

Peerless Trout First Nation #478
Consolidated Financial Statements
For The Year Ended March 31, 2014

Peerless Trout First Nation #478
Financial Statements
For The Year Ended March 31, 2014

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Peerless Trout First Nation #478
MARCH 31, 2014

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING


The accompanying financial statements of the Peerless Trout First Nation #478 are the responsibility of management and have been approved by the Chief and Council.

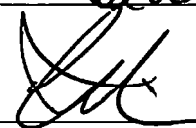
The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgment. When alternative accounting methods exist, management has chosen those it 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 Chief and 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 generally accepted auditing standards on behalf of the members.


Chief


Band Administrator

Band Administrator

Allan J. Grykuliak, C.A.*

Scott T. Mockford, C.A.*

* Operates as a Professional Corporation

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INDEPENDENT AUDITORS' REPORT

To Chief and Council

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Peerless Trout First Nation #478, which comprise the statement of financial position as at March 31, 2014 and the statements of changes in accumulated surplus, changes in equity, operations, 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.

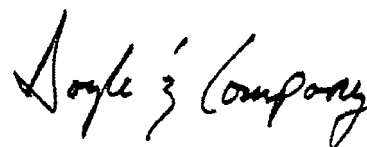
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Peerless Trout First Nation #478 as at March 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Edmonton, Alberta

July 17, 2014

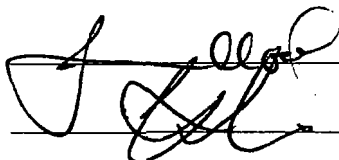



Chartered Accountants

Peerless Trout First Nation #478
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014

	2014 \$	2013 \$
FINANCIAL ASSETS		
Cash	2,422,280	1,924,704
Accounts receivable (Schedule 2)	961,349	1,264,244
Health Canada - funds held in trust	-	3,081,145
Investment in First Nation owned companies (Note 4)	946,308	573,323
	4,329,937	6,843,416
LIABILITIES		
Accounts payable	286,145	912,484
Deferred revenue (Note 6)	3,703,263	6,228,786
	3,989,408	7,141,270
NET FINANCIAL ASSETS	340,529	(297,854)
NON-FINANCIAL ASSETS		
Peerless Trout First Nation Trust (Note 3)	59,854,102	57,457,275
Peerless Trout First Nation Children's Trust (Note 3)	1,364,949	1,405,210
Peerless Trout First Nation Capital Trust (Note 3)	37,931,431	43,045,913
Peerless Trout First Nation Landfill Reclamation Trust (Note 3)	1,258,482	1,235,960
Tangible capital assets (Note 5)	24,299,658	8,740,386
	124,708,622	111,884,744
ACCUMULATED SURPLUS		
ACCUMULATED SURPLUS	24,640,187	8,442,532
EQUITY IN TRUST FUNDS	100,408,964	103,144,358
	125,049,151	111,586,890

Approved by the First Nation:

 Chief
 Administrator

Peerless Trout First Nation #478
STATEMENT OF CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2014

	2013				2012
	Operating Net Assets \$	Equity in Business Enterprises \$	Equity in Tangible Capital Assets \$	Total \$	Total \$
BALANCE - BEGINNING OF YEAR	(871,177)	573,323	8,740,386	8,442,532	4,765,960
Excess of revenues over expenditures	16,197,655	-	-	16,197,655	3,676,572
Net advances to subsidiary companies	(1,164,438)	1,164,438	-	-	-
Loss in Peerless Trout Enterprises	791,453	(791,453)	-	-	-
Capital asset acquisitions:					
Community buildings and infrastructure	(3,511,771)	-	3,511,771	-	-
Community housing construction	(770,506)	-	770,506	-	-
Health Centre construction	(10,178,715)	-	10,178,715	-	-
Vehicles and equipment	(1,683,514)	-	1,683,514	-	-
Annual amortization expense	585,234	-	(585,234)	-	-
Change in accumulated surplus	265,398	372,985	15,559,272	16,197,655	3,676,572
BALANCE - END OF YEAR	(605,779)	946,308	24,299,658	24,640,187	8,442,532

