

**Little Red River Cree Nation**  
**Consolidated Financial Statements**  
*March 31, 2014*



# Little Red River Cree Nation

P.O. Box 30 John D'or Prairie, T0H 3X0 Phone: 780 759 - 3912 Facsimile: 780 759 - 3780

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## **Management's Responsibility**

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To the Members of Little Red River Cree Nation:

The accompanying consolidated financial statements of Little Red River Cree Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Chief and Council of the Little Red River Cree Nation is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Chief and Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by Council on behalf of the members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

July 15, 2014

**Original signed by:**

\_\_\_\_\_  
Administrator



# Little Red River Cree Nation

P.O. Box 30 John D'or Prairie, T0H 3X0 Phone: 780 759 - 3912 Facsimile: 780 759 - 3780

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Approved at a meeting of Chief and Council on July 15, 2014

***Original signed by:***

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Chief Leslie Joe Laboucan

***Original signed by:***

\_\_\_\_\_  
Councilor Arthur Laboucan

***Original signed by:***

\_\_\_\_\_  
Councilor Alfred J. Seeseequon

***Original signed by:***

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Councilor Floyd B. Auger

***Original signed by:***

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Councilor Delmer D'or

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Councilor John M. Laboucan

***Original signed by:***

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Councilor Simon Nanooch

***Original signed by:***

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Councilor Henry Grandjambe

***Original signed by:***

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Councilor Lorne Tallcree

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Councilor Chilouis Wapoose

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Councilor Solomon St. Arnault

## Independent Auditors' Report

To the Members of Little Red River Cree Nation:

We have audited the accompanying consolidated financial statements of Little Red River Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations, accumulated surplus, changes in net debt, cash flows, and related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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, the consolidated financial statements present fairly, in all material respects, the financial position of Little Red River Cree Nation as at March 31, 2014 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Leduc, Alberta

July 15, 2014

  
Chartered Accountants

**Little Red River Cree Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2014*

	<b>2014</b>	<i>2013</i> <i>(Restated)</i>
<hr/>		
<b>Financial assets</b>		
Cash <i>(Note 2)</i>	<b>559,159</b>	1,392,897
Accounts receivable - Aboriginal Affairs and Northern Development Canada	<b>1,948,684</b>	3,506,812
Accounts receivable - other	<b>1,781,643</b>	1,571,461
Term deposits	<b>98,990</b>	98,950
Short term deposits - restricted <i>(Note 3)</i>	<b>310,101</b>	306,282
Investment in Nation business entities <i>(Note 4)</i>	<b>5,143,652</b>	5,218,931
Funds held in trust <i>(Note 5)</i>	<b>1,349,593</b>	1,308,840
Investment in UFA Cooperative Ltd.	<b>26,183</b>	26,183
<hr/>		
<b>Total financial assets</b>	<b>11,218,005</b>	13,430,356
<hr/>		
<b>Liabilities</b>		
Accounts payable and accruals	<b>7,158,528</b>	8,787,028
Deferred revenue <i>(Note 6)</i>	<b>2,426,834</b>	2,195,438
Advances from Nation business entities <i>(Note 7)</i>	<b>3,954,384</b>	3,053,256
Long-term debt <i>(Note 8)</i>	<b>1,860,466</b>	1,032,722
Capital lease obligations <i>(Note 9)</i>	<b>-</b>	27,494
<hr/>		
<b>Total liabilities</b>	<b>15,400,212</b>	15,095,938
<hr/>		
<b>Net debt</b>	<b>(4,182,207)</b>	(1,665,582)
<hr/>		
<b>Contingent liabilities and commitments</b> <i>(Note 10)</i>		
<hr/>		
<b>Non-financial assets</b>		
Tangible capital assets <i>(Note 11) (Schedule 1)</i>	<b>44,492,173</b>	47,265,893
Inventory for Nation use	<b>302,088</b>	422,002
Prepaid expenses	<b>729,382</b>	768,761
<hr/>		
<b>Total non-financial assets</b>	<b>45,523,643</b>	48,456,656
<hr/>		
<b>Accumulated surplus</b> <i>(Note 18)</i>	<b>41,341,436</b>	46,791,074
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*The accompanying notes are an integral part of these financial statements*

## Little Red River Cree Nation Consolidated Statement of Operations

*For the year ended March 31, 2014*

	2014 <i>Budget</i>	2014	2013 <i>(Restated)</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	22,983,228	37,019,346	36,827,593
Health Canada	2,668,858	3,467,536	2,989,433
First Nations Development Fund	1,514,623	1,122,963	1,118,174
Service Canada	892,440	761,659	818,709
Canada Mortgage and Housing Corporation	-	37,549	40,324
North Peace Tribal Council	-	594,764	392,813
Child tax benefits	-	354,691	182,327
Alberta Remote Area Heating Allowances	141,599	333,061	216,818
User fees	238,180	284,259	238,180
Other	146,250	200,398	231,754
Treaty 8 First Nations of Alberta	64,000	180,531	162,858
Askee Development Corporation	200,000	175,000	-
Province of Alberta	134,269	149,269	146,176
Barge fees	-	100,444	259,347
Rental of teacherages	-	92,646	122,763
Sales and recoveries	-	89,694	82,035
Rental	-	74,403	136,455
Tuition fees	54,000	57,701	188,645
Farm land rent	-	28,800	28,800
Gravel revenue	-	-	206,790
Commission	-	-	18,974
Unexpended funding to be repaid to the Province of Alberta	-	-	(12,000)
Transfer from deferred revenue	414,362	2,195,438	2,151,453
Transfer to deferred revenue	-	(2,426,834)	(2,195,438)
	<b>29,451,809</b>	<b>44,893,318</b>	44,352,983
<b>Expenses</b>			
Administration Segment	2,516,491	4,030,527	3,387,471
Economic Development Segment	592,272	587,851	700,999
Environment Segment	194,269	229,325	248,594
Community Services Segment	6,033,349	14,447,087	12,681,877
Community Infrastructure Segment	6,140,474	15,267,546	13,651,204
Board of Education Segment	8,903,320	9,878,999	8,720,002
Child and Family Services Segment	3,246,357	5,953,724	5,003,505
<b>Total expenses</b>	<b>27,626,532</b>	<b>50,395,059</b>	44,393,652
<b>Deficit before other items</b>	<b>1,825,277</b>	<b>(5,501,741)</b>	(40,669)

*Continued on next page*

## Little Red River Cree Nation Consolidated Statement of Operations

*For the year ended March 31, 2014*

	<b>2014 Budget</b>	<b>2014</b>	<b>2013 (Restated)</b>
<b>Deficit before other items</b> <i>(Continued from previous page)</i>	<b>1,825,277</b>	<b>(5,501,741)</b>	(40,669)
<b>Other income (expense)</b>			
Gain (loss) on disposal of tangible capital assets	-	<b>(22,326)</b>	161,985
Change in trust funds during the year <i>(Note 19)</i>	-	<b>40,753</b>	87,582
Results of corporate operations for the year <i>(Note 19)</i>	-	<b>(75,279)</b>	366,087
Proceeds on disposal of tangible capital assets	-	<b>12,529</b>	-
<b>Surplus (deficit) before transfers</b>	<b>1,825,277</b>	<b>(5,546,064)</b>	574,985
<b>Transfers between programs</b>	<b>129,728</b>	<b>96,428</b>	164,786
<b>Surplus (deficit)</b>	<b>1,955,005</b>	<b>(5,449,636)</b>	739,771

