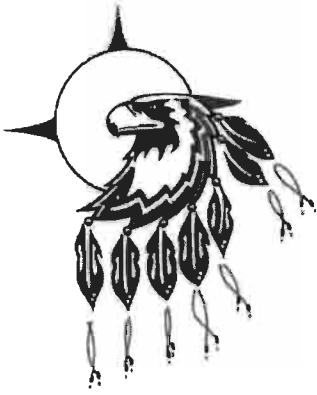


WUSKWI SIPIHK FIRST NATION



Bcr-324-522

WINE: 30-0005-12.13

CC: 4215-4-324

Band Council Resolution: 07-20-2012:

We hereby authorize Aboriginal Affairs and Northern Development Canada to present the audited Wuskwi SipiHK First Nation financial statement, as at March 31, 2012 on the INAC website.



Approved on Behalf of Chief and Council:

*Derek Kelly*

Chief

*[Signature]*

Councillor

*[Signature]*

Councillor

\_\_\_\_\_

Councillor

JUL 25 '12 AM 10:18

**WUSKWI SIPIHK FIRST NATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2012**  
**Audited**

**WUSKWI SIPIHK FIRST NATION**  
**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**  
**As at March 31, 2012**

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**WUSKWI SIPIHK FIRST NATION**

**March 31, 2012**

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying financial statements of Wuskwi Sipiik First Nation and all the information in this annual audit are the responsibility of management and have been approved by the Chief and the Band Administrator on behalf of Council.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The First Nation maintains systems of internal accounting and administrative controls of high quality, 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.

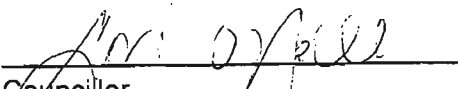
Chief and Council are responsible for ensuring that management fulfills its responsibility for financial reporting and are ultimately responsible for reviewing and approving the financial statements.

Chief and Council, composed of elected Band Members, review the First Nation's financial statements and recommends their approval. They also meet periodically with management, as well as the external auditor to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each part is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report.

The financial statements have been audited by R.M. Ellingson, CMA Corp., in accordance with Canadian generally accepted auditing standards on behalf of the members. R.M. Ellingson, CMA Corp. has full and free access to the Finance Department and Chief and Council.

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor

\_\_\_\_\_  
Councillor



# R.M. ELLINGSON

Certified Management Accountant Corp.

1710 Main St. East Box 356  
Swan River, MB R0L 1Z0

Reg Ellingson, CMA

Shannon Bresky, Bus. Admin. Diploma

## AUDITOR'S REPORT

### TO THE CHIEF AND COUNCIL OF WUSKWI SIPIHK FIRST NATION

I have audited the accompanying consolidated financial statements of Wuskwi Sipiik first Nation which comprise the statement of financial position as at March 31, 2012 and the statements of surplus and operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Band's management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in these financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of these 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 these 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 these financial statements.

#### Opinion

A forensic audit is presently being completed on the previous fiscal year. As a result, numerous opening balances may not be reliable. I was not able to determine whether any adjustments may be necessary to net assets.

In my opinion, except for the effect, if any, had I been able to verify the opening balances that may be effected by the ongoing forensic audit as described in the preceding paragraph, these financial statements present fairly the financial position of Wuskwi Sipiik First Nation as at March 31, 2012 and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**Certified Management Accountant**


Swan River, MB  
June 14, 2012

**WUSKWI SIPIHK FIRST NATION  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
As at March 31, 2012**

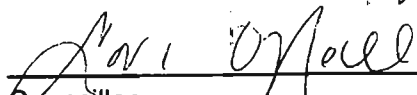
	<u>2012</u>	<u>2011</u>
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (note 6)	\$ 721,111	\$ 379,138
Amounts Receivable (schedule B-1 to B-11)	1,073,484	500,989
Long-term investments (note 7)	337,706	337,932
Inventories for resale	108,534	24,349
	<u>\$ 2,240,835</u>	<u>\$ 1,242,408</u>
<b>LIABILITIES</b>		
Accounts Payable (schedule B-12 to B-17)	\$ 1,334,099	\$ 1,240,050
Deferred Revenue	1,348,031	576,100
Due to Treaty Land Entitlement	315,829	231,957
Long Term Debt (note 8)	3,579,787	3,621,059
Reserves (note 9)	242,365	194,797
	<u>6,820,111</u>	<u>5,863,963</u>
<b>NET DEBT</b>	<u>\$ (4,579,276)</u>	<u>\$ (4,621,555)</u>
<b>NON-FINANCIAL ASSETS:</b>		
Tangible Capital Assets (note 10)	8,913,909	9,298,469
Work-In-Progress (note 11)	846,291	774,574
Prepaid Expenses	20,694	97
	<u>9,780,894</u>	<u>10,073,140</u>
<b>ACCUMULATED SURPLUS (DEFICIT)</b>	<u>\$ 5,201,618</u>	<u>\$ 5,451,585</u>

Economic Dependence (note 4)

Approved on Behalf of Chief and Council:

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor

\_\_\_\_\_  
Councillor

**WUSKWI SIIHK FIRST NATION**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**Year Ended March 31, 2012**

	2012	2011
<b>REVENUE</b>		
Indian and Northern Affairs Canada	\$ 2,619,278	\$ 3,582,469
Province of Manitoba	7,710	12,329
Government of Canada	634,228	645,239
Interest, Rentals, and Other	125,968	137,149
Swampy Cree Tribal Council	44,756	43,809
Cree Nation Tribal Health Centre Inc.	253,355	296,451
Investment Income	153,199	132,629
Gas Bar	1,329,275	1,272,263
User Fees and House Rental - Social	10,970	12,620
Insurance Recovery	-	27,650
Gaming	187,877	207,723
TLEC - 3rd Party	22,440	43,090
MB Hydro - Electric Board	9,863	26,500
CMHC - Subsidy	192,815	197,893
CMHC - Retrofit	-	126,950
Housing Rent	162,660	164,724
Less: Allocation to Reserves	<u>(47,568)</u>	<u>(84,922)</u>
<b>TOTAL REVENUE</b>	<b>5,706,826</b>	<b>6,844,566</b>
<b>EXPENDITURES, see attached</b>	<b><u>5,591,751</u></b>	<b><u>5,974,940</u></b>
<b>SURPLUS ON OPERATIONS</b>	<b><u>\$ 115,075</u></b>	<b><u>\$ 869,626</u></b>
Amortization	(405,661)	(418,955)
Other - Debt Reinstated - TLE Casino Loan	-	(290,000)
- Adjustment to Net Assets (prior years)	-	(121,950)
- Housing - Net Debt Forgiveness	<u>40,619</u>	<u>37,364</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(249,967)</b>	<b>76,085</b>
<b>ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF THE YEAR</b>	<b><u>5,451,585</u></b>	<b><u>5,375,500</u></b>
<b>ACCUMULATED SURPLUS (DEFICIT), END OF YEAR</b>	<b><u><u>\$ 5,201,618</u></u></b>	<b><u><u>\$ 5,451,585</u></u></b>

**WUSKWI SIPIHK FIRST NATION**  
**CONSOLIDATED STATEMENT OF DIVISIONAL EXPENDITURES**  
**Year Ended March 31, 2012**

---

	<u>2012</u>	<u>2011</u>
<b>EXPENDITURES:</b>		
Administration	\$ 1,531,201	\$ 1,660,281
Education	1,118,153	1,102,929
Medical Services	189,224	163,985
Social Services	597,041	705,889
Capital Facilities	62,628	25,746
Economic Development	44,756	43,809
Health Authority	455,297	590,814
Housing	197,939	297,730
Gaming	153,581	151,580
Gas Bar	1,241,931	1,232,177
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 5,591,751</u></b>	<b><u>\$ 5,974,940</u></b>

WUSKWI SIPIHK FIRST NATION  
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT  
Year Ended March 31, 2012

	<u>2012</u> Actual	<u>2011</u> Actual
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (249,967)</b>	<b>\$ 76,085</b>
Acquisition of Tangible Capital Assets	(21,103)	(809,211)
Amortization of Tangible Capital Assets	405,661	418,955
Decrease (Increase) in Work-In-Progress	(71,716)	397,947
Decrease (Increase) in Prepaid Expenses	<u>(20,596)</u>	<u>4,825</u>
<b>Change in Net Financial Assets</b>	<u><b>42,279</b></u>	<u><b>88,601</b></u>
<b>NET DEBT, BEGINNING OF YEAR</b>	<u><b>(4,621,555)</b></u>	<u><b>(4,710,156)</b></u>
<b>NET DEBT, END OF YEAR</b>	<u><u><b>\$ (4,579,276)</b></u></u>	<u><u><b>\$ (4,621,555)</b></u></u>