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2014

PEERLESS TROUT FIRST NATION TRUST (Note 3)

	2014 Actual \$	2013 Actual \$
REVENUE		
Investment Income	2,430,447	1,052,909
EXPENDITURES		
Transfer to the Landfill Reclamation Trust	-	200,000
Trust Vote Process & program implementation	8,000	73,500
Trustee Expenses	160,875	75,000
Legal and audit	258,450	87,056
Investment management fees - ScotiaMcLeod	285,966	273,964
Management fees paid to Peerless Trout First Nation	243,066	128,282
Approved trust programs	405,922	110,022
PTFN Concrete Inc. startup	495,000	-
Feasibility study for concrete production and distribution	-	20,000
	1,857,279	967,824
REVENUE LESS EXPENDITURES	573,168	85,085
UNREALIZED GAIN IN MARKET VALUE FOR THE YEAR	1,823,659	2,016,624
SURPLUS FOR THE YEAR	2,396,827	2,101,709
NET ASSETS - BEGINNING OF YEAR	57,457,275	55,355,566
NET ASSETS - END OF YEAR	59,854,102	57,457,275

PEERLESS TROUT FIRST NATION CHILDREN'S TRUST (Note 3)

	2014 Actual \$	2013 Actual \$
REVENUE		
Investment income	32,365	30,334
EXPENDITURES		
Per capita distribution to members	72,626	89,518
(DEFICIT) SURPLUS FOR THE YEAR	(40,261)	(59,184)
NET ASSETS - BEGINNING OF YEAR	1,405,210	1,464,394
NET ASSETS - END OF YEAR	1,364,949	1,405,210

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2014

PEERLESS TROUT FIRST NATION CAPITAL TRUST (Note 3)

	2014 Actual \$	2013 Actual \$
REVENUE		
Capital fund		
Increase in market value of mutual funds	1,207,241	365,618
Investment Income	1,130,247	752,384
	2,337,488	1,118,002
Risk Pool fund		
Investment Income	131,140	46,541
Total Revenue	2,468,628	1,164,543
EXPENDITURES		
Transfers to PTFN TLE operating bank account	7,367,110	2,380,215
Transfer of TLE project management fees	216,000	-
	7,583,110	2,380,215
(DEFICIT) SURPLUS FOR THE YEAR	(5,114,482)	(1,215,672)
NET ASSETS - BEGINNING OF YEAR	43,045,913	44,261,585
NET ASSETS - END OF YEAR	37,931,431	43,045,913

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2014

PEERLESS TROUT FIRST NATION LANDFILL RECLAMATION TRUST (Note 3)

	2014 Actual \$	2013 Actual \$
REVENUE		
Funds from the PTFN Trust	-	200,000
Investment income	22,522	20,482
	22,522	220,482
EXPENDITURES	-	-
(DEFICIT) SURPLUS FOR THE YEAR	22,522	220,482
NET ASSETS - BEGINNING OF YEAR	1,235,960	1,015,478
NET ASSETS - END OF YEAR	1,258,482	1,235,960

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2014

	2014 Budget \$	2014 Actual \$	2013 Actual \$
REVENUE			
AANDC	926,187	926,317	996,037
Health Canada	6,000,000	6,000,000	5,000,000
Provincial Funding	134,001	134,269	141,769
Industry Contributions	244,500	222,038	45,254
First Nation Development Fund	633,970	870,370	-
Other	1,502,160	2,811,382	1,578,646
Transfers from PTFN Capital Trust Account	15,330,000	7,367,110	2,380,215
Revenue deferred to 2012/2013	-	-	3,391,127
Revenue deferred to 2013/2014	4,151,378	6,228,786	(6,228,786)
Revenue deferred to 2014/2015	-	(3,703,265)	-
	28,922,196	20,857,007	7,304,262
EXPENDITURES			
Band support	1,004,496	940,370	1,206,576
First Nation Management	31,200	156,220	343,578
Community Economic Development	145,740	163,495	232,742
Economic Development Capacity	-	40,194	-
Community Capital	215,000	245,718	250,416
P&IDP	40,200	65,927	62,695
FNCCIP	112,940	135,113	168,817
Labour Market Survey	-	-	20,000
Industry Contributions	231,200	114,983	75,759
Post Secondary Education	241,585	262,674	282,714
TLE Infrastructure Construction	-	459,562	364,070
2013 Trust Proposal	655,922	245,438	13,943
2012 Trust Proposal	-	26,399	-
Trust Distribution Procedures Manual	-	-	21,334
Traditional Use Study	-	-	117,572
Highway 686	-	-	25,052
MD Opportunity #17	-	-	87,414
First Nation Development Fund	494,750	426,572	-
Amortization	-	585,234	217,710
	3,173,033	3,867,899	3,490,392
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER	25,749,163	16,989,108	3,813,870
OTHER			
Net loss in First Nation owned companies	-	(791,453)	(137,119)
OPERATING SURPLUS FOR THE PERIOD	25,749,163	16,197,655	3,676,751

