

## AUDITORS' REPORT

To the Chief and Council of  
Samson Cree Nation:

We have audited the consolidated balance sheet of Samson Cree Nation as at March 31, 2004 and the consolidated statements of changes in Band equity, revenues and expenditures and cash flows for the year then ended. These consolidated financial statements are the responsibility of management. 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 plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As explained in Note 17, commencing in the 2003 year the Samson Cree Nation has instructed management to not consolidate the financial results of Peace Hills Trust Company and Peace Hills General Insurance Company. Canadian generally accepted accounting principles require consolidation of the financial statements of subsidiary companies with those of the reporting enterprise.

In our opinion, except that Peace Hills Trust Company and Peace Hills General Insurance Company have not been consolidated as described in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Samson Cree Nation as at March 31, 2004, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Jackson Anderson LLP*

Jackson Anderson LLP  
CHARTERED ACCOUNTANTS

July 6, 2004  
Edmonton, Alberta

Samson Cree Nation  
 Schedule of Federal Government Funding - INAC  
 For the year ended March 31, 2004

Federally funded Programs and Services		INAC	Federal	Unexpended	Adjustments/	Total Federal	Federal	Unexpended
Code	Directly/Indirectly Funded by the Government of Canada	Department	Funding Received	Federal Funding Beginning of year	Transfers	Funding Available	Funding Expended	Federal Funding End of Year
2496	Water and Sewer Projects	Community infrastructure	1,431,400			1,431,400	799,910	631,490
2498	Federal Rust-Out Initiative - Capital Projects	Community infrastructure	201,500			201,500	196,500	5,000
2483	Roads and Bridges	Community infrastructure	109,966			109,966	76,976	32,990
2483	Roads and Bridges	Community infrastructure	111,700			111,700	78,190	33,510
2484	Sanitation Systems	Community infrastructure	150,000			150,000	150,000	
2485	Water Systems	Community infrastructure	7,000			7,000	7,000	
2502	Fit Up of Education Facilities	Community infrastructure	72,800			72,800	72,800	
2503	Planning, Design & Construction - Education Facilities	Community infrastructure	69,458			69,458	69,458	
2503	Planning, Design & Construction - Education Facilities	Community infrastructure	155,442			155,442	71,727	83,715
2511	Fire Protection	Community infrastructure	107,356			107,356	107,356	
2512	Roads and Bridges	Community infrastructure	357,667			357,667	357,667	
2513	Sanitation Systems	Community infrastructure	240,792			240,792	240,792	
2514	Water Systems	Community infrastructure	118,771			118,771	118,771	
2517	Community Buildings	Community infrastructure	232,662			232,662	232,662	
2521	Maintenance Management	Community infrastructure	66,400			66,400	66,400	
2522	Asset Condition Reporting System	Community infrastructure	80,000			80,000	18,000	62,000
2540	Schools - O & M	Community infrastructure	843,169			843,169	843,169	
		<b>Community infrastructure Total</b>	<b>4,356,083</b>	<b>0</b>	<b>0</b>	<b>4,356,083</b>	<b>3,507,378</b>	<b>848,705</b>
2686	CEDO Flow-through Funding	Economic development	395,119			395,119	395,119	
		<b>Economic development Total</b>	<b>395,119</b>	<b>0</b>	<b>0</b>	<b>395,119</b>	<b>395,119</b>	<b>0</b>