**WUSKWI SIIPIHK FIRST NATION**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**Year Ended March 31, 2012**

	<u>2012</u>	<u>2011</u>
<b>OPERATING TRANSACTIONS</b>		
Cash Receipts from Government Funding and Other	\$ 6,472,337	\$ 6,748,273
Cash Paid to Suppliers and Employees	(5,970,605)	(6,113,915)
Interest Paid	(145,178)	(157,043)
	<u>356,554</u>	<u>477,315</u>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of Fixed Assets (net)	<u>(21,103)</u>	<u>(794,991)</u>
<b>INVESTING TRANSACTIONS</b>		
Decrease in Investments	<u>226</u>	<u>(265)</u>
<b>FINANCING TRANSACTIONS</b>		
Repayment of Long Term Debt	(199,982)	(444,705)
Increase in Social Housing Fund Members' Equity	47,356	(49,279)
Increase in Fixed Assets Fund Equity	-	1,086,745
Redistribution of (Increase in) Ottawa Trust Funds	212	254
Proceeds of Long Term Debt	158,710	-
Forgiveness of TLE Loan	-	-
	<u>6,296</u>	<u>593,015</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>341,973</b>	<b>275,074</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u><b>379,138</b></u>	<u><b>104,064</b></u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u><b>\$ 721,111</b></u></u>	<u><u><b>\$ 379,138</b></u></u>

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

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**1. STATUS OF THE ORGANIZATION**

The First Nation has been established primarily for the purposes of providing the delivery of essential services of the health, education, employment, social housing, economic development and service delivery for the members of The First Nation.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting.

**a) Reporting Entity**

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, and committees of The First Nation. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the First Nation. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of The First Nation. The controlled organizations include:

- General Operations
- Social Housing Fund
- Health Authority
- Gaming
- Development Corporation o/a Gas Bar
- Land Holding Corporation

**b) Basis of Accounting**

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

**c) Cash and Temporary Investments**

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

**d) Investments**

Portfolio investments are accounted for at cost.

**e) Non-Financial Assets**

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific entity, transactions amongst entities have not been eliminated.

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

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**Entities with No Consolidation Requirement**

The following entity's transactions are reported individually within the body of these financial statements. References to these entities are for information purposes only, however, they are not controlled in any way by the Wuskwi Sipiik First Nation. Therefore, there is no need for consolidation of the following entities:

- Swampy Cree Tribal Council Inc.
- Swampy Cree Holdings Ltd.
- Cree Nation Tribal Health Centre Inc.
- Wuskwi Sipiik First Nation Treaty Land Entitlement Trust (see Note 13)

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

**f) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available, have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The complete list of all tangible capital assets and their values have not yet been completed. Please see the auditor opinion letter.

The rates below are guidelines that will be applied upon completion of the listing. The amortization rate for housing is applying the principle pay down as amortized by Canada Mortgage and Housing Corporation. Only the Housing and Development Corporation have applied amortization within these financial statements.

**General Tangible Capital Assets**

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 to 10 years
Machinery, equipment and furniture	5 to 20 years
Maintenance and road construction equipment	20 years
Computer Hardware and Software	4 years
Housing (as per mortgage amortization)	25 to 40 years

**Infrastructure Assets**

Transportation	
Land	Indefinite
Road surface	20 years
Road grade	20 to 40 years
Bridges	30 to 45 years

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

---

Water and Sewer	
Land	Indefinite
Buildings	25 to 40 years
Underground networks	30 years
Machinery and equipment	20 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the Community, forests, water, and other natural resources are not recognized as tangible capital assets.

**g) Leases**

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

**h) Inventories**

Inventories held for sale are recorded at the lower of cost and net realizable value.

Inventories held for consumption are recorded at the lower cost and replacement value.

**i) Revenue Recognition**

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligible criteria are met, and reasonable estimates of the amount can be made.

Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

**i) Measurement Uncertainty**

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

**3. PRIOR YEAR ADJUSTMENTS**

No prior year adjustments were made in the March 31, 2012 fiscal year, as not adjustments were deemed necessary as a result of accounting error. Any adjustments as a result of estimates or other adjustments deemed necessary have been included in current year operations.

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

**4. ECONOMIC DEPENDENCE**

Wuskwi SipiHK first Nation receives a major portion of its revenue pursuant to a funding agreement with Indian and Northern Affairs Canada.

**5. BUDGET INFORMATION**

Budget information is not disclosed. The Band did not prepare a budget in the fiscal year and therefore no disclosure of the budget information was available for these statements.

**6. CASH (BANK INDEBTEDNESS)**

	2012	2011
Band Operations	\$ 140,931	\$ (129,255)
Education	(22,211)	(13,765)
Gaming	16,143	26,893
Capital Facilities	-	719
Health Authority	(24,524)	1,764
Gas Bar	11,145	(3,960)
Social Services	(42,862)	(21,671)
Housing Fund	<u>642,489</u>	<u>518,413</u>
	<u>\$ 721,111</u>	<u>\$ 379,138</u>

The First Nation designated \$194,797 (2010 - \$109,875) to reserves for capital housing replacement and Indian Trust Money's for future purposes.

**7. INVESTMENTS**

	2012	2011
Swan Valley Consumers Co-Op Patronage Equity Accounts:		
- Band Operations	\$ 24	\$ 279
- Education	(51)	97
- Medical Services	10	10
- Health Authority	208	243
Aseneskak Casino Limited Partnership - One Unit (14.29% ownership interest) at cost:	<u>330,101</u>	<u>330,101</u>
	<u>330,292</u>	<u>330,730</u>
Cash in Ottawa Trust	<u>7,414</u>	<u>7,202</u>
	<u>\$ 337,706</u>	<u>\$ 337,932</u>

**8. LONG TERM DEBT**

	2012	2011
Wuskwi SipiHK First Nation Treaty Land Entitlement - loan repayable over 5 year term, estimated at \$58,000 per year, plus interest at 6.00% per annum.	\$ 290,000	\$ 290,000

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

First Peoples Fund Loan - repayable in monthly installments of \$1,134.00 per month at no interest.	98,669	112,278
First Nations Bank Loan - repayable in monthly installments of \$5,886.87 per month including interest at 5.25%.	206,039	111,496
Manitoba Lotteries - loan repayable in weekly installments of \$288.34 per week including interest at 4.50%.	64,796	76,823
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$2,512 including interest at 2.40%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	343,875	365,501
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$5,051 including interest at 3.90%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	866,530	892,980
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$5,533 including interest at 4.00%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	954,043	981,893
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$4,534 including interest at 2.610%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	<u>755,835</u>	<u>790,088</u>
	<b>3,579,787</b>	<b>3,621,059</b>
Less Current Portion	<u>257,951</u>	<u>255,430</u>
	<b><u>\$ 3,321,836</u></b>	<b><u>\$ 3,365,629</u></b>

Principle payments due within each of the next five years are as follows:

2013	\$ 257,951
2014	265,509
2015	273,395
2016	222,121
2017	214,957
	<u>\$ 1,233,933</u>

**WUSKWI SIIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

**9. LEASE COMMITMENT**

The First Nation entered into a lease agreement with Zerox for office equipment. The terms are \$2,061.11 per quarter expiring September 30, 2016.

**10. RESERVES**

	2012	2011
Funds on deposit with Indian and Northern Affairs Canada are held in a separate interest bearing bank account:	\$ 7,413	\$ 7,201
Social Housing Fund	<u>235,252</u>	<u>187,596</u>
	<u>\$ 242,665</u>	<u>\$ 194,797</u>

**11. TANGIBLE CAPITAL ASSETS**

see Schedule B-20

**12. WORK-IN-PROGRESS**

	2012	2011
4 Unit - Residential Complex	<u>\$ 846,291</u>	<u>\$ 774,574</u>
	<u>\$ 846,291</u>	<u>\$ 774,574</u>

This project was on-going as at March 31, 2012. Therefore, the buildings are not available for use, and as such are not added to Fixed Assets until complete. A capital cost audit will be required upon completion.

