



NISICHAWAYASIIHK CREE NATION
ANNUAL FINANCIAL REPORT
MARCH 31, 2005
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NISICHAWAYASIIHK CREE NATION

MARCH 31, 2005

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying combined financial statements of the Nisichawayasihk Cree Nation and all the information in this annual report are the responsibility of management and have been approved by the Chief and 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 Cree Nation maintains systems of internal accounting and administrative controls which are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Cree Nation's assets are appropriately accounted for and adequately safeguarded.

The Cree Nation's Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Chief and Council reviews the Cree Nation's financial statements and recommends their approval. They also meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditors' report.

The combined financial statements have been audited by Hemenway Silver in accordance with Canadian generally accepted auditing standards on behalf of the members. Hemenway Silver have full and free access to the Chief and Council.

CHIEF

COUNCIL



W.J. Hemenway, B.A. C.A. - Partner (ret.)
A.M. (Arnie) Silver, B.A., C.A. - Principal
Jerrold A. Griffiths, B. COMM. (HONS.), C.A. - Principal
R.W. Malanchuk, C.M.A. - Associate

AUDITORS' REPORT

To the Chief and Council
Nisichawayasihk Cree Nation

We have audited the combined statement of financial position of the Nisichawayasihk Cree Nation as at March 31, 2005 and the combined statements of net assets, revenues, expenditures and cash flows for the year then ended. These financial statements are the responsibility of the Cree Nation's Chief and Council. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Chief and Council of the Cree Nation, as well as evaluating the overall financial statement presentation.

In our opinion, these combined financial statements present fairly, in all material respects, the financial position of the Cree Nation as at March 31, 2005 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
May 5, 2005

A handwritten signature in blue ink, appearing to read 'Hemenway Silver', written over a light blue rectangular background.

CHARTERED ACCOUNTANTS



Member of
The Institute of
Chartered Accountants
of Manitoba



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NISICHAWAYASIIHK CREE NATION

COMBINED STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005

	2005	2004 (restated)
ASSETS		
CURRENT ASSETS		
Advances receivable (NOTE 1)	\$ 35,345	\$ 64,312
Accounts receivable (NOTES 1 AND 4)	3,012,998	4,403,068
Marketable securities (NOTE 5)	495,680	505,557
Inventory (NOTE 1)	5,592	2,650
Distribution receivable - Pe Ta Pun Trust	746,010	614,991
Capital construction in progress (NOTE 16)	439,621	1,939,451
Prepaid expenses	73,983	121,424
Deferred expenditure	27,228	-
Loans receivable (NOTE 7)	3,073	3,073
	<u>4,839,530</u>	<u>7,654,526</u>
RESTRICTED CASH AND DEPOSITS		
Cash in Ottawa Trust (NOTE 8)	<u>27,588</u>	<u>26,216</u>
DUE FROM RELATED ENTITIES (NOTE 9)	21,259	-
INVESTMENTS (NOTES 1 AND 10)	1,680,636	1,051,899
PROPERTY AND EQUIPMENT (NOTES 1 AND 12)	27,619,573	27,313,904
PROMISSORY NOTE RECEIVABLE (NOTE 17)	91,354	68,539
LAND (NOTE 6)	650,000	650,000
INCORPORATION COSTS (NOTE 11)	<u>2,415</u>	<u>2,415</u>
	<u>30,065,237</u>	<u>29,086,757</u>
	<u>\$34,932,355</u>	<u>\$36,767,499</u>

CHIEF

COUNCIL

	2005	2004 (restated)
LIABILITIES		
CURRENT LIABILITIES		
Bank indebtedness	\$ 119,976	\$ 620,450
Operating line of credit (NOTE 18)	2,405,000	2,635,000
Accounts payable and accrued liabilities	1,475,686	915,616
Accrued interest	30,091	27,721
Employee deductions payable	104,339	140,938
Capital costs payable	161,954	187,853
Security deposits	1,900	1,900
Deferred revenue (NOTE 13)	1,171,038	784,695
Accountable advances	401,581	1,711,403
Current portion of long-term debt (NOTE 14)	1,308,020	2,570,326
	<u>7,179,585</u>	<u>9,595,902</u>
LONG-TERM DEBT (NOTE 14)	8,079,601	6,736,526
DUE TO RELATED ENTITIES (NOTE 9)	-	3,570
SICK LEAVE RESERVE	91,959	74,401
REPLACEMENT RESERVE (NOTE 20)	506,391	442,873
SUBSIDY RESERVE (NOTE 19)	5,257	-
	<u>15,862,793</u>	<u>16,853,272</u>
NET ASSETS		
Unrestricted (PAGE 8)	19,041,974	19,888,011
Restricted (PAGE 8)	27,588	26,216
	<u>19,069,562</u>	<u>19,914,227</u>
	<u>\$34,932,355</u>	<u>\$36,767,499</u>
LEASE OBLIGATIONS (NOTES 15 AND 23)		
INDIAN PENSION FUNDING AGREEMENT (NOTE 21)		
SIGNIFICANT EVENTS AND CONTINGENT LIABILITIES (NOTE 22)		
PRIOR PERIOD ADJUSTMENT (NOTE 23)		