2286	Enhance Teachers Salaries	Elementary/secondary education	165,930			165,930	165,930	
2290	Tuition Agreements	Elementary/secondary education	2,205,477			2,205,477	2,205,477	
2293	Private	Elementary/secondary education	376,623			376,623	376,623	
2320	New Paths - Proposal Driven Projects	Elementary/secondary education	130,000			130,000	0	130,000
2921	Band Operated Special Education	Elementary/secondary education	812,768		51,838	864,606	864,606	
2280	Instructional Services Formula	Elementary/secondary education	4,903,644			4,903,644	4,903,644	
2284	Low Cost Special Education	Elementary/secondary education	163,800			163,800	163,800	
2291	Ancillary Services	Elementary/secondary education	61,863			61,863	61,863	
2313	Student Transportation Services (All school types)	Elementary/secondary education	1,371,744			1,371,744	1,371,744	
2315	Guidance and Counselling	Elementary/secondary education	180,000			180,000	180,000	
2316	Advice and Assistance, Provincial Schools	Elementary/secondary education	32,000			32,000	32,000	
2340	First Nations & Inuit Career Promotion & Awareness Program	Elementary/secondary education	75,474			75,474	75,474	
2341	First Nations and Inuit Science and Technology Program	Elementary/secondary education	22,379			22,379	22,379	
2342	First Nations and Inuit Summer Employment Opportunities Program	Elementary/secondary education	78,563			78,563	78,563	
2344	First Nations and Inuit Youth Work Experience Program	Elementary/secondary education	30,000			30,000	30,000	
		<b>Elementary/secondary education Total</b>	<b>10,610,265</b>	<b>0</b>	<b>51,838</b>	<b>10,662,103</b>	<b>10,532,103</b>	<b>130,000</b>
2814	Resource Acquisition Initiatives	Gathering strength	97,500			97,500	97,500	
2829	Resource Access Negotiation Program	Gathering strength	26,500			26,500	26,500	
		<b>Gathering strength Total</b>	<b>126,000</b>	<b>0</b>	<b>0</b>	<b>126,000</b>	<b>126,000</b>	<b>0</b>
2571	Planning, Design and Construction	Housing	380,000			380,000	380,000	
2582	Training	Housing	0	12,500		12,500	12,500	
2584	Management Support	Housing	5,157			5,157	5,157	
		<b>Housing Total</b>	<b>385,157</b>	<b>12,500</b>	<b>0</b>	<b>397,657</b>	<b>397,657</b>	<b>0</b>
2370	Basic Needs	Income assistance/social assistance	3,491,960			3,491,960	3,491,960	
2370	Basic Needs	Income assistance/social assistance	(470,902)			(470,902)	(470,902)	
2371	Child Out of Parental Home Allowance	Income assistance/social assistance	142,012			142,012	142,012	
2390	Special Needs	Income assistance/social assistance	181,436			181,436	181,436	
2440	In-Home Care	Income assistance/social assistance	388,444			388,444	388,444	
2401	Service Delivery	Income assistance/social assistance	296,641			296,641	296,641	
2444	Service Delivery	Income assistance/social assistance	80,889			80,889	80,889	
2463	Day Care	Income assistance/social assistance	247,023			247,023	247,023	
2463	Day Care	Income assistance/social assistance	12,177			12,177	12,177	
2466	Community Services	Income assistance/social assistance	112,593			112,593	112,593	
		<b>Income assistance/social assistance Total</b>	<b>4,482,273</b>	<b>0</b>	<b>0</b>	<b>4,482,273</b>	<b>4,482,273</b>	<b>0</b>
2632	Band Employee Benefit Plans - Non-Statutory	Indian Government Support	224,425			224,425	224,425	
2632	Band Employee Benefit Plans - Non-Statutory	Indian Government Support	34,828			34,828	34,828	

Samson Cree Nation  
 Schedule of Federal Government Funding - INAC  
 For the year ended March 31, 2004