**13. CONSOLIDATION OF TREATY LAND ENTITLEMENT TRUST**

The Treaty land Entitlement Trust has not been consolidated within these financial statements. The position has been taken that the Board of the TLE is independent of the Chief and Council of the First Nation. In addition, full disclosure of these statements has been approved by Chief and Council only. Accounts payable with the TLE have been disclosed for informational purposes. Funds held in trust by the TLE as at December 31, 2010 (audited-for informational purposes only):

Land Acquisition	\$ 118,353
Land Acquisition - Fixed Income Security	<u>2,059,638</u>
	<u>\$ 2,177,991</u>

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

**14. INAC FUNDING RECONCILIATION**

	2012	2011
Total Funding per INAC*	\$ 3,176,486	\$ 2,836,015
<b>Add:</b>		
CEAP Revenue, incorrectly deferred	-	105,150
Capital - CEAP deferred from prior year	-	690,000
<b>Less:</b>		
Capital - Deferred on Housing - 4 Unit Project	(509,987)	-
Clawback - Fire Prevention	-	(9,694)
- New Paths	-	(26,252)
- Education	(47,221)	-
Administration - 2008 funds not payable	-	(12,750)
	<u>\$ 2,619,278</u>	<u>\$ 3,582,469</u>

**15. BASIS OF OPERATIONS OF LAND HOLDING CORPORATION**

Land acquiring by the Wuskwi Sipiik First Nation Treaty Land Entitlement and transferred to the Wuskwi Sipiik First Nation Land Holding Corporation:

	2012	2011
Section 30-41-24	\$ 86,285	\$ 86,285
NW 5-41-24	19,709	19,709
NW 8-41-24	88,228	88,228
NW 1-41-25, etc.	66,926	66,926
SW 32-38-23, etc.	49,803	49,803
NE 36-40-25, etc.	146,037	146,037
NE 25-40-25	55,000	55,000
NE 6-39-26	91,000	91,000
McKay Lots 22 and 25	5,500	5,500
NW 6-39-26	141,079	141,079
Lots 14-16 Block 29 Plan 426	100,000	100,000
	<u>\$ 849,567</u>	<u>\$ 849,567</u>

**16. PENSION BENEFITS**

The majority of the employees of the First Nation are members of the London Life Private Pension Plan, which is a single-employer defined contribution pension plan. The costs of the retirement plan are allocated to the individual entities within the First Nation.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by London Life by placing plan assets in trust and through their investment policy. The pension expense is based on the contribution rate.

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

In accordance with Indian and Northern Affairs Canada reporting requirements under the Band Employee Benefits program, the following is a summary of salaries and pension benefits paid to employees of programs funded by the Department:

**EXPENDITURES**

	Number of Eligible Employees	Eligible Salaries	Group Pension	CPP
Administration	24	\$ 674,734	\$ 35,900	\$ 6,067
Education	20	550,606	25,285	12,125
Medical Transportation	6	73,005	4,241	-
Health Authority	9	137,945	15,602	3,622
Gaming	2	16,525	-	523
Gas Bar	7	48,079	-	2,013
	<u>68</u>	<u>\$ 1,500,894</u>	<u>\$ 81,028</u>	<u>\$ 24,350</u>

Employer benefits payable as at March 31, 2012: None, All Remitted By March 31, 2012

**17. FINANCIAL INSTRUMENTS**

**Credit Risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Community is exposed to credit risk from customers. In order to reduce its credit risk, the Community reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Community has a significant number of customers which minimizes concentration of credit risk.

**18. FAIR VALUE**

The First Nation's carrying value of cash and cash equivalents, accounts receivable and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

**19. INTEREST RATE**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risk from interest rate fluctuations, the Community manages exposure through its normal operation and financing activities. The community is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

**20. BASIS OF PRESENTATION**

The Statements of Revenue and Expenditures have been presented consistent with the Band's entity structure as per prior years. For information purposes, all contribution funded revenue and expenditures have been presented on schedules B24-32 as per Department of Indian Affairs reporting requirements.

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

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**21. CONTINGENT LIABILITIES**

Wuskwi Sipihk First Nation, as a limited partner in the Aseneskak Casino Limited Partnership, has guaranteed the obligation of the Limited Partnership to a maximum of \$1.05 million dollars.

Wuskwi Sipihk First Nation has filed two legal claims as at the date of these financial statements. One is filed against Sakastew Inc., for investments uncollected. The second is primarily in respect to the housing construction contracts. In addition, a forensic audit investigation is under review pertaining to housing and operating controls. The potential materiality effect on costs can only be measurable and reported after the cases are resolved, which should occur within the next fiscal year.

Wuskwi Sipihk First Nation has one claim filed against the First Nation. This claim has been filed by a former employee for wrongful dismissal. The potential materiality effect can only be measured and reported after the case is resolved which should occur within the next fiscal year.

## ADMINISTRATION

## STATEMENT OF REVENUE AND EXPENDITURES

Year Ended March 31, 2012

			2012	2011
<b>REVENUE</b>				
Indian and Northern Affairs Canada			\$ 391,121	\$ 429,426
Band Support - 01011	\$ 257,939	\$ 258,252		
Indian registry - 02057	4,847	4,747		
Community Buildings - 04690	-	4,872		
Band Employee Benefits Plan - 01016	23,830	52,674		
Band Employee - Benefits - 01017	60,723	-		
Land Management - 03206	-	-		
Land Surveys - 03531	-	-		
Incremental Fuel Relief - 04283	-	-		
Service Delivery - 02330	43,782	43,781		
HR Management Governance Capacity	-	65,100		
	<u>\$ 391,121</u>	<u>\$ 429,426</u>		
INAC - Revenue deferred from Prior Year			-	795,150
Less: INAC Recoveries			(34,964)	(22,444)
Interest and Investment Income			153,199	132,629
Insurance Recovery			-	27,650
Province of Manitoba - Per Capita Grant			6,261	6,077
TLEC - 3rd Party Interest			22,440	43,090
Miscellaneous			73,868	89,472
			<u>611,925</u>	<u>1,501,050</u>
<b>EXPENDITURES</b>				
Administration fees			7,254	48,053
Benefits expense			58,623	30,719
Bank Charges and Interest			31,325	33,300
Bad Debts			1,141	2,929
Chief & Council - Travel			50,498	52,453
Chief & Council - Miscellaneous			-	3,073
Council Honoraria			207,050	206,950
CMHC Vacant Homes			73,419	8,569
Election			-	9,569
Lands & Trusts Services			36,688	45,503
Local Activities, Advertising and Donations			52,270	57,686
Miscellaneous			863	23,084
Office			24,175	35,453
Salaries and Wages			146,465	172,854
Telephone and Fax			19,062	22,228
Travel - Staff			13,068	10,248
Staff Training			2,417	877
			<u>724,318</u>	<u>763,548</u>
<b>SURPLUS (DEFICIT) FROM BAND SUPPORT</b>			(112,393)	737,502
<b>SURPLUS (DEFICIT) COMMUNITY OPERATIONS (A-2)</b>			(118,299)	(204,752)
<b>SURPLUS (DEFICIT) EMPLOYMENT/JOB CREATION (A-3)</b>			17,600	(1,009)
<b>SURPLUS (DEFICIT)</b>			(213,092)	531,741
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>			40,671	(491,070)
<b>CUMULATIVE SURPLUS - END OF YEAR</b>			<u>\$ (172,421)</u>	<u>\$ 40,671</u>

**WUSKWI SIPIHK FIRST NATION**  
**ADMINISTRATION**  
**SCHEDULE OF COMMUNITY OPERATIONS**  
**Year Ended March 31, 2012**

			<u>2012</u>	<u>2011</u>
<b>REVENUE</b>				
Indian and Northern Affairs Canada	2012	2011	\$ 461,622	\$ 417,540
Fire Protection - 08766	\$ 24,280	\$ 24,280		
Roads and Bridges - 08767	21,872	21,872		
Sanitation Systems - 08565	64,116	72,072		
Water Systems - 08565	83,780	82,510		
Water & Waste Water Projects - 08583 & 08584	81,846	81,697		
Municipal Services - 04689	24,178	24,178		
Maintenance Management - 08774	9,826	9,771		
Electrical Systems - 08768	560	560		
Equipment Contribution - 04674	-	100,600		
Community Buildings - 08770	4,872	-		
Solid Waste - 08779	8,292	-		
Preparedness - 08500	138,000	-		
	<u>\$ 461,622</u>	<u>\$ 417,540</u>		
Solicitor General of Canada - Policing			33,626	33,626
Equipment Rental			7,500	16,000
User Fees and House Rentals			10,970	12,620
Transfer funds from Economic Development			44,756	43,809
Farm Land Rental			1,219	50
MB Hydro - Electric Board			9,863	26,500
			<u>569,556</u>	<u>550,145</u>
<b>EXPENDITURES</b>				
Admin Building Repairs & Maintenance			9,121	1,886
Economic Development				
Administration			13,688	62,942
Payroll			16,650	28,825
Travel			425	3,718
Fire Protection			38,517	28,546
Flood Preparedness			138,725	-
Garbage and Sanitation			115,864	102,054
Insurance			69,183	82,842
Policing			32,289	58,325
Property Taxes			(20,991)	41,330
Roads and Bridges			74,834	126,357
Salaries and Wages			23,497	27,268
School Operation and Maintenance			4,449	10,227
Travel			55	2,328
Water Treatment Plant			171,549	178,249
			<u>687,855</u>	<u>754,897</u>
<b>SURPLUS (DEFICIT)</b>			<u>\$ (118,299)</u>	<u>\$ (204,752)</u>

**WUSKWI SIPIHK FIRST NATION**  
**ADMINISTRATION**  
**SCHEDULE OF EMPLOYMENT AND JOB CREATION**  
**Year Ended March 31, 2012**

