

**Little Red River Cree Nation**  
**Consolidated Financial Statements**  
*March 31, 2016*

# Little Red River Cree Nation Contents

For the year ended March 31, 2016

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# 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 consolidated 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 is appointed by Chief and 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 26, 2016

**Original signed by:** \_\_\_\_\_

Administrator

## Independent Auditors' Report

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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, 2016, and the consolidated statements of operations, accumulated surplus, change in net debt, cash flows and the related schedules for the period 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 qualified audit opinion.

### *Basis for Qualified Opinion*

The First Nation has not been provided with sufficient financial information for some of its business entities to enable it to record its equity in those entities. As a result, the investment in First Nation business entities, advances from First Nation business entities, net debt, and accumulated surplus for the year ended March 31, 2016 may be understated or overstated.

### *Qualified Opinion*

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Little Red River Cree Nation as at March 31, 2016 and the results of its operations, change in net debt and its cash flows for the period then ended in accordance with Canadian public sector accounting standards.

Leduc, Alberta

July 26, 2016

*MNP LLP*

Chartered Professional Accountants



# 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 26, 2016

***Original signed by:***

\_\_\_\_\_  
Chief Gus Loonskin

***Original signed by:***

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

***Original signed by:***

\_\_\_\_\_  
Councilor John Blesse

***Original signed by:***

\_\_\_\_\_  
Councilor Jessie St. Arnault

\_\_\_\_\_  
Councilor Delmer D'or

***Original signed by:***

\_\_\_\_\_  
Councilor Carmen Alook

***Original signed by:***

\_\_\_\_\_  
Councilor Hubert D'or

***Original signed by:***

\_\_\_\_\_  
Councilor Henry Grandjambe

\_\_\_\_\_  
Councilor Lorne Tallcree

\_\_\_\_\_  
Councilor Chilouis Wapoose

# Little Red River Cree Nation Consolidated Statement of Financial Position

As at March 31, 2016

	2016	2015 <i>(Restated)</i>
<b>Financial assets</b>		
<b>Current</b>		
Cash <i>(Note 2)</i>	6,364,129	1,711,646
Accounts receivable - Indigenous and Northern Affairs Canada	1,581,071	2,045,263
Accounts receivable - other	1,088,658	974,566
Term deposits	100,585	99,787
	<b>9,134,443</b>	4,831,262
<b>Investment in First Nation business entities</b> <i>(Note 3)</i>	<b>8,012,412</b>	7,768,472
<b>Funds held in trust</b> <i>(Note 4)</i>	<b>1,432,695</b>	1,395,452
<b>Short term deposits - restricted</b> <i>(Note 5)</i>	<b>317,705</b>	313,977
<b>Investment in UFA Cooperative Ltd.</b>	<b>26,183</b>	26,183
<b>Total financial assets</b>	<b>18,923,438</b>	14,335,346
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	6,673,620	8,192,290
Deferred revenue <i>(Note 6)</i>	7,058,739	2,747,639
Advances from First Nation business entities <i>(Note 7)</i>	4,555,455	3,781,758
Current portion of long-term debt <i>(Note 8)</i>	237,488	346,323
	<b>18,525,302</b>	15,068,010
<b>Long-term debt</b> <i>(Note 8)</i>	<b>1,174,874</b>	1,278,072
<b>Total liabilities</b>	<b>19,700,176</b>	16,346,082
<b>Net debt</b>	<b>(776,738)</b>	(2,010,736)
<b>Contingent liabilities</b> <i>(Note 9)</i>		
<b>Non-financial assets</b>		
Tangible capital assets <i>(Note 10) (Schedule 1)</i>	43,731,246	42,450,303
Inventory for First Nation use	220,776	106,829
Prepaid expenses	502,282	473,855
<b>Total non-financial assets</b>	<b>44,454,304</b>	43,030,987
<b>Accumulated surplus</b> <i>(Note 16)</i>	<b>43,677,566</b>	41,020,251

Approved by a quorum of Chief and Council

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, 2016*

	Schedules	2016 Budget	2016	2015 (Restated)
<b>Revenue</b>				
Indigenous and Northern Affairs Canada		34,073,170	47,891,643	37,344,359
Health Canada		3,371,921	3,495,643	3,261,409
First Nations Development Fund		-	1,158,661	1,182,742
Service Canada		892,440	916,128	892,440
Canada Mortgage and Housing Corporation		-	37,549	37,549
North Peace Tribal Council		-	501,740	424,940
IRS personal credits		-	339,000	-
Other		25,500	350,843	190,458
Barge fees		75,000	293,169	27,075
Child tax benefits		-	297,309	494,505
Treaty 8 First Nations of Alberta		195,531	260,982	185,020
Askee Development Corporation		-	250,000	-
Province of Alberta		134,269	174,998	988,313
Alberta Remote Area Heating Allowances		125,000	159,237	263,624
Rental income		76,680	129,067	117,580
Little Red River Wildland Firefighters Inc		100,000	100,000	100,000
Tuition fees		70,000	91,774	62,645
Rental of teacherages		117,500	88,818	64,352
Farm land rent		85,000	85,000	85,000
CALP grant		-	54,777	54,777
User fees		45,000	50,985	210,244
Little Red River Forestry Limited		250,000	-	250,000
Sales and recoveries		-	-	37,681
Prior year funding adjustments		-	(127,138)	-
Transfer from deferred revenue		-	2,747,639	2,426,834
Transfer to deferred revenue		-	(7,058,739)	(2,747,639)
		<b>39,637,011</b>	<b>52,289,085</b>	45,953,908
<b>Expenses</b>				
Administration Segment	3	3,757,381	4,533,510	3,875,026
Economic Development Segment	4	207,504	962,247	1,308,648
Environment Segment	5	134,269	152,769	141,584
Health Services Segment	6	3,215,886	3,241,618	3,419,757
Community Services Segment	7	10,289,591	10,572,623	10,706,779
Community Infrastructure Segment	8	7,258,662	12,686,602	13,067,966
Board of Education Segment	10	9,335,909	11,066,000	10,094,590
Mamawi Awasis Society Segment	11	5,477,454	6,980,444	6,042,292
<b>Total expenses</b>		<b>39,676,656</b>	<b>50,195,813</b>	48,656,642
<b>Surplus (deficit) before other items</b>		<b>(39,645)</b>	<b>2,093,272</b>	(2,702,734)