NISICAWAYASIIHK CREE NATION
OPERATING FUND
COMBINED STATEMENT OF NET ASSETS
YEAR ENDED MARCH 31, 2005

	OPERATING FUND	CAPITAL FUND	INVESTMENT FUND	TRUST FUND	TOTAL 2005	TOTAL 2004 (restated)
Balance, beginning of year, as previously stated	\$ (900,547)	\$19,633,175	\$ 923,433	\$26,216	\$19,682,277	\$18,898,133
Prior period adjustment (NOTE 23)	430,116	(198,166)	-	-	231,950	(39,419)
Balance, beginning of year, as restated	(470,431)	19,435,009	923,433	26,216	19,914,227	18,858,714
Surplus (deficit) for the year (PAGE 9)	(1,769,428)	-	-	-	(1,769,428)	987,741
Interest income for the year	-	-	-	1,372	1,372	1,348
Equity income (loss) on investments	-	-	(43,119)	-	(43,119)	(161,230)
Distributions to Pe Ta Pun Trust	-	-	717,153	-	717,153	667,991
Distributions to N.C.N. TLE Trust	-	-	22,815	-	22,815	37,500
Repayment of distribution	-	-	-	-	-	60,860
Lease revenue	-	-	66,000	-	66,000	66,000
Write-off of investments in subsidiaries	-	-	672,156	-	672,156	-
Distributions from Pe Ta Pun Trust	-	-	(287,754)	-	(287,754)	(172,500)
Distributions from N.C.N. TLE Trust	-	-	-	-	-	(250,000)
Loan interest	-	-	(47,960)	-	(47,960)	(77,010)
Investment in property and equipment	-	1,802,140	-	-	1,802,140	2,274,061
Repayment of long-term debt	-	789,150	-	-	789,150	761,825
Payment of capital costs	-	187,853	-	-	187,853	-
Amortization of property and equipment	-	(1,495,272)	-	-	(1,495,272)	(1,433,609)
Disposal of property and equipment	-	(1,200)	-	-	(1,200)	(11,436)
Proceeds of long-term debt	-	(1,296,617)	-	-	(1,296,617)	(1,508,175)
Capital costs payable	-	(161,954)	-	-	(161,954)	(187,853)
BALANCE, END OF YEAR	\$(2,239,859)	\$19,259,109	\$2,022,724	\$27,588	\$19,069,562	\$19,914,227

NISICAWAYASIIHK CREE NATION

COMBINED STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	2005	2004 (restated)
REVENUES		
Indian and Northern Affairs Canada	\$21,972,903	\$21,907,191
Health Canada	1,789,122	2,667,859
Canada Mortgage and Housing Corporation	421,104	337,622
Solicitor General	87,086	87,086
Tobacco tax refunds	533,245	-
Rental revenue	426,151	384,556
Tuition and other recoveries	216,336	236,499
Miscellaneous	1,394,712	1,543,948
Nisichawayasihk Trust Office	902,060	255,083
Nisichawayasihk TLE Trust	-	250,000
Nisichawayasihk VLT Program	-	18,360
Settlement - Claim 138	288,607	-
Community distribution - Otetiskiwini Trust	50,000	63,854
Interest income	23,291	17,834
Grants	55,866	56,139
User fees	76,541	110,282
Province of Manitoba	17,898	12,224
R.R.A.P.	41,195	65,180
Administrative fees	26,466	18,866
Pe Ta Pun Trust	120,000	50,000
ATEC Centre Inc.	60,704	-
ABC Capital Corp.	-	79,000
Education and Youth	-	43,650
T.L.E.C. Ltd.	-	8,000
Deferred revenue	(386,343)	201,550
	<u>28,116,944</u>	<u>28,414,783</u>
TOTAL EXPENDITURES (PAGE 10)	29,886,372	27,427,042
 SURPLUS (DEFICIT) FOR THE YEAR	 \$(1,769,428)	 \$ 987,741

	2005	2004 (restated)
EXPENDITURES		
Administration	\$ 2,940,843	\$ 2,639,477
Social Services - N.C.N.	5,508,918	4,906,508
Social Services - S.I.L.	2,957,985	2,711,623
S.I.L. - Special Projects	-	21,034
S.I.L. - Indian/Inuit Management Development	154,493	-
Education	8,400,247	8,094,581
Community Economic Development	1,134,896	1,046,371
Housing Authority	1,556,315	1,336,606
Membership	36,325	35,038
Nisichawayasihk Personal Care Home	1,132,382	593,284
Treaty Land Entitlements - land selection	-	54,102
Capital Projects	1,702,509	1,157,967
Sewer - O & M - Lagoon Outflow	229,215	-
Special Services	365,505	-
Capacity Development	-	98,739
Water	500,804	543,501
Water - O & M	62,089	-
Sanitation	306,899	293,868
Sewer - O & M	7,077	-
Community Buildings	120,469	122,836
Fire Protection	74,329	88,878
Policing	593,050	619,735
Roads and Bridges	111,507	70,743
Maintenance Management Systems	50,973	53,264
Nelson House Medicine Lodge	-	987,066
Brighter Futures	182,675	173,061
Building Healthy Communities	632,210	492,940
Family Violence	33,694	31,920
Health Services	756,725	893,690
Probation	23,475	25,359
Aboriginal Head Start	233,073	213,511
Summer Students	77,690	121,340
TOTAL EXPENDITURES	\$29,886,372	\$27,427,042