	<u>2012</u>	<u>2011</u>
<b>REVENUE</b>		
MKO - Human resources Development Strategy	\$ 136,628	\$ 137,759
WOP - Social Services	-	3,068
	<u>136,628</u>	<u>140,827</u>
<b>EXPENDITURES</b>		
CRF		
Salaries and Wages	17,941	3,053
Travel and Training	60,618	17,672
Daycare		
Administration	3,136	1,500
Building Repairs and Maintenance	5,500	-
Programs and Materials	6,582	1,942
Salaries and Wages	16,580	29,071
Disabilities		
Administration	-	615
EI - NHTI		
Travel	-	248
Salaries and Wages	7,098	31,045
EI - Other		
Travel	-	1,054
Wages and Payroll Costs	-	45,278
EI - Youth		
Programs and Materials	1,573	898
Salaries and Wages	-	9,460
	<u>119,028</u>	<u>141,836</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ 17,600</u>	<u>\$ (1,009)</u>

## WUSKWI SIPIHK FIRST NATION

## EDUCATION

## STATEMENT OF REVENUE AND EXPENDITURES

Year Ended March 31, 2012

			2012	2011
<b>REVENUE</b>				
Indian and Northern Affairs Canada	2012	2011	\$ 1,101,867	\$ 1,253,574
Enhanced Teachers - 02107	\$ 11,555	\$ 10,061		
Tuition Agreements - 02125	198,006	241,827		
Instructional Services Formula - 02105	279,036	306,940		
Low Cost Special Education - 02109	39,159	43,075		
Special Education - 02246	125,214	125,420		
Ancillary Services - 02126	9,135	11,484		
Student Accom Services - 02136	123,360	194,528		
Student Trans Services - 02145	63,881	63,881		
Student Trans Federal - 02137	21,600	-		
Financial Assistance Allow - 022138	12,960	15,840		
Guidance and Counseling - 02139	55,483	55,483		
Post Secondary Education - 02270	78,036	78,036		
Schools - O & M - 08635	40,920	40,920		
Teacher Recruit and Retention - 02150	-	10,557		
FN and Inuit Science - 02702	6,297	-		
FN and Inuit Skills Link & Tech - 02703	5,820	6,397		
New Paths - Proposal Driven - 02157	9,199	30,000		
Prov School - Direct Services - 02250	12,908	-		
Admin - Instructional Services - 02106	5,000	5,000		
FN and Inuit Summer Work - 02701	4,298	14,125		
	<u>\$ 1,101,867</u>	<u>\$ 1,253,574</u>		
Less: INAC - Funds Repayable			(12,257)	(26,252)
Miscellaneous			15,850	21,082
			<u>1,105,460</u>	<u>1,248,404</u>
<b>EXPENDITURES</b>				
Administration			231	679
Director - Salary and Professional Development			63,682	90,751
New Paths			3,265	3,253
Non-Reserve Tuition			3,000	12,897
Parental Engagement Committee			7,061	6,913
Post Secondary and Administration			67,019	64,572
Private Home Placement			406,057	417,722
Provincial Schools - Level II Support			3,583	-
Public School and Administration			302,248	232,825
Skills Link Promotion			12,058	14,629
Special Education				
Evaluation and Materials			401	377
Wages			162,237	168,390
Summer Students				
Administration			430	-
Wages			3,860	6,771
Teacher Recruitment/Retention			7,911	11,005
Transportation and Maintenance			75,110	72,144
			<u>1,118,153</u>	<u>1,102,928</u>
<b>SURPLUS (DEFICIT)</b>			<u>(12,693)</u>	145,476
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>			<u>711,252</u>	565,776
<b>CUMULATIVE SURPLUS - END OF YEAR</b>			<u>\$ 698,559</u>	<u>\$ 711,252</u>

**WUSKWI SIPIHK FIRST NATION****MEDICAL SERVICES****STATEMENT OF REVENUE AND EXPENDITURES**

Year Ended March 31, 2012

	<u>2012</u>	<u>2011</u>
<b>REVENUE</b>		
Health & Welfare Canada		
Transportation Fund	\$ 161,308	\$ 144,002
Miscellaneous	-	2,777
	<u>161,308</u>	<u>146,779</u>
<b>EXPENDITURES</b>		
Administration	7,969	26
Audit Fees	-	14,865
Bank Charges and Interest	1,041	2,404
Medical Drivers Benefits	26,668	37,607
Medical Drivers Casual Wages	5,222	5,670
Medical Drivers Salaries	54,138	43,875
Medical Drivers Travel	115	1,250
Medical Van Expense	32,245	27,638
Non - Treaty Trips (Recovery)	21,837	(7,349)
Operation Costs	6,202	2,142
Special Trips	8,844	6,356
Secretarial Wages and Benefits	20,257	26,386
Telephone	2,304	2,430
Traditional Healer	-	400
Travel - Staff	2,382	285
	<u>189,224</u>	<u>163,985</u>
<b>SURPLUS (DEFICIT)</b>	<u>(27,916)</u>	<u>(17,206)</u>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>	<u>(6,158)</u>	<u>11,048</u>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>	<u>\$ (34,074)</u>	<u>\$ (6,158)</u>

**WUSKWI SIPIHK FIRST NATION**  
**SOCIAL ASSISTANCE**  
**STATEMENT OF REVENUE AND EXPENDITURES**  
**Year Ended March 31, 2012**

			<u>2012</u>	<u>2011</u>
<b>REVENUE</b>				
Indian and Northern Affairs Canada	2012	2011	<b>\$ 625,858</b>	<b>\$ 634,323</b>
Basic Needs - 02305	\$ 608,349	\$ 616,814		
Special Needs - 02320	17,509	17,509		
Service Delivery - 02330	43,781	43,781		
	<u>669,639</u>	<u>678,104</u>		
Reported on Admin A1 - 02330	(43,781)	(43,781)		
	<u>\$ 625,858</u>	<u>\$ 634,323</u>		
Miscellaneous			<u>11,357</u>	<u>1,197</u>
			<b>637,215</b>	<b>635,520</b>
<b>EXPENDITURES</b>				
Administration			712	1,315
Bad Debts (Recovery)			1,338	(113)
Bank Charges and Interest			1,155	677
Basic Needs				
Social Assistance			361,378	455,391
Shelter			106,915	54,569
User Fees			7,210	8,018
Utilities and Groceries			92,624	100,421
Professional Fees			4,271	4,725
Special Needs			21,438	27,493
Salaries and Wages			-	49,529
Travel - Staff			-	3,864
			<u>597,041</u>	<u>705,889</u>
<b>SURPLUS (DEFICIT)</b>			<u>40,174</u>	<u>(70,369)</u>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>			<u>(233,252)</u>	<u>(162,883)</u>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>			<u>\$ (193,078)</u>	<u>\$ (233,252)</u>

**WUSKWI SIPIHK FIRST NATION**  
**CAPITAL FACILITIES**  
**STATEMENT OF REVENUE AND EXPENDITURES**  
**Year Ended March 31, 2012**

			<u>2012</u>	<u>2011</u>
<b>REVENUE</b>				
Indian and Northern Affairs Canada	2012	2011	\$ 550,600	\$ 50,000
Private Housing - 04390	\$ -	\$ 50,000		
Planning Design & Construction - 08635	550,600	-		
	<u>\$ 550,600</u>	<u>\$ 50,000</u>		
Deferred Revenue to New Year			<u>(509,987)</u>	-
			<u>40,613</u>	<u>50,000</u>
<b>EXPENDITURES</b>				
CMHC Housing Expense			8,371	-
Office			-	2,525
Professional Fees			2,500	23,221
Renovations			51,314	-
Travel - Staff			443	-
			<u>62,628</u>	<u>25,746</u>
<b>SURPLUS</b>			<u>(22,015)</u>	<u>24,254</u>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>			<u>134,257</u>	<u>110,003</u>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>			<u>\$ 112,242</u>	<u>\$ 134,257</u>

**WUSKWI SIPIHK FIRST NATION  
ECONOMIC DEVELOPMENT FUND  
STATEMENT OF REVENUE AND EXPENDITURES  
Year Ended March 31, 2012**

	<u>2012</u>	<u>2011</u>
<b>REVENUE</b>		
Indian and Northern Affairs Canada		
Swampy Cree Holdings Ltd.	<u>\$ 44,756</u>	<u>\$ 43,809</u>
<b>EXPENDITURES</b>		
Revenue Transferred to Community operations	<u>44,756</u>	<u>43,809</u>
<b>SURPLUS</b>	<u>-</u>	<u>-</u>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