*Continued on next page*

## Little Red River Cree Nation Consolidated Statement of Operations

*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015 (Restated)</b>
<b>Surplus (deficit) before other items</b> <i>(Continued from previous page)</i>	<b>(39,645)</b>	<b>2,093,272</b>	<b>(2,702,734)</b>
<b>Other income (expense)</b>			
Results of corporate operations for the year <i>(Note 3)</i>	-	<b>243,940</b>	2,624,819
Change in trust funds during the year <i>(Note 4)</i>	-	<b>37,243</b>	45,859
Gain (loss) on disposal of tangible capital assets	-	<b>7,251</b>	(4,116)
	-	<b>288,434</b>	2,666,562
<b>Surplus (deficit) before transfers</b>	<b>(39,645)</b>	<b>2,381,706</b>	<b>(36,172)</b>
<b>Transfers between programs and to/from deferred expenses</b>	<b>305,691</b>	<b>275,609</b>	<b>(285,007)</b>
<b>Surplus (deficit)</b>	<b>266,046</b>	<b>2,657,315</b>	<b>(321,179)</b>

*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, 2016*

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	<b>2016</b>	<i>2015</i> <i>(Restated)</i>
<b>Accumulated surplus, beginning of year, as previously stated</b>	<b>40,727,897</b>	41,341,430
Corrections of errors in prior period consolidated financial statements <i>(Note 17)</i>	<b>292,354</b>	-
<b>Accumulated surplus, beginning of year, as restated</b>	<b>41,020,251</b>	41,341,430
<b>Surplus (deficit)</b>	<b>2,657,315</b>	(321,179)
<b>Accumulated surplus, end of year ended</b>	<b>43,677,566</b>	41,020,251

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

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

*For the year ended March 31, 2016*

	<b>2016</b>	<b>2016</b>	<b>2015</b>
	<i>Budget</i>		<i>(Restated)</i>
<b>Surplus (deficit)</b>	<b>266,046</b>	<b>2,657,315</b>	<b>(321,179)</b>
Purchases of tangible capital assets	-	<b>(5,156,449)</b>	<b>(2,263,570)</b>
Amortization of tangible capital assets	-	<b>3,875,506</b>	<b>4,300,724</b>
Gain (loss) on disposal of tangible capital assets	-	<b>(7,251)</b>	<b>4,116</b>
Proceeds of disposal of tangible capital assets	-	<b>7,251</b>	<b>600</b>
Acquisition of supplies inventories	-	<b>(113,947)</b>	<b>-</b>
Acquisition of prepaid expenses	-	<b>(28,427)</b>	<b>-</b>
Consumption of supplies inventories	-	<b>-</b>	<b>195,259</b>
Use of prepaid expenses	-	<b>-</b>	<b>255,527</b>
<b>Change in net debt</b>	<b>266,046</b>	<b>1,233,998</b>	<b>2,171,477</b>
<b>Net debt, beginning of year</b>	<b>(2,010,737)</b>	<b>(2,010,736)</b>	<b>(4,182,213)</b>
<b>Net debt, end of year</b>	<b>(1,744,691)</b>	<b>(776,738)</b>	<b>(2,010,736)</b>

*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, 2016*

	<b>2016</b>	2015 <i>(Restated)</i>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Cash receipts from contributors	56,945,757	46,980,537
Cash paid to suppliers	(25,500,724)	(24,498,701)
Cash paid to employees	(20,547,241)	(19,318,804)
Interest paid	(156,525)	(154,036)
	<b>10,741,267</b>	3,008,996
<b>Financing activities</b>		
Repayment of long-term debt	(212,033)	(236,070)
<b>Capital activities</b>		
Purchases of tangible capital assets	(5,884,002)	(1,621,039)
Proceeds of disposal of tangible capital assets	7,251	600
	<b>(5,876,751)</b>	(1,620,439)
<b>Increase in cash resources</b>	<b>4,652,483</b>	1,152,487
<b>Cash resources, beginning of year</b>	<b>1,711,646</b>	559,159
<b>Cash resources, end of year</b>	<b>6,364,129</b>	1,711,646

*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, 2016

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### 1. Significant accounting policies

The consolidated financial statements of the Little Red River Cree Nation (the "First 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 CPA Canada and are consistent with accounting policies set out by the Department of Indigenous and Northern Affairs Canada ("INAC"). Significant aspects of the accounting policies adopted by the First 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 First Nation and are either owned or controlled by the First 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 3. 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.

#### **Measurement uncertainty (use of estimates)**

The preparation of consolidated 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 First Nation business entities are 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. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

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 Act* 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 First 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, 2016*

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

**Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2016.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

At year-end there was no liability for contaminated sites.

**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 First 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 - Mamawi Awasis	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 - Education	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 %

ii. Inventory for First 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.

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

**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 First 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 ended; 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.

**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.

**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 Mamawi Awasis Society. 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 debt**

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of consolidated 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.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

**Recent accounting pronouncements**

**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, 2019. Earlier adoption is permitted.

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

2. **Cash**

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 Indigenous and Northern Affairs Canada. At March 31, 2016, the balance of the revolving loan was \$982,301 (2015 - \$1,206,906). Prime was 3.75% at year-end.

Included in this balance is \$753,837 (2015 - \$653,876) 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.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**3. Investments in First Nation business entities**

The First Nation has investments in the following entities:

	<i>Initial investment</i>	<i>Advances to (from)</i>	<i>Cumulative share of earnings (loss)</i>	<i>Write-down of investment by related entities</i>	<i>2016 Total investment</i>
<b>Wholly-owned Businesses:</b>					
Little Red River Forestry Limited	201	-	(3,681,100)	-	(3,680,899)
Askee Development Corporation	100	-	7,398,935	-	7,399,035
Fifth Meridian Market Ltd	100	-	(2,235,891)	-	(2,235,791)
Little Red River Wildland Firefighters Inc	1	-	(79,196)	-	(79,195)
849244 Alberta Ltd	1	-	(757,864)	-	(757,863)
	<b>403</b>	<b>-</b>	<b>644,884</b>	<b>-</b>	<b>645,287</b>
<b>Partnerships:</b>					
Caribou Hills Limited Partnership	100	10,000	3,994,721	-	4,004,821
Write-down of investments	-	-	-	3,362,304	3,362,304
	<b>503</b>	<b>10,000</b>	<b>4,639,605</b>	<b>3,362,304</b>	<b>8,012,412</b>

