

PEGUIS FIRST NATION

**Consolidated
Financial Statements
For the year ended March 31, 2014**

PEGUIS FIRST NATION

Consolidated Financial Statements **For the year ended March 31, 2014**

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of **PEGUIS FIRST NATION** and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council of **PEGUIS FIRST NATION**. The preparation of periodic financial statements involves the use of estimates and approximations because the precise determination of financial information frequently depend on future events. The financial statements have been prepared by management within reasonable limits of materiality and within the framework of Canadian public sector accounting standards.

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

The **PEGUIS FIRST NATION** Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

BDO Canada LLP, Chartered Accountants, as the First Nation's appointed external auditor, has audited the consolidated financial statements. The Independent Auditor's Report is addressed to the Members and appears on the following page. The opinion is based upon an examination conducted in accordance with Canadian auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of operations of the First Nation in accordance with Canadian public sector accounting standards. BDO Canada LLP has full and free access to the Council.



Chief Glenn Hudson



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Independent Auditor's Report

To the Members of PEGUIS FIRST NATION

We have audited the accompanying consolidated financial statements of **PEGUIS FIRST NATION**, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement 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 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 pending claims for flood expenditures in the amount of \$2,936,980, the valuation and collectability of which is not susceptible of satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the First Nation and claimed to the funder. Therefore, we were not able to determine whether any adjustments might be necessary to provincial transfer revenues, annual surplus, cash flows from operations for the years ended March 31, 2014 and 2013, financial assets as at March 31, 2014 and 2013, and accumulated surplus as at March 31, 2014 and 2013. Our audit opinion on the consolidated financial statements for the year ended March 31, 2013 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Opinion

In our opinion, except for the possible effects of matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of **PEGUIS FIRST NATION** as at March 31, 2014 and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Accountants

Winnipeg, Manitoba
November 13, 2014


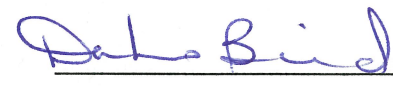
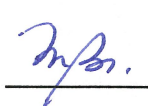
PEGUIS FIRST NATION

Consolidated Statement of Financial Position

March 31	2014	2013
Financial Assets		
Cash and bank	\$ -	\$ 1,245,135
Restricted cash (Note 3)	7,671,322	942,483
Accounts receivable (Note 4)	2,772,022	2,036,762
Due from government and government organizations (Note 5)	10,849,417	4,534,296
Long-term investments (Note 6)	5,300,000	1,521,983
	<u>26,592,761</u>	<u>10,280,659</u>
Liabilities		
Bank indebtedness	201,420	-
Demand loans (Note 7)	12,590,221	6,842,337
Accounts payable (Note 8)	5,165,278	5,041,824
Accrued termination entitlement (Note 9)	2,062,000	2,068,890
Unexpended funding (Note 10)	13,742,971	7,482,398
Long-term debt (Note 11)	4,202,778	4,603,477
	<u>37,964,668</u>	<u>26,038,926</u>
Net debt	<u>(11,371,907)</u>	<u>(15,758,267)</u>
Non-Financial Assets		
Tangible capital assets (Note 12)	81,324,304	60,870,942
Inventories	75,571	6,276
Prepaid expenses	60,039	35,024
	<u>81,459,914</u>	<u>60,912,242</u>
Accumulated surplus (Note 13)	\$ 70,088,007	\$ 45,153,975

Commitments (Note 16)

Approved on behalf of the First Nation:

 _____	Chief	_____ _____	Councillor
 _____	Councillor	_____ _____	Councillor
 _____	Councillor		

PEGUIS FIRST NATION

Consolidated Statement of Operations

For the year ended March 31

	2014		2013
	Budget	Actual	Actual
Revenue			
First Peoples Development Inc.	\$ 1,013,091	\$ 1,886,870	\$ 1,740,250
Gaming revenue	5,158,014	4,525,524	4,393,194
Federal Government Transfers - Operating (Note 14)	35,063,217	49,297,828	35,838,964
Provincial Government Transfers - Capital (Note 14)	-	2,704,094	1,684,824
Provincial Government Transfers - Operating (Note 14)	200,000	2,196,599	6,800,885
Rental and tuition recoveries	1,888,456	1,852,600	2,037,577
Other income (Note 17)	4,986,620	35,285,055	10,446,986
	48,309,398	97,748,570	62,942,680
Expenses			
Band Support	4,550,153	7,025,260	4,918,386
Community Garden	-	161,471	105,525
Keeyask Training	-	205,116	-
Community Services	-	2,445,072	-
Social Services	6,947,020	6,807,500	5,935,191
Comprehensive Community Planning	-	30,625	267,703
Emergency Operations Centre	-	3,195,402	2,588,315
Lands and Membership	-	275,457	219,333
Roads and Public Works	1,168,048	1,948,869	1,489,833
Policing and Security	-	349,718	361,310
Cultural	-	87,634	87,634
PIPD	-	10,995	63,256
CMHC Projects	570,000	565,100	670,959
Band Based Capital	1,103,322	3,157,902	1,976,638
CMHC RRAP	-	685,086	620,031
TLE office	-	671,890	858,529
Fire Hall	-	109,837	109,402
Geothermal Project	-	849,476	-
Crime Prevention	-	153,769	191,010
End of Life Research	-	42,216	32,364
Radio	-	16,308	79,725
Radio Payroll	-	37,071	-
Medical Services Flexible Programs	1,776,000	1,649,784	1,879,661
Medical Services Set Programs	2,476,414	2,692,534	2,912,465
AANDC Contribution Funded Programs	-	1,124,165	100,266
Skills Link	-	134,276	108,161
Housing	-	6,473,707	-
Enhanced Medical Travel	-	95,035	-
Traditional Health - Trust	-	47,257	-
Moveable Asset Reserve	-	6,450	-
S500 Project	-	3,237,073	3,187,879
School Operations	7,833,534	7,386,917	6,553,715
Plant and Teacherages	2,129,198	1,873,727	1,781,373
Transportation	1,341,785	1,356,611	1,256,184
PHP, PS and Special Programs	3,743,869	3,191,950	3,669,270
Personal Care Home	2,259,885	1,790,575	2,048,132
Elderly Persons Home	16,600	23,083	18,110
Institutional Care - Type 1	-	464,896	-
VLT Operation o/a Peguis Gaming Commission	3,354,746	2,650,261	3,479,240
Treaty Committee	1,556,931	1,632,729	1,199,336
Economic Development	580,391	438,445	705,802
Property Management	475,200	636,818	691,055
Training & Employment	2,574,662	2,665,514	2,531,811
Arena	-	55,734	59,402
Al-Care Treatment Centre	1,185,907	1,425,845	1,323,124
Fisher Ambulance Service	392,454	437,467	551,459
Summer Work Experience	-	180,658	58,214
Contribution Funding - Education	-	2,311,253	2,456,382
	46,036,119	72,814,538	57,146,185
Annual surplus	\$ 2,273,279	24,934,032	5,796,495
Accumulated surplus, beginning of year		45,153,975	39,357,480
Accumulated surplus, end of year		\$ 70,088,007	\$ 45,153,975