*The accompanying notes are an integral part of these financial statements*

**Little Red River Cree Nation**  
**Consolidated Statement of Accumulated Surplus**

*For the year ended March 31, 2014*

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	<b>2014</b>	<b>2013</b> <i>(Restated)</i>
<b>Accumulated surplus, beginning of year, as previously stated</b>	<b>46,554,995</b>	46,051,301
Corrections of errors in prior period financial statements <i>(Note 19)</i>	<b>236,077</b>	-
<b>Accumulated surplus, beginning of year, as restated</b>	<b>46,791,072</b>	46,051,301
<b>Surplus (deficit)</b>	<b>(5,449,636)</b>	739,771
<b>Accumulated surplus, end of year</b>	<b>41,341,436</b>	46,791,072

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*The accompanying notes are an integral part of these financial statements*



**Little Red River Cree Nation**  
**Consolidated Statement of Changes in Net Debt**

*For the year ended March 31, 2014*

	<b>2014</b>	<b>2014</b>	<b>2013</b>
	<i>Budget</i>		<i>(Restated)</i>
<b>Annual surplus (deficit)</b>	<b>484,598</b>	<b>(5,449,636)</b>	739,771
Purchase of tangible capital assets	-	<b>(2,155,222)</b>	(3,861,273)
Amortization of tangible capital assets	-	<b>4,887,656</b>	5,230,705
Gain (loss) on disposal of tangible capital assets	-	<b>22,326</b>	(161,985)
Use (acquisition) of prepaid expenses	-	<b>39,379</b>	(171,115)
Use of inventory	-	<b>119,913</b>	306,335
Proceeds of disposal of tangible capital assets	-	<b>18,959</b>	199,946
<b>Decrease (increase) in net debt</b>	<b>484,598</b>	<b>(2,516,625)</b>	2,282,384
<b>Net debt, beginning of year</b>	<b>(1,665,582)</b>	<b>(1,665,582)</b>	(3,947,966)
<b>Net debt, end of year</b>	<b>(1,180,984)</b>	<b>(4,182,207)</b>	(1,665,582)

*The accompanying notes are an integral part of these financial statements*

**Little Red River Cree Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2014*

	<b>2014</b>	2013 <i>(Restated)</i>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Cash receipts from contributors	46,482,767	41,866,007
Cash paid to suppliers	(26,295,227)	(19,930,589)
Cash paid to employees	(17,503,079)	(17,053,675)
Interest paid	(134,943)	(161,901)
	2,549,518	4,719,842
<b>Financing activities</b>		
Advances of long-term debt	980,000	-
Repayment of long-term debt	(152,255)	(610,996)
Repayment of capital lease obligations	(27,494)	(80,840)
Change in bank indebtedness	-	(1,411,636)
	800,251	(2,103,472)
<b>Capital activities</b>		
Proceeds of disposal of tangible capital assets	18,959	199,946
Purchases of tangible capital assets	(4,202,466)	(1,423,419)
	(4,183,507)	(1,223,473)
<b>Increase (decrease) in cash resources</b>	<b>(833,738)</b>	<b>1,392,897</b>
<b>Cash resources, beginning of year</b>	<b>1,392,897</b>	<b>-</b>
<b>Cash resources, end of year</b>	<b>559,159</b>	<b>1,392,897</b>

*The accompanying notes are an integral part of these financial statements*

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**1. Significant accounting policies**

The consolidated financial statements of the Little Red River Cree Nation ("the Nation") are the representations of management, and are 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 Aboriginal Affairs and Northern Development Canada. Significant aspects of the accounting policies adopted by the Nation are as follows:

***Reporting entity***

These consolidated financial statements include the Little Red River Cree Nation, Little Red River Board of Education, Little Red River Cree Nation Mamawi Awasis Society and all related entities which are accountable to the Nation and are either owned or controlled by the Nation.

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.

Little Red River Cree Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method as outlined in Note 4. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

***Basis of presentation***

Sources of financing and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable under the terms of applicable funding agreements; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

***Use of estimates***

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may vary from current estimates.

Accounts receivable are stated after evaluation as to their collectibility. Investment in Nation business entities is stated after evaluation as to valuation and collectibility of advances. Amortization is based on the estimated useful lives of tangible capital assets. Inventory is based on the lower of cost and net realizable value.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in income in the periods in which they become known.

***Provision for site rehabilitation***

The Alberta Environmental Protection Acts sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. Liabilities are recorded when environmental claims or remedial efforts are probable and the costs can be reasonably estimated. Expenses that relate to an existing condition caused by past operations, and which do not contribute to future revenue generation, are expensed. The Little Red River Cree Nation is reviewing environmental objectives and liabilities for its activities and potential site reclamation and restoration obligations. The Nation has yet to determine the amounts of such obligations.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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1. **Significant accounting policies** (Continued from previous page)

**Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that can be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets, inventory for Nation use, and prepaid expenses.

i. Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital assets are amortized over their expected useful lives using the following rates and methods:

	Method	Rate
Buildings	straight-line	5 %
Buildings - Child and Family Services	declining balance	4 %
Equipment	straight-line	10 %
Equipment - Board of Education	declining balance	10 %
Water and sewer services	straight-line	5 %
Teacherages	declining balance	5 %
Automotive and other equipment	straight-line	10-20 %
Automotive - CFSS and BoE	declining balance	30 %
Furniture and fixtures	declining balance	30 %
Computer equipment	declining balance	30 %
Roads	straight-line	10 years
Street lights	straight-line	30 years
Wireless infrastructure	straight-line	5 %
Equipment under capital lease	straight-line	20 %

ii. Inventory for Nation use

Inventory held for consumption consists of gravel and maintenance supplies, and is recorded at the lower of cost and replacement cost.

iii. Prepaid expenses

Prepaid expenses include propane costs incurred during March which will be expensed in the following fiscal year, and pre-payments on goods and services which will be utilized in the following fiscal year.

**Long-lived assets**

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in income for the year; impairment of tangible capital assets is reflected in equity in tangible capital assets when impairment occurs. Prices for similar items are used to measure fair value of long-lived assets.

1. **Significant accounting policies** *(Continued from previous page)*

**Revenue recognition**

**Government transfers**

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

**Funds held in Ottawa Trust Fund**

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

**Other revenue**

Other sources of revenue are recorded when received or receivable.

**Segments**

The First Nation conducts its business through seven reportable segments: administration, economic development, environment, community services, community infrastructure, education and child and family services. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed above. Inter-segment transfers are recorded at their exchange amount.

**Net financial assets (net debt)**

The First Nation's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

**Recent accounting pronouncements**

**Liability for contaminated sites**

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The Nation does not expect the adoption of the new section to have a material impact on its financial statements.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**1. Significant accounting policies** (Continued from previous page)

**Financial instruments**

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2015. Earlier adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The Nation does not expect the adoption of these new standards to have a material impact on its financial statements.

**2. Cash**

Included in cash is \$160,047 (2013 - \$325,410) of unspent funding from Health Canada for the purpose of constructing a new health centre in John D'or Prairie.