	<i>Initial investment</i>	<i>Advances to (from)</i>	<i>Cumulative share of earnings (loss)</i>	<i>Write-down of investment by related entities</i>	<i>2015 Total investment</i>
<b>Wholly-owned Businesses:</b>					
Little Red River Forestry Limited	201	-	(3,681,100)	-	(3,680,899)
Askee Development Corporation	100	-	7,398,935	-	7,399,035
Fifth Meridian Market Ltd	100	-	(2,235,891)	-	(2,235,791)
Little Red River Wildland Firefighters Inc	1	-	(383,227)	-	(383,226)
849244 Alberta Ltd	1	-	(697,773)	-	(697,772)
	<b>403</b>	<b>-</b>	<b>400,944</b>	<b>-</b>	<b>401,347</b>
<b>Partnerships:</b>					
Caribou Hills Limited Partnership	100	10,000	3,994,721	-	4,004,821
Write-down of investments	-	-	-	3,362,304	3,362,304
	<b>503</b>	<b>10,000</b>	<b>4,395,665</b>	<b>3,362,304</b>	<b>7,768,472</b>

Insufficient financial information was provided in order for the First Nation to properly record it's equity in the results of Little Red River Forestry Limited, Askee Development Corporation, Fifth Meridian Market Ltd, and Caribou Hills Limited Partnership. Therefore, only the results of Little Red River Wildland Firefighters Inc and 849244 Alberta Ltd have been recorded in these consolidated financial statements.



**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**3. Investment in First Nation business entities** *(Continued from previous page)*

Summary financial information for each First Nation business enterprise for which sufficient records were provided, accounted for using the modified equity method, for their respective year ended-end is as follows:

	<i>Little Red River Wildland Firefighters Inc As at December 31, 2015</i>	<i>849244 Alberta Ltd As at January 31, 2016</i>
<b>Assets</b>		
Current assets	1,214,904	91,518
Long-term assets	247,014	398,031
<b>Total assets</b>	<b>1,461,918</b>	<b>489,549</b>
<b>Liabilities</b>		
Current liabilities	679,090	5,522
Advances to related entities	862,024	1,241,891
<b>Total liabilities</b>	<b>1,541,114</b>	<b>1,247,413</b>
<b>Accumulated deficit</b>	<b>(79,196)</b>	<b>(757,864)</b>
<b>Total revenue</b>	<b>10,590,055</b>	<b>-</b>
<b>Total expenses</b>	<b>10,276,127</b>	<b>60,093</b>
	<b>313,928</b>	<b>(60,093)</b>
<b>Income taxes</b>	<b>(9,895)</b>	<b>-</b>
	<b>304,033</b>	<b>(60,093)</b>

The First 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).

849244 Alberta Ltd. ceased active retail operations in September 2012.

**4. Funds held in trust**

Funds held in trust on behalf of First Nation members by the Government of Canada are reported on the consolidated 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 First 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	1,243,410	1,395,452
Additions	-	37,243	37,243
<b>Balance, end of year</b>	<b>152,042</b>	<b>1,280,653</b>	<b>1,432,695</b>

**5. Short term deposits - restricted**

Term deposits are internally restricted in use by the First Nation in accordance with the agreement regarding the trust with the Department of Indigenous and Northern Affairs Canada. The deposits bear interest at rates between 0.25% and 1.70% and mature between April 2016 and February 2017.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**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</i>	<i>Funding received</i>	<i>Recognized as revenue</i>	<i>Closing</i>
INAC - School modernization	-	6,618,000	(2,657,842)	<b>3,960,158</b>
INAC - Fox Lake access project	-	2,987,800	(1,887,733)	<b>1,100,067</b>
Loans to Native Claimants	66,591	-	(66,591)	-
Training strategy	113,406	-	(113,406)	-
First Nations Development Fund	1,068,747	1,158,661	(1,371,515)	<b>855,893</b>
Fox Lake Northern Store	1,195,313	-	(93,750)	<b>1,101,563</b>
Health Canada - Health centre funding	314	-	(314)	-
Province of Alberta - disaster readiness	293,921	-	(291,488)	<b>2,433</b>
Family literacy	3,510	-	(3,510)	-
Government of Alberta	-	15,000	-	<b>15,000</b>
Community Adult Learning Program	5,837	54,777	(36,989)	<b>23,625</b>
	<b>2,747,639</b>	<b>10,834,238</b>	<b>(6,523,138)</b>	<b>7,058,739</b>

**7. Advances from First Nation business entities**

	<b>2016</b>	<b>2015</b>
Caribou Hills Limited Partnership	<b>577,286</b>	577,286
Little Red River Forestry Limited	<b>2,701,985</b>	2,752,970
Little Red River Wildland Firefighters Inc.	<b>199,944</b>	52,054
849244 Alberta Ltd.	<b>55,549</b>	55,549
Fifth Meridian Market Ltd.	<b>18,407</b>	10,823
Mikkwa Seepee Enterprises Ltd.	<b>673,251</b>	554,043
Askee Development Corporation	<b>329,033</b>	(220,967)
	<b>4,555,455</b>	3,781,758

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, 2016*

**8. Long-term debt**

	<b>2016</b>	2015
Peace Hills Trust loan, repayable in monthly instalments of \$10,921 including interest at 6%, until May 2019, amortized over 10 years. Security consists of a GIC with a value of \$202,378 (2015 - \$198,995), a Band Council Resolution, insurance showing first loss payee as Peace Hills Trust Company, and teacherages with a net book value of \$1,006,288 (2015 - \$1,065,093).	<b>827,421</b>	906,242
CMHC construction loan repayable in monthly instalments of \$2,635 including interest at 1.65%, until June 2017. Security consists of a charge over two four-plexes with a net book value of \$620,283 (2015 - \$676,673).	<b>450,641</b>	474,619
Askee Development Corporation loan (a wholly owned subsidiary of the First 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 instalments of \$7,068 including interest at 7.25%, repaid during the year.	-	56,062
Peace Hills Trust loan, repayable in monthly instalments of \$5,610 including interest at 7.25%, repaid during the year.	-	53,172
	<b>1,412,362</b>	1,624,395
Less: less: current portion	<b>237,488</b>	346,323
	<b>1,174,874</b>	1,278,072

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:

2017	237,488
2018	108,454
2019	114,027
2020	119,926
2021	126,169

**9. Contingent liabilities**

***Lawsuits***

In the normal conduct of operations, there are pending claims by and against the First 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 consolidated financial position or results of operations.