Federally funded Programs and Services Code	INAC Department	Federal Funding Received	Unexpended Federal Funding Beginning of year	Adjustments/ Transfers	Total Federal Funding Available	Federal Funding Expended	Unexpended Federal Funding End of Year
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	3,025			3,025	3,025	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	9,649			9,649	9,649	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	29,060			29,060	29,060	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	2,447			2,447	2,447	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	10,545			10,545	10,545	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	2,029			2,029	2,029	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	1,693			1,693	1,693	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	1,827			1,827	1,827	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	16,970			16,970	16,970	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	2,604			2,604	2,604	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	15,774			15,774	15,774	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	18,258			18,258	18,258	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	15,577			15,577	15,577	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	2,135			2,135	2,135	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	2,852			2,852	2,852	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	2,535			2,535	2,535	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	11,232			11,232	11,232	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	5,344			5,344	5,344	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	5,674			5,674	5,674	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	11,874			11,874	11,874	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	9,050			9,050	9,050	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	15,598			15,598	15,598	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	11,135			11,135	11,135	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	14,789			14,789	14,789	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	8,506			8,506	8,506	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	2,565			2,565	2,565	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	23,466			23,466	23,466	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	29,498			29,498	29,498	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	942			942	942	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	9,234			9,234	9,234	
2632 Band Employee Benefit Plans - Non-Statutory	Indian Government Support	5,921			5,921	5,921	
2635 Band Advisory Services	Indian Government Support	130,841			130,841	130,841	
2650 Indian/Inuit Management Development	Indian Government Support	77,200			77,200	77,200	
2650 Indian/Inuit Management Development	Indian Government Support	10,000			10,000		10,000
2625 Band Support Funding	Indian Government Support	868,350			868,350	868,350	
	<b>Indian Government Support Total</b>	<b>1,647,452</b>	<b>0</b>	<b>0</b>	<b>1,647,452</b>	<b>1,637,452</b>	<b>10,000</b>
2805 National Child Benefit Reinvestment	Other	392,550	296,831		689,381	321,272	368,109
2805 National Child Benefit Reinvestment	Other	412,341			412,341	412,341	
	<b>Other Total</b>	<b>804,891</b>	<b>296,831</b>	<b>0</b>	<b>1,101,722</b>	<b>733,613</b>	<b>368,109</b>
2360 Post-Secondary Education	Post secondary education	2,171,300			2,171,300	2,171,300	
	<b>Post secondary education Total</b>	<b>2,171,300</b>	<b>0</b>	<b>0</b>	<b>2,171,300</b>	<b>2,171,300</b>	<b>0</b>
	<b>Grand Total</b>	<b>24,978,540</b>	<b>309,331</b>	<b>51,636</b>	<b>25,339,709</b>	<b>23,982,895</b>	<b>1,356,814</b>

Note: The adjustment relates to Paye Type B Education funding received March 19, 2004 and not included on INAC confirmation provided

Samson Cree Nation  
 Schedule of Federal Government Funding - Health Canada  
 For the year ended March 31, 2004

Description	Category/Activity	Fin Stmt Page No.	Fin Stmt Program	Funding Received	Opening Funding Carried Forward	Total Funding Available	Expenditures	Ending Funding Carried Forward
Environmental Health	Drinking Water Safety	36	Community Planning	103,268	0	103,268	0	103,268
Brighter Futures	Actions for Children	49	Community Wellness	249,842	0	249,842	249,842	0
Building Healthy Communities	Mental Health - Prevention	49	Community Wellness	249,842	0	249,842	249,842	0
Building Healthy Communities	Solvent Abuse - Prevention	49	Community Wellness	55,521	0	55,521	55,521	0
Health Services/One Time Funding	Strategic Funding	49	Community Wellness	115,584	0	115,584	115,584	0
Tabacco Control Strategy	Tabacco control	49	Community Wellness	12,275	0	12,275	12,275	0
Canada Prenatal Nutrition Program	Community Based Funding	50	Healthy Families	75,801	0	75,801	75,801	0
Aboriginal Head Start On-Reserve	Operational projects	50	Healthy Families	211,475	0	211,475	211,475	0
FAS/FAE Initiative	Resources	50	Healthy Families	1,770	0	1,770	0	1,770
				<u>1,075,378</u>	<u>0</u>	<u>1,075,378</u>	<u>970,340</u>	<u>105,038</u>

Samson Cree Nation  
Schedule of Federal Government Funding - CMHC  
For the year ended March 31, 2004

Description	Category	Funding Received	Opening Funding Carried Forward	Adjustments	Total Funding Available	Expenditures	Ending Funding Carried Forward
CMHC	Grand Total	166,408	0	0	166,408	166,408	0