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

PEGUIS FIRST NATION Consolidated Statement of Changes in Net Debt

For the year ended March 31	2014		2013
	Budget	Actual	Actual
Annual surplus	\$ 2,273,279	\$ 24,934,032	\$ 5,796,495
Acquisition of tangible capital assets	-	(487,005)	(3,942,819)
Contributed capital assets	-	(22,922,931)	(6,186,338)
Inventories	-	(69,295)	6,288
Prepaid expenses	-	(25,015)	(17,496)
Amortization of tangible capital assets	1,450,900	2,956,574	2,719,837
(Increase) decrease in net debt	<u>\$ 3,724,179</u>	4,386,360	(1,624,033)
Net debt, beginning of year		<u>(15,758,267)</u>	(14,134,234)
Net debt, end of year		<u>\$ (11,371,907)</u>	\$ (15,758,267)

PEGUIS FIRST NATION

Consolidated Statement of Cash Flows

For the year ended March 31	2014	2013
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Net Inflow (Outflow) of Cash Related to the Following Activities:

Operating Activities

Annual surplus	\$ 24,934,032	\$ 5,796,495
Adjustments for items not affecting cash		
Amortization of capital assets	2,956,574	2,719,837
Contributed assets	(22,922,931)	(6,186,338)
Net income from business enterprises/partnerships	(200,000)	(100,696)
	<u>4,767,675</u>	<u>2,229,298</u>
 Net change in non-cash working capital balances (Note 18)	 <u>(767,554)</u>	 <u>6,324,124</u>
 Cash provided by operating activities	 <u>4,000,121</u>	 <u>8,553,422</u>

Capital Activities

Purchase of capital assets	<u>(487,005)</u>	<u>(3,942,819)</u>
 Cash used in capital activities	 <u>(487,005)</u>	 <u>(3,942,819)</u>

Investing Activities

Capital removed from (contributed to) limited partnerships	121,983	(929,521)
Investment in mortgage receivable	(3,700,000)	-
Loan to related party	-	1,342,544
	<u>(3,578,017)</u>	<u>413,023</u>
 Cash provided (used in) investing activities	 <u>(3,578,017)</u>	 <u>413,023</u>

Financing Activities

Long-term debt repayment	(400,699)	(1,105,362)
Demand loans net proceeds (repayment)	5,747,884	(3,569,723)
	<u>5,347,185</u>	<u>(4,675,085)</u>
 Cash provided by (used in) financing activities	 <u>5,347,185</u>	 <u>(4,675,085)</u>

Increase in cash and cash equivalents	5,282,284	348,541
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Cash, beginning of year	2,187,618	1,839,077
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Cash, end of year	\$ 7,469,902	\$ 2,187,618
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Represented by

Cash and bank	\$ -	\$ 1,245,135
Restricted cash	7,671,322	942,483
Bank indebtedness	(201,420)	-
	<u>\$ 7,469,902</u>	<u>\$ 2,187,618</u>

Supplementary Information

Interest paid	\$ 667,720	\$ 504,472
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PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

1. Summary of Significant Accounting Policies

a) Basis of Accounting

These financial statements were prepared using the accrual basis of accounting in accordance with Canadian public sector accounting standards. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.

b) Basis of Consolidation

The Peguis First Nation reporting entity includes the Peguis First Nation government and all related entities which are accountable to Peguis First Nation and are either owned or controlled by Peguis First Nation.

These financial statements consolidate the assets, liabilities and results of operations for Peguis First Nation and use accounting standards which lend themselves to consolidation. All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific segment, transactions amongst programs have been eliminated on the segment disclosures separately.

During the year, Peguis Development Corporation Ltd. was transferred to Chief Peguis Investment Trust.