NISICHAWAYASIIHK CREE NATION

COMBINED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2005

	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES		
INAC	\$24,112,355	\$20,667,813
Health Canada	1,550,546	2,666,471
Administrative fees	26,466	18,866
Canada Mortgage and Housing Corporation	421,104	337,589
Rental	358,605	384,556
R.R.A.P.	41,195	65,180
Solicitor General	87,086	87,086
Tuition recoveries received	337,057	-
Interest income	23,291	17,834
Province of Manitoba	17,898	17,992
Tobacco tax refunds	144,174	-
Nisichawayasihk Trust Office	902,060	263,967
Nisichawayasihk TLE Trust	-	250,000
Pe Ta Pun Trust	120,000	-
Miscellaneous and other income	1,134,828	1,891,498
Operating expenditures	(18,284,621)	(18,320,250)
Salaries, wages and benefits	(8,848,668)	(7,797,119)
Net advances received (paid) by band members	(35,269)	10,787
Net cash received from (paid for) operating activities	<u>2,108,107</u>	<u>562,270</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank indebtedness	(464,251)	(177,129)
Proceeds of long-term debt	1,296,617	2,093,281
Proceeds from operating line of credit	(230,000)	1,635,000
Loan recovery	40,638	10,787
Repayable loans	(40,396)	-
Net advances from (to) related parties	(11,766)	(357,735)
Repayment of long-term debt	(1,211,108)	(1,268,854)
Net cash received from (paid for) financing activities	<u>(620,266)</u>	<u>1,935,350</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital construction in progress	190,008	(684,094)
Purchase of property and equipment	(1,687,726)	(1,865,913)
Disposal of property and equipment	-	11,436
Net investment in marketable securities	9,877	40,951
Net cash received from (paid for) investing activities	<u>(1,487,841)</u>	<u>(2,497,620)</u>
INCREASE (DECREASE) IN CASH POSITION	-	-
Cash position, beginning of year	-	-
CASH POSITION, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2005

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These combined financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles:

a) **Fund Accounting**

Nisichawayasihk Cree Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The Cree Nation maintains the following funds:

- The Operating Fund which reports on the general activities of the Cree Nation Administration.
- The Capital Fund which reports on the property and equipment of the Cree Nation, together with their related financing.
- The Trust Fund which reports on trust funds owned by the Cree Nation and held in Ottawa by the Department of Indian and Northern Affairs Canada.
- The Investment Fund which reports on the investment in commercial enterprises owned by the Cree Nation, together with their related activity.

b) **Reporting Entity and Principles of Financial Reporting**

These combined financial statements have been prepared to include those programs and services administered by the Cree Nation which were funded by Indian and Northern Affairs Canada and the Canada Mortgage and Housing Corporation.

These financial statements combine the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Nisichawayasihk Cree Nation - Operations Fund
- Nelson House Education Authority Inc.
- Nelson House Development Corporation
- Nisichawayasihk Housing Authority

All inter-entity balances have been eliminated upon consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

c) **Basis of Accounting**

These combined financial statements have been prepared using the full accrual basis of accounting.

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

d) Accounts, Advances and Loans Receivable

Accounts, advances and loans receivable are stated net of an allowance for doubtful accounts. The advances receivable are due from Band members.

The loans receivable are from flow-through funding used for community economic development. In the year loans are granted, they are expensed against the related funding. Amounts repaid are recorded as revenue when received.

e) Investments

The investments are expensed against the related flow-through funding and are recorded in the Investment Fund with an offset to Net Assets Invested in Investments account. Incorporated and unincorporated commercial business entities, which are owned or controlled by the Nisichawayasihk Cree Nation Chief and Council and which are not dependent on the Cree Nation for their continuing operations, are included in the combined financial statements using the following methods:

Modified equity method:

Meetah Building Supplies Corp.	- wholly owned
Otohowin Gas Bar	- wholly owned
Nelson House Family Foods Store	- wholly owned
Wapisu Air Inc.	- wholly owned
Notigi Portage Outfitters	- wholly owned
Rising Sun Restaurant	- wholly owned
Nelson House Forest Industries	- wholly owned
Footprint Engineering Inc.	- 66.67% owned

Cost method:

Esker Lakes Lodge and Trout Farm Inc.	- 33.33% owned
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Long-term investments in non-controlled commercial entities are recorded at the lower of cost and net realizable value.

f) Inventory

Inventory is recorded at the lower of cost and net realizable value.

NISICAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

g) Property and Equipment Acquired After March 31, 1996

Property and equipment expenditures incurred after March 31, 1996 are valued at acquisition cost and recorded in the Capital Fund. Expenditures incurred previous to April 1, 1996 were not consistently recorded in the Capital Fund by all the reporting entities.

The acquisition costs of property and equipment and payments in capital debt, which are not funded from capital financing sources, are charged to operations and matched with the applicable revenue source in the year of expenditure. These expenditures are also recorded as an addition to assets of the Capital Fund with a corresponding increase in Net Assets Invested in Property and Equipment.

h) Amortization

Property, equipment and infrastructure acquired after March 31, 1996 are amortized annually with a corresponding reduction in Net Assets in Invested in Property and Equipment. Assets are amortized on a declining balance basis at the following rates:

	<u>RATE</u>
Land	-
Vehicles	20%
Community buildings	5%
Buildings	5%
Band homes	5%
Other housing	5%
Computer equipment	25%
Furniture and equipment	20%
Office improvements	10%
Trailers	10%
Infrastructure	4%

In the year of acquisition, only one-half the normal rate of amortization is provided for.

