

G.F. QUINLAN*
CHARTERED ACCOUNTANT

G.F. QUINLAN, B. Comm.
Chartered Accountant

*Denotes Professional Corporation

P.O. Box 1860
5730A - 44th Street
Lloydminster, SK/AB S9V 1N4
Telephone: (780) 875-3859
Fax: (780) 875-2721
Email: quinlan1@telusplanet.net

**DERIVATIVE REPORT BY AUDITOR
SUPPLEMENTARY SCHEDULES**

To The Members of
ONION LAKE CREE NATION:

I have audited the financial statements of the Onion Lake Cree Nation as at March 31, 2008, and for the year then ended.

The schedules of Band Loans (Schedule A), Statement of Receipt & Expenditure of Indian Monies - Capital Trust Monies (Schedule B), Statement of Receipt & Expenditure of Indian Monies - Revenue Trust Monies (Schedule C), Honorarium (Schedule D), Chief and Council Salaries and Benefits (Schedule E), Chief and Council Travel (Schedule F), Federal Government Funding (Schedule G), and Funding Reconciliation (Schedule H) are required to be presented to the membership of the Onion Lake Cree Nation pursuant to the funding agreement between Indian and Northern Affairs Canada (INAC) and the Onion Lake Cree Nation. The schedules have been compiled by the management of the Onion Lake Cree Nation from their records. For the purpose of understanding my involvement with these schedules, please note that:

- I have audited and separately reported on the financial statements;
- My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole;
- The attached schedules are presented for the purpose of forming an opinion by the Membership and the Department of Indian Affairs and do not form part of the financial statements; and
- The schedules have been subjected to the auditing procedures applied to the audit of the financial statements taken as a whole.

During the course of the aforementioned audit, I encountered no material discrepancies on these schedules. However, no procedures have been carried out on these schedules in addition to those necessary to form an opinion on the financial statements.

This report has been prepared in accordance with the applicable Assurance and Related Services Guideline issued by the Canadian Institute of Chartered Accountants in order to satisfy Indian and Northern Affairs Canada funding agreement requirements.

LLOYDMINSTER, SK/AB
July 25, 2008



G.F. QUINLAN
CHARTERED ACCOUNTANT

ONION LAKE CREE NATION
SCHEDULE OF FEDERAL GOVERNMENT FUNDING
FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE G (Page 1 of 2)

FEDERALLY FUNDED PROGRAMS & SERVICES

DIRECTLY FUNDED BY

THE GOVERNMENT OF CANADA

	Federal Funding Received	Unexpended Funding Beginning Of Year	Adjust- ments	Total Funding Available	Total Expenditures From All Services	Unexpended Funding End of Year
<u>INAC</u>						
Elementary/Secondary Education (Note 1)	\$ 7,479,562	\$ -	\$ -	\$ 7,479,562	\$ 8,077,090	\$ -
Post-Secondary Education (Note 2)	1,691,273	305,850	-	1,997,123	1,545,839	451,284
Economic Development (Note 3)	571,906	-	-	571,906	700,352	-
Indian Government Support (Note 4)	1,416,758	-	-	1,416,758	2,182,993	-
Community Infrastructure (Note 5)	4,864,544	617,445	-	5,481,989	5,929,116	-
Housing (Note 6)	1,813,123	-	-	1,813,123	3,729,044	-
Income Assistance/Social Assistance (Note 7)	4,008,653	21,167	-	4,029,820	4,072,617	-
Social Support Services (Note 8)	831,166	-	-	831,166	884,067	-
TOTAL INAC	\$ 22,676,985	\$ 944,462	\$ -	\$ 23,621,447	\$ 27,121,118	\$ 451,284

HEALTH CANADA

ONION LAKE HEALTH BOARD INC.

HEALTH SERVICE TRANSFERS

Administration	\$ 614,008	\$ -	\$ 108,645	\$ 722,653	\$ 994,659	\$ -
Community Health Program	484,920	-	-	484,920	484,920	-
Community Health Representatives	-	108,645	(108,645)	-	-	-
Dental Programs	150,164	-	-	150,164	201,634	-
Home Care Nursing Program	11,464	37,437	-	48,901	-	48,901
Lab & X-Ray	40,000	-	-	40,000	42,219	-
Medical Oversight	60,000	-	-	60,000	60,000	-
Moveable Asset Replacement (MAR)	10,665	-	-	10,665	10,667	-
Canada Prenatal Nutritional Program	51,521	-	-	51,521	60,463	-
Brighter Futures Program	-	198,544	(198,544)	-	-	-
Ekweskeet Rehabilitation Centre (NNADP)						
Centre Renovations	15,000	-	-	15,000	62,759	-
NNADP Prevention	126,024	116,143	-	242,167	126,024	116,143
Healing Centre - Brighter Futures	331,720	-	198,544	530,264	388,789	141,475
	\$ 1,895,486	\$ 460,769	\$ -	\$ 2,356,255	\$ 2,432,134	\$ 306,519