***Indigenous and Northern Affairs 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 (2015 - \$573,636). The loans are repayable on the earlier of March 31, 2020 or the date on which the claim is settled. If the claim is not settled by March 31, 2020, the repayment date will be extended by five years. As repayment will be made from future claim proceeds, the amount is a contingent liability.

***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.

**10. 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 operations.
- (d) Tangible capital asset additions for the year ended March 31, 2016 include \$455,588 still in accounts payable at year-end (2015 - \$1,183,141). As a result, this amount is not included in the purchases of tangible capital assets on the consolidated statement of cash flows.
- (e) Included in tangible capital asset additions for the year is \$3,340,648 (2015 - \$1,270,105) of road work, \$999,918 (2015 - \$999,918) of water treatment lagoon work and \$2,327,826 (2015 - \$nil) of school upgrade work that are in progress at March 31, 2016 and are therefore not being amortized.

**11. Economic dependence**

The Nation receives substantially all of its funding through contribution arrangements with the Department of Indigenous and Northern Affairs 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.

**12. 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 \$662,903 (2015 - \$540,594).

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**13. 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 \$215,332 (2015 - \$181,929). As at March 31, 2016, the Nation has funded \$134,283 (2015 - \$118,315) of the reserves.

**14. Comparative figures**

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

**15. 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.

**16. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2016</b>	<i>2015 (Restated)</i>
Unrestricted deficit	<b>(10,911,488)</b>	(8,983,872)
Unexpended funding: Economic development	<b>90,638</b>	8,388
Unexpended funding: Health	<b>219,504</b>	51,655
Unexpended funding: Social development	<b>51,073</b>	28,071
Unexpended funding: Post-secondary education	<b>60,700</b>	71,529
Unexpended funding: Schools O&M	<b>1,281,052</b>	-
Unexpended funding: Fire protection	<b>75,962</b>	-
Unexpended funding: Solid waste	<b>234,699</b>	-
Unexpended funding: Wastewater systems O&M one-time funding	-	140,717
Unexpended funding: Water systems O&M one-time funding	-	40,129
Unexpended funding: Schools O&M one-time funding	-	80,313
Unexpended funding: Instruction and Education Board	<b>782,394</b>	99,942
Unexpended funding: Mamawi Awasis prevention	<b>1,764,117</b>	1,354,411
Unexpended funding: Wentzel winter access road - capital	<b>778</b>	-
Unexpended funding: Roads and bridges (gravel) - capital	<b>85,921</b>	-
Unexpended funding: Airstrip repairs - capital	<b>95,151</b>	-
Equity in trust fund	<b>1,432,695</b>	1,395,452
Equity in enterprise fund	<b>6,095,486</b>	5,851,546
Equity in tangible capital assets	<b>42,318,884</b>	40,881,969
	<b>43,677,566</b>	41,020,250

Under the funding agreement with Indigenous and Northern Affairs Canada, surpluses in programs which receive fixed funding must be tracked; these are identified as "unexpended funding" above.

**Little Red River Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**17. Correction of errors**

During the year, the First Nation determined that a recovery of INAC funding in the amount of \$481,083 was completed in the prior year. This recovery was not clearly identified on the confirmation from INAC and therefore was not adjusted correctly in 2015. This correction resulted in a decrease in 2015 INAC accounts receivable and an increase to 2015 INAC revenue on Schedule 9 - Board of Education Segment in the amount of \$481,083

The First Nation also determined that accounts payable and accruals were understated in the prior year related to a pension payable transaction between the First Nation and the Board of Education Segment not being recorded correctly. This correction resulted in an increase to 2015 accounts payable and accruals and an increase to 2015 salaries and benefits on Schedule 9 - Board of Education Segment in the amount of \$188,729.

The cumulative effect of these corrections in the prior year is an increase in accounts payable and accruals of \$188,729, an increase in accounts receivable - INAC in the amount of \$481,083, an increase in accumulated surplus of \$292,354, and an increase in restricted surplus: unexpended funding - Instruction and Education Board of \$99,942.

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

*For the year ended March 31, 2016*

	<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	68,554,176	1,539,108	24,380,531	2,133,600	8,988,474	73,242	105,669,131
Acquisition of tangible capital assets	2,555,845	302,581	-	-	459,290	-	3,317,716
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	71,110,021	1,841,689	24,380,531	2,133,600	9,447,764	73,242	108,986,847
<b>Accumulated amortization</b>							
Balance, beginning of year	36,950,163	1,197,610	18,308,398	1,606,069	7,951,022	60,919	66,074,181
Annual amortization	2,365,001	93,953	668,004	26,376	478,069	3,696	3,635,099
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	39,315,164	1,291,563	18,976,402	1,632,445	8,429,091	64,615	69,709,280
<b>Net book value of tangible capital assets</b>	<b>31,794,857</b>	<b>550,126</b>	<b>5,404,129</b>	<b>501,155</b>	<b>1,018,673</b>	<b>8,627</b>	<b>39,277,567</b>
2015 net book value of tangible capital assets	31,604,013	341,498	6,072,133	527,531	1,037,452	12,323	39,594,950

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

*For the year ended March 31, 2016*

	<i>Subtotal</i>	<i>Computer equipment</i>	<i>Roads</i>	<i>Street lights</i>	<i>Wireless infrastructure</i>	<i>2016</i>	<i>2015</i>
							<i>(Restated)</i>
<b>Cost</b>							
Balance, beginning of year	105,669,131	1,801,710	32,156,480	78,000	790,395	140,495,716	138,248,460
Acquisition of tangible capital assets	3,317,716	-	1,838,733	-	-	5,156,449	2,263,570
Disposal of tangible capital assets	-	-	-	-	-	-	(16,314)
Balance, end of year	108,986,847	1,801,710	33,995,213	78,000	790,395	145,652,165	140,495,716
<b>Accumulated amortization</b>							
Balance, beginning of year	66,074,181	1,749,446	30,002,812	67,600	151,374	98,045,413	93,756,286
Annual amortization	3,635,099	17,855	181,577	2,600	38,375	3,875,506	4,300,724
Accumulated amortization on disposals	-	-	-	-	-	-	(11,597)
Balance, end of year	69,709,280	1,767,301	30,184,389	70,200	189,749	101,920,919	98,045,413
<b>Net book value of tangible capital assets</b>	<b>39,277,567</b>	<b>34,409</b>	<b>3,810,824</b>	<b>7,800</b>	<b>600,646</b>	<b>43,731,246</b>	<b>42,450,303</b>
2015 net book value of tangible capital assets	39,594,950	52,264	2,153,668	10,400	639,021	42,450,303	