Peace Hills Trust - cash management agreement allows for a revolving loan up to \$1,000,000 bearing interest at prime plus 2%. Monthly extensions in excess of \$1,000,000 are approved by Peace Hills Trust, bear interest at 24% per annum, and are secured by a redirection of funding from Aboriginal Affairs and Northern Development Canada. At March 31, 2014, the balance of the revolving loan was \$0 (2013 - \$85,538).

Included in this balance is \$366,736 (2013 - \$427,361) of remaining proceeds of advances from the First Nations Development Fund, to be used for projects which have been applied for and approved. This is restricted by the Province of Alberta for this use.

**3. Term deposits**

Term deposits are internally restricted in use by the Nation in accordance with the agreement regarding the trust with the Department of Aboriginal Affairs and Northern Development Canada. The deposits bear interest at rates between 0.45% and 1.70% and mature between May 2014 and February 2015.

**4. Investments in Nation business entities**

The Nation has investments in the following entities:

					2014
	<i>Initial investment</i>	<i>Advances to (from)</i>	<i>Accumulated equity in earnings (losses)</i>	<i>Write down of investment by related entities</i>	<i>Total investment</i>
<b>Wholly-owned Businesses:</b>					
Little Red River Forestry Limited	201	-	(4,163,191)	-	(4,162,990)
Askee Development Corporation	100	-	4,980,364	-	4,980,464
Fifth Meridian Market Ltd.	100	-	(2,172,484)	-	(2,172,384)
Little Red River Wildland Firefighters	1	-	(223,478)	-	(223,477)
849244 Alberta Ltd.	1	-	(658,426)	-	(658,425)
	<b>403</b>	<b>-</b>	<b>(2,237,215)</b>	<b>-</b>	<b>(2,236,812)</b>
<b>Partnerships:</b>					
Caribou Hills Limited Partnership	100	10,000	4,008,060	-	4,018,160
Writedown of investments	-	-	-	3,362,304	3,362,304
	<b>503</b>	<b>10,000</b>	<b>1,770,845</b>	<b>3,362,304</b>	<b>5,143,652</b>

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

4. **Investments in Nation business entities** (Continued from previous page)

	<i>Initial investment</i>	<i>Advances to (from)</i>	<i>Accumulated equity in earnings (losses)</i>	<i>Write down of investment by related entities</i>	<i>2013 Total investment</i>
<b>Wholly-owned Businesses:</b>					
Little Red River Forestry Limited	201	-	(3,927,203)	-	(3,927,002)
Askee Development Corporation	100	-	4,501,782	-	4,501,882
Fifth Meridian Market Ltd.	100	-	(1,969,588)	-	(1,969,488)
Little Red River Wildland Firefighters Inc.	1	-	22,009	-	22,010
849244 Alberta Ltd.	1	-	(492,676)	-	(492,675)
	403	-	(1,865,676)	-	(1,865,273)
<b>Partnerships:</b>					
Caribou Hills Limited Partnership	100	10,000	3,711,800	-	3,721,900
Writedown of investments	-	-	-	3,362,304	3,362,304
	503	10,000	1,846,124	3,362,304	5,218,931

The Nation's investment in Caribou Hills Limited Partnership is held by Mikkwa Seepee Enterprises Ltd. (the general partner) and the Little Red River Cree Nation Business Trust (the limited partner).

Condensed financial information for each entity for their respective year ending March 31, 2014 (December 31, 2013 for Little Red River Wildland Firefighters Inc. and Caribou Hills Limited Partnership, and January 31, 2014 for 849244 Alberta Ltd. and Fifth Meridian Market Ltd.) are as follows:

	<b>Assets</b>	<b>Liabilities</b>	<b>Net Assets (Liabilities)</b>	<b>Revenue</b>	<b>Expenses</b>	<b>Income (Loss)</b>
Little Red River Forestry Limited	2,127,727	6,290,716	(4,162,989)	2,556,494	2,739,088	(182,594)
Askee Development Corporation	16,665,277	11,071,635	5,593,642	1,361,584	883,002	478,582
Fifth Meridian Market Ltd.	424,636	2,597,020	(2,172,384)	3,437,886	3,640,781	(202,895)
Little Red River Wildland Firefighters	819,257	1,042,734	(223,477)	1,660,809	1,948,800	(287,991)
849244 Alberta Ltd.	644,118	1,302,543	(658,425)	34,470	140,290	(105,820)
Caribou Hills Limited Partnership	4,069,100	61,042	4,008,058	1,576,655	1,542,758	33,897

849244 Alberta Ltd. ceased active operations for the past two years.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**5. Funds held in trust**

Funds held in trust on behalf of Nation members by the Government of Canada are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of capital trust moneys derived from non-renewable resource transactions on the sale of land or other Nation tangible capital assets and revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

	<i>Capital trust</i>	<i>Revenue trust</i>	<i>Total</i>
Balance, beginning of year	152,042	1,156,798	1,308,840
Additions	-	40,753	40,753
<b>Balance, end of year</b>	<b>152,042</b>	<b>1,197,551</b>	<b>1,349,593</b>

**6. Deferred revenue**

Deferred revenue consists of funds received for specific purposes which were not completed at the end of the fiscal year. The major categories are:

	<i>Opening (restated)</i>	<i>Funding received</i>	<i>Recognized as revenue</i>	<i>Closing</i>
Loans to Native Claimants	78,120	-	-	<b>78,120</b>
Training strategy	115,505	-	(2,099)	<b>113,406</b>
First Nations Development Fund	270,089	724,168	(147,526)	<b>846,731</b>
Fox Lake Northern Store	1,382,813	-	(93,750)	<b>1,289,063</b>
Health Canada - Health centre funding	325,411	95,000	(320,897)	<b>99,514</b>
North Peace Tribal Council - CHIP program	23,500	-	(23,500)	-
	<b>2,195,438</b>	<b>819,168</b>	<b>(1,150,272)</b>	<b>2,426,834</b>

**7. Advances from Nation business entities**

	<b>2014</b>	<b>2013</b>
Caribou Hills Limited Partnership	<b>577,286</b>	577,286
Little Red River Forestry Limited	<b>3,049,318</b>	2,581,551
Little Red River Wildland Firefighters Inc.	<b>66,995</b>	38,599
849244 Alberta Ltd.	<b>55,549</b>	45,322
Fifth Meridian Market Ltd.	<b>14,992</b>	37,244
Mikkwa Seepee Enterprises Ltd.	<b>383,190</b>	-
Askee Development Corporation	<b>(192,946)</b>	(226,746)
	<b>3,954,384</b>	3,053,256

The above amounts are unsecured, have no fixed terms of repayment, and occurred in the normal course of business. They are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.