## WUSKWI SIPIHK FIRST NATION

## GAS BAR

## STATEMENT OF REVENUE AND EXPENDITURES

Year Ended March 31, 2012

	<u>2012</u>	<u>2011</u>
<b>REVENUE</b>	<b>\$ 1,329,275</b>	<b>\$ 1,272,263</b>
<b>COST OF SALES</b>	<b>939,307</b>	<b>941,086</b>
<b>GROSS PROFIT</b>	<b>389,968</b>	<b>331,177</b>
<b>EXPENDITURES</b>		
Bank Charges and Interest	4,935	6,235
Benefits Expense	959	5,970
Cash Over/Short	8,422	11,874
Donations	-	(9,600)
Miscellaneous	7,481	9,977
Office	10,620	6,195
Professional Fees	5,443	7,692
Repairs and Maintenance	3,811	17,051
Salaries and Wages	246,855	216,476
Telephone	3,655	2,931
Travel	6,943	13,416
Utilities	3,500	2,874
	<u>302,624</u>	<u>291,091</u>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>	<b>87,344</b>	<b>40,086</b>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>	<b>(281,587)</b>	<b>(321,673)</b>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>	<b>\$ (194,243)</b>	<b>\$ (281,587)</b>

WUSKWI SIPIHK FIRST NATION  
LAND HOLDING CORPORATION  
STATEMENT OF REVENUE AND EXPENDITURES  
Year Ended March 31, 2012

	<u>2012</u>	<u>2011</u>
<b>REVENUE</b>		
Land Contribution for Treaty Land Entitlement	\$ -	\$ -
<b>SURPLUS</b>	-	-
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>	-	-
<b>CUMULATIVE SURPLUS - END OF YEAR</b>	\$ -	\$ -

**WUSKWI SIPIHK FIRST NATION  
HEALTH AUTHORITY  
STATEMENT OF REVENUE AND EXPENDITURES  
Year Ended March 31, 2012**

			<u>2012</u>	<u>2011</u>
<b>REVENUE</b>				
Cree Nation Tribal Health Centre Inc.				
Health Program Funding			\$ 254,126	\$ 296,451
Less: CNTHC Funds Repayable			(771)	-
FNIHB				
Health Program			258,897	286,043
Indian and Northern Affairs Canada			45,418	45,418
	2012	2011		
In-Home Care- 02395	\$ 31,418	\$ 31,418		
Prevention Projects - 02420	14,000	14,000		
	<u>\$ 45,418</u>	<u>\$ 45,418</u>		
Community Action Plan			1,449	6,252
Miscellaneous Revenue			9,956	8,605
Partners Addiction Fund			5,221	-
Interest and Investment Income			418	378
Less: FNIHB Funds Repayable			(987)	-
			<u>573,727</u>	<u>643,147</u>
<b>EXPENDITURES</b>				
Bank Charges and Interest			1,362	1,855
BHC/BFI - Salaries and Benefits			28,388	35,179
BHC/BFI - Operations			9,873	9,293
Community Health Representative			45,071	45,356
FNIHB				
Diabetes Program			20,412	7,579
ADI Program			3,459	-
Prenatal Program			27,327	29,633
Drinking Water Program			9,817	8,900
Home and Community Care Program			7,246	33,473
Youth Suicide Prevention			-	1,224
Fetal Alcohol Syndrom Program			5,029	242
Headstart			4,089	68,221
Health Administrator			98,535	172,520
INAC - In Home Care Program			38,889	38,328
Family Violence Program			11,666	13,419
Community Action Program			759	1,309
NADAP Co-ordinator			60,299	37,874
Office and Donations			20,582	31,132
Operation Expense			6,777	33,197
Registered Nurse			55,398	22,506
Staff and Board Travel			319	1,997
			<u>455,297</u>	<u>593,237</u>
<b>SURPLUS (DEFICIT)</b>			<u>118,430</u>	<u>49,910</u>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>			<u>124,144</u>	<u>74,234</u>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>			<u>\$ 242,574</u>	<u>\$ 124,144</u>

**WUSKWI SIPIHK FIRST NATION  
GAMING AUTHORITY  
STATEMENT OF REVENUE AND EXPENDITURES  
Year Ended March 31, 2012**

	<u>2012</u>	<u>2011</u>
<b>REVENUE</b>		
Video Lottery Revenues	\$ 187,877	\$ 207,723
Interest and Rebates	367	-
	<u>188,244</u>	<u>207,723</u>
<b>EXPENDITURES</b>		
Bank Charges and Interest	4,311	4,792
Cash Over/Short	7,376	358
Donations	20,000	27,041
Operation Costs	34,324	19,246
Office and Administration	65	7,562
Professional Fees	3,252	2,090
Salaries and Wages	73,740	77,117
Security Expense	-	180
Travel	5,804	7,293
Utilities	4,709	5,901
	<u>153,581</u>	<u>151,580</u>
<b>SURPLUS (DEFICIT)</b>	<u>34,663</u>	<u>56,143</u>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>	<u>55,225</u>	<u>(918)</u>
<b>CUMULATIVE SURPLUS - END OF YEAR</b>	<u>\$ 89,888</u>	<u>\$ 55,225</u>

**WUSKWI SIPIHK FIRST NATION**  
**SOCIAL HOUSING FUND**  
**STATEMENT OF REVENUE AND EXPENDITURES**  
**Year Ended March 31, 2012**

	<u>2011</u>	<u>2011</u>
<b>REVENUE</b>		
CMHC Subsidy	\$ 192,815	\$ 197,893
Income - Social Services Rent	162,660	164,724
Retrofit Program	-	126,950
	<u>355,475</u>	<u>489,567</u>
<b>EXPENDITURES</b>		
Administration	27,401	27,650
Amortization	110,180	107,169
Insurance	22,300	23,705
Interest - Long Term	101,049	107,780
Professional Fees	10,170	5,375
Repairs and Maintenance	37,019	6,271
Retrofit Expense	-	126,950
	<u>308,119</u>	<u>404,900</u>
<b>SURPLUS PRIOR TO ALLOCATION</b>	<u>47,356</u>	<u>84,667</u>
Allocated to:		
Replacement Reserve	(35,497)	(34,583)
Surplus Reserve	(11,859)	(50,084)
	<u>(47,356)</u>	<u>(84,667)</u>
<b>SURPLUS (DEFICIT)</b>	<u>-</u>	<u>-</u>
<b>CUMULATIVE SURPLUS - BEGINNING OF YEAR</b>	1,131,887	1,181,166
Add: Allocation of Reserves in Year	47,356	84,667
Less: Debt forgiveness - Mcdiarmid Lumber	-	(133,946)
<b>CUMULATIVE SURPLUS - END OF YEAR</b>	<u>\$ 1,179,243</u>	<u>\$ 1,131,887</u>

STATEMENT OF RECEIPT AND EXPENDITURE OF INDIAN MONEYS

CAPITAL TRUST MONEYS

Year Ended March 31, 2012

	<u>2012</u>	<u>2011</u>
Unexpected prior year's withdrawals from trust funds, beginning of year	<u>\$ 922</u>	<u>\$ 922</u>
Amount Received in Year:	-	-
Actual Amount Spent in Year:	-	-
Unexpected withdrawals from trust funds, end of year	<u>\$ 922</u>	<u>\$ 922</u>

**WUSKWI SIPIHK FIRST NATION**  
**STATEMENT OF RECEIPT AND EXPENDITURE OF INDIAN MONEYS**  
**REVENUE TRUST MONEYS**  
**Year Ended March 31, 2012**

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Unexpected prior year's withdrawals from trust funds, beginning of year	\$ 6,279	\$ 6,026
Amount Received in Year:		
Interest earned	212	253
Actual Amount Spent in Year:	<u>-</u>	<u>-</u>
Unexpended withdrawals from trust funds, end of year	<u>\$ 6,491</u>	<u>\$ 6,279</u>

WUSKWI SIPIHK FIRST NATION  
 SCHEDULE OF TANGIBLE CAPITAL ASSETS  
 Year Ended March 31, 2012

	General Capital Assets							Totals		
	Land	Land Improvements	Buildings	Water and Sewer	Equipment and Computers	Automotive Equipment	VLT Software	Roads and Bridges	2012	2011
<b>Cost</b>										
Opening costs	\$ 849,567	\$ 17,598	\$ 7,687,122	\$ 2,474,201	\$ 730,504	\$ 258,270	\$ 196,449	\$ 794,980	\$ 13,008,691	\$ 12,199,479
Additions during the year	-	-	5,000	-	-	-	-	-	5,000	1,032,737
Disposals and write downs	-	-	(15,000)	-	41,454	-	(10,350)	-	(16,104)	(223,525)
Closing costs	<u>849,567</u>	<u>17,598</u>	<u>7,677,122</u>	<u>2,474,201</u>	<u>771,958</u>	<u>258,270</u>	<u>186,099</u>	<u>794,980</u>	<u>13,029,795</u>	<u>13,008,691</u>
<b>Accumulated Amortization</b>										
Opening accum'd amortization	-	14,719	1,570,847	971,041	539,220	206,257	57,271	350,870	3,710,225	3,291,266
Amortization	-	1,677	213,813	50,127	61,574	15,096	43,505	19,869	405,661	418,956
Disposals and write downs	-	-	-	-	-	-	-	-	-	-
Closing accum'd amortization	<u>-</u>	<u>16,396</u>	<u>1,784,660</u>	<u>1,021,168</u>	<u>600,794</u>	<u>221,353</u>	<u>100,776</u>	<u>370,739</u>	<u>4,115,886</u>	<u>3,710,222</u>
Net Book Value of Tangible Capital Assets	<u>\$ 849,567</u>	<u>\$ 1,202</u>	<u>\$ 5,892,462</u>	<u>\$ 1,453,033</u>	<u>\$ 171,164</u>	<u>\$ 36,917</u>	<u>\$ 85,323</u>	<u>\$ 424,241</u>	<u>\$ 8,913,909</u>	<u>\$ 9,298,469</u>