ONION LAKE CREE NATION
SCHEDULE OF FEDERAL GOVERNMENT FUNDING
FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE G (Page 2 of 2)

FEDERALLY FUNDED PROGRAMS & SERVICES

DIRECTLY FUNDED BY

THE GOVERNMENT OF CANADA

	Federal Funding Received	Unexpended Funding Beginning Of Year	Adjust- ments	Total Funding Available	Total Expenditures From All Services	Unexpended Funding End of Year
ONION LAKE HEALTH BOARD INC.						
<u>TARGET PROGRAMS</u>						
Aboriginal Diabetes Initiative	\$ 92,071	\$ -	\$ -	\$ 92,071	\$ 92,571	\$ -
E.H.D.W. Safety	40,000	-	-	40,000	40,775	-
FASD Initiative	47,494	-	-	47,494	48,576	-
FNI Health Information System (e-HS)	63,750	-	-	63,750	63,750	-
FNI Home and Community Care Program	420,226	-	-	420,226	455,096	-
Health Centre Tax	137,811	19,704	-	157,515	226,758	-
HIV/AIDS Strategy	29,407	-	-	29,407	39,648	-
Immunization Strategy	30,681	-	-	30,681	41,515	-
Maternal Child Health/ Youth Suicide Prev.	171,338	140,103	-	311,441	182,484	128,957
AHTF Intergration Project	86,384	-	-	86,384	86,384	-
NIHB Dental Program	174,841	-	-	174,841	174,841	-
Aboriginal Head Start	17,000	-	-	17,000	15,300	1,700
Vans & Insurance	45,760	-	-	45,760	45,426	334
Health Emergencies	1,000	-	-	1,000	1,055	-
Non-WS Health Benefits Medical Transport	52,500	-	-	52,500	64,750	-
Nursing Education	1,583	-	-	1,583	1,902	-
Tobacco Control Strategy	-	7,164	-	7,164	-	7,164
	<u>\$ 1,411,846</u>	<u>\$ 166,971</u>	<u>\$ -</u>	<u>\$ 1,578,817</u>	<u>\$ 1,580,831</u>	<u>\$ 138,155</u>
EKWESKEET REHABILITATION CENTRE						
<u>TARGET PROGRAMS</u>						
Treatment	<u>\$ 334,522</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 334,522</u>	<u>\$ 640,468</u>	<u>\$ -</u>
TOTAL HEALTH CANADA (FNHIB)	<u>\$ 3,641,854</u>	<u>\$ 827,740</u>	<u>\$ -</u>	<u>\$ 4,269,594</u>	<u>\$ 4,653,433</u>	<u>\$ 444,674</u>
CMHC						
Non-Profit On-Reserve Housing	926,042	-	-	926,042	926,042	-
TOTAL CMHC	<u>\$ 926,042</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 926,042</u>	<u>\$ 926,042</u>	<u>\$ -</u>
TOTAL FEDERAL GOVERNMENT FUNDING	<u>\$ 27,244,881</u>	<u>\$ 1,572,202</u>	<u>\$ -</u>	<u>\$ 28,817,083</u>	<u>\$ 32,700,593</u>	<u>\$ 895,958</u>

ONION LAKE CREE NATION
NOTES TO SCHEDULE OF FEDERAL GOVERNMENT FUNDING
MARCH 31, 2008

The purpose of these notes is to reconcile INAC Revenue reported in Schedule G, to the INAC Revenue reported in the audited financial statements of Onion Lake Cree Nation for the year ended March 31, 2008.