**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**8. Long-term debt**

	<b>2014</b>	<b>2013</b>
Peace Hills Trust loan, repayable in monthly instalments of \$10,921 including interest at 6%, until May 2019. Security consists of a GIC a value of \$195,668, a Band Council Resolution, insurance showing first loss payee as Peace Hills Trust Company, and equipment with a net book value of \$1,044,000.	<b>980,000</b>	-
CMHC construction loan repayable in monthly installments of \$2,635 including interest at 1.65%, until June 2017. Security consists of a charge over two four-plexes with a book value of \$733,062 (2013 - \$789,452).	<b>498,224</b>	521,444
Askee Development Corporation loan (a wholly owned subsidiary of the Nation), repayable after third-party construction loans relating to the Fox Lake Northern Store are paid, with unspecified interest and repayment terms.	<b>134,300</b>	134,300
Peace Hills Trust operating loan, repayable in monthly installments of \$7,068 including interest at 7.25%, until November 2015. Security consists of a general security agreement, a Band Council Resolution, insurance showing first loss payee as Peace Hills Trust Company, general assignment of rents and leases, and a demand promissory note for \$465,000.	<b>133,730</b>	205,982
Peace Hills Trust loan, repayable in monthly installments of \$5,610 including interest at 7.25%, until January 2016. Security consists of a general security agreement, a Band Council Resolution, an assignment of AANDC funding, and equipment with net book value of \$71,060 (2013 - \$142,120).	<b>114,212</b>	170,996
	<b>1,860,466</b>	1,032,722

Principal repayments on long-term debt in each of the next five years, assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

2015	351,364
2016	210,853
2017	106,807
2018	112,296
2019	118,106

Cash interest on long-term debt amounted to \$31,500 (2013 - \$47,736).

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**9. Capital lease obligations**

	<b>2014</b>	<b>2013</b>
John Deere Credit capital lease obligation repayable in monthly installments of \$7,081 including interest at 5.75%. Repaid in the current year.	-	27,494
Less: current portion	-	27,494
	-	-

**10. Contingent liabilities and commitments**

***Lawsuits***

In the normal conduct of operations, there are other pending claims by and against the Nation. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. In the opinion of management, based on the advice and information of legal counsel, final determination of these other litigations will not materially affect the Nation's financial position or results of operations.

***Letter of Guarantee***

The Nation has signed a letter of guarantee in favour of the Minister of Advanced Education and Career Development. The guarantee is in the amount of \$29,000 and expires on August 31, 2015.

***Aboriginal Affairs and Northern Development Canada***

The Nation has received the following advances from the Loans to Native Claimants program: 2000 - \$15,000, 2001 - \$80,850, 2008 - \$177,215, 2010 - \$226,096, and 2011 - \$74,475 for a total of \$573,636 (2013 - \$573,636). The loans are repayable on the earlier of March 31, 2015 or the date on which the claim is settled. If the claim is not settled by March 31, 2015, the repayment date will be extended by five years. As repayment will be made from future claim proceeds, the amount is a contingent liability.

***Commitments***

The Nation has entered into a contract for IT support that calls for monthly payments of \$36,000 until November 2015. The Nation has also entered into contracts to lease photocopiers that calls for monthly payments of \$2,155 until December 2016 and quarterly payments of \$2,162 until April 2017.

***Contingencies***

These consolidated financial statements are subject to review by the Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**11. Tangible capital assets**

- (a) Roads include certain roads and bridges disclosed at a nominal amount.
- (b) The Nation holds works of art from community members contributed to the Nation and historical treasures of a cultural value, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.
- (c) The Nation does not consider housing, other than teacherages and CMHC housing, to be assets of the Nation and therefore these items are included in surplus (deficit).
- (d) Tangible capital asset additions for the year ended March 31, 2014 include \$540,610 still in accounts payable at year-end (2013 - \$2,437,854). As a result, this amount is not included in the purchases of tangible capital assets on the statement of cash flows.
- (e) Included in tangible capital asset additions for the year is \$1,270,105 (2013 - \$1,019,282) of road work that is in progress at March 31 and is therefore not being amortized.

**12. Economic dependence**

The Nation receives substantially all of its funding through contribution arrangements with the Department of Aboriginal Affairs and Northern Development Canada as administered under the conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon funding from this body.

**13. Pension plan**

The Nation has established a defined contribution pension plan, in which all permanent full-time employees are required to participate. Pension contributions of either 3%, 5% or 8% are matched by the Nation. No significant changes were made to the pension plan during the year. The pension expense for the year was \$500,248 (2013 - \$454,343).

**14. CMHC reserves fund**

Under conditions of agreements with the Canada Mortgage and Housing Corporation, the Nation is required to maintain certain reserves related to on-reserve housing projects estimated at \$112,797 (2013 - \$100,295). The Nation has not fully funded these reserves, and is therefore in violation of its agreements with CMHC. As at March 31, 2014, the Nation has funded \$37,484 (2013 - \$0) of the reserve. The possible effect of the violation has not yet been determined.

**15. Comparative figures**

Certain of the comparative figures have been reclassified to conform to the current year's presentation.

**16. Budget information**

The disclosed budget information has been approved by Chief and Council. Budgets for departments and projects not disclosed in the various schedules were not prepared by the Nation's management.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**17. Transfers between programs**

Transfers between programs consist of the following:

	<i>Admin fees</i>	<i>Hot lunch</i>	<i>Other</i>	<i>Total</i>
Administration	969,933	-	-	969,933
First Nation food, nutrition and environment study	(1,598)	-	-	(1,598)
Benefits	(7,154)	-	-	(7,154)
Economic development	(8,646)	-	-	(8,646)
Health	(164,484)	-	(155,526)	(320,010)
Social development	(18,159)	-	-	(18,159)
NCBR	(6,023)	(300,000)	(508,795)	(814,818)
ASETS	(4,395)	-	(196,894)	(201,289)
Training and labour market	-	-	419,319	419,319
Housing construction training	-	-	302,195	302,195
Post secondary	(45,997)	-	(15,825)	(61,822)
Housing maintenance	(485)	-	-	(485)
Public works	(243,617)	-	155,526	(88,091)
Capital projects	(62,433)	-	-	(62,433)
Board of Education	(294,918)	300,000	-	5,082
Mamawi Awasis Society	(112,024)	-	-	(112,024)

**18. Accumulated surplus**

The Department of Aboriginal Affairs and Northern Development Canada has determined that accumulated surplus amounts previously reported as restricted for the purposes of child special allowance funding and AANDC prevention funding can be combined with the Nation's unrestricted deficit. Accumulated surplus consists of the following:

	<b>2014</b>	<i>2013 (Restated)</i>
Unrestricted deficit	<b>(7,788,572)</b>	(5,555,380)
Unexpended funding: Health	<b>590,510</b>	282,640
Unexpended funding: Public works	-	99,062
Unexpended funding: Instruction and Education Board	<b>20,203</b>	400,413
Unexpended funding: Student transportation	-	1,040
Unexpended funding: Mamawi Awasis Operations	<b>241,488</b>	465,968
Unexpended funding: School roof repairs	<b>150,000</b>	-
Unexpended funding: Mamawi Awasis Prevention	<b>737,191</b>	74,826
Unexpended funding: Housing	<b>15,013</b>	-
Unexpended funding: Social development	<b>33,846</b>	-
Equity in trust fund	<b>1,349,593</b>	1,308,840
Equity in enterprise fund	<b>3,226,727</b>	3,302,006
Equity in tangible capital assets	<b>42,765,437</b>	46,411,659
	<b>41,341,436</b>	46,791,074

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**19. Corrections of errors in prior period financial statements**

In the current year, the Nation determined that an accrual for a legal settlement was overstated. This results in an increase of \$91,805 to the prior year surplus. Also in the current year, the Nation determined that 2013 funding related to the housing construction and renovation training program had been incorrectly reported as relating to AANDC, instead of the First Nations Development Fund. As a result, 2013 deferred revenue had been overstated and 2013 FNDF revenue had been understated by \$144,272.