Assets acquired under CMHC sponsored housing programs are amortized at a rate equivalent to the annual principal reduction of their related long-term debt, as required for CMHC reporting purposes.

i) Comparative Figures

Prior year's comparative amounts have been reclassified where necessary in order to conform to the current year's combined financial statement presentation.

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

j) **Management Estimates and Assumptions**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

2. ECONOMIC DEPENDENCE

Nisichawayasihk Cree Nation receives a major portion of its revenues pursuant to a funding arrangement with Indian and Northern Affairs Canada.

3. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying value of accounts receivable, accounts payable and accrued liabilities and long-term debt approximates their fair value.

It is not practical to determine the fair value of the amounts due from (to) related entities given the underlying terms of these assets and liabilities.

4. ACCOUNTS RECEIVABLE

	2005	2004
		(restated)
Health Canada	\$ 413,699	\$ 175,123
Taxes recoverable	31,903	-
Indian and Northern Affairs Canada	1,412,511	3,551,963
Canada Mortgage and Housing Corporation	34,395	34,395
CMHC - accountable advances	177,575	-
Province of Manitoba	5,760	5,760
NCN Office Supplies	20,619	19,613
Footprint Travel	60,982	27,670
Project management fees	27,791	27,236
Subtotal	\$2,185,235	\$3,841,760

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

4. ACCOUNTS RECEIVABLE - CONTINUED

	2005	2004 (restated)
Subtotal from previous page	\$2,185,235	\$3,841,760
ATEC Centre Inc.	20,604	-
Frontier School Division	85,890	395,246
Claim 138 Settlement	288,607	-
Tobacco taxes	389,071	119,934
GST receivable	8,673	-
Band and staff member advances	85,532	81,143
Miscellaneous	54,186	33,005
	<u>3,117,798</u>	<u>4,471,088</u>
Less: Allowance for doubtful accounts	104,800	68,020
	<u>\$3,012,998</u>	<u>\$4,403,068</u>

5. MARKETABLE SECURITIES

The following securities were held at March 31, 2005:

	2005	2004
Peace Hills Trust		
- Guaranteed Investment Certificate	\$ 495,632	\$ 495,632
Dominion Securities		
- Money Market Fund	48	48
Royal Trust		
- Money Market Fund	-	9,877
	<u>\$ 495,680</u>	<u>\$ 505,557</u>

6. LAND

Nisichawayasihk Cree Nation purchased land during the year ended March 31, 1999 which it leases out to a related corporation. The lease commenced January 17, 1999 and has a term of twenty years with annual lease payments of \$66,000, due in equal monthly instalments.

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

7. LOANS RECEIVABLE

	2005	2004
Nelson House Family Foods , non-interest bearing with no fixed terms of repayment, unsecured.	\$300,484	\$300,484
3547958 Manitoba Limited , non-interest bearing with no fixed terms of repayment, unsecured.	3,073	3,073
	303,557	303,557
Allowance for doubtful accounts	(300,484)	(300,484)
	<u>\$ 3,073</u>	<u>\$ 3,073</u>

8. CASH IN OTTAWA TRUST

The Ottawa Trust Accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is similarly governed by Sections 63 to 69 of the Indian Act.

	REVENUE ACCOUNT	2005 CAPITAL ACCOUNT	TOTAL	2004 TOTAL
BALANCE, BEGINNING OF YEAR	\$26,216	\$ -	\$ 26,216	\$ 24,868
INTEREST INCOME	1,372	-	1,372	1,348
BALANCE, END OF YEAR	<u>\$27,588</u>	<u>\$ -</u>	<u>\$ 27,588</u>	<u>\$ 26,216</u>

NISICAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

9. DUE FROM (TO) RELATED ENTITIES

	2005	2004
Otetiskiwin Trust	\$(226,915)	\$(193,830)
Nelson House Forest Industries	279,129	98,951
Nisichawayasihk Trust Office	141	-
NCN VLT Program	6,918	-
Otohowin Gas Bar	(120,564)	(112,805)
NCN Wellness Center	(178,153)	(310,130)
Wapisu Air*	-	-
Nelson House Family Foods Store*	-	-
Notigi Portage Outfitters*	-	-
Meetah Building Supplies Corp.	423,106	435,403
Rising Sun Restaurant*	-	176,404
First Nations Trading and Development Corporation*	-	-
Nelson House Medicine Lodge	(91,395)	(101,711)
NCN Future Development Committee	3,657	2,333
NCN Human Resources	(61,029)	16,156
NCN Office Products	(11,000)	(11,000)
Footprint Travel	(2,000)	-
Miscellaneous committees	(636)	(3,341)
	<u>\$ 21,259</u>	<u>\$ (3,570)</u>

Amounts due between related parties are non-interest bearing with no fixed terms of repayment.

* The amounts due from these related entities were deemed uncollectible during the year and have been provided for in the amount of \$303,777 (\$59,614 in 2004).