The following subsidiaries' results of operations are included in these financial statements under the full consolidation method:

Peguis School Board	100% owned
Peguis Health Services	100% owned
Peguis Training and Employment	100% owned
Fisher Ambulance Service Ltd.	100% owned
Peguis Al-Care Treatment Centre (Interlake) Ltd.	100% owned
Peguis Gaming Commission	100% owned
Peguis Treaty Committee	100% owned
Peguis Recreation Committee	100% owned
Peguis Housing Authority	100% owned
Peguis Arena Committee	100% owned
Peguis Senior Centre Inc.	100% owned
Peguis TLE Implementation Office	100% owned
6223291 Manitoba Ltd.	100% owned
6780734 Manitoba Ltd.	100% owned
Peguis Development Corporation Ltd.	(100% owned in 2013)

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Notes to Consolidated Financial Statements

For the year ended March 31, 2014

3. Summary of Significant Accounting Policies (continued)

c) Investments

Investments in loans are initially recorded at cost. Valuation allowances are used to reflect loans receivable at the lower of cost and net recoverable value.

These financial statements have been prepared using the modified equity method of consolidation for business enterprises and business partnerships. The investment in the acquired companies is initially recorded at its cost. The results of operations of the acquired companies are included in the investment from the dates of acquisition. Under this method, government business enterprises' accounting policies, which follow Canadian generally accepted accounting standards for publicly accountable enterprises, are not adjusted to conform with Canadian public sector accounting standards and inter-entity transactions and balances are not eliminated.

During the year, the investments in partnerships have been sold to Chief Peguis Investment Trust.

The following partnerships' results of operations are included in these financial statements under the modified equity method:

5871221 Manitoba Ltd.	100% owned in 2013
5957321 Manitoba Ltd.	100% owned in 2013
5957380 Manitoba Ltd.	100% owned in 2013

The following government business partnerships results of operations are included in these financial statements under the modified equity method:

Peguis Midway Limited Partnership	100% owned in 2013
Peguis Hardware Limited Partnership	100% owned in 2013
Peguis Foods Limited Partnership	100% owned in 2013

d) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined, with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are the transfer of assets that are recognized and released by the payor government and are not representative of the full benefit of the recipient government's treaty entitlements. Government transfers are not the result of an exchange transaction, are not expected to be repaid in the future or are the result of a direct financial return.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

3. Summary of Significant Accounting Policies (continued)

e) Tangible Capital Assets

Tangible capital assets are stated at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at purchased fair value at the time of the contribution, with a corresponding amount recorded as revenue. Crown lands received by Treaty Land Entitlement process are not recorded unless these are purchased by the First Nation.

Amortization based on the estimated useful life of the asset is recorded once the asset is available for productive use as follows:

Infrastructure	5% straight-line basis
Buildings	5% straight-line basis
Equipment	6 % to 20% straight-line basis
Automotive	20% straight-line basis

f) Financial Instruments

The First Nation's financial instruments consist of cash, restricted cash, accounts receivable, long-term investments, accounts payable, demand loans and long-term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

g) Measurement Uncertainty

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from management's best estimates as additional information becomes available in the future.

Measurement uncertainty exists specifically in the determination of accounts receivable, useful life capital assets, termination entitlements and unexpended funding. The recovery of eligible costs and reconciliation of funding provided for emergency flood operations and other restricted funding is dependent upon future events.

h) Employee Future Benefits

The First Nation maintains a defined contribution pension plan for its personnel. Expenses for this plan are equal to the First Nation's required contribution for the year.

The First Nation also offers termination benefits to its employees upon voluntary or involuntary termination of employment. The liability for this plan is determined using the projected benefit method and based on best estimate assumptions based on the employees' projected tenure and salary. The First Nation's expense is recorded as the change in the liability for the year.

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

2. Nature of Entity

The First Nation is a non-profit, non-taxable entity and is engaged in the social, cultural, educational and economic development of First Nation citizens of Peguis First Nation. The First Nation provides services such as fire, ambulance, public works, community planning, parks and recreation, library and other general government operations. These financial statements do not include the following:

Peguis First Nation TLE Trust

Peguis First Nation ("Peguis") entered into a Treaty Entitlement Agreement with the governments of Canada and Manitoba for the purpose of acquiring up to 166,794 acres of additional reserve lands. Under the agreement, Peguis agreed to create the Peguis First Nation Trust (the "Trust") to manage and administer certain monies to be paid for the purchase of land and other implementation administration. An additional sum was to be received for community purposes as set out in the agreement. The Trust is commonly known as the Peguis First Nation Treaty Land Entitlement (TLE) Trust. The Trust was created September 7, 2007 with Peguis, as settlor, contributing \$100 as the initial trust property. The beneficiary of the trust is Peguis. The Trust is managed and controlled by an independently elected Board of Trustees.

Peguis First Nation Surrender Claim Trust

Peguis First Nation (Peguis) submitted a claim to Her Majesty the Queen in right of Canada (Canada) under Canada's Specific Claims Policy with respect to the purported surrender by Peguis, on or about September 24, 1907, of its rights and interests in the land referred to as the St. Peters Reserve. Peguis and Canada entered into a settlement agreement in order to settle the claim submitted by Peguis to Canada. The Trust was settled on June 15, 2009. The Trust accounts for its activities as a not-for-profit organization as its trustees and members do not receive any financial interest directly from the Trust. Taxable income in the trust is allocated to the beneficiary annually and as such the Trust is not subject to income tax. The Trust is managed and controlled by an independently elected Board of Trustees.

Chief Peguis Investment Trust

The Trust was created June 1, 2012 with Peguis, as settlor, contributing the initial trust property. The Trust was formed to receive and hold monies from various business interests. The beneficiary of the trust is Peguis. The Trust is managed and controlled by Board of Trustees who were initially appointed from Trustees elected for the other trusts. All subsequent Trustees will be elected.