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478

**STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2014**

	2014 Actual \$	2013 Actual \$
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES	16,197,655	3,676,572
Acquisition of tangible capital assets	16,144,506)	(4,271,317)
Amortization of tangible capital assets	585,234	217,710
Advances to Band enterprises	-	-
	15,559,272)	(4,053,607)
DECREASE (INCREASE) IN NET ASSETS	638,383	(377,035)
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	(297,854)	79,181
NET FINANCIAL ASSETS (DEBT), END OF YEAR	340,529	(297,854)

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2014

	2014 \$	2013 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from funding agencies, customers and the Capital Trust	18,495,431	9,196,027
Cash paid to suppliers	(4,551,703)	(3,438,833)
Interest paid	(9,806)	(6,582)
	13,933,922	5,750,612
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Net advances to first Nation owned companies	(372,985)	(220,399)
<u>CASH FLOWS (TO) FROM INVESTING ACTIVITIES</u>		
Purchase of capital assets	(16,144,506)	(4,271,317)
Net increase (decrease) in cash	(2,583,569)	1,258,896
CASH - Beginning of year	5,005,849	3,746,953
CASH - End of year	2,422,280	5,005,849
Cash is comprised of:		
Cash	2,422,280	1,924,704
Health Canada - funds held in trust	-	3,081,145
	2,422,280	5,005,849

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478
SCHEDULE 1 - INDIVIDUAL PROGRAMS
FOR THE YEAR ENDED MARCH 31, 2014

	AANDC Contributions	Other Revenue	Funding carried fwd from 2012/13	Funding carried fwd to 2014/15	Total Revenue	Operating Expenditures	Capital Expenditures	Total Expenditures	Transfers	Current Year's Surplus (Deficit)
	\$	\$			\$		\$	\$	\$	\$
Band support	283,790	132,772	-	-	416,562	940,370	-	940,370	523,808	-
First Nation Management	-	2,080,351	-	-	2,080,351	156,220	-	156,220	(494,295)	1,429,836
Community Economic Development	145,742	-	-	-	145,742	163,495	-	163,495	17,753	-
Economic Development Capacity	-	65,000	-	(24,806)	40,194	40,194	-	40,194	-	-
Community Capital	215,000	-	-	-	215,000	245,718	-	245,718	30,718	-
Professional & Instructional Dev.	40,200	-	-	-	40,200	65,927	-	65,927	25,727	-
Per Capita Distribution	-	-	1,120,500	(1,120,500)	-	-	-	-	-	-
FN Consultation Capacity Investment	-	134,269	-	-	134,269	135,113	-	135,113	844	-
Industry Contributions	-	219,538	-	-	219,538	114,983	-	114,983	(104,555)	-
Post Secondary Education	241,585	-	49,089	(28,000)	262,674	262,674	-	262,674	-	-
TLE Infrastructure Construction	-	7,467,110	811,740	(1,853,497)	6,425,353	459,562	5,965,791	6,425,353	-	-
Trust Distribution 2013	-	408,422	-	(162,984)	245,438	245,438	-	245,438	-	-
Trust Distribution 2012	-	-	96,079	(69,680)	26,399	26,399	-	26,399	-	-
Capital Project - Health Center	-	6,027,337	4,151,378	-	10,178,715	-	10,178,715	10,178,715	-	-
First Nation Development Fund	-	870,370	-	(443,798)	426,572	426,572	-	426,572	-	-
	926,317	17,405,169	6,228,786	(3,703,265)	20,857,007	3,282,665	16,144,506	19,427,171	-	1,429,836