Code	Note 1 - ELEMENTARY/SECONDARY EDUCATION			
	CLASSROOM INSTRUCTION (Schedule 3)			
2110-01	Band Operated Schools	\$	22,320	
2105-01	Instructional Services		4,294,789	
2105-02	Instructional Services		96,077	
2109-01	Low Cost Special Education		490,189	
2126-01	Ancillary Support		812	
1015-01	Employee Benefits Allocation		<u>249,256</u>	
		\$	<u>5,153,443</u>	\$ 5,153,443
	CO-OP EDUCATION (Schedule 3)			
2172-01	First Nations & Inuit Student			66,000
	BAND OPERATED SPECIAL EDUCATION (Schedule 3)			
2234-01	Band Operated School - Direct	\$	598,076	
2235-01	Band Operated School - Indirect		102,737	
1015-01	Employee Benefits Allocation		<u>35,354</u>	
		\$	<u>736,167</u>	736,167
2440-04	NCB LUNCH PROGRAM (Schedule 3)			31,000
	TRANSPORTATION (Schedule 3)			
2137-01	Student Transportation	\$	757,520	
1015-01	Employee Benefits Allocation		<u>26,028</u>	
		\$	<u>783,548</u>	783,548
	COMPREHENSIVE EDUCATION SUPPORT (Schedule 3)			
2141-01	Comprehensive Education Support		333,880	
1015-01	Employee Benefits Allocation		<u>14,833</u>	
		\$	<u>348,713</u>	348,713
2150-01	ENHANCED TEACHERS SALARIES (Schedule 3)			202,938
2155-01	NEW PATHS- PARENTAL ENGAGEMENT (Schedule 3)			46,550
	YOUTH EMPLOYMENT PROJECT (Schedule 3)			
2172-01	First Nation & Inuit Student			50,403
2440-01	NCB DAYCARE (Schedule 3)			<u>60,800</u>
		\$	<u>7,479,562</u>	<u>7,479,562</u>

ONION LAKE CREE NATION
NOTES TO SCHEDULE OF FEDERAL GOVERNMENT FUNDING
MARCH 31, 2008

Code	Note 2 - POST SECONDARY EDUCATION		
	POST SECONDARY (Schedule 3)		
2270-01	Student Support	\$ 1,661,701	
1015-01	Employee Benefits Allocation	4,572	
		<u>1,666,273</u>	1,666,273
2150-01	TEACHER RECRUITMENT (Schedule 3)		25,000
			<u>\$ 1,691,273</u>
	Note 3 - ECONOMIC DEVELOPMENT		
	ECONOMIC DEVELOPMENT (Schedule 1)		
4166-01	Community Development	\$ 51,247	
4180-01	CEDO	122,600	
4180-02	CEDO	100,000	
1015-01	Band Employee Benefits Allocation	2,018	
		<u>\$ 275,865</u>	\$ 275,865
4166-08	NCB COMMUNITY DEVELOPMENT CEOP (Schedule 6)		186,996
2173-01	YOUTH WORK EXPERIENCE (Schedule 6)		36,000
4402-01	WOMEN IN TRADES (Schedule 6)		73,045
			<u>\$ 571,906</u>
	Note 4 - INDIAN GOVERNMENT SUPPORT		
	ADMINISTRATION (Schedule 6)		
2057-01	Indian Registration Administration	\$ 33,262	
1015-02	Band Employee Benefits Plan	36,591	
1016-01	Band Employee Benefit Plans	142,729	
1150-01	Band Advisory Services	71,392	
1011-01	Band Support Funding	940,089	
1015-01	Employee Benefits Allocation	10,181	
		<u>\$ 1,234,244</u>	1,234,244
1021-01	GOVERNANCE ACTIVITIES (Schedule 6)		68,970
2440-06	NCB MEEWASIN (Schedule 6)		113,544
			<u>\$ 1,416,758</u>
	Note 5 - COMMUNITY INFRASTRUCTURE		
	SCHOOL MAINTENANCE (Schedule 3)		
4355-01	School O & M	\$ 779,469	
1015-01	Employee Benefits Allocation	18,470	
		<u>\$ 797,939</u>	\$ 797,939
	EDUCATION MINOR CAPITAL (Schedule 3)		
4391-08	Planning Design & Construction	\$ 66,174	
4270-01	Community Building Allocation	11,730	
		<u>\$ 77,904</u>	77,904
4266-01	FIRE PROTECTION (Schedule 5)		24,110