**Little Red River Cree Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**

*For the year ended March 31, 2016*

	<b>2016</b> <i>Budget</i>	<b>2016</b>	<b>2015</b> <i>(Restated)</i>
<b>Consolidated expenses by object</b>			
Salaries and benefits	18,255,286	20,525,649	19,318,804
Income support	6,483,202	6,941,369	7,415,587
Amortization	154,000	3,875,506	4,300,724
Materials, supplies, repairs and maintenance	2,155,691	3,729,494	2,928,171
Tuition, workshops, training and student allowance and awards	2,487,585	2,123,176	2,134,975
Maintenance, foster homes, and institutions	1,100,000	1,984,870	1,748,728
Travel	1,402,176	1,802,761	1,701,360
Utilities	1,924,260	1,642,325	1,987,088
Child and family services	1,039,180	1,388,645	1,199,771
Professional and technical	634,655	1,217,950	1,590,869
Office and administration	1,144,319	1,112,999	929,387
Instructional	624,291	662,387	764,705
Computer and network support	525,848	585,294	478,363
Insurance	516,262	499,196	502,218
Nutrition	56,200	438,063	401,809
Minor capital	263,340	343,046	99,395
IRS personal credits	-	339,000	-
Wakes and funerals	125,000	212,769	163,586
Emergencies	199,630	170,500	118,461
Construction costs	214,100	145,323	221,559
Interest and bank charges	60,000	85,914	57,002
Elders and cultural activities	108,373	82,210	123,977
Interest on long-term debt	-	62,302	78,736
Renovation materials	-	54,987	-
Election costs	45,000	47,866	-
Equipment lease	25,000	40,294	51,907
Non-rebatable GST	-	37,223	41,869
Approved work plan - prior year	61,258	25,416	217,686
Cultural activities	27,000	10,828	8,307
Interest and penalties on Receiver General	-	8,309	18,298
Evacuation and flood costs	45,000	142	53,300
	<b>39,676,656</b>	<b>50,195,813</b>	<b>48,656,642</b>

**Little Red River Cree Nation**  
**Administration Segment**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	<b>2,338,636</b>	<b>2,574,323</b>	2,420,297
IRS personal credits	-	<b>339,000</b>	-
Askee Development Corporation	-	<b>250,000</b>	-
Little Red River Wildland Firefighters Inc	<b>100,000</b>	<b>100,000</b>	100,000
Rental income	<b>76,680</b>	<b>86,295</b>	73,457
Farm land rent	<b>85,000</b>	<b>85,000</b>	85,000
Other	<b>6,500</b>	<b>54,589</b>	99,302
Alberta Remote Area Heating Allowances	-	<b>26,018</b>	41,899
Province of Alberta	-	-	744,398
Little Red River Forestry Limited	<b>250,000</b>	-	250,000
North Peace Tribal Council	-	-	30,000
Transfer from deferred revenue	-	<b>1,669,231</b>	1,480,589
Transfer to deferred revenue	-	<b>(1,103,996)</b>	(1,669,231)
	<b>2,856,816</b>	<b>4,080,460</b>	3,655,711

*Continued on next page*

**Little Red River Cree Nation**  
**Administration Segment**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b> <i>(Continued from previous page)</i>	<b>2,856,816</b>	<b>4,080,460</b>	3,655,711
<b>Expenses</b>			
Salaries and benefits	1,340,892	1,141,690	1,228,678
IRS personal credits	-	339,000	-
Professional fees	347,576	296,029	255,792
Education benefits - Pension plan	185,000	262,269	271,189
Education benefits - Group insurance	200,000	245,094	225,831
Amortization	154,000	230,654	252,674
Travel - council	180,000	206,683	175,295
Travel	105,000	200,385	220,545
Nation benefits - Pension plan	115,000	190,902	157,101
Education benefits - CPP	155,000	186,478	207,522
Computer maintenance and support	120,000	142,692	100,015
Medical family emergencies	75,000	141,890	66,436
Office supplies	116,172	141,199	81,358
Minor capital	10,000	130,211	28,136
Wakes and funerals	125,000	112,769	63,586
Advertising and promotion	42,500	110,459	58,660
Telephone	60,000	77,968	71,801
Interest and bank charges	41,500	66,402	40,177
Supplies	-	55,337	2,900
Election costs	45,000	47,866	-
Professional fees - education management and governance	-	43,450	-
Registry events	-	37,830	37,830
Elders propane	132,050	31,916	123,320
Insurance	18,176	29,266	16,682
Non-rebatable GST	-	24,865	31,783
Workshops and training	28,000	18,116	32,356
Nation benefits - Group insurance	13,438	12,794	13,025
Meeting rental	2,500	4,274	4,711
Other emergencies	64,630	3,150	24,501
Nation benefits - CPP	1,000	2,258	4
Interest on long-term debt	-	1,526	7,148
Evacuation and flood costs	45,000	142	-
Professional fees - financial management capacity	-	-	40,000
Professional services	4,947	-	-
Prescribed burn	30,000	-	27,524
Interest and penalties on Receiver General	-	(2,054)	8,446
	<b>3,757,381</b>	<b>4,533,510</b>	3,875,026
<b>Deficit before other items</b>	<b>(900,565)</b>	<b>(453,050)</b>	(219,315)

*Continued on next page*

**Little Red River Cree Nation**  
**Administration Segment**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Deficit before other items</b> <i>(Continued from previous page)</i>	<b>(900,565)</b>	<b>(453,050)</b>	(219,315)
<b>Other income</b>			
Gain on disposal of tangible capital assets	-	<b>7,251</b>	-
<b>Deficit before transfers</b>	<b>(900,565)</b>	<b>(445,799)</b>	(219,315)
<b>Transfers between programs</b>			
Administration transfers	<b>874,147</b>	<b>919,825</b>	923,004
Capital administration fees	-	<b>142,936</b>	-
<b>Surplus (deficit)</b>	<b>(26,418)</b>	<b>616,962</b>	703,689