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478
SCHEDULE 2 - ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED MARCH 31, 2014

	2014 \$	2013 \$
Accounts Receivable consists of:		
AANDC	161,250	47,000
Province of Alberta	573,928	12,134
Health Canada	-	1,000,000
Camps and other	-	36,766
GST	226,171	168,344
	961,349	1,264,244

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478

SCHEDULE 3 - CONSOLIDATED EXPENDITURES BY OBJECT

FOR THE YEAR ENDED MARCH 31, 2014

	2014	2013
	\$	\$
Salaries, wages and benefits	819,206	764,207
Contracted and general services	2,196,933	1,864,371
Materials, goods and utilities	156,720	234,522
Bank charges and short term interest	9,806	6,582
Amortization	585,234	217,710
Repayment of interest to TLE Construction account	100,000	100,000
Equipment grant - Peerless Trout Enterprises Inc.	-	303,000
	3,867,899	3,490,392

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478
SCHEDULE 4 - TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2014

	Community Buildings & Facilities \$	Band Housing \$	Community Equipment \$	Water, Sewer & Roads \$	2013 Total \$	2012 Total \$
COST:						
Balance, Beginning of Year	2,437,375	5,218,966	44,761	1,265,946	8,967,048	4,695,730
Acquisition of tangible capital assets	11,876,335	770,506	1,683,514	1,814,151	16,144,506	4,271,318
Balance, End of Year	14,313,710	5,989,472	1,728,275	3,080,097	25,111,554	8,967,048
ACCUMULATED AMORTIZATION						
Balance, Beginning of year	-	208,758	17,904	-	226,662	8,952
Current year amortization	-	239,579	345,655	-	585,234	217,710
Balance, End of Year	-	448,337	363,559	-	811,896	226,662
NET BOOK VALUE	14,313,710	5,541,135	1,364,716	3,080,097	24,299,658	8,740,386

The accompanying notes form part of these financial statements.

Peerless Trout First Nation #478
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2014

1. SCOPE OF FINANCIAL STATEMENTS

These financial statements consolidate the assets, liabilities and results of operations for Peerless Trout First Nation. The First Nation commenced operations April 2010.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles for government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles:

(a) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development and betterment of the asset.

(b) Amortization

Community buildings, and water, sewer and road infrastructure is currently under construction and therefore has not been amortized.

Vehicles are being amortized on a straight-line basis over the estimated economic life of 5 years.

First Nation housing is being amortized on a straight-line basis over its estimated life of 25 years.

(c) Revenue Recognition

Revenue is recorded in the period specified in the funding agreement entered into with government agencies and other organizations. Assistance received in advance of making the related expenditure is deferred.

(d) Investment in Peerless Trout Enterprises Inc.

The investment in the First Nations subsidiary company, Peerless Trout Enterprises Inc., is included in these financial statements using the modified equity method as detailed in Note 5.

(e) Financial Instruments

The First Nation's financial instruments consist of cash and term deposits, accounts receivable, accounts payable and term debt. It is management's opinion that the 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 approximates their carrying value.

(f) 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Peerless Trout First Nation #478
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2014

3. PEERLESS TROUT SETTLEMENT TRUST ACCOUNTS

a) Information about the Trust:

Peerless Trout First Nation Trust Agreement, Children's Trust Agreement and Capital Trust Agreement were established December 18, 2009.

The purposes and objectives of these Trusts are as follows:

i) Peerless Trout First Nation Trust Agreement

The beneficiaries of this trust are the members of Peerless Trout First Nation. The funds and income generated by this trust will be used to pay expenses and make distributions as governed by the agreement and include per capita distributions, remediation of contaminated sites, legal fees regarding the Settlement Agreement and various other amounts.