The cumulative effect of these adjustments was an increase of \$236,077 to 2014 opening accumulated surplus.

In the current year, the First Nation reclassified the presentation of the results in corporate operations for the year and the results of trust funds to other income. Previously, these were shown as changes in accumulated surplus. This results in an increase in the prior year surplus of \$453,669.

**Little Red River Cree Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**

*For the year ended March 31, 2014*

	<i>Buildings</i>	<i>Equipment</i>	<i>Water and sewer services</i>	<i>Teacherages</i>	<i>Automotive and other equipment</i>	<i>Furniture and fixtures</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	66,978,790	1,466,794	22,792,666	2,133,600	7,785,269	73,242	101,230,361
Acquisition of tangible capital assets	1,044,000	-	515,952	-	344,447	-	1,904,399
Disposal of tangible capital assets	-	-	-	-	(41,285)	-	(41,285)
Balance, end of year	68,022,790	1,466,794	23,308,618	2,133,600	8,088,431	73,242	103,093,475
<b>Accumulated amortization</b>							
Balance, beginning of year	31,260,343	1,046,572	16,710,209	1,549,078	6,539,406	48,093	57,153,701
Annual amortization	2,921,551	76,897	935,989	29,226	601,097	7,544	4,572,304
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	34,181,894	1,123,469	17,646,198	1,578,304	7,140,503	55,637	61,726,005
<b>Net book value of tangible capital assets</b>	<b>33,840,896</b>	<b>343,325</b>	<b>5,662,420</b>	<b>555,296</b>	<b>947,928</b>	<b>17,605</b>	<b>41,367,470</b>
2013 net book value of tangible capital assets	35,718,447	420,222	6,082,457	584,522	1,245,863	25,149	44,076,660

**Little Red River Cree Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**

*For the year ended March 31, 2014*

	<i>Subtotal</i>	<i>Computer equipment</i>	<i>Roads</i>	<i>Street lights</i>	<i>Wireless infrastructure</i>	<i>Subtotal</i>
<b>Cost</b>						
Balance, beginning of year	101,230,361	1,826,326	31,905,657	78,000	790,179	135,830,523
Acquisition of tangible capital assets	1,904,399	-	250,823	-	-	2,155,222
Disposal of tangible capital assets	(41,285)	-	-	-	-	(41,285)
Balance, end of year	103,093,475	1,826,326	32,156,480	78,000	790,179	137,944,460
<b>Accumulated amortization</b>						
Balance, beginning of year	57,153,701	1,695,047	29,639,658	62,400	74,624	88,625,430
Annual amortization	4,572,304	32,000	181,577	2,600	38,375	4,826,856
Accumulated amortization on disposals	-	-	-	-	-	-
Balance, end of year	61,726,005	1,727,047	29,821,235	65,000	112,999	93,452,286
<b>Net book value of tangible capital assets</b>	<b>41,367,470</b>	<b>99,279</b>	<b>2,335,245</b>	<b>13,000</b>	<b>677,180</b>	<b>44,492,174</b>
2013 net book value of tangible capital assets	44,076,660	131,279	2,265,999	15,600	715,555	47,205,093

**Little Red River Cree Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**

*For the year ended March 31, 2014*

	<i>Subtotal</i>	<i>Equipment under capital lease</i>	<i>2014</i>	<i>2013</i>
				<i>(Restated)</i>
<b>Cost</b>				
Balance, beginning of year	135,830,523	304,000	136,134,523	132,369,652
Acquisition of tangible capital assets	2,155,222	-	2,155,222	3,861,273
Disposal of tangible capital assets	(41,285)	-	(41,285)	(96,402)
Balance, end of year	137,944,460	304,000	138,248,460	136,134,523
<b>Accumulated amortization</b>				
Balance, beginning of year	88,625,430	243,200	88,868,630	83,696,366
Annual amortization	4,826,856	60,800	4,887,656	5,230,705
Accumulated amortization on disposals	-	-	-	(58,441)
Balance, end of year	93,452,286	304,000	93,756,286	88,868,630
<b>Net book value of tangible capital assets</b>	<b>44,492,174</b>	<b>-</b>	<b>44,492,174</b>	<b>47,265,893</b>
2013 net book value of tangible capital assets	47,205,093	60,800	47,265,893	



**Little Red River Cree Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2014*

	<i>2014</i> <i>Budget</i>	<i>2014</i>	<i>2013</i> <i>(restated)</i>
<b>Consolidated expenses by object</b>			
Salaries, wages, contract wages, benefits and honouraria	<b>15,546,646</b>	<b>17,503,079</b>	17,053,675
Income support	-	<b>8,272,276</b>	6,883,947
Amortization	-	<b>4,887,656</b>	5,230,705
Repairs, maintenance and supplies	<b>1,874,798</b>	<b>3,657,364</b>	2,526,115
Travel	<b>1,393,419</b>	<b>2,222,169</b>	1,273,926
Propane	<b>913,500</b>	<b>2,000,226</b>	1,124,193
Maintenance	-	<b>1,692,734</b>	1,242,852
Child and family services	<b>823,300</b>	<b>1,654,013</b>	1,195,046
Instruction and supplies	<b>1,135,775</b>	<b>1,159,763</b>	763,021
Professional services	<b>454,000</b>	<b>1,021,187</b>	1,041,096
Tuition, workshops and training	<b>1,142,344</b>	<b>807,771</b>	840,330
Electricity	<b>609,000</b>	<b>763,545</b>	703,111
Allowance and student awards	<b>635,300</b>	<b>629,180</b>	704,537
Equipment and building rent	<b>202,726</b>	<b>621,509</b>	264,468
Office and administration	<b>293,276</b>	<b>616,885</b>	270,837
Computer software and maintenance	<b>358,418</b>	<b>529,719</b>	710,449
Insurance	<b>362,000</b>	<b>460,660</b>	428,138
Awareness, resource and counselling	<b>375,989</b>	<b>459,971</b>	191,810
Wakes and funerals	<b>150,000</b>	<b>275,743</b>	183,086
Telephone	<b>214,385</b>	<b>250,173</b>	295,229
Elders and cultural activities	<b>173,274</b>	<b>146,393</b>	62,405
Brokerage	<b>226,500</b>	<b>131,560</b>	168,855
Evacuation and flood costs	-	<b>120,556</b>	2,861
Interest and bank charges	<b>111,000</b>	<b>102,586</b>	110,043
Water treatment plant	<b>175,000</b>	<b>84,326</b>	160,725
Community development	<b>65,000</b>	<b>76,188</b>	30,716
Nutrition	<b>61,200</b>	<b>57,271</b>	60,880
Non-rebatable GST	-	<b>54,919</b>	4,331
Fire protection	<b>38,000</b>	<b>50,292</b>	63,703
Capacity building	<b>103,322</b>	<b>44,546</b>	1,717
Interest on long-term debt	-	<b>32,327</b>	51,858
Contingencies	<b>188,360</b>	<b>8,472</b>	62,600
Modular trailers	-	-	584,582
Adult care	-	-	101,805
	<b>27,626,532</b>	<b>50,395,059</b>	44,393,652