**Little Red River Cree Nation**  
**Economic Development Segment**  
**Schedule 4 - Schedule of Revenue and Expenses**

*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
First Nations Development Fund	-	1,158,661	1,182,742
Indigenous and Northern Affairs Canada	216,150	211,150	298,500
Province of Alberta	-	40,729	52,000
Prior year funding adjustments	-	(2,000)	-
Transfer from deferred revenue	-	1,068,747	846,731
Transfer to deferred revenue	-	(855,893)	(1,068,747)
	<b>216,150</b>	<b>1,621,394</b>	<b>1,311,226</b>
<b>Expenses</b>			
Professional services	-	204,587	17,430
Salaries and benefits	101,642	196,291	700,941
Repairs and maintenance	-	113,161	-
Wakes and funerals	-	100,000	100,000
Home renovations	-	90,245	9,755
Elders propane	-	81,223	47,950
Housing construction and renovation training	-	54,987	-
Interest on long-term debt	-	52,230	57,293
Materials	-	27,625	99,232
Travel	9,662	11,500	38,706
Workshops and training	-	11,417	-
Community engagement	94,400	9,652	-
New business opportunities	-	7,118	-
Telephone	1,800	2,211	2,174
Office equipment	-	-	78,586
Professional fees - forestry license asset valuation	-	-	62,000
Professional fees - feasibility studies	-	-	57,000
Professional fees - forestry products trading company	-	-	20,350
Professional and technical	-	-	13,523
Utilities	-	-	3,708
	<b>207,504</b>	<b>962,247</b>	<b>1,308,648</b>
<b>Surplus before transfers</b>	<b>8,646</b>	<b>659,147</b>	<b>2,578</b>
<b>Transfers between programs</b>			
Administration transfers	<b>(8,646)</b>	<b>(8,646)</b>	<b>(8,646)</b>
<b>Surplus (deficit)</b>	<b>-</b>	<b>650,501</b>	<b>(6,068)</b>

**Little Red River Cree Nation**  
**Environment Segment**  
**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
Province of Alberta	134,269	134,269	134,269
Other	-	18,500	8,800
	<b>134,269</b>	<b>152,769</b>	143,069
<b>Expenses</b>			
Salaries and benefits	110,000	120,803	106,139
Travel	12,269	8,729	24,798
Workshops and training	7,000	1,345	8,343
Professional services	5,000	21,892	2,304
	<b>134,269</b>	<b>152,769</b>	141,584
<b>Surplus (deficit)</b>	-	-	1,485

**Little Red River Cree Nation**  
**Health Services Segment**  
**Schedule 6 - Unaudited Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
Health Canada			
Community health services	3,371,921	3,495,643	3,381,443
Unexpended funding owing	-	-	(120,034)
Other	-	4,174	9,412
	<b>3,371,921</b>	<b>3,499,817</b>	<b>3,270,821</b>
<b>Expenses</b>			
Salaries and benefits	2,054,227	1,967,925	1,951,971
Travel	180,347	204,222	114,753
Supplies	89,976	133,032	40,557
Workshops and training	74,021	102,420	169,767
Computer maintenance and support	93,000	93,000	105,000
Good food box	107,000	88,607	77,558
Youth awareness and wellness	92,280	86,824	123,029
Community awareness	62,346	77,602	30,070
Insurance	44,500	53,488	51,688
Vehicle fuel and repairs	44,000	51,584	41,116
Office supplies	41,376	43,250	91,300
Nutrition	49,000	43,106	47,278
Cultural activities	60,000	41,488	70,376
Telephone	17,500	38,236	42,611
Program materials and supplies	51,092	33,757	70,276
Elders activity	36,270	31,066	37,720
Early childhood development	30,000	30,162	11,895
Wastewater	3,000	26,404	14,642
Approved work plan - prior year	-	25,416	200,876
Resource people	31,059	18,715	15,722
Care licensing fees	10,800	11,300	-
Primary care services	-	10,000	-
Elders wellness activity	12,103	9,655	9,855
Program development	5,600	5,510	3,907
Electricity	6,000	4,866	13,589
Professional services	11,000	4,625	16,792
Health promotion	7,000	4,324	4,192
Propane	2,389	1,034	5,091
Building repairs	-	-	21,439
Repairs and maintenance	-	-	36,687
	<b>3,215,886</b>	<b>3,241,618</b>	<b>3,419,757</b>
<b>Surplus (deficit) before transfers</b>	<b>156,035</b>	<b>258,199</b>	<b>(148,936)</b>
<b>Transfers between programs</b>			
Administration transfers	(156,035)	(168,535)	(154,668)
Academic development	-	-	(4,700)
<b>Surplus (deficit)</b>	<b>-</b>	<b>89,664</b>	<b>(308,304)</b>

**Little Red River Cree Nation**  
**Community Services Segment**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	9,128,874	9,659,531	9,145,026
Service Canada	892,440	916,128	892,440
Treaty 8 First Nations of Alberta	195,531	225,982	185,020
Other	19,000	151,933	17,302
Tuition fees	70,000	91,774	62,645
CALP grant	-	54,777	54,777
Alberta Remote Area Heating Allowances	-	-	69,212
Transfer from deferred revenue	-	9,347	-
Transfer to deferred revenue	-	(23,625)	(9,347)
	<b>10,305,845</b>	<b>11,085,847</b>	<b>10,417,075</b>

*Continued on next page*



**Little Red River Cree Nation**  
**Community Services Segment**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Expenses</b>			
Income support - basic needs	6,278,202	6,810,782	7,210,573
Salaries and benefits	1,649,485	1,461,445	1,470,113
Training allowance	722,500	700,082	662,123
Tuition	504,463	323,762	313,272
Travel	186,878	171,372	176,408
Computer maintenance and support	100,900	161,479	81,728
Professional development	8,500	146,794	7,768
Brokerage	90,000	135,556	129,534
Building repairs	63,100	89,735	113,046
Income support - special needs	165,000	85,462	167,235
Office supplies	52,972	60,408	47,539
Gathering of Generations	50,000	57,342	50,391
Books and supplies	53,942	46,967	45,972
Income support - child out of parental home	40,000	45,125	37,779
Student travel allowances	35,000	43,861	38,133
Workshops and training	55,381	40,325	11,978
Science and technology	9,775	32,147	10,707
Telephone	13,500	25,263	25,613
Career promotion and awareness	6,133	22,838	25,373
Assisted living	35,980	21,515	9,465
Supplies	18,740	20,053	-
Instructional supplies	12,000	14,253	30,013
Amortization	-	14,155	-
Nutrition	7,200	9,864	6,246
Interest and bank charges	7,000	9,067	7,229
Professional services	32,000	5,850	7,500
Capacity building	22,330	4,620	7,759
Insurance	-	4,011	3,399
Program materials and supplies	-	3,571	4,350
Repairs and maintenance	2,852	3,527	133
Electricity	2,000	1,392	2,212
Propane	2,500	-	3,188
Approved work plan - prior year	61,258	-	-
	<b>10,289,591</b>	<b>10,572,623</b>	<b>10,706,779</b>
<b>Surplus (deficit) before transfers</b>	<b>16,254</b>	<b>513,224</b>	<b>(289,704)</b>

