

**Smith's Landing First Nation #196**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2015**

**4. INVESTMENT IN FIRST NATION CONTROLLED ENTITY**

|  | 2015<br>\$   | 2014<br>\$   |
|--|--------------|--------------|
| <b>Smith's Landing Development Corporation</b> |              |              |
| Shares   | 10           | 10           |
| Advances                                       | 18,847       | 18,848       |
| Accumulated deficit in earnings                | (17,432)     | (17,433)     |
|  | <b>1,425</b> | <b>1,425</b> |

Unaudited financial information for the above entity for its respective March 31, 2015 year ended is as follows:

|                            | Assets<br>\$ | Liabilities<br>\$ | Revenues<br>\$ | Net Earnings<br>\$ |
|----------------------------|--------------|-------------------|----------------|--------------------|
| Smith's Landing Dev. Corp. | 1,425        | 18,848            | -              | -                  |

**5. DEFERRED REVENUE**

|                               | 2015<br>\$     | 2014<br>\$     |
|-------------------------------|----------------|----------------|
| First Nation Development Fund | 55,128         | 254,175        |
| Housing - investment income   | 48,058         | 39,275         |
| Land Acquisition              | 172,406        | 172,285        |
|                               | <b>275,592</b> | <b>465,735</b> |

Smith's Landing First Nation #196 has a land acquisition bank account with \$66,007 and funds on deposit with CIBC Settlement account in the amount of \$106,399 for a total of \$172,406.

**6. LONG-TERM LIABILITIES**

|  | 2015<br>\$    | 2014<br>\$    |
|--|---------------|---------------|
| The loan payable to the Bank of Montreal is due November, 2019 and is repayable in monthly instalments of \$490 plus interest charged at prime plus 3% and is secured by advances. | <b>31,667</b> | <b>37,549</b> |

Interest paid on long-term liabilities was \$1,112



**Smith's Landing First Nation #196**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2015**

**6. LONG-TERM LIABILITIES - continued**

Principal repayments of long-term liabilities over the next five years are as follows:

|            | \$            |
|------------|---------------|
| 2016       | 5,882         |
| 2017       | 5,882         |
| 2018       | 5,882         |
| 2019       | 5,882         |
| Thereafter | 8,139         |
|            | <b>31,667</b> |

**7. INVESTMENTS**

|                           | 2015<br>\$        | 2014<br>\$        |
|---------------------------|-------------------|-------------------|
| CIBC Wood Gundy           |                   |                   |
| Cash and cash equivalents | 2,048,542         | 156,038           |
| Fixed income              | 10,890,153        | 10,584,866        |
| Equities                  | 14,512,140        | 15,353,826        |
|                           | <b>27,450,835</b> | <b>26,094,730</b> |

The above investments are in accordance with the policy guidelines approved by the Smith's Landing First Nation #196 council. These amounts have been recorded at fair value. The amounts of unrealized gains included in these fair values are \$4,831,474 (2014 - \$3,973,900). The difference between the opening and closing unrealized amounts are a gain (loss) of \$857,574 (2014- \$1,454,049) and have been recorded to the equity in settlement capital funds.

**8. EQUITY IN TANGIBLE CAPITAL ASSETS**

|                                       | 2015<br>\$       | 2014<br>\$       |
|---------------------------------------|------------------|------------------|
| Tangible capital assets (Schedule 2)  | 3,361,014        | 3,340,533        |
| Accumulated amortization (Schedule 2) | (988,182)        | (885,635)        |
| Long-term liabilities (Note 6)        | (31,667)         | (37,549)         |
|                                       | <b>2,341,165</b> | <b>2,417,349</b> |

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**9. EQUITY IN SETTLEMENT CAPITAL FUND**

|   | 2015<br>\$  | 2014<br>\$  |
|---|-------------|-------------|
| Balance, beginning of year                    | 26,094,730  | 24,306,152  |
| Interest and dividends                        | 777,361     | 756,807     |
| Capital gains - realized                      | 1,360,800   | 713,825     |
| Capital gains - unrealized                    | 857,574     | 1,454,049   |
| Management fees                               | 255,488     | (242,503)   |
| Transfer to general funds - operating revenue | (1,000,000) | (1,000,000) |
| Transfer from general                         | (895,118)   | 106,400     |
| Balance, end of year                          | 27,450,835  | 26,094,730  |

**10. ACCUMULATED SURPLUS**

|                                   | 2015<br>\$ | 2014<br>\$ |
|-----------------------------------|------------|------------|
| Unrestricted surplus              | 406,587    | 262,523    |
| Equity in tangible capital assets | 2,341,165  | 2,417,349  |
| Equity in enterprise fund         | 1,425      | 1,425      |
| Equity in settlement capital fund | 27,450,835 | 26,094,730 |
|                                   | 30,200,012 | 28,776,027 |

**11. COMPARATIVE FIGURES**

Certain comparative figures have been restated to conform with current year's presentation.

**12. BUDGET FIGURES**

The budget figures are presented for information purposes only and have not been audited.