**Little Red River Cree Nation**  
**Administration Segment**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	1,602,102	2,279,156	2,261,506
Askee Development Corporation	200,000	175,000	-
Rental	-	21,251	90,420
Other	33,750	34,196	10,012
Farm land rent	-	28,800	28,800
Alberta Remote Area Heating Allowances	-	44,962	42,333
North Peace Tribal Council	-	56,107	78,924
Commission	-	-	18,974
Transfer from deferred revenue	-	1,460,933	1,554,683
Transfer to deferred revenue	-	(1,367,183)	(1,460,933)
	<b>1,835,852</b>	<b>2,733,222</b>	<b>2,624,719</b>
<b>Expenses</b>			
Salaries and benefits	1,314,991	1,155,988	1,069,507
Travel	260,000	501,569	246,042
Professional and technical	321,000	394,911	375,450
Amortization	-	281,051	127,981
Wakes and funerals / emergency assistance	150,000	275,743	183,086
Education benefits - Pension plan	-	247,266	247,481
Education benefits - Group insurance	-	215,896	218,623
Propane	100,000	182,309	147,828
Education benefits - CPP	-	182,168	160,975
Nation benefits - Pension plan	-	143,774	134,789
Computer support	144,000	132,119	140,266
Telephone	60,000	62,384	69,038
Interest and bank charges	80,000	45,242	79,922
Non-rebatable GST	-	43,326	-
Registry events	-	36,250	36,116
Office supplies	21,000	35,282	33,659
Nation benefits - Group insurance	-	23,860	22,133
Advertising and promotion	25,000	22,474	21,745
Workshops and seminars	17,000	16,019	1,600
Interest on long-term debt	-	12,564	20,587
Other emergencies	-	6,202	-
Insurance	-	6,103	13,854
Meeting rentals	6,000	3,387	6,981
Computer equipment	15,000	2,640	184
Nation benefits - CPP	-	1,120	2,811
Recruitment and relocation	2,500	80	555
Workshops and seminars	-	-	25,008
Cultural activities	-	800	1,250
	<b>2,516,491</b>	<b>4,030,527</b>	<b>3,387,471</b>
<b>Deficit before other</b>	<b>(680,639)</b>	<b>(1,297,305)</b>	<b>(762,752)</b>

*Continued on next page*

**Little Red River Cree Nation**  
**Administration Segment**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014</i> <i>Budget</i>	<i>2014</i>	<i>2013</i>
<b>Deficit before other</b> <i>(Continued from previous page)</i>	<b>(680,639)</b>	<b>(1,297,305)</b>	<b>(762,752)</b>
<b>Other expense</b>			
Loss on disposal of capital assets	-	<b>(22,326)</b>	<b>(1,527)</b>
<b>Deficit before transfers</b>	<b>(680,639)</b>	<b>(1,319,631)</b>	<b>(764,279)</b>
<b>Transfers between programs</b>			
Administration transfers	<b>818,421</b>	<b>898,749</b>	710,988
Capital administration fees	-	<b>62,433</b>	-
First Nations Development Fund	-	-	410,775
Transfer to deferred expense	-	-	50,338
Transfer from deferred expense	-	<b>(50,338)</b>	<b>(44,843)</b>
<b>Surplus (deficit)</b>	<b>137,782</b>	<b>(408,787)</b>	<b>362,979</b>

**Little Red River Cree Nation**  
**Economic Development Segment**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	-	<b>216,150</b>	216,150
First Nations Development Fund	<b>1,274,660</b>	<b>1,122,963</b>	973,902
Transfer from deferred revenue	<b>414,362</b>	<b>270,090</b>	474,520
Transfer to deferred revenue	-	<b>(846,731)</b>	(270,090)
	<b>1,689,022</b>	<b>762,472</b>	1,394,482
<b>Expenses</b>			
Salaries and benefits	<b>99,000</b>	<b>229,415</b>	153,829
Professional and technical	<b>243,272</b>	<b>186,986</b>	63,054
Wakes and funerals / emergency assistance	<b>100,000</b>	<b>100,000</b>	-
Office equipment	<b>115,000</b>	<b>44,003</b>	-
Travel	-	<b>12,113</b>	12,049
Barge repairs	<b>20,000</b>	<b>8,375</b>	-
Repairs and maintenance	<b>15,000</b>	<b>4,750</b>	-
Telephone	-	<b>2,051</b>	4,898
Community development	-	<b>158</b>	-
Postage and freight	-	-	77
Trailer purchases	-	-	467,092
	<b>592,272</b>	<b>587,851</b>	700,999
<b>Surplus before transfers</b>	<b>1,096,750</b>	<b>174,621</b>	693,483
<b>Transfers between programs</b>			
Administration transfers	-	<b>(8,646)</b>	(8,646)
First Nations Development Fund	-	-	(410,775)
<b>Surplus</b>	<b>1,096,750</b>	<b>165,975</b>	274,062

**Little Red River Cree Nation**  
**Environment Segment**  
**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>			
Province of Alberta	<b>134,269</b>	<b>149,269</b>	146,176
Unexpended funding to be repaid to the Province of Alberta	-	-	(12,000)
North Peace Tribal Council	-	<b>62,000</b>	63,500
	<b>134,269</b>	<b>211,269</b>	197,676
<b>Expenses</b>			
Salaries and benefits	<b>165,800</b>	<b>183,125</b>	210,229
Travel	<b>16,469</b>	<b>36,410</b>	27,596
Workshops and seminars	<b>7,000</b>	<b>7,829</b>	5,738
Professional and technical	<b>5,000</b>	<b>1,961</b>	5,031
	<b>194,269</b>	<b>229,325</b>	248,594
<b>Deficit</b>	<b>(60,000)</b>	<b>(18,056)</b>	(50,918)

**Little Red River Cree Nation**  
**Community Services Segment**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	2,607,683	10,683,806	9,155,677
Health Canada	2,668,858	3,372,536	2,469,433
Service Canada	892,440	761,659	818,709
First Nations Development Fund	239,963	-	144,272
Treaty 8 First Nations of Alberta	64,000	180,531	-
Alberta Remote Area Heating Allowances	-	99,335	-
Tuition fees	54,000	57,701	188,645
Other	112,500	55,074	43,240
North Peace Tribal Council	-	-	113,500
Transfer from deferred revenue	-	139,005	122,250
Transfer to deferred revenue	-	(113,406)	(139,005)
	<b>6,639,444</b>	<b>15,236,241</b>	<b>12,916,721</b>
<b>Expenses</b>			
Youth expenses			
Salaries and benefits	-	-	30,537
Travel	-	-	1,750
	-	-	32,287
CRF expenses			
Tuition	365,656	173,370	149,492
Travel	25,000	76,154	41,704
Salaries and benefits	124,052	40,701	83,914
Computer maintenance	9,000	19,500	11,733
Supplies	11,142	7,386	5,349
Allowance	-	6,998	15,661
Capacity building	13,322	6,276	1,717
Books and supplies	7,000	-	7,887
	<b>555,172</b>	<b>330,385</b>	<b>317,457</b>
EI expenses			
Salaries and benefits	121,373	99,269	122,210
Travel	-	34,865	17,858
Tuition	51,436	28,862	22,142
Allowance	-	8,547	758
Supplies	-	2,585	2,196
	<b>172,809</b>	<b>174,128</b>	<b>165,164</b>
Child care expenses			
Salaries and benefits	136,959	100,419	140,345
Travel	2,300	12,949	16,603
Food and beverage	7,200	11,408	9,991
Propane	3,500	9,218	1,446
Telephone and office	8,336	6,253	10,438
Insurance	-	3,540	2,770
Office supplies	5,770	2,686	13,762
	<b>164,065</b>	<b>146,473</b>	<b>195,355</b>