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

3. Restricted Cash

Under the terms of the agreements with CMHC, the replacement reserve account is to be credited in the amount of \$82,904 annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation (CDIC) or as may otherwise be approved by CDIC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are charged to interest first and then principal. Cash and cash equivalents is comprised of the following:

	2014	2013
<u>Externally Restricted Reserves:</u>		
CMHC Replacement Reserve	\$ 942,505	\$ 904,943
AANDC Trust	38,496	37,540
Trust Funds - Rath legal trust for FN Developments	3,387,318	-
BMO treasury accounts for housing	3,303,003	3,177,676
	<u>\$ 7,671,322</u>	<u>\$ 942,483</u>

AANDC Funds Held in Trust

The restricted cash balance contains the surplus of monies held in trust for Peguis First Nation by the Department of Aboriginal Affairs and Northern Development Canada. The change in the trust balance during the year was as follows:

	2014	2013
Trust balance, beginning of year	\$ 37,540	\$ 30,191
Interest earned	956	7,349
	<u>\$ 38,496</u>	<u>\$ 37,540</u>

4. Accounts Receivable

	2014	2013
Trade and other receivables	\$ 3,690,286	\$ 2,356,789
Related parties	570,423	1,148,526
Allowance for doubtful accounts	(1,488,687)	(1,468,553)
	<u>\$ 2,772,022</u>	<u>\$ 2,036,762</u>

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Notes to Consolidated Financial Statements

For the year ended March 31, 2014

5. Due from Government and other Government Organizations

	2014	2013
Health Canada	\$ -	\$ 15,773
GST receivable	136,649	18,501
Aboriginal Affairs and Northern Development Canada		
Current funding received after year-end	7,775,788	1,206,301
Province of Manitoba - Emergency Measures Organization	2,936,980	3,293,721
	\$ 10,849,417	\$ 4,534,296

6. Long-term Investments

The investment balance reported represents the investments in loans and modified equity (deficit) balance of the following limited partnerships (LPs):

	2014	2013
<u>Loans receivable:</u>		
Registered first mortgage loan, bearing interest at 5% payable annually on November 15, secured by 480 acres of land. Mortgage issued in conjunction with an offer to purchase land and mineral rights.	\$ 3,700,000	\$ -
Demand promissory notes receivable, unsecured, non-interest bearing, repayable upon demand in 24 monthly instalments of principal.	1,600,000	-
<u>Investments in limited partnerships:</u>		
Peguis Hardware LP (Peguis Hardware Ltd. in 2012)	-	1,332,362
Peguis Foods LP (Peguis Family Foods in 2012)	-	450,226
Peguis Midway LP	-	(260,608)
<u>Investments in subsidiaries:</u>		
5871221 Manitoba Ltd. (General Partner - Peguis Midway LP)	-	1
5957380 Manitoba Ltd. (General Partner - Peguis Hardware LP)	-	1
5957381 Manitoba Ltd. (General Partner - Peguis Foods LP)	-	1
	\$ 5,300,000	\$ 1,521,983

During the year, three partnerships including Peguis Hardware LP, Peguis Foods LP, and Peguis Midway LP were sold to Chief Peguis Investment Trust for the sum of \$1,600,000 in aggregate.

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Notes to Consolidated Financial Statements

For the year ended March 31, 2014

7. Demand Loans

	2014	2013
Royal Bank of Canada demand loans	\$ 6,590,221	\$ 6,842,337
BMO Bank of Montreal demand loan	6,000,000	-
	\$ 12,590,221	\$ 6,842,337

The bank overdrafts and revolving facilities are due on demand and bear interest at the Royal Bank of Canada's prime rate plus 2.00% to 3.45% (5.00% to 6.45% effective). The bank overdrafts are calculated and payable in monthly aggregate payments of \$14,174 and the revolving facility is payable in full annually. They are secured by a Directional Payment Agreement acknowledged by the Federal Government agencies covering all funding.

The Bank of Montreal demand loan is due on demand and bears interest at the Bank of Montreal's prime rate plus 2.00%, paid monthly. Payments consist of interest only for the first 12 months following the date of initial advance followed by principal and interest payments monthly thereafter amortized over 180 months. The loan is secured by the cash held in the Housing Trust.

8. Accounts Payable

	2014	2013
Trade accounts payable	\$ 4,840,283	\$ 3,120,832
Source deductions and pension payable	3,995	885,507
Related parties	321,000	1,035,485
	\$ 5,165,278	\$ 5,041,824

9. Employee Future Benefits

Accrued Termination Entitlement

Accrued termination obligations are based on an actuarial valuation as at March 31, 2014.

The First Nation's contractual commitment for the termination entitlement for employees is to pay out 1 week of salary for each year of service upon voluntary or involuntary termination of employment, if the employee has full-time status of employment and has completed one full year of service, subject to certain maximum entitlements.

The significant actuarial assumptions adopted in measuring the First Nation's accrued termination entitlement include actual periods of service, including fractional years and projected salaries to the date of termination. Significant assumptions include a discount rate of 3.0% (3.0% in 2013), a rate of salary increase of 2.0% (2.0% in 2013) plus an age related merit/promotion scale, probability of termination and retirement.

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Notes to Consolidated Financial Statements

For the year ended March 31, 2014

9. Employee Future Benefits (continued)

An analysis of the changes in the employee benefits payable is as follows:

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 2,068,890	\$ 2,091,300
Net decrease in termination entitlements	<u>(6,890)</u>	<u>(22,410)</u>
Balance, end of year	<u>\$ 2,062,000</u>	<u>\$ 2,068,890</u>

Pension Plan

The expense for the First Nation's pension plan for the year was \$704,710 (\$691,287 in 2013). The plan is funded equally by the First Nation and the First Nation's employees at rates of 5.0% to 5.5% of the employee's salaries. The funds are invested in mutual funds as directed by the First Nation's individual employees' investment directives.