Commencing 2011, and each year ending December 31 thereafter, the income generated by this trust is intended to be disbursed providing programs and service to the Nation and its members as determined by council and the voting beneficiaries.

The financial position and results of operations of this trust will be reported on annually each December 31 to the members.

ii) Peerless Trout First Nation Children's Trust Agreement

The beneficiaries of this trust are the members of Peerless Trout First Nation under the age of 18 years at the time of the agreement. The purpose of this trust is to invest the funds until the beneficiary is eighteen at which time a per capita distribution is made of \$3,500 plus interest.

The financial position and results of operations of this trust will be reported on annually each December 31 to the members.

iii) Peerless Trout First Nation Capital Trust Agreement

The beneficiaries of this trust are the members of Peerless Trout First Nation. The purpose of the trust is to manage and administer capital and risk pool trust funds for construction of infrastructure and purchase of assets in accordance with the Capital Agreement, Capital Plans and Annual Construction Budgets.

The financial position and results of operations of this trust will be reported on annually each March 31 to the members.

iii) Peerless Trout First Nation Landfill Reclamation Trust Agreement

The beneficiaries of this trust are the members of Peerless Trout First Nation. The purpose of the trust is to manage and administer funds for the reclamation of landfills and contaminated sites on the lands set apart as reserves in the communities of Trout Lake and Peerless Lake.

Peerless Trout First Nation #478
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2014

3. PEERLESS TROUT SETTLEMENT TRUST ACCOUNTS (continued)

b) Information related to the investments held by the Trust as at March 31 is as follows:

	Canadian Investments	U.S. Investments	Total March 31 2014 Market Value \$	Total March 31 2013 Market Value \$
	\$	\$		
i) Peerless Trout First Nation Trust Account (ScotiaMcLeod Investment Accounts):				
Cash	573,083	5,012	578,095	48,434
Fixed income funds	27,419,263	481,691	27,900,954	24,445,057
T Bills/Money Market Funds	7,077,793	106,232	7,184,025	17,387,837
Stocks and Equity Funds	14,906,401	9,284,627	24,191,028	15,575,947
	49,976,540	9,877,562	59,854,102	57,457,275
ii) Peerless Trout First Nation Children's Trust Account (Canadian Western Bank & Scotia Bank) :				
Current Account	52,127	-	52,127	112,685
GIC's 1.30% to 2.55%	1,297,822	-	1,297,822	1,277,525
Accrued interest on GIC's	15,000	-	15,000	15,000
	1,364,949	-	1,364,949	1,405,210
iii) Peerless Trout First Nation Capital Trust Account:				
Capital				
(Canadian Western Bank)				
Prime - 1.7% Current Account	-	-	-	25,402
GIC - 2%	-	-	-	1,011,397
(Scotia Bank)				
Cash	100,686	-	100,686	-
GIC's 1.94% - 2.23%	12,674,782	-	12,674,782	24,199,356
Mutual Funds @ Market Value	26,209,153	-	26,209,153	12,552,736
Due to Risk Pool	(6,688,162)	-	(6,688,162)	(1,300,000)
Due to Landfill Reclaim. Trust	(1,053,190)	-	(1,053,190)	-
	31,243,269	-	31,243,269	36,488,891
Risk Pool				
0.5% Current Account	-	-	-	5,257,022
Due from Capital	6,688,162	-	6,688,162	1,300,000
	6,688,162	-	6,688,162	6,557,022
	37,931,431	-	37,931,431	43,045,913

Peerless Trout First Nation #478
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2014

3. PEERLESS TROUT SETTLEMENT TRUST ACCOUNTS (continued)				
	Canadian Investments	U.S. Investments	Total March 31 2014 Market Value \$	Total March 31 2013 Market Value \$
	\$	\$	\$	\$
iv) Peerless Trout First Nation Landfill Reclamation Trust Account (Canadian Western Bank):				
Prime - 1.7% Current Account	205,292	-	205,292	202,273
GIC 1.9%		-	-	1,022,405
Accrued interest on GIC's		-	-	11,282
Due from Capital Trust	1,053,190	-	1,053,190	-
	1,258,482	-	1,258,482	1,235,960

Fixed Income Funds bear interest at rates from 1.45% to 6.4%. Stocks and equity funds are held in companies listed on stock exchanges.