*Continued on next page*

**Little Red River Cree Nation**  
**Community Services Segment**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Expenses</b>			
Income support - basic needs	-	7,951,724	6,591,230
Salaries and benefits	2,469,272	2,605,825	2,180,995
Training	753,726	715,001	853,014
Office supplies	133,128	338,690	90,540
Income support - special needs	-	305,505	234,257
Travel	282,253	287,153	246,698
Advertising and promotion	100,500	216,329	34,953
Tuition	210,000	164,243	250,577
Brokerage fees	226,500	131,560	168,855
Youth awareness and wellness	127,677	118,664	42,724
Computer support	21,418	117,000	64,759
Workshops and seminars	134,616	108,054	58,390
Supplies	36,000	101,040	9,177
Cultural activities	81,274	90,697	27,464
Telephone	43,685	61,078	68,835
Insurance	25,000	57,001	37,889
Repairs and maintenance	77,689	51,381	22,640
Food and beverage	54,000	45,863	50,889
Elders activity	52,000	45,369	17,702
Student travel allowances	35,000	40,697	40,055
Program materials	82,853	38,723	34,966
Books and supplies	54,000	37,819	36,388
Awareness development	27,005	33,866	93
Gathering of Generations	21,000	19,571	45,488
Professional and technical	5,000	16,745	23,312
Resource people	51,230	16,378	19,297
Income support - child out of parental home	-	15,047	58,460
Science camp program	-	11,446	-
Interest and bank charges	-	9,997	9,762
Materials	15,000	9,598	204,338
Supportive elements	6,877	7,254	3,439
Assisted living	-	6,582	253,242
Utilities	-	5,764	13,769
Propane	-	5,172	2,258
Career promotion and awareness	-	4,313	-
IT maintenance contract	10,000	1,657	12,600
Professional development (staff)	600	1,510	10,283
Postage and freight	-	1,135	-
Health promotion	4,000	650	3,787
Employment placement	-	-	15,226
Amortization	-	-	6,164
Equipment lease	-	-	1,407
Computer program	-	-	90,000
Home to Work Transitions	-	-	35,692
	<b>5,141,303</b>	<b>13,796,101</b>	11,971,614
<b>Total expenses</b>	<b>6,033,349</b>	<b>14,447,087</b>	12,681,877
<b>Surplus before transfers</b>	<b>606,095</b>	<b>789,154</b>	234,844

*Continued on next page*

**Little Red River Cree Nation**  
**Community Services Segment**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Surplus before transfers</b> <i>(Continued from previous page)</i>	<b>606,095</b>	<b>789,154</b>	234,844
<b>Transfers between programs</b>			
Hot lunch program	<b>(300,000)</b>	<b>(300,000)</b>	(225,000)
Administration transfers	<b>(35,117)</b>	<b>(239,059)</b>	(117,742)
Public works transfer	-	<b>(155,526)</b>	(155,526)
Tuition	<b>113,741</b>	-	-
<b>Surplus (deficit)</b>	<b>384,719</b>	<b>94,569</b>	(263,424)



**Little Red River Cree Nation**  
**Community Infrastructure Segment**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	<b>6,102,563</b>	<b>9,313,825</b>	11,132,488
Health Canada	-	<b>95,000</b>	520,000
Canada Mortgage and Housing Corporation	-	<b>37,549</b>	40,324
User fees	<b>238,180</b>	<b>284,259</b>	238,180
Alberta Remote Area Heating Allowances	<b>141,599</b>	<b>188,764</b>	174,485
Barge fees	-	<b>100,444</b>	259,347
Other	-	<b>94,152</b>	116,016
Sales and recoveries	-	<b>89,694</b>	82,035
Rental	-	<b>45,152</b>	36,935
North Peace Tribal Council	-	<b>35,700</b>	-
Gravel revenue	-	-	206,790
Transfer from deferred revenue	-	<b>325,410</b>	-
Transfer to deferred revenue	-	<b>(99,514)</b>	(325,410)
	<b>6,482,342</b>	<b>10,510,435</b>	12,481,190

*Continued on next page*

**Little Red River Cree Nation**  
**Community Infrastructure Segment**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b> <i>(Continued from previous page)</i>	<b>6,482,342</b>	<b>10,510,435</b>	12,481,190
<b>Expenses</b>			
First Nation facilities			
Salaries and benefits	2,122,525	1,931,692	1,951,598
Propane	210,000	684,638	260,875
Shop and janitor supplies	22,000	324,956	193,849
Electricity	260,000	313,480	302,726
Water treatment facilities	175,000	290,600	334,725
Insurance	165,000	182,067	158,014
Equipment operation	320,000	170,810	324,829
Repairs and maintenance	161,000	150,326	91,538
Sewer and water	85,000	150,158	66,995
Solid waste	144,000	147,501	142,444
Roads	30,000	76,663	63,419
Fire prevention	35,000	49,271	37,317
Office supplies	15,000	10,569	16,102
Professional and technical	-	3,232	-
	<b>3,744,525</b>	<b>4,485,963</b>	3,944,431
Education facilities			
Propane	600,000	1,096,744	707,240
Salaries and benefits	491,400	525,705	547,977
Electricity	315,000	369,861	339,997
Repairs and maintenance	203,000	211,427	203,266
Supplies	100,000	60,854	106,833
Insurance	-	46,955	46,799
	<b>1,709,400</b>	<b>2,311,546</b>	1,952,112
Other expenses			
Travel	247,000	285,421	281,785
Barge operations	-	126,272	224,623
Evacuation and flood costs	-	114,354	-
Equipment lease and rentals	-	84,000	-
Professional fees	1,000	53,740	1,923
Workshops and training	55,000	33,611	62,290
Computer support	35,000	19,500	36,667
Telephone and office	25,000	19,030	23,859
Interest on capital lease	-	827	4,120
Gravel	-	-	273,825
	<b>363,000</b>	<b>736,755</b>	909,092