10. Unexpended Funding

The unexpended funding balance represents funding advances provided to Peguis First Nation by the Department of Aboriginal Affairs and Northern Development Canada and the Government of Canada and other sources.

	<u>2014</u>	<u>2013</u>
Deferred revenue - opening	\$ 7,482,398	\$ 3,681,124
Add: AANDC current deferral	8,748,090	402,555
Add: FNIHB current deferral	-	7,500
Add: Other federal deferral	-	62,450
Add: Change in Accounting Policy PS3410	-	6,613,681
Less: Deferred revenue recognized	(2,259,017)	(3,284,912)
Less: AANDC recovery adjustment	(203,500)	-
Less: AANDC recoveries	<u>(25,000)</u>	<u>-</u>
	<u>\$ 13,742,971</u>	<u>\$ 7,482,398</u>

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

10. Unexpended Funding (continued)

The balance of deferred revenue consists of the following:

	<u>2014</u>	<u>2013</u>
Aboriginal Affairs and Northern Development Canada		
Flood advances recoverable (Note 16)	\$ 4,039,981	\$ 4,039,981
O&M advances recoverable (Note 16) and (i) below	954,800	2,345,200
Lot servicing and new construction (Note 16)	-	228,500
Funding of Bands and Private housing (\$500)	8,375,943	300,600
Land and Resources Development	-	51,682
Institutional Care - Type I	-	446,485
First Nation and Inuit Health Branch		
Server	-	7,500
Other		
Peguis Trusts	205,547	-
First People's Development Inc.		
CRF Initiatives	25,000	46,462
Human Resources and Skills Development Canada		
Licensed Practical Nurse Initiative	141,700	15,988
	<u>\$ 13,742,971</u>	<u>\$ 7,482,398</u>

- (i) The First Nation has received advances on future years' operations and maintenance funding from the Department of Aboriginal Affairs and Northern Development Canada of \$954,800 (\$2,345,200 in 2013). These advances have been included in AANDC unearned revenues, are non-interest bearing and will be deducted from future annual entitlements as follows:

April 1, 2014	\$ 695,200
April 1, 2015	<u>259,600</u>
	<u>\$ 954,800</u>

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

11. Long-term Debt

	2014	2013
CMHC mortgage payable at 1.92%, due April 2019, monthly payments of \$7,560 principal and interest, secured by an AANDC Ministerial Guarantee, a CMHC loan agreement and an assignment of fire insurance.	\$ 1,170,873	\$ 1,239,109
CMHC mortgage payable at 2.75%, due February 2016, monthly payments of \$7,835 principal and interest, secured by an AANDC Ministerial Guarantee, a CMHC loan agreement and an assignment of fire insurance.	1,271,985	1,330,349
Mortgage payable at 3.24%, due January 2015, monthly payments of \$7,373 principal and interest, secured by an AANDC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.	505,952	576,715
Mortgage payable at 8.30%, due January 2016, monthly payments of \$9,564 principal and interest, secured by tripartite agreement and a directional payment of federal funding and band council resolutions supporting borrowings.	194,227	288,450
Mortgage payable at 2.03%, due October 2017, monthly payments of \$3,403 principal and interest, secured by an AANDC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.	147,824	189,314
Mortgage payable at 3.29%, due January 2015, monthly payments of \$4,157 principal and interest, secured by an AANDC Ministerial Guarantee, supported by the CMHC Insurance and loan agreement, and assignment of fire insurance.	8,010	57,018
Mortgage payable at 3.29%, due January 2014, repayable in monthly installments of \$1,703 principal and interest, secured by an AANDC Ministerial Guarantee, supported by the CMHC insurance and loan agreement, and assignment of fire insurance.	-	20,069
Mortgage payable at 1.71%, due September 2017, monthly payments of \$4,090 principal and interest, secured by an AANDC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.	775,338	810,880
Carried forward	\$ 4,074,209	\$ 4,511,904

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

11. Long-term Debt (continued)

	2014	2013
Brought forward	\$ 4,074,209	\$ 4,511,904
Vehicle loan payable at 9.97%, due May 2014, monthly payments of \$677 principal and interest.	1,186	8,695
Vehicle loan payable at 9.29%, due May 2014, monthly payments of \$624 principal and interest.	441	8,100
Vehicle loan payable at 4.99%, due March 2016, monthly payments of \$521 principal and interest.	11,059	17,355
Vehicle loan payable at 8.99%, due January 2014, monthly payments of \$662 principal and interest.	-	6,307
Vehicle loan payable at 2.99%, due March 2015, monthly payments of \$641 principal and interest.	7,549	14,918
Vehicle loan payable at 2.99%, due March 2015, monthly payments of \$641 principal and interest	7,576	14,926
Vehicle loan payable at 7.49%, due April 2015, monthly payments of \$545 principal and interest.	6,890	12,546
Vehicle loan payable at 7.49%, due April 2014, monthly payments of \$700 principal and interest.	701	8,726
Vehicle loan payable at 6.89%, due August 2019, monthly payments of \$582 principal and interest.	28,638	-
Vehicle loan payable at 5.69%, due August 2019, monthly payments of \$1,275 principal and interest.	64,529	-
	\$ 4,202,778	\$ 4,603,477

Interest expense for the year on long-term debt	\$ 161,991	\$ 231,634
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The future minimum payments for the next five years and thereafter are:

2015	\$ 811,699
2016	265,780
2017	172,467
2018	176,183
2019	19,898
Thereafter	2,756,751
	\$ 4,202,778

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

12. Tangible Capital Assets

	2014				
	Land and Infrastructure	Buildings	Equipment	Automotive	Total
Cost, beginning of year	\$ 20,766,382	\$ 72,820,335	\$ 3,501,984	\$ 6,981,858	\$ 104,070,559
Additions	15,800,000	5,233,330	1,022,573	1,354,033	23,409,936
Disposals	-	-	(20,026)	-	(20,026)
Cost, end of year	36,566,382	78,053,665	4,504,531	8,335,891	127,460,469
Accumulated amortization, beginning of year	(15,028,071)	(21,031,588)	(3,191,629)	(3,948,329)	(43,199,617)
Amortization	(286,486)	(1,608,604)	(445,312)	(616,172)	(2,956,574)
Disposals	-	-	20,026	-	20,026
Accumulated amortization, end of year	(15,314,557)	(22,640,192)	(3,616,915)	(4,564,501)	(46,136,165)
Net carrying amount, end of year	\$ 21,251,825	\$ 55,413,473	\$ 887,616	\$ 3,771,390	\$ 81,324,304

	2013				
	Land and Infrastructure	Buildings	Equipment	Automotive	Total
Cost, beginning of year	\$ 19,828,252	\$ 63,790,381	\$ 3,365,618	\$ 6,957,150	\$ 93,941,401
Additions	938,130	9,029,954	136,366	24,708	10,129,158
Cost, end of year	20,766,382	72,820,335	3,501,984	6,981,858	104,070,559
Accumulated amortization, beginning of year	(14,737,279)	(19,348,386)	(3,060,400)	(3,333,715)	(40,479,780)
Amortization	(290,792)	(1,683,202)	(131,229)	(614,614)	(2,719,837)
Accumulated amortization, end of year	(15,028,071)	(21,031,588)	(3,191,629)	(3,948,329)	(43,199,617)
Net carrying amount, end of year	\$ 5,738,311	\$ 51,788,747	\$ 310,355	\$ 3,033,529	\$ 60,870,942

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

13. Accumulated Surplus

The First Nation segregates its accumulated surplus in the following categories:

	<u>2014</u>	<u>2013</u>
Investment in tangible capital assets	\$ 77,121,526	\$ 56,267,465
Current funds	(7,487,259)	(12,098,379)
Replacement Reserve funds		
CMHC	341,242	952,474
Health Canada MAR (First Nation and AI-care)	112,498	32,415
	<u>\$ 70,088,007</u>	<u>\$ 45,153,975</u>

Replacement reserves:

	<u>CMHC</u>	<u>FNIHB MAR</u>	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 952,474	\$ 32,415	\$ 984,889	\$ 883,684
Allocations	82,904	53,545	136,449	101,205
Adjustment to reserves	(259,155)	48,014	(211,141)	-
Expenses	(434,981)	(21,476)	(456,457)	-
Balance, end of year	<u>\$ 341,242</u>	<u>\$ 112,498</u>	<u>\$ 453,740</u>	<u>\$ 984,889</u>

The replacement reserve balance consists of a net accumulation of the levy on operations, recoveries collected and expenditures paid for by the reserve since inception in accordance with the agreement with Canada Mortgage and Housing Corporation (CMHC).

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

14. Government Transfers

	2014			2013		
	Operating	Capital	Total	Operating	Capital	Total
Federal government transfers:						
Aboriginal Affairs and Northern Development Canada	\$ 41,008,852	\$ -	\$ 41,008,852	\$ 28,510,043	\$ -	\$ 28,510,043
Health Canada	7,037,950	-	7,037,950	5,858,515	-	5,858,515
HRSDC	775,707	-	775,707	701,546	-	701,546
Canada Mortgage and Housing Corporation	285,616	-	285,616	508,647	-	508,647
Public Safety Canada	122,503	-	122,503	193,013	-	193,013
RCMP Housing	67,200	-	67,200	67,200	-	67,200
	49,297,828	-	49,297,828	35,838,964	-	35,838,964
Provincial government transfers	2,196,599	2,704,094	4,900,693	6,800,885	1,684,824	8,485,709
	\$ 51,494,427	\$ 2,704,094	\$ 54,198,521	\$ 42,639,849	\$ 1,684,824	\$ 44,324,673

The Province of Manitoba has committed \$6,198,081 in capital funding for construction costs relating to the new community arena. As of March 31, 2014, \$4,388,918 of this commitment has been recognized as revenue.

Aboriginal Affairs and Northern Development Canada (AANDC) Revenue Reconciliation

	2014	2013
AANDC cash release confirmation	\$ 47,018,810	\$ 32,241,368
Less: Change in Accounting Policy PS3410	-	(6,613,681)
Plus: Prior year overstated AANDC recoveries	695,200	-
Plus: First Charges	695,200	-
Less: Institutional Care - Type I	-	(350,873)
Less: Current year deferral of S500 funds	(8,375,943)	(300,600)
Less: Research and advocacy and Business Development deferrals	-	(51,682)
Plus: Private Housing (S500) deferral		
2013	300,600	-
Pre-2013	-	3,488,479
Plus: Prior year Land and Resources Development deferral	-	41,696
Plus: Prior years Institutional Care - Type I	446,485	55,336
Plus: AANDC recovery recoveries and adjustments	228,500	-
Total AANDC revenue reported	\$ 41,008,852	\$ 28,510,043

The First Nation is party to a multi-year Canada First Nation Funding arrangement which expires and is due for renewal by April 1, 2019.