10. INVESTMENTS

	2005	2004
Nelson House Forest Industries		
Capital contributions	\$ 703,816	\$ 703,816
Accumulated equity in surplus	417,118	79,838
	<u>1,120,934</u>	<u>783,654</u>
Footprint Engineering Inc.		
Shareholders' loans	182,325	182,325
Share capital	300	200
Accumulated deficiency in the deficit	(87,986)	(69,481)
	<u>94,639</u>	<u>113,044</u>

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

10. INVESTMENTS - CONTINUED

	2005	2004
Meetah Building Supplies Corp.		
Shares	\$ 10	\$ 10
Contributed assets	216,983	216,983
Accumulated deficit from operations	(266,101)	(44,044)
	<u>(49,108)</u>	<u>172,949</u>
Otohowin Gas Bar		
Accumulated equity in surplus	<u>514,171</u>	<u>615,259</u>
Nelson House Family Foods Store		
Accumulated deficit from operations	<u>-</u>	<u>(303,794)</u>
Rising Sun Restaurant		
Accumulated deficit from operations	<u>-</u>	<u>(87,511)</u>
Notigi Portage Outfitters		
Contributed surplus	-	46,547
Accumulated deficit from operations	<u>-</u>	<u>(344,499)</u>
	<u>-</u>	<u>(297,952)</u>
Esker Lakes Lodge and Trout Farm Inc.		
Shares	-	20,000
Shareholder loans	<u>-</u>	<u>36,250</u>
	<u>-</u>	<u>56,250</u>
	<u>\$1,680,636</u>	<u>\$1,051,899</u>

The shareholder loan to Esker Lakes Lodge and Trout Farm Inc. is repayable in ten equal annual instalments, commencing upon completion of the project. Interest will be charged at a rate of 6% per annum on the amount outstanding upon completion of the project.

The investment in Wapisu Air was written down to nil during the year ended March 31, 2002 as this company has halted operations and has since sold all of its assets.

NISICAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

10. INVESTMENTS - CONTINUED

The investments in Notigi Portage Outfitters, Nelson House Family Foods, Rising Sun Restaurant and Esker Lakes Lodge and Trout Farm Inc. were written off during the year ended March 31, 2005 in order to reflect the impairment of these investments.

Financial information for each of the above entities for their respective periods ending in 2005 are as follows:

		<u>ASSETS</u>	<u>LIABILITIES</u>	<u>REVENUES</u>	<u>NET INCOME (LOSS)</u>
Nelson House	- 2005	\$1,772,898	\$ 651,964	\$2,396,561	\$ 337,280
Forest Industries	- 2004	\$1,502,645	\$ 718,991	\$2,749,992	\$ (109,094)
Footprint Engineering	- 2005	\$ 133,050	\$ 220,736	\$ 193,822	\$ 16,231
	- 2004	\$ 133,292	\$ 237,209	\$ 244,257	\$ (91,147)
Meetah Building	- 2005	\$1,500,727	\$1,451,433	\$2,446,484	\$ (123,655)
Supplies Corp.	- 2004	\$1,204,746	\$1,031,797	\$1,991,096	\$ (17,809)
Otohowin Gas Bar	- 2005	\$ 719,475	\$ 9,298	\$1,743,284	\$ 94,918
	- 2004	\$ 681,763	\$ 66,504	\$1,620,922	\$ 148,322
Rising Sun Restaurant	- 2005	\$ 516,482	\$ 374,300	\$ 71,862	\$ (70,307)
	- 2004	\$ 570,764	\$ 358,275	\$ 195,829	\$ (87,511)
Nelson House	- 2005	\$ 242,555	\$ 745,969	\$ 829,107	\$ (199,620)
Family Foods Store	- 2004	\$ 310,595	\$ 614,389	\$1,249,962	\$ (38,116)
Notigi Portage	- 2005	\$ 87,697	\$ 449,279	\$ 63,481	\$ (63,630)
Outfitters	- 2004	\$ 113,230	\$ 411,182	\$ 116,237	\$ (58,801)
Wapisu Air Inc.	- 2005	\$ 35	\$ 568,414	\$ -	\$ (57,004)
	- 2004	\$ 181,443	\$ 656,945	\$ -	\$ (92,877)
Esker Lakes Lodge and Trout Farm Inc.	- 2005	*	*	*	*

*Financial information for these entities were unavailable at the date of the auditors' report.

NISICAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

11. INCORPORATION COSTS

	<u>2005</u>	<u>2004</u>
Incorporation costs:		
- Nelson House Education Authority Inc.	\$ 1,015	\$ 1,015
- Nisichawayasihk Housing Authority	1,400	1,400
	<u>\$ 2,415</u>	<u>\$ 2,415</u>

No amortization is provided for incorporation costs.