WUSKWI SIIHK FIRST NATION  
 SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS  
 Year Ended March 31, 2012

ADMINISTRATION:

	<u>2012</u>	<u>2011</u>
<b>BAND EMPLOYEE BENEFITS:</b>		
<b>REVENUE</b>	<b>\$ 60,723</b>	<b>\$ 36,661</b>
<b>EXPENDITURES</b>		
Band Employees Benefits		
Administration		
Group Pension	35,900	27,704
Canada Pension	6,067	3,928
Education Authority		
Group Pension	25,285	24,470
Canada Pension	12,125	6,012
Medical Transportation		
Group Pension	4,241	3,333
Canada Pension	-	2,171
Health Authority		
Group Pension	15,602	15,001
Canada Pension	3,622	4,565
Gas Bar		
Group Pension	-	-
Canada Pension	2,013	679
Gaming		
Group Pension	-	-
Canada Pension	523	-
	<u>105,378</u>	<u>87,863</u>
<b>SURPLUS (DEFICIT)</b>	<b>\$ (44,655)</b>	<b>\$ (51,202)</b>

**WUSKWI SIIHK FIRST NATION  
SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS  
Year Ended March 31, 2012**

**WATER OPERATION AND MAINTENANCE:**

**REVENUE**

Water O & M	\$ 58,777	\$ 58,777
Water Systems	-	82,510
	<u>58,777</u>	<u>141,287</u>

**EXPENDITURES**

Chemicals and Materials	2,892	4,733
Labor	49,682	104,142
Maintenance and Operations	13,585	52,710
Travel and Training	568	523
Water Purchase	-	17,899
	<u>66,727</u>	<u>180,007</u>

<b>SURPLUS (DEFICIT)</b>	<u>\$ (7,950)</u>	<u>\$ (38,720)</u>
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**SEWER & SANITATION OPERATIONS  
AND MAINTENANCE:**

**REVENUE**

Waste Water O & M	\$ 23,069	\$ 22,920
Waste Water	-	72,072
	<u>23,069</u>	<u>94,992</u>

**EXPENDITURES**

Maintenance and Operations	4,619	4,040
Waste Management	21,540	21,540
	<u>26,159</u>	<u>25,580</u>

Septic Truck - Fuel	-	15,148
Septic Truck - Labour	-	30,365
Septic Truck - Maintenance	-	46,317
	<u>-</u>	<u>91,830</u>

Total Expenditures	<u>26,159</u>	<u>117,410</u>
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<b>SURPLUS (DEFICIT)</b>	<u>\$ (3,090)</u>	<u>\$ (22,418)</u>
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**WUSKWI SIPIHK FIRST NATION**  
**SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS**  
**Year Ended March 31, 2012**

**CAPACITY GOVERNANCE:**

<b>REVENUE</b>		
Revenue	\$ -	\$ 65,100
<b>EXPENDITURES</b>		
Consulting	-	15,000
Facility Rent	-	2,850
Travel	-	47,831
Workshop Fees	-	4,620
	<u>-</u>	<u>70,301</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ -</u>	<u>\$ (5,201)</u>

**PREPARDNESS (FLOOD):**

<b>REVENUE</b>		
	<u>\$ 138,000</u>	<u>\$ -</u>
<b>EXPENDITURES</b>		
Administration	5,000	-
Equipment	20,245	-
Fuel	2,257	-
Labour	91,026	-
Supplies	18,606	-
Travel	1,595	-
	<u>138,729</u>	<u>-</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ (729)</u>	<u>-</u>
<b>TOTAL ADMINISTRATION SURPLUS (DEFICIT)</b>	<u>\$ (56,424)</u>	<u>\$ (117,541)</u>

WUSKWI SIPIHK FIRST NATION  
 SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS  
 Year Ended March 31, 2012

<u>EDUCATION:</u>	<u>2012</u>	<u>2011</u>
<b>BAND OPERATED SPECIAL EDUCATION:</b>		
<b>REVENUE</b>	<b>\$ 125,214</b>	<b>\$ 125,420</b>
<b>EXPENDITURES</b>		
Assessments	7,738	-
Resource Material	789	335
Travel & Workshops	2,614	830
Wages	113,713	124,747
	<u>124,854</u>	<u>125,912</u>
<b>SURPLUS (DEFICIT)</b>	<b>\$ 360</b>	<b>\$ (492)</b>
<b>ENHANCED TEACHERS SALARIES:</b>		
<b>REVENUE</b>	<b>\$ 11,555</b>	<b>\$ 10,061</b>
<b>EXPENDITURES</b>		
	2,311	1,627
	1,718	-
	2,311	-
	-	482
	-	481
	-	481
	593	-
	-	1,627
	-	2,109
	593	1,627
	2,311	1,627
	1,718	-
	<u>11,555</u>	<u>10,061</u>
<b>SURPLUS (DEFICIT)</b>	<b>\$ -</b>	<b>\$ -</b>

**WUSKWI SIIPIHK FIRST NATION**  
**SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS**  
**Year Ended March 31, 2012**

**TUITION AGREEMENT:**

<b>REVENUE</b>	<b>\$ 198,006</b>	<b>\$ 241,827</b>
<b>EXPENDITURES</b>		
Post Secondary Tuition and allowance	-	64,572
Tuition Agreements - Various School Divisions	<u>238,493</u>	<u>254,055</u>
	<u>238,493</u>	<u>318,627</u>
<b>SURPLUS (DEFICIT)</b>	<b>\$ (40,487)</b>	<b>\$ (76,800)</b>

**SKILLS LINK:**

<b>REVENUE</b>		
Skills Link	<u>\$ 6,297</u>	<u>\$ 7,569</u>
Information & Communication Work Placements	<u>5,820</u>	<u>6,556</u>
	<u>12,117</u>	<u>14,125</u>
<b>EXPENDITURES</b>		
Salary	3,033	-
Science & Technology workshops	2,700	3,686
Supplies	<u>303</u>	<u>4,298</u>
	<u>6,036</u>	<u>7,984</u>
Work Placement Salaries and benefit	<u>6,020</u>	<u>6,645</u>
Total Expenditures	<u>12,056</u>	<u>14,629</u>
<b>SURPLUS (DEFICIT)</b>	<b>\$ 61</b>	<b>\$ (504)</b>

**SUMMER WORK EXPERIENCE:**

<b>REVENUE</b>	<b>\$ 4,298</b>	<b>\$ 6,397</b>
<b>EXPENDITURES</b>		
Supplies	-	-
Wages	<u>3,860</u>	<u>7,131</u>
	<u>3,860</u>	<u>7,131</u>
<b>SURPLUS (DEFICIT)</b>	<b>\$ 438</b>	<b>\$ (734)</b>

WUSKWI SIPIHK FIRST NATION  
 SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS  
 Year Ended March 31, 2012

**PARENTAL ENGAGEMENT STRATEGY:**

<b>REVENUE</b>	<u>\$ -</u>	<u>\$ 5,734</u>
<b>EXPENDITURES</b>		
Administrative Expense - Fiddler Lessons	-	3,312
Community Projects	-	3,601
	<u>-</u>	<u>6,913</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ -</u>	<u>\$ (1,179)</u>

**TEACHER RECRUITMENT:**

<b>REVENUE</b>	<u>\$ -</u>	<u>\$ 10,557</u>
<b>EXPENDITURES</b>		
Advertising	-	6,676
Staff Development	-	875
Supplies & Appreciation Awards	-	3,455
	<u>-</u>	<u>11,006</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ -</u>	<u>\$ (449)</u>

**PROVINCIAL SCHOOLS - DIRECT SERVICES:**

<b>REVENUE</b>	<u>\$ 12,908</u>	<u>\$ -</u>
<b>EXPENDITURES</b>		
Level II Support	<u>39,339</u>	<u>-</u>
<b>SURPLUS (DEFICIT)</b>	<u>\$ (26,431)</u>	<u>\$ -</u>

**WUSKWI SIPIHK FIRST NATION**  
**SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS**  
**Year Ended March 31, 2012**

**NEW PATHS:**

<b>REVENUE</b>	<b>\$ 9,199</b>	<b>\$ 30,000</b>
Less: Repayable to INAC	-	(26,252)
	<u>9,199</u>	<u>3,748</u>
<b>EXPENDITURES</b>		
Board Honoraria & Travel	3,265	400
Director's Salary and Travel	9,223	1,752
Professional Development	145	1,076
Professional Fees	-	520
	<u>12,633</u>	<u>3,748</u>
<b>SURPLUS (DEFICIT)</b>	<b>\$ (3,434)</b>	<b>\$ -</b>
<b>TOTAL EDUCATION SURPLUS (DEFICIT)</b>	<b>\$ (69,493)</b>	<b>\$ (80,158)</b>