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

14. Government Transfers (continued)

Peguis First Nation allocated its block funding across other programs as follows:

	2014	2013
<u>Elementary/Secondary:</u>		
Band Based Capital	\$ -	\$ 1,965,266
Peguis School Operations	-	4,440,631
Student Transportation	-	1,100,850
	<u>\$ -</u>	<u>\$ 7,506,747</u>
 <u>Post-Secondary:</u>		
Band Based Capital	\$ 2,000,000	\$ 726,880
Post-secondary and Special Programs	3,908,752	5,089,904
	<u>\$ 5,908,752</u>	<u>\$ 5,816,784</u>
 <u>Social Services:</u>		
Band Based Capital	\$ -	\$ 500,000
Social Services	-	6,574,150
	<u>\$ -</u>	<u>\$ 7,074,150</u>
 <u>Operating & Maintenance:</u>		
Roads and Public Works	\$ 725,398	\$ -
Fire Hall	85,342	-
	<u>\$ 810,740</u>	<u>\$ -</u>
 <u>Indian Government Services - Band:</u>		
Band Support	\$ 2,735,293	\$ -
School Operations	554,460	-
	<u>\$ 3,289,753</u>	<u>\$ -</u>

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

15. Related Party Transactions

The following table summarizes the First Nation's related party transactions with formerly controlled entities reported under modified equity for the year ended March 31, 2013:

	2014	2013
Rent and Management Fee Revenue		
Peguis Foods Limited Partnership	\$ 64,378	\$ 62,400
General and Administrative Expenses		
Peguis Midway Limited Partnership	603,381	323,328
Peguis Foods Limited Partnership	243,523	795,844
Peguis Hardware Limited Partnership	1,155,155	342,147

These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length equivalent value for sales of product or provision of services.

16. Commitments

The First Nation has guaranteed on-reserve mortgages for its members. As at March 31, 2014 \$3,740,834 (\$3,731,465 in 2013) has been guaranteed by the First Nation. It is not possible at this time to determine whether any liability will result from these guarantees as some of the mortgages are currently in default. A provision has not been reflected in the financial statements as there is underlying security available to offset any requirement to fund the liability.

The First Nation has guaranteed a line of credit of \$75,000 for Peguis Hardware LP. At March 31, 2014, the limited partnership had \$75,000 of undrawn capacity under this facility. (\$75,000 in 2013).

The First Nation has guaranteed a line of credit of \$100,000 for Peguis Midway LP. At March 31, 2014, the limited partnership had \$5,000 of undrawn capacity under this facility. (\$40,000 in 2013).

The First Nation has guaranteed a loan of \$250,000 for Chief Peguis Investment Corporation. The loan is not currently in default.

The First Nation has an outstanding offer and commitment to purchase 480 acres of land including mineral rights for an additional \$4,300,000 pending certain conditions for the purchase. The purchase price will be disbursed for the First Nation from the Peguis TLE Trust.

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

17. Other Income

	2014	2013
Administration fees	\$ 336,616	\$ 447,371
Ambulance fees	394,002	392,290
Community trust funding	31,619,685	8,373,212
Concessions	110,617	90,078
Medical travel recoveries	-	5,080
Programs and other grants	-	381,617
Income from business partnerships	200,000	100,696
Sundry - interchanges, cost recoveries, GST	2,624,135	656,642
	\$ 35,285,055	\$ 10,446,986

18. Net Change in Non-cash Working Capital Balances

	2014	2013
Accounts receivable	\$ (7,050,381)	\$ 421,220
Prepaid expenses	(25,015)	(17,496)
Inventories	(69,295)	6,288
Account payable and accrued liabilities	123,454	2,135,248
Deferred revenue	6,260,573	3,801,274
Accrued termination benefits	(6,890)	(22,410)
	\$ (767,554)	\$ 6,324,124

19. Subsequent events

Subsequent to year-end, the First Nation purchased the land and building at 1075 Portage Avenue in Winnipeg, Manitoba for the purpose of creating office space for the First Nation community organizations and businesses owned by its band members with Trust funding of \$5,500,000.

Subsequent to year-end, the First Nation entered into a substantial refinancing arrangement with the Bank of Montreal. The arrangement includes available credit facilities amounting to \$35.1 million. As of the publishing date of the financial statements the First Nation has accessed \$9,800,000 of the facility. Interest rates on the credit facilities are set at the Bank of Montreal's prime rate plus 1.75% to 2.00% per annum. The credit facilities are secured by a general security agreement granting a security interest in all present and after acquired property of the First Nation.

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

20. Budget

The Management Action Plan (Budget) adopted by Council was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the consolidated statements of operations and change in net debt represent the Financial Plan adopted by Council with adjustments as follows:

	<u>2014</u>
Management Action Plan (Budget) surplus for the year	\$ 3,724,179
Less:	
Amortization	<u>(1,450,900)</u>
Budget surplus per statement of operations	<u>\$ 2,273,279</u>

21. Expenses by Object

Expenses by object comprise the following:

	<u>2014</u>	<u>2013</u>
Salaries and benefits	\$ 22,968,777	\$ 21,580,335
Repairs and maintenance	9,814,465	2,203,706
Contractors	7,488,588	5,479,336
Social assistance	6,430,226	5,561,657
Amortization	2,956,574	2,398,545
Office and administration	2,320,375	2,340,308
Interest and bank charges	775,328	496,343
Donations, travel, equipment rentals, professional fees, & other	<u>20,060,205</u>	<u>17,085,955</u>
	<u>\$ 72,814,538</u>	<u>\$ 57,146,185</u>

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2014

22. Segmented Information

First Nation is a diversified community that provides a wide range of services to its members. For management reporting purposes the Peguis First Nation's operations and activities are organized and reported by Program. Programs were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations.