12. PROPERTY AND EQUIPMENT

	2005			2004
	<u>COST</u>	<u>ACCUMULATED AMORTIZATION</u>	<u>NET BOOK VALUE</u>	<u>NET BOOK VALUE</u> (restated)
Vehicles	\$ 2,103,380	\$1,134,267	\$ 969,113	\$ 920,496
Land	31,500	-	31,500	31,500
Community buildings	3,988,409	980,987	3,007,422	3,123,236
Buildings	1,261,749	462,928	798,821	758,759
CMHC housing	11,988,642	1,804,516	10,184,126	9,387,526
Other housing	8,524,398	2,497,558	6,026,840	6,344,042
Band homes	106,460	37,598	68,862	72,487
Computer equipment	835,112	529,619	305,493	225,595
Furniture and equipment	961,472	536,036	425,436	404,750
Office improvements	4,127	1,851	2,276	2,395
Trailer	29,993	4,349	25,644	28,493
Infrastructure	7,397,369	1,623,329	5,774,040	6,014,625
	<u>\$37,232,611</u>	<u>\$9,613,038</u>	<u>\$27,619,573</u>	<u>\$27,313,904</u>

NISICAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

13. DEFERRED REVENUE

	2005	2004
Home Opportunity Program	\$ 114,000	\$ 114,000
INAC - Lands Management	4,500	4,500
INAC - Indian/Inuit Management Development (S.I.L.)	32,327	-
INAC - Soil Remediation	35,759	-
INAC - Advocacy	11,500	11,500
INAC - Capacity Building (S.I.L.)	-	114,063
INAC - Education bus replacement	188,713	-
NFA Settlement Revenue	495,632	495,632
Claim 138 Settlement	288,607	-
2003 Trust Office Capital Allocation	-	45,000
	\$ 1,171,038	\$ 784,695

14. LONG-TERM DEBT

	2005	2004
OPERATING FUND		
ROYAL BANK		
Demand loan repayable at \$5,648.50 per month, including interest at a fixed rate of 8.31%, matures May 14, 2005. *	\$ 9,089	\$ 73,191
ROYAL BANK		
Repayable in monthly principal instalments of \$2,900.00, plus interest at a rate of prime (4.25%) plus 1.25%, matures March, 2008. ***	92,777	123,387
Repayable in monthly instalments of \$860.00 including interest at a rate of prime (4.25%) plus 1.25%, matures October, 2009. ***	41,702	-
Demand operating loan, interest paid monthly at a rate of prime (4.25%) plus 1.0%. *	215,000	275,000
Total - Operating Fund	\$ 358,568	\$ 471,578

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

14. LONG-TERM DEBT - CONTINUED

	2005	2004
CAPITAL FUND		
ROYAL BANK		
Demand loan repayable at \$1,570.45 per month, plus interest at a rate of prime (4.25%) plus 1.125%, matures March 2009. *	\$ 50,419	\$ 66,244
Demand loan repayable at \$10,737.00 per month, including interest at a rate of prime (4.25%) plus 1.125%, matures January 1, 2005. *	219,294	333,754
Demand loan repayable at \$200,000.00 per annum, every April 1 beginning April 1, 2002, plus interest at a rate of prime (4.25%) plus 1.125%, paid monthly. Loan, when fully advanced, not to exceed \$1,200,000.00, matures April 1, 2007. *	-	140,176
Demand loan repayable at \$14,200.00 monthly, including interest at a rate of prime (4.25%) plus 1.5% per annum, compounded monthly, matures June,	329,308	477,226
Demand loan repayable at \$4,500.00 per month, including interest at a rate of prime (4.25%) plus 1.5% per annum, compounded monthly, matures June,	-	16,296
Demand loan repayable at \$3,481.75 per month, including interest at a rate of prime (4.25%) plus 1.125%, matures February 1, 2009. *	150,065	-
Repayable at \$4,996.43 monthly, including interest at a rate of 4.89%, renewing December 1, 2007. **	261,865	307,928
Repayable at \$9,813.89 monthly, including interest, at a rate of 4.721%, renewing January 1, 2008. **	1,134,891	1,197,990
Repayable at \$4,388.55 monthly, including interest, at a rate of 4.695%, renewing January 1, 2009. **	536,560	563,589
Subtotal - Capital Fund	\$2,682,402	\$3,103,203

NISICAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

14. LONG-TERM DEBT - CONTINUED

	2005	2004
Subtotal from Capital Fund	\$2,682,402	\$3,103,203
ROYAL BANK - CONTINUED		
Repayable at \$3,358.00 monthly, including interest, at a rate of 7.25%, renewing May 1, 2005. **	326,844	343,156
CANADA MORTGAGE AND HOUSING CORPORATION		
Repayable at \$5,313.10 monthly, including interest, at a rate of 3.95%, renewing April 1, 2009. **	673,671	710,308
Repayable at \$6,771.96 monthly, including interest, at a rate of 6.44%, renewing December 1, 2005. **	903,759	926,902
Repayable at \$3,203.73 monthly, including interest, at a rate of 5.05%, renewing March 1, 2007. **	510,020	522,685
Repayable at \$2,363.11 monthly, including interest, at a rate of 4.18%, renewing December 1, 2008. **	423,765	394,038
Repayable at \$8,949.75 monthly, including interest, at a rate of 4.38%, renewing December 1, 2008. **	1,099,145	1,013,341
Repayable at \$2,268.85 monthly, including interest, at a rate of 3.83%, renewing March 1, 2010. **	372,432	-
Repayable at \$3,523.19 monthly, including interest, at a rate of 3.83%, renewing March 1, 2010. **	586,267	-
NATIONAL LIFE ASSURANCE COMPANY OF CANADA		
Repayable at \$5,317.86 monthly, including interest, at a rate of 6.86%, renewing July 1, 2005. **	532,828	559,611
Subtotal - Capital Fund	\$8,111,133	\$7,573,244