*Continued on next page*

**Little Red River Cree Nation**  
**Community Infrastructure Segment**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<i>(Continued from previous page)</i>			
<b>Expenses</b>			
Amortization	-	4,503,719	4,842,831
Materials	102,514	1,226,079	606,252
Professional and technical	-	586,006	446,998
Salaries and benefits	179,035	490,330	314,197
Equipment lease	-	257,847	-
Plumbing	-	211,416	-
Repairs and maintenance	-	201,242	-
Electrical	-	128,544	-
Training	-	39,507	-
Travel	42,000	39,217	4,755
Utilities	-	22,886	16,243
Interest on long-term debt	-	18,936	27,151
Telephone	-	5,364	5,795
Insurance	-	1,304	2,770
Interest and bank charges	-	885	587
Write-off of building materials	-	-	153,700
Lot development	-	-	306,800
Capital purchases	-	-	117,490
	<b>323,549</b>	<b>7,733,282</b>	<b>6,845,569</b>
<b>Total expenses</b>	<b>6,140,474</b>	<b>15,267,546</b>	<b>13,651,204</b>
<b>Surplus (deficit) before other items</b>	<b>341,868</b>	<b>(4,757,111)</b>	<b>(1,170,014)</b>
<b>Other income</b>			
Gain on disposal of tangible capital assets	-	-	163,512
<b>Surplus (deficit) before transfers</b>	<b>341,868</b>	<b>(4,757,111)</b>	<b>(1,006,502)</b>
<b>Transfers between programs</b>			
Public works transfer	107,976	155,526	155,526
Transfer to deferred expense	-	691,666	544,900
Transfer from deferred expense	-	(544,900)	(391,609)
Administration transfers	(244,102)	(244,102)	(212,106)
Capital administration fees	-	(62,433)	-
<b>Surplus (deficit)</b>	<b>205,742</b>	<b>(4,761,354)</b>	<b>(909,791)</b>

**Little Red River Cree Nation**  
**Equity Funds**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Other income</b>			
Change in trust funds during the year	-	<b>40,753</b>	87,582
Results of corporate operations for the year	-	<b>(75,279)</b>	366,087
<b>Surplus (deficit)</b>	-	<b>(34,526)</b>	453,669

**Little Red River Cree Nation**  
**Board of Education Segment**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	9,152,900	8,871,217	8,739,324
Other	-	2,103	56,374
Rental of teacherages	-	92,646	122,763
Treaty 8 First Nations of Alberta	-	-	162,858
North Peace Tribal Council	-	440,957	136,889
	<b>9,152,900</b>	<b>9,406,923</b>	9,218,208
<b>Expenses</b>			
Salaries and benefits	5,869,163	5,595,495	5,382,734
High-cost special education programs	905,599	1,470,977	1,025,727
Nutrition	496,500	403,761	439,926
Enhanced teacher salaries	-	358,862	350,603
Travel	100,000	320,178	129,508
Parent community engagement strategies	50,371	195,036	11,023
Instructional supplies	352,946	189,942	142,307
IT maintenance contract	90,000	167,975	101,447
Repairs and maintenance	65,829	111,194	76,403
Amortization	-	102,886	93,304
School board travel	132,357	85,687	73,684
Furniture and equipment	-	83,772	84,644
Insurance	80,000	81,107	70,191
Student awards	37,300	66,087	39,658
Minor capital	85,880	58,297	39,835
New Paths	144,000	55,001	25,838
Management and governance capacity	-	49,469	-
Student retention program	-	45,357	-
Advertising, teacher retention, and recruitment	115,000	43,821	186,335
Bus contract - Garden River	-	42,562	45,190
Telephone	42,500	41,490	37,439
Evaluation	-	40,000	-
School board honoraria	50,000	36,459	48,529
Interest and penalties on Receiver General	10,000	32,482	5,419
Computer upgrades	22,875	31,153	25,038
Field trips	58,000	29,705	14,691
Bus contract - Fox Lake	-	24,824	74,284
Meeting rentals	20,000	23,199	18,785
Equipment lease	35,000	22,054	34,880
Professional and technical	40,000	16,708	18,805
Professional development (staff)	20,000	14,487	20,257
Postage and freight	20,000	14,336	11,462
Cultural activities	40,000	8,919	13,109
Graduation incentive	10,000	5,602	62,300
Non-rebatable GST	-	4,046	4,331
Interest and bank charges	10,000	3,959	3,267
Science camp program	-	2,110	262
School board supplies	-	-	8,787
	<b>8,903,320</b>	<b>9,878,999</b>	8,720,002
<b>Surplus (deficit) before transfers</b>	<b>249,580</b>	<b>(472,076)</b>	498,206

*Continued on next page*

**Little Red River Cree Nation**  
**Board of Education Segment**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Surplus (deficit) before transfers</b> <i>(Continued from previous page)</i>	<b>249,580</b>	<b>(472,076)</b>	498,206
<b>Transfers between programs</b>			
Hot lunch program	-	<b>300,000</b>	225,000
Administration transfers	<b>(294,191)</b>	<b>(294,918)</b>	(278,076)
<b>Surplus (deficit)</b>	<b>(44,611)</b>	<b>(466,994)</b>	445,130

**Little Red River Cree Nation**  
**Child and Family Services Segment**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	3,517,980	5,655,192	5,322,448
Child tax benefits	-	354,691	182,327
Other	-	14,873	6,112
Rental	-	8,000	9,100
	<b>3,517,980</b>	<b>6,032,756</b>	<b>5,519,987</b>
<b>Expenses</b>			
Salaries and benefits	1,650,477	1,701,664	1,735,223
Maintenance	-	1,692,732	1,242,852
Special rates	-	463,844	457,038
Travel	116,800	277,282	69,581
Skill fees	-	201,518	184,731
Board travel, training and honouraria	147,040	164,314	23,907
Fee for services	-	151,199	95,977
Office supplies	339,540	126,225	142,250
On call	120,000	112,396	114,078
Automotive	230,000	108,509	101,068
Professional and technical	67,000	104,974	67,031
Babysitting	-	92,927	56,944
Insurance	92,000	82,498	95,851
Training	60,000	76,028	71,605
Family visit	-	75,850	85,449
Child special allowance	-	72,978	44,432
Utilities	32,000	69,380	40,311
Community development	40,000	53,714	8,971
Elders activity	50,000	42,899	-
Recreation allowance	-	39,805	52,441
Capacity building	90,000	38,271	-
Donations	20,000	33,865	-
Foster homes and institutions	-	30,048	2,466
Brief services	35,000	26,137	10,723
Medical prescriptions	-	25,778	7,738
Vacation allowance	-	19,238	33,288
Capital purchases	8,500	10,087	5,533
Contracted services	15,000	8,928	39,492
Interest and bank charges	11,000	8,688	10,270
Non-rebatable GST	-	7,547	-
Cultural awareness camp	100,000	7,235	19,084
Initial placement	-	6,500	10,315
Repairs and maintenance	20,000	5,809	12,376
Equipment lease	2,000	5,142	1,594
Clothing allowance	-	3,376	-
Books and supplies	-	3,368	-
Christmas gift allowance	-	2,971	-
Amortization	-	-	160,425
Interest on long-term debt	-	-	461
	<b>3,246,357</b>	<b>5,953,724</b>	<b>5,003,505</b>
<b>Surplus before other items</b>	<b>271,623</b>	<b>79,032</b>	<b>516,482</b>

*Continued on next page*

**Little Red River Cree Nation**  
**Child and Family Services Segment**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014</i>	<i>2013</i>
<b>Surplus before other items</b> <i>(Continued from previous page)</i>	<b>271,623</b>	<b>79,032</b>	516,482
<b>Other income</b>			
Proceeds on disposal of tangible capital assets	-	<b>12,529</b>	-
<b>Surplus before transfers</b>	<b>271,623</b>	<b>91,561</b>	516,482
<b>Transfers between programs</b>			
Administration transfers	<b>(37,000)</b>	<b>(112,024)</b>	(88,418)
<b>Surplus (deficit)</b>	<b>234,623</b>	<b>(20,463)</b>	428,064