WUSKWI SIPIHK FIRST NATION  
 SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS  
 Year Ended March 31, 2012

SOCIAL SERVICES:

BASIC NEEDS:

REVENUE	<u>\$ 608,349</u>	<u>\$ 616,814</u>
EXPENDITURES		
Shelter	106,915	54,569
Social Assistance	361,378	455,391
User Fees	7,210	8,018
Utilities and Groceries	<u>92,624</u>	<u>100,421</u>
	<u>568,127</u>	<u>618,399</u>
 SURPLUS (DEFICIT)	 <u>\$ 40,222</u>	 <u>\$ (1,585)</u>

SPECIAL NEEDS:

REVENUE	<u>\$ 17,509</u>	<u>\$ 17,509</u>
EXPENDITURES		
Home Supplies	<u>21,904</u>	<u>27,493</u>
 SURPLUS (DEFICIT)	 <u>\$ (4,395)</u>	 <u>\$ (9,984)</u>

TOTAL SOCIAL SERVICE SURPLUS (DEFICIT)	<u><u>\$ 35,827</u></u>	<u><u>\$ (11,569)</u></u>
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WUSKWI SIPIHK FIRST NATION  
SCHEDULE OF SET CONTRIBUTION FUNDED PROGRAMS  
Year Ended March 31, 2012

HEALTH AUTHORITY

IN - HOME CARE:

REVENUE

Transfer from Social Services	\$ 31,418	\$ 31,418
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EXPENDITURES

Homemakers	38,335	38,198
Travel & Administration	217	534
	<u>38,552</u>	<u>38,732</u>

SURPLUS (DEFICIT)	\$ (7,134)	\$ (7,314)
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TOTAL HEALTH AUTHORITY SURPLUS (DEFICIT)	<u>\$ (7,134)</u>	<u>\$ (7,314)</u>
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**WUSKWI SIPIHK FIRST NATION**  
**SCHEDULE OF BAND BASED CAPITAL**  
**Year Ended March 31, 2012**

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\*\*See statement of Revenue and Expenditures Capital Facilities A-7

**WUSKWI SIPIHK FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENT**  
**As At March 31, 2012**

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**1. STATUS OF THE ORGANIZATION**

The First Nation has been established primarily for the purposes of providing the delivery of essential services of the health, education, employment, social housing, economic development and service delivery for the members of The First Nation.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting.

**a) Reporting Entity**

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, and committees of The First Nation. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the First Nation. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of The First Nation. The controlled organizations include:

- General Operations
- Social Housing Fund
- Health Authority
- Gaming
- Development Corporation o/a
- Land Holding

**b) Basis of Accounting**

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

**c) Cash and Temporary Investments**

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

**d) Investments**

Portfolio investments are accounted for at cost.

**e) Non-Financial Assets**

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific entity, transactions amongst entities have not been eliminated.

**Entities with No Consolidation Requirement**

The following entity's transactions are reported individually within the body of these financial statements.

- Swampy Cree Tribal
- Swampy Cree
- Cree Nation Tribal
- Wuskwi Sipiik First Nation Treaty Land

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

#### f) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available, have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The complete list of all tangible capital assets and their values have not yet been completed. Please see the auditor opinion letter.

The rates below are guidelines that will be applied upon completion of the listing. The amortization rate for housing is applying the principle pay down as amortized by Canada Mortgage and Housing Corporation. Only the Housing and Development Corporation have applied amortization within these financial statements.

#### General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 to 10 years
Machinery, equipment and furniture	5 to 20 years
Maintenance and road equipment	20 years
Computer Hardware and Software	4 years
Housing (as per mortgage amortization)	25 to 40 years

#### Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 years
Road grade	20 to 40 years
Bridges	30 to 45 years
Water and Sewer	
Land	Indefinite
Buildings	25 to 40 years
Underground networks	30 years
Machinery and equipment	20 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the Community, forests, water, and other natural resources are not recognized as tangible capital assets.

#### g) Leases

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

#### h) Inventories

Inventories held for sale are recorded at the lower of cost and net realizable value.

Inventories held for consumption are recorded at the lower cost and replacement value.

#### i) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligible criteria are met, and reasonable estimates of the amount can be made.

Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

### i) Measurement Uncertainty

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

### 3. PRIOR YEAR ADJUSTMENTS

No prior year adjustments were made in the March 31, 2012 fiscal year, as not adjustments were deemed necessary as a result of accounting error. Any adjustments as a result of estimates or other adjustments deemed necessary have been included in current year operations.

### 4. ECONOMIC DEPENDENCE

Wuskwi Siphk first Nation receives a major portion of its revenue pursuant to a funding agreement with Indian and Northern Affairs Canada.

### 5. BUDGET INFORMATION

Budget information is not disclosed. The Band did not prepare a budget in the fiscal year and therefore no disclosure of the budget information was available for these statements.

### 6. CASH (BANK INDEBTEDNESS)

	2012	2011
Band Operations	\$ 140,931	\$ (129,255)
Education	(22,211)	(13,765)
Gaming	16,143	26,893
Capital Facilities	-	719
Health Authority	(24,624)	1,764
Gas Bar	11,145	(3,960)
Social Services	(42,862)	(21,671)
Housing Fund	642,489	518,413
	<u>\$ 721,111</u>	<u>\$ 379,138</u>

The First Nation designated \$194,797 (2010 - \$109,875) to reserves for capital housing replacement and Indian Trust Money's for future purposes.

### 7. INVESTMENTS

	2012	2011
Swan Valley Consumers Co-Op		
Patronage Equity Accounts:		
- Band Operations	\$ 24	\$ 279
- Education	(51)	97
- Medical Services	10	10
- Health Authority	208	243
Aseneskak Casino Limited Partnership - (14.29% ownership interest)	<u>330,101</u>	<u>330,101</u>
	<u>330,292</u>	<u>330,730</u>
Cash in Ottawa Trust	7,414	7,202
	<u>\$ 337,706</u>	<u>\$ 337,932</u>

**8. LONG TERM DEBT**

	2012	2011
Wuskwi Sipiik First Nation Treaty Land Entitlement - loan repayable over 5 year term, estimated at \$58,000 per year, plus interest at 6.00% per annum.	<b>\$ 290,000</b>	\$ 290,000
First Peoples Fund Loan - repayable in monthly installments of \$1,134.00 per month at no interest.	<b>98,669</b>	112,278
First Nations Bank Loan - repayable in monthly installments of \$5,886.87 per month including interest at 5.25%.	<b>206,039</b>	111,496
Manitoba Lotteries - loan repayable in weekly installments of \$288.34 per week including interest at 4.50%.	<b>64,796</b>	76,823
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$2,512 including interest at 2.40%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	<b>343,875</b>	365,501
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$5,051 including interest at 3.90%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	<b>866,530</b>	892,980
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$5,533 including interest at 4.00%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	<b>954,043</b>	981,893
Canada Mortgage and Housing Corporation - mortgage repayable in monthly installments of \$4,534 including interest at 2.610%, secured by Registered Mortgage on housing units (secured by Ministerial guarantee equal to balance outstanding).	<b>755,835</b>	790,088
	<b>3,579,787</b>	3,621,059
Less Current Portion	<b>257,951</b>	255,430
	<b><u>\$3,321,836</u></b>	<b><u>\$3,365,629</u></b>

Principle payments due within each of the next five years are as follows:

2013	\$ 257,951
2014	265,509
2015	273,395
2016	222,121
2017	214,957
	<b><u>\$1,233,933</u></b>

### 9. LEASE COMMITMENT

The First Nation entered into a lease agreement with Xerox for office equipment. The terms are \$2,061.11 per quarter expiring September 30, 2016.

### 10. RESERVES

	2012	2011
Funds on deposit with Indian and Northern Affairs Canada are held in a separate interest bearing bank account:	\$ 7,413	\$ 7,201
Social Housing Fund	<u>235,252</u>	<u>187,596</u>
	<u>\$ 242,665</u>	<u>\$ 194,797</u>

### 11. TANGIBLE CAPITAL ASSETS

see Schedule B-20

### 12. WORK-IN-PROGRESS

	2012	2011
4 Unit - Residential Complex	<u>\$ 846,291</u>	<u>\$ 774,574</u>
	<u>\$ 846,291</u>	<u>\$ 774,574</u>

This project was on-going as at March 31, 2012. Therefore, the buildings are not available for use, and as such are not added to Fixed Assets until complete. A capital cost audit will be required upon completion.