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

14. LONG-TERM DEBT - CONTINUED

	2005	2004
Subtotal from Capital Fund	\$8,111,133	\$7,573,244
FORD CANADA		
Loan repayable at \$749.39 monthly, including interest at a rate of 10.50% per annum, compounded monthly, secured by specific vehicles.	13,640	20,825
Loan repayable at \$911.00 monthly, including interest at a rate of 10.15% per annum, compounded monthly, secured by specific vehicles.	326	10,660
UNITED LEASE BROKERS		
Repayable in monthly instalments of \$3,229.07, including interest, matures October 30, 2006. ***	43,320	58,592
Total - Capital Fund	<u>8,168,419</u>	<u>7,663,321</u>
INVESTMENT FUND		
ROYAL BANK		
Demand loan repayable at \$30,335.00 per month, including interest at a rate of prime (4.25%) plus 1.125%. *	<u>860,634</u>	<u>1,171,953</u>
Total - Investment Fund	<u>860,634</u>	<u>1,171,953</u>
	<u>9,387,621</u>	<u>9,306,852</u>
Less current portion		
- Operating Fund	252,506	382,991
- Capital Fund	729,807	1,015,382
- Investment Fund	<u>325,707</u>	<u>1,171,953</u>
	<u>1,308,020</u>	<u>2,570,326</u>
	<u>\$8,079,601</u>	<u>\$6,736,526</u>

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

14. LONG-TERM DEBT - CONTINUED

All of the loans marked with a '*' on the three previous pages are secured by:

- Directional Payment Agreements acknowledged by Indian and Northern Affairs Canada covering all Band funds;
- a guarantee and postponement of claim in the amount of \$1,839,273 signed by 3547958 Manitoba Ltd.;
- a fixed and floating charge debenture in the amount of \$2,686,000 signed by 3547958 Manitoba Ltd.;
- a supplemental debenture in the amount of \$2,685,000 given by 3547958 Manitoba Ltd.;
- a general security agreement;
- an assignment of fire insurance.

All of the loans marked with a '**' on the three previous pages are secured by:

- Directional Payment Agreements acknowledged by Indian and Northern Affairs Canada covering all Band funds;
- a CMHC undertaking to insure;
- an assignment of fire insurance.

All of the loans marked with a '***' on the previous three pages are unsecured.

The principal repayments for each of the next five years are as follows:

2005 - 2006	\$1,308,020
2006 - 2007	1,105,911
2007 - 2008	693,752
2008 - 2009	502,427
2009 - 2010	456,391
	<hr/>
	\$4,066,501

15. LEASE OBLIGATIONS

The Nelson House Education Authority has leased certain equipment under operating leases. The following is a schedule of future minimum lease payments under the operating leases:

<u>YEAR ENDED</u>	<u>AMOUNT</u>
March 31, 2005	\$ 41,088
March 31, 2006	25,828
	<hr/>
	\$ 66,916

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

16. CAPITAL CONSTRUCTION IN PROGRESS

The Cree Nation is the project manager for CMHC sponsored housing projects. Costs that are financed with a mortgage have been capitalized and upon completion will be transferred to the Nisichawayasihk Housing Authority along with the related mortgage.

17. PROMISSORY NOTE RECEIVABLE

The promissory note receivable is due from the Nisichawayasihk Cree Nation TLE Trust and is non-interest bearing with no fixed terms of repayment.

18. OPERATING LINE OF CREDIT

The operating line of credit bears interest at a rate of prime (4.25%) plus 1%, paid monthly, and must be revolved annually on April 30th.

19. SUBSIDY RESERVE

Under the terms of the agreement with Canada Mortgage and Housing Corporation, excess federal assistance payments received may be retained in a subsidy surplus reserve. The reserve is to be comprised of monies deposited in a separate bank account and/or invested only in accounts or instruments insured by the Canada Mortgage and Housing Corporation or as may otherwise be approved by CMHC from time to time. The funds in this account may only be used to meet future subsidy requirements of income-tested occupants. Withdrawals are credited to interest first and then principal. A separate account was not maintained for this reserve.

20. REPLACEMENT RESERVE

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited in the amount of \$82,600 annually until it accumulates to \$826,000 plus interest. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in this account may only be used as approved by CMHC. Withdrawals are credited to interest first then principal. A separate account was not maintained for this reserve.

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

21. INDIAN PENSION FUNDING AGREEMENT

Nisichawayasihk Cree Nation entered into an agreement with INAC for funding contributions for employees' registered pension plans for INAC funded employees. The following are reporting requirements in the agreement:

	2005	2004
Total eligible salaries	\$6,014,387	\$5,119,228
Employees' contributions		
Private Pension	\$ 265,856	\$ 249,725
Canada Pension Plan	140,151	115,636
Group Insurance	188,145	170,912
	<u>\$ 594,152</u>	<u>\$ 536,273</u>
Employer's contributions		
Private Pension	\$ 265,856	\$ 249,725
Canada Pension Plan	140,151	115,636
Group Insurance	135,525	89,371
	<u>\$ 541,532</u>	<u>\$ 454,732</u>

Included as liabilities as at March 31, 2005 are the February, 2005 (\$34,793) and the March, 2005 (\$34,616) pension remittances. These amounts were not held in a separate trust bank account.