The Trusts are exposed to the risk that fair market values of fixed income funds, GIC's and money market funds may fluctuate due to fluctuations in interest rates. The fair market value of the Trust's stock portfolio may fluctuate as a result of changes in market stock prices that may be caused by factors specific to an individual security or its issuer, or factors affecting some or all securities traded in the market. The fair market value of the Trust's stock portfolio may also be affected by the foreign exchange rates in effect at the year-end for securities traded on stock exchanges outside of Canada.

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4. INVESTMENT IN FIRST NATION OWED COMPANIES

	2014 \$	2013 \$
(a) Investment in Peerless Trout Enterprise Inc.		
100 Class A shares - 100% ownership, at cost	100	100
Advances to Peerless Trout Enterprise Inc.	1,896,429	722,650
Accumulated net income (loss) at March 31	(940,880)	(149,427)
	955,649	573,323
(b) Investment in PTFN Concrete Inc.		
100 Class A shares - 100% ownership, at cost	100	-
Advances from PTFN Concrete Inc.	(9,441)	-
Accumulated net income (loss) at March 31		-
	(9,341)	-
TOTAL	946,308	573,323

March 31 unaudited financial information for Peerless Trout Enterprise Inc. is as follows:

	March 31 2014 \$	March 31 2013 \$
Assets	3,213,440	1,775,139
Liabilities	4,154,220	1,924,466
Revenue	6,929,695	2,678,153
Net (loss) for the year	(791,453)	(137,119)

March 31 unaudited financial information for PTFN Concrete Inc. is as follows:

	March 31 2014 \$	March 31 2013 \$
Assets	463,087	-
Liabilities	462,987	-
Revenue	41,513	-
Net (loss) for the year	-	-

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5. TANGIBLE CAPITAL ASSETS

	2014			2013
	\$			\$
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Automotive Equipment	1,728,275	363,559	1,364,716	26,857
Band Housing	5,989,472	448,337	5,541,135	5,010,208
Community Buildings	14,313,710	-	14,313,710	2,437,375
Water, Sewer & Roads	3,080,097	-	3,080,097	1,265,946
	25,111,554	811,896	24,299,658	8,740,386

6. DEFERRED REVENUE

	2014	2013
	\$	\$
Deferred revenue is comprised of the following amounts that have not been spent as at March 31:		
Funding from the Government of Canada:		
As part of the Settlement Agreement for the purpose of Per Capita Distributions	1,120,500	1,120,500
Funding from the PTFN Capital Trust Account:		
Transfers to be used to cover the cost of infrastructure construction in the 2013/14 year	1,853,497	811,740
Funding from the Health Canada:		
Health Centre construction funding	-	4,151,378
Funding from AANDC:		
Post Secondary Education funding to be used to cover tuition and living allowance costs for April/May 2013	28,000	49,089
Funding from the Province of Alberta:		
Province of Alberta -Jobs, Skills , Training & Labour	24,803	-
First Nation Development Fund Projects	443,799	-
Other Funding :		
Approved trust program funding for 2012	69,680	96,079
Approved trust program funding for 2013	162,984	-
	3,703,263	6,228,786

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7. CONTINGENT LIABILITIES

A statement of claim has been filed and continues against the First Nation with respect to alleged damages sustained as a result of breach of contract totaling \$2,747,730. Losses, if any, resulting from this claim can not be determined at this time and a provision for losses has not been recorded in the accounts of the First Nation.

8. RELATED PARTY TRANSACTIONS

During the year the First Nation contracted its subsidiary company, Peerless Trout Enterprises Inc., to perform construction and other services. The total amount billed to the First Nation for these services was \$2,179,635(2013 - \$819,805).

Peerless Trout Enterprises Inc. paid royalties during the year to the First Nation in the amount of \$1,039,454 (2013 - \$401,723).

These transactions are in the normal course of business and are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties.

9. COMPARATIVE FIGURES

Certain prior year comparative figures have been restated to conform to the presentation adopted by the First Nation in the current year.