*Continued on next page*

**Little Red River Cree Nation**  
**Community Services Segment**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Surplus (deficit) before transfers</b> <i>(Continued from previous page)</i>	<b>16,254</b>	<b>513,224</b>	<b>(289,704)</b>
<b>Transfers between programs</b>			
Hot lunch program	<b>(330,000)</b>	<b>(330,000)</b>	<b>(300,000)</b>
Administration transfers	<b>(90,494)</b>	<b>(75,533)</b>	<b>(75,533)</b>
Tuition	<b>(379)</b>	<b>-</b>	<b>-</b>
Academic development	<b>221,500</b>	<b>-</b>	<b>4,700</b>
NCBR transfer	<b>121,861</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>(61,258)</b>	<b>107,691</b>	<b>(660,537)</b>

**Little Red River Cree Nation**  
**Community Infrastructure Segment**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	7,257,171	18,358,897	10,005,946
Canada Mortgage and Housing Corporation	-	37,549	37,549
Barge fees	75,000	293,169	27,075
Alberta Remote Area Heating Allowances	125,000	133,219	152,512
Other	-	68,655	25,531
User fees	45,000	50,985	210,244
Rental income	-	42,771	44,124
Sales and recoveries	-	-	37,681
Province of Alberta	-	-	57,646
Transfer from deferred revenue	-	314	99,514
Transfer to deferred revenue	-	(5,060,225)	(314)
	<b>7,502,171</b>	<b>13,925,334</b>	<b>10,697,508</b>

*Continued on next page*

**Little Red River Cree Nation**  
**Community Infrastructure Segment**  
**Schedule 8 - Schedule of Revenue and Expenses**

*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Expenses</b>			
Amortization	-	<b>3,527,042</b>	3,939,699
Salaries and benefits	<b>2,838,167</b>	<b>3,487,118</b>	3,098,605
Minor capital	<b>108,500</b>	<b>918,115</b>	16,388
Propane	<b>1,100,000</b>	<b>815,318</b>	1,096,695
Electricity	<b>656,321</b>	<b>632,010</b>	528,236
Materials	<b>730,000</b>	<b>526,474</b>	793,485
Supplies	<b>523,988</b>	<b>516,372</b>	410,354
Equipment repairs	<b>60,500</b>	<b>458,517</b>	181,012
Insurance	<b>322,276</b>	<b>294,498</b>	325,543
Travel	<b>191,700</b>	<b>287,051</b>	289,813
Management and administration	-	<b>260,026</b>	-
Ice bridge	<b>80,000</b>	<b>183,494</b>	-
Fuel	<b>115,300</b>	<b>163,356</b>	273,306
Contract wages	<b>115,200</b>	<b>143,088</b>	129,477
Plumbing and heating	<b>165,100</b>	<b>99,757</b>	128,605
Office supplies	<b>58,210</b>	<b>93,735</b>	60,456
Workshops and training	<b>58,000</b>	<b>58,551</b>	20,842
Water and sewer	<b>46,000</b>	<b>31,404</b>	19,908
Prescribed burn	<b>30,000</b>	<b>25,460</b>	-
Telephone	<b>10,800</b>	<b>25,129</b>	22,488
Vehicle fuel and repairs	-	<b>24,691</b>	50,983
Repairs and maintenance	-	<b>23,871</b>	64,668
Building repairs	-	<b>20,568</b>	262,910
Professional services	<b>12,000</b>	<b>18,934</b>	823,514
Fire chief wages	-	<b>17,525</b>	-
Electrical	<b>3,000</b>	<b>14,162</b>	73,046
Interest on long-term debt	-	<b>8,545</b>	14,295
Utilities	-	<b>7,973</b>	6,439
Computer maintenance and support	<b>3,600</b>	<b>3,600</b>	18,000
Interest and bank charges	-	<b>218</b>	959
Roads and bridges	-	-	118,913
Engineering	-	-	94,200
Wastewater	-	-	90,234
Evacuation and flood costs	-	-	53,300
Equipment lease	-	-	28,805
Barge repairs	-	-	28,375
Training allowance	-	-	2,217
Professional fees	-	-	2,196
Landfill	<b>30,000</b>	-	-
	<b>7,258,662</b>	<b>12,686,602</b>	13,067,966
<b>Surplus (deficit) before transfers</b>	<b>243,509</b>	<b>1,238,732</b>	(2,370,458)
<b>Transfers between programs</b>			
Transfer to deferred expense	-	<b>438,459</b>	406,660
Transfer from deferred expense	-	<b>(406,660)</b>	(691,666)
Administration transfers	<b>(244,103)</b>	<b>(244,103)</b>	(244,102)
Capital administration fees	-	<b>(142,936)</b>	(50,311)
Capital transfer	-	<b>231,810</b>	-
<b>Surplus (deficit)</b>	<b>(594)</b>	<b>1,115,302</b>	(2,949,877)

**Little Red River Cree Nation**  
**Equity Funds**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Other income</b>			
Results of corporate operations for the year	-	<b>243,940</b>	2,624,819
Change in trust funds during the year	-	<b>37,243</b>	45,859
<b>Surplus</b>	-	<b>281,183</b>	2,670,678

**Little Red River Cree Nation**  
**Board of Education Segment**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016</b> <i>Budget</i>	<b>2016</b>	<b>2015</b> <i>(Restated)</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	<b>9,503,447</b>	<b>10,954,250</b>	9,578,871
North Peace Tribal Council	-	<b>501,740</b>	394,940
Rental of teacherages	<b>117,500</b>	<b>88,818</b>	64,352
Other	-	<b>43,344</b>	24,403
Transfer to deferred revenue	-	<b>(15,000)</b>	-
Prior year funding adjustments	-	<b>(125,138)</b>	-
	<b>9,620,947</b>	<b>11,448,014</b>	10,062,566