ONION LAKE CREE NATION
NOTES TO SCHEDULE OF FEDERAL GOVERNMENT FUNDING
MARCH 31, 2008

Code	Note 5 - COMMUNITY INFRASTRUCTURE (continued)		
	ROADS (Schedule 5)		
4267-01	Roads/ Bridges	\$ 232,882	
4272-01	Other Protection	22,596	
4274-01	Maintenance Management	57,484	
4275-01	Asset Condition Reporting System	13,745	
4276-01	Training Facility Management	2,207	
4391-05	Planning Design & Construction	<u>115,738</u>	
		\$ <u>444,652</u>	\$ 44,652
4210-01	SOLID LIQUID WASTE (Schedule 5)		111,556
	WATER SYSTEMS (Schedule 5)		
4211-01	Water Systems	\$ 550,771	
1015-01	Employee Benefits Allocation	<u>10,887</u>	
		\$ <u>561,658</u>	561,658
	COMMUNITY BUILDINGS (Schedule 5)		
4271-01	Special Services	\$ 9,684	
4282-01	Municipal Services	60,750	
4268-01	Electrical Systems	17,280	
4277-01	Data Base Update	5,205	
4270-01	Community Buildings Allocation	<u>75,850</u>	
		\$ <u>168,769</u>	168,769
4270-01	COMMUNITY BUILDING ALLOCATION (Schedule 10)		36,999
	WATER SYSTEMS (Schedule 5)		
4227-01	Water O & M	\$ 42,075	
4270-01	Community Building	<u>28,882</u>	
		\$ <u>70,957</u>	70,957
4335-01	WATER & SEWER PROJECT (Schedule 8)		50,000
4206-01	LP WATER PROJECT (Schedule 8)		<u>2,520,000</u>
			\$ <u>4,864,544</u>
	Note 6 - HOUSING		
	HOUSING ADMINISTRATION (Schedule 9)		
4391-06	Planning Design & Construction - Personnel	\$ 220,000	
4270-01	Community Building Allocation	<u>13,460</u>	
		\$ <u>233,460</u>	233,460
	HOUSING RENOVATIONS (Schedule 9)		
1015-01	Employee Benefits Allocation	\$ 9,725	
4391-07	Planning Design & Construction - Plumbing & Electrical	60,017	

ONION LAKE CREE NATION
NOTES TO SCHEDULE OF FEDERAL GOVERNMENT FUNDING
MARCH 31, 2008

Code	Note 6 - HOUSING (CONTINUED)		
	HOUSING RENOVATIONS (Schedule 9) (continued)		
4391-0-5	Planning Design & Construction - Renovations	\$ 122,845	
4395-02	Inspections	25,186	
4399-01	Management Support	7,597	
		<u>\$ 225,370</u>	225,370
	CMHC UNITS UNDER CONSTRUCTION (Schedule 8)		
4320-01	Lot Services	\$ 762,135	
4391-03	Planning Design & Construction	506,806	
		<u>\$ 1,268,941</u>	1,268,941
4391-09	HOUSING INSURANCE (Schedule 9)		52,072
2440-01	NCB GLASS SHOP (Schedule 9)		33,280
			<u>\$ 1,813,123</u>
	Note 7 INCOME ASSISTANCE / SOCIAL ASSISTANCE		
	SOCIAL ASSISTANCE (Schedule 4)		
2305-01	Basic Needs 2007-2008	\$ 3,238,362	
2308-01	Basic Needs WOP 2007-2008	22,116	
2305-01	Basic Needs Receivable 2007-2008	123,295	
2320-01	Special Needs	328,650	
2320-01	Special Needs Receivable	116,568	
		<u>\$ 3,828,991</u>	\$ 3,828,991
	SOCIAL DEVELOPMENT (Schedule 4)		
2330-01	Service Delivery	\$ 173,700	
1015-01	Employee Benefits Allocation	5,962	
		<u>\$ 179,662</u>	<u>179,662</u>
			<u>\$ 4,008,653</u>
	Note 8 - SOCIAL SUPPORT SERVICE		
2440-01	NCB BUILDING STRONGER COMMUNICATIONS (Schedule 4)		\$ 129,000
2440-03	NCB LIAISON WORKER (Schedule 4)		35,004
2440-04	NCB PREVENTATIVE MANAGEMENT (Schedule 4)		120,000
2440-05	NCB COMMUNITY INITIATIVE PROGRAM (Schedule 4)		243,829
2320-02	SPECIAL NEEDS ECIP 2007-2008 (Schedule 11)		88,357
2420-01	FAMILY VIOLENCE (Schedule 11)		39,814
2395-01	HOME CARE PROGRAM (Schedule 11)		175,162
			<u>\$ 831,166</u>
	TOTAL INAC REVENUE		<u>\$ 22,676,985</u>