### 13. CONSOLIDATION OF TREATY LAND ENTITLEMENT TRUST

The Treaty land Entitlement Trust has not been consolidated within these financial statements. The position has been taken that the Board of the TLE is independent of the Chief and Council of the First Nation. In addition, full disclosure of these statements has been approved by Chief and Council only. Accounts payable with the TLE have been disclosed for informational purposes. Funds held in trust by the TLE as at December 31, 2010 (audited-for informational purposes only):

Land Acquisition	\$ 118,353
Land Acquisition - Fixed Income Security	<u>2,059,638</u>
	<u>\$2,177,991</u>

### 14. INAC FUNDING RECONCILIATION

	2012	2011
Total Funding per INAC*	\$3,176,486	\$2,836,015
<b>Add:</b>		
CEAP Revenue, incorrectly deferred	-	105,150
Capital - CEAP deferred from prior year	-	690,000
<b>Less:</b>		
Capital - Deferred on Housing - 4 Unit Project	(509,987)	-
Clawback - Fire Prevention	-	(9,694)
- New Paths	-	(26,252)
- Education	(47,221)	-
Administration - 2008 funds not payable	-	(12,750)
	<u>\$2,619,278</u>	<u>\$3,582,469</u>

## 15. BASIS OF OPERATIONS OF LAND HOLDING CORPORATION

Land acquiring by the Wuskwi Siphk First Nation Treaty Land Entitlement and transferred	2012	2011
Section 30-41-24	\$ 86,285	\$ 86,285
NW 5-41-24	19,709	19,709
NW 8-41-24	88,228	88,228
NW 1-41-25, etc.	66,926	66,926
SW 32-38-23, etc.	49,803	49,803
NE 36-40-25, etc.	146,037	146,037
NE 25-40-25	55,000	55,000
NE 6-39-26	91,000	91,000
McKay Lots 22 and 25	5,500	5,500
NW 6-39-26	141,079	141,079
Lots 14-16 Block 29 Plan 426	100,000	100,000
	<u>\$ 849,567</u>	<u>\$ 849,567</u>

## 16. PENSION BENEFITS

The majority of the employees of the First Nation are members of the London Life Private Pension Plan, which is a single-employer defined contribution pension plan. The costs of the retirement plan are allocated to the individual entities within the First Nation.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by London Life by placing plan assets in trust and through their investment policy. The pension expense is based on the contribution rate.

In accordance with Indian and Northern Affairs Canada reporting requirements under the Band Employee Benefits program, the following is a summary of salaries and pension benefits paid to employees of programs funded by the Department:

### EXPENDITURES

	Number of Eligible Employees	Eligible Salaries	Group Pension	CPP
Administration	24	\$674,734	\$ 35,900	\$ 6,067
Education	20	550,606	25,285	12,125
Medical Transportation	6	73,005	4,241	-
Health Authority	9	137,945	15,602	3,622
Gaming	2	16,525	-	523
Gas Bar	7	48,079	-	2,013
	<u>68</u>	<u>\$ -</u>	<u>\$ 68</u>	<u>\$ 1,500,894</u>

Employer benefits payable as at March 31, 2012: None, All Remitted By March 31, 2012

## 17. FINANCIAL INSTRUMENTS

### Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations.

## 18. FAIR VALUE

The First Nation's carrying value of cash and cash equivalents, accounts receivable and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

## 19. INTEREST RATE

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risk from interest rate fluctuations, the Community manages exposure through its normal operation and financing activities. The community is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

**20. BASIS OF PRESENTATION**

The Statements of Revenue and Expenditures have been presented consistent with the Band's entity structure as per prior years. For information purposes, all contribution funded revenue and expenditures have been presented on schedules B24-32 as per Department of Indian Affairs reporting requirements.

**21. SEGMENT DISCLOSURE**

No budgets were passed in 2012 and therefore are not presented.

	EDUCATION		HEALTH		ECONOMIC DEVELOPMENT		HOUSING	
	2012	2011	2012	2011	2012	2011	2012	2011
<b>Revenues</b>								
Federal Government	\$ 1,089,610	\$ 1,227,322	\$ 464,636	\$ 475,463	\$ 44,756	\$ 43,809	\$ 192,815	\$ 324,843
Provincial Government	-	-	254,804	302,703	-	-	-	-
Economic Activities	-	-	-	-	1,517,152	1,479,986	-	-
Other Revenues	15,850	21,082	15,595	11,760	367	-	162,660	164,724
<b>Total Revenue</b>	<b>1,105,460</b>	<b>1,248,404</b>	<b>735,035</b>	<b>789,926</b>	<b>1,562,275</b>	<b>1,523,795</b>	<b>355,475</b>	<b>489,567</b>
<b>Expenses</b>								
Salaries and benefits	525,090	517,503	422,723	523,818	320,595	293,593	-	-
Amortization	20,797	19,209	35,061	20,649	80,714	87,406	110,180	107,169
Debt Servicing	1,318	1,013	2,403	4,259	9,246	11,027	101,049	107,780
Other Expenses	591,745	584,412	219,395	229,145	1,065,671	1,079,137	144,246	274,618
<b>Total Expense</b>	<b>1,138,950</b>	<b>1,122,137</b>	<b>679,582</b>	<b>777,871</b>	<b>1,476,226</b>	<b>1,471,163</b>	<b>355,475</b>	<b>489,567</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ (33,490)</b>	<b>\$ 126,267</b>	<b>\$ 55,453</b>	<b>\$ 12,055</b>	<b>\$ 86,049</b>	<b>\$ 52,632</b>	<b>\$ -</b>	<b>\$ -</b>

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	COMMUNITY SERVICES		BAND GOVERNMENT		SOCIAL SERVICES		OTHER	
	2012	2011	2012	2011	2012	2011	2012	2011
<b>Revenues</b>								
Federal Government	\$ 717,245	\$ 682,734	\$ 356,157	\$ 1,202,132	\$ 625,858	\$ 634,323	\$ -	\$ -
Provincial Government	-	-	6,261	6,077	-	-	-	-
Economic Activities	-	-	-	-	-	-	-	-
Other Revenues	28,552	58,238	249,507	292,841	11,357	1,197	40,831	37,617
<b>Total Revenue</b>	<b>746,797</b>	<b>740,972</b>	<b>611,925</b>	<b>1,501,050</b>	<b>637,215</b>	<b>635,520</b>	<b>40,831</b>	<b>37,617</b>
<b>Expenses</b>								
Salaries and benefits	310,952	323,037	412,138	410,523	-	49,529	-	-
Amortization	-	-	158,909	192,524	-	-	-	-
Debt Servicing	-	-	31,325	33,300	1,155	677	-	-
Other Expenses	558,559	599,442	280,855	319,725	585,886	655,683	-	-
<b>Total Expense</b>	<b>869,511</b>	<b>922,479</b>	<b>883,227</b>	<b>956,072</b>	<b>597,041</b>	<b>705,889</b>	<b>-</b>	<b>-</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ (122,714)</b>	<b>\$ (181,507)</b>	<b>\$ (271,302)</b>	<b>\$ 544,978</b>	<b>\$ 40,174</b>	<b>\$ (70,369)</b>	<b>\$ 40,831</b>	<b>\$ 37,617</b>

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	INTER-SEGMENT ELIMINATION		CONSOLIDATED TOTALS	
	2012	2011	2012	2011
<b>Revenues</b>				
Federal Government	\$ (44,756)	\$ (43,809)	\$ 3,446,321	\$ 4,546,817
Provincial Government	-	-	261,065	308,780
Economic Activities	-	-	1,517,152	1,479,986
Other Revenues	(212)	(401,779)	525,507	185,680
<b>Total Revenue</b>	<b>(44,968)</b>	<b>(445,588)</b>	<b>\$ 5,750,045</b>	<b>\$ 6,521,263</b>
<b>Expenses</b>				
Salaries and benefits	-	-	1,991,498	2,118,003
Amortization	-	-	405,661	426,957
Debt Servicing	-	-	148,496	158,056
Other Expenses	-	-	3,456,357	3,742,162
<b>Total Expense</b>	<b>-</b>	<b>-</b>	<b>6,000,012</b>	<b>6,445,178</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ (44,968)</b>	<b>\$ (445,588)</b>	<b>\$ (249,967)</b>	<b>\$ 76,085</b>

## 22. CONTINGENT LIABILITIES

Wuskwi Sipiik First Nation, as a limited partner in the Aseneskak Casino Limited Partnership, has guaranteed the obligation of the Limited Partnership to a maximum of \$1.05 million dollars.

Wuskwi Sipiik First Nation has filed two legal claims as at the date of these financial statements. One is filed against Sakastew Inc., for investments uncollected. The second is primarily in respect to the housing construction contracts. In addition, a forensic audit investigation is under review pertaining to housing and operating controls. The potential materiality effect on costs can only be measurable and reported after the cases are resolved, which should occur within the next fiscal year.

Wuskwi Sipiik First Nation has one claim filed against the First Nation. This claim has been filed by a former employee for wrongful dismissal. The potential materiality effect can only be measured and reported after the case is resolved which should occur within the next fiscal year.