*Continued on next page*

**Little Red River Cree Nation**  
**Board of Education Segment**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	2016 <i>Budget</i>	2016	2015 <i>(Restated)</i>
<b>Revenue</b> <i>(Continued from previous page)</i>	<b>9,620,947</b>	<b>11,448,014</b>	10,062,566
<b>Expenses</b>			
Salaries and benefits	6,750,480	8,034,845	7,197,364
Enhanced teacher salaries	412,873	416,023	372,563
Nutrition	-	385,094	348,285
Nutrition salaries	199,902	224,623	197,163
Instructional supplies	238,926	217,735	266,686
Vehicle fuel and repairs	103,735	185,442	156,536
Professional development	188,890	168,101	209,678
Network support	177,348	153,687	152,620
Travel	90,500	140,361	128,389
Amortization	-	103,655	108,351
Parental community engagement strategies	106,000	101,000	179,266
School effectiveness - programs	128,004	95,000	70,000
Minor capital	84,840	94,210	15,065
Teacher recruitment and retention	65,000	75,000	30,936
Furniture and equipment	117,500	68,467	36,526
Bus contract - Garden River	53,000	52,795	57,064
Computer equipment	51,000	50,158	19,668
Office supplies	34,900	48,562	60,549
Insurance	80,000	47,058	19,891
Professional services	60,000	42,678	64,463
Community initiatives	-	40,998	-
Telephone	37,500	40,905	41,061
Assessments	40,000	39,937	32,561
Equipment lease	25,000	34,071	15,715
School board travel	70,000	32,387	54,243
Student retention	-	28,212	5,543
Management and governance capacity	-	28,004	14,887
School board honoraria	70,000	22,575	30,734
Policy development	-	21,538	-
Student awards	30,500	18,672	29,846
Field trips	68,000	12,751	43,740
Cultural activities	27,000	10,828	8,307
Interest and penalties on Receiver General	-	10,363	9,852
Meeting rental	15,000	6,700	5,475
Non-rebatable GST	-	6,578	4,344
Advertising and promotion	2,500	3,996	1,451
Interest and bank charges	5,000	2,915	3,387
Books and supplies	2,511	76	319
Evaluation	-	-	77,122
Approved work plan - prior year	-	-	16,810
Educational advisory committee	-	-	7,881
Student awards	-	-	249
	<b>9,335,909</b>	<b>11,066,000</b>	10,094,590
<b>Surplus (deficit) before other items</b>	<b>285,038</b>	<b>382,014</b>	(32,024)

*Continued on next page*

**Little Red River Cree Nation**  
**Board of Education Segment**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015 (Restated)</i>
<b>Surplus (deficit) before other items</b> <i>(Continued from previous page)</i>	<b>285,038</b>	<b>382,014</b>	<b>(32,024)</b>
<b>Other expense</b>			
Loss on disposal of capital assets	-	-	(4,116)
<b>Surplus (deficit) before transfers</b>	<b>285,038</b>	<b>382,014</b>	<b>(36,140)</b>
<b>Transfers between programs</b>			
Hot lunch program	<b>300,000</b>	<b>330,000</b>	300,000
Administration transfers	<b>(285,042)</b>	<b>(313,890)</b>	(292,626)
<b>Surplus (deficit)</b>	<b>299,996</b>	<b>398,124</b>	<b>(28,766)</b>



**Little Red River Cree Nation  
Mamawi Awasis Society Segment**  
**Schedule 11 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	<b>5,628,892</b>	<b>6,133,492</b>	5,895,719
Child tax benefits	-	<b>297,309</b>	494,505
Treaty 8 First Nations of Alberta	-	<b>35,000</b>	-
Other	-	<b>9,647</b>	5,708
	<b>5,628,892</b>	<b>6,475,448</b>	6,395,932

*Continued on next page*

**Little Red River Cree Nation**  
**Mamawi Awasis Society Segment**  
**Schedule 11 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b> <i>(Continued from previous page)</i>	<b>5,628,892</b>	<b>6,475,448</b>	6,395,932
<b>Expenses</b>			
Salaries and benefits	1,819,000	2,262,613	1,820,515
Maintenance	1,100,000	1,962,432	1,748,728
Travel	207,820	419,640	300,261
Child special allowance	-	278,838	65,012
Special rates	300,000	330,553	406,070
Workshops and training	426,112	241,471	229,903
Skill fees	200,000	187,996	238,686
On call	115,000	117,515	116,230
Family visit	75,000	104,483	77,134
Professional services	103,032	92,231	98,598
Babysitting	40,000	91,568	51,867
Fee for services	112,000	77,936	105,244
Professional fees	45,000	75,345	3,532
Insurance	51,310	70,876	85,016
Board travel	65,000	63,819	96,275
Vehicle fuel and repairs	90,000	58,586	94,794
Office supplies	186,500	53,493	53,755
Furniture and equipment	30,000	51,527	-
Recreation allowance	50,000	50,710	53,465
Clothing allowance	10,000	45,565	1,100
Utilities	20,000	40,190	51,784
Advertising and promotion	5,000	28,911	50,720
Vacation allowance	50,000	32,154	34,213
Telephone	35,000	31,549	69,250
Capacity building	100,000	31,229	2,577
Computer maintenance and support	31,000	30,836	21,000
Medical prescriptions	12,000	24,231	16,229
Respite	-	22,437	-
Initial placement	19,500	17,456	17,378
Brief services	55,680	18,348	17,015
Honouraria	35,000	17,150	35,508
Building repairs	65,000	14,183	27,823
Interest and bank charges	6,500	7,312	5,250
Equipment lease	-	6,224	7,387
Non-rebatable GST	-	5,781	5,742
Foster homes and institutions	-	4,750	-
Round dance	-	4,741	-
Donations	15,000	2,809	22,902
Travel-family court	-	1,799	129
Books and supplies	2,000	1,157	-
Elders honorarium	-	-	6,027
Minor capital	-	-	5,173
	<b>5,477,454</b>	<b>6,980,444</b>	6,042,292
<b>Surplus (deficit) before transfers</b>	<b>151,438</b>	<b>(504,996)</b>	353,640

*Continued on next page*

**Little Red River Cree Nation**  
**Mamawi Awasis Society Segment**  
**Schedule 11 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Surplus (deficit) before transfers</b> <i>(Continued from previous page)</i>	<b>151,438</b>	<b>(504,996)</b>	353,640
<b>Transfers between programs</b>			
Administration transfers	<b>(97,118)</b>	<b>(97,118)</b>	(97,118)
<b>Surplus (deficit)</b>	<b>54,320</b>	<b>(602,114)</b>	256,522