The services are provided by the several entities of Peguis First Nation. These activities can also be categorized into segments. The following segments have been identified and as such are separately disclosed:

Public Works

Public Works contains all activities that relate to the maintenance of buildings and land of the First Nation.

Social Development and Income Assistance

Social Development contains activities that provide financial support or support by other means to band members that are aimed at developing both the individual as well as the community.

Finance & Administration

Finance & Administration contains activities that are needed to run the Peguis Indian Band organization.

Health Services

Health Services contains activities that provide medical services to band members.

Education

Education Services contains activities that provide education to band members for primary, secondary schooling and sponsorship to attend post secondary institutions.

Training & Development

Training & Development contains activities that provide financial support or support by other means to band members and organizations situated on the First Nation reserve that is aimed at developing personal skills and businesses.

Housing

Housing contains activities that provide housing and repairs and maintenance to band members' housing.

Gaming

Gaming contains activities that provide gaming services to both band members and non-band members.

PEGUIS FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31

22. Segmented Information (continued)

										2014
	Public Works	Social Development	Finance & Administration	Health Services	Education	Training & Development	Housing	Gaming	Eliminations	Total
Revenue										
Federal	\$ 4,586,242	\$ 7,185,992	\$ 2,858,862	\$ 7,030,748	\$ 15,313,789	\$ 2,282,096	\$ 11,264,847	\$ -	\$ -	\$ 50,522,576
Sundry	478,126	2,278,702	35,288,798	608,934	832,687	1,807,629	1,453,556	5,502,091	(1,224,529)	47,025,994
Government Business Partnerships	-	-	200,000	-	-	-	-	-	-	200,000
	<u>5,064,368</u>	<u>9,464,694</u>	<u>38,347,660</u>	<u>7,639,682</u>	<u>16,146,476</u>	<u>4,089,725</u>	<u>12,718,403</u>	<u>5,502,091</u>	<u>(1,224,529)</u>	<u>97,748,570</u>
Expenses										
General Program Expenses	3,757,781	9,439,187	5,518,931	3,193,923	5,801,628	2,460,108	13,904,210	4,249,930	(1,224,529)	47,101,169
Salaries	1,718,264	236,170	2,201,243	4,248,742	8,889,584	1,675,795	2,913,616	873,381	-	22,756,795
Amortization	665,659	-	307,231	31,968	1,472,030	-	430,007	49,679	-	2,956,574
	<u>6,141,704</u>	<u>9,675,357</u>	<u>8,027,405</u>	<u>7,474,633</u>	<u>16,163,242</u>	<u>4,135,903</u>	<u>17,247,833</u>	<u>5,172,990</u>	<u>(1,224,529)</u>	<u>72,814,538</u>
Annual surplus (deficit)	<u>\$ (1,077,336)</u>	<u>\$ (210,663)</u>	<u>\$ 30,320,255</u>	<u>\$ 165,049</u>	<u>\$ (16,766)</u>	<u>\$ (46,178)</u>	<u>\$ (4,529,430)</u>	<u>\$ 329,101</u>	<u>\$ -</u>	<u>\$ 24,934,032</u>

										2013
	Public Works	Social Development	Finance & Administration	Health Services	Education	Training & Development	Housing	Gaming	Eliminations	Total
Revenue										
Federal	\$ 1,173,078	\$ 6,574,150	\$ 3,511,237	\$ 5,858,515	\$ 13,688,892	\$ 2,712,358	\$ 2,320,734	\$ -	\$ -	\$ 35,838,964
Sundry	333,866	1,372	18,435,660	456,887	979,245	1,196,612	1,773,393	4,868,735	(1,042,750)	27,003,020
Government Business Partnerships	-	-	100,696	-	-	-	-	-	-	100,696
	<u>1,506,944</u>	<u>6,575,522</u>	<u>22,047,593</u>	<u>6,315,402</u>	<u>14,668,137</u>	<u>3,908,970</u>	<u>4,094,127</u>	<u>4,868,735</u>	<u>(1,042,750)</u>	<u>62,942,680</u>
Expenses										
General Program Expenses	965,295	5,747,333	12,215,412	2,253,091	5,756,928	2,435,052	2,633,663	3,742,656	(951,687)	34,797,743
Salaries	281,148	187,858	1,624,607	4,154,080	8,864,446	1,340,792	2,292,300	974,435	(91,063)	19,628,603
Amortization	530,465	-	174,775	259,535	1,174,980	117,361	407,907	54,816	-	2,719,839
	<u>1,776,908</u>	<u>5,935,191</u>	<u>14,014,794</u>	<u>6,666,706</u>	<u>15,796,354</u>	<u>3,893,205</u>	<u>5,333,870</u>	<u>4,771,907</u>	<u>(1,042,750)</u>	<u>57,146,185</u>
Annual surplus (deficit)	<u>\$ (269,964)</u>	<u>\$ 640,331</u>	<u>\$ 8,032,799</u>	<u>\$ (351,304)</u>	<u>\$ (1,128,217)</u>	<u>\$ 15,765</u>	<u>\$ (1,239,743)</u>	<u>\$ 96,828</u>	<u>\$ -</u>	<u>\$ 5,796,495</u>

PEGUIS FIRST NATION
Notes to Consolidated Financial Statements

For the year ended March 31, 2014

23. Comparative figures

The prior years' figures have been restated to conform to the current years' presentation.