22. SIGNIFICANT EVENTS AND CONTINGENT LIABILITIES

- a) Nisichawayasihk Cree Nation received \$1,500,000 in August, 1989 by way of a settlement agreement. These proceeds were then pledged as security for a \$1,000,000 loan to the Northern Flood Committee. During the fiscal year ended March 31, 1997, the loan was called and \$1,009,516 of the above noted proceeds were used to settle the loan.

The Cree Nation has since filed a claim against Peace Hills Trust to recover the proceeds used to settle the loan. Since a determination of the claim could not be made, any amounts deemed recoverable by the Cree Nation will be recorded as revenue at that time.

- b) Substantial unauthorized expenditures were noted during the fiscal year ended March 31, 1990 which lacked the approval by a quorum of the Chief and Council. The Chief and Council are in the process of obtaining a legal opinion with the possibility of recovery of these funds. An investigation is currently in progress.

NISICHAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

22. SIGNIFICANT EVENTS AND CONTINGENT LIABILITIES - CONTINUED

- c) Nisichawayasihk Cree Nation has guaranteed two mortgages for Band members. The amount outstanding as at March 31, 2005 was \$103,222.
- d) Nisichawayasihk Cree Nation has guaranteed a loan for a related entity. The outstanding balance as at March 31, 2005 was \$5,000.
- e) Nisichawayasihk Cree Nation has guaranteed two loans for the construction and fit-up of an Elders Care Home. The balances outstanding as at March 31, 2005 were \$1,134,776 and \$197,693.
- f) Nisichawayasihk Cree Nation has guaranteed a loan for its VLT Program. The outstanding balance as at March 31, 2005 was \$504,318.
- g) Nisichawayasihk Cree Nation has guaranteed loans for its Housing Authority. The outstanding balance as at March 31, 2005 was \$7,885,248.
- h) Nelson House Development Corporation has guaranteed a line of credit (\$196,089) and several bank loans (total \$48,445) for Meetah Building Supplies Corp.
- i) Nelson House Development Corporation has guaranteed three loans for Rising Sun Restaurant. The total amount outstanding as at March 31, 2005 was \$163,842.
- j) Nelson House Development Corporation has guaranteed a loan for Notigi Portage Outfitters. The amount outstanding as at March 31, 2005 was \$28,147.
- k) Nelson House Development Corporation has guaranteed a bank overdraft and a line of credit for Nelson House Family Foods. The total amount outstanding as at March 31, 2005 was \$76,377.
- l) Nelson House Development Corporation has guaranteed the debt of Wapisu Air Inc. The amount outstanding as at March 31, 2005 was \$111,171.
- m) Nelson House Development Corporation has guaranteed the line of credit (maximum \$100,000) for the Royal Bank Agency.

NISICAWAYASIIHK CREE NATION

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

23. PRIOR PERIOD ADJUSTMENT

OPERATING FUND

The comparative figures have been restated retroactively in order to reflect the correction of accounting errors in the recording of accounts receivable and revenue from Frontier School Division and in the recording of policy development cash disbursements during the year ended March 31, 2004 which have the following effects on the prior year's financial statements:

Prior years' revenues from Frontier School Division in the amount of \$395,246 (\$158,747 for the year ended March 31, 2003 and \$236,499 for the year ended March 31, 2004) were not recorded as a receivable at March 31, 2004. As a result of correcting this error retroactively, prior year's accounts receivable increased by \$395,246, prior year's revenues increased by \$236,499, prior year's ending deficit decreased by \$395,246, and prior year's opening deficit decreased by \$158,747.

\$395,246

Prepaid expenses were understated (and policy development expenditures were overstated) by \$34,870.

34,870

\$430,116

In the current year, the correction of the above errors has resulted in an increase in unrestricted net assets, beginning of year of \$430,116.

CAPITAL FUND

The comparative figures have been restated retroactively in order to reflect the correction of accounting errors in the recording of the original cost of CMHC housing property prior to April 1, 2000 that included cost overruns that were subsequently disallowed by CMHC which resulted in the overstatement of property and equipment and investment in property and equipment by \$198,166 as at March 31, 2004. In the current year, the correction of the above error has resulted in a decrease in investment in property and equipment, beginning of year of \$198,166.



W.J. Hemenway, B.A. C.A. - Partner (ret.)
A.M. (Arnie) Silver, B.A., C.A. - Principal
Jerrod A. Griffiths, B. COMM. (HONS.), C.A. - Principal
R.W. Malanchuk, C.M.A. - Associate

AUDITORS' REPORT

To the Chief and Council
Nisichawayasihk Cree Nation

We have audited and reported separately on the combined financial statements of the Nisichawayasihk Cree Nation as at and for the year ended March 31, 2005.

Our audit was conducted for the purpose of forming an opinion on the basic combined financial statements of the Cree Nation as a whole. This supplementary information is presented for purposes of additional analysis and is not a required part of the basic combined financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic combined financial statements. We are unable to express an audit opinion as to whether this supplementary information is presented fairly in relation to the basic combined financial statement taken as a whole.

Winnipeg, Manitoba
May 5, 2005

A handwritten signature in blue ink, appearing to read "Hemenway Silver".

CHARTERED ACCOUNTANTS



Member of
The Institute of
Chartered Accountants
of Manitoba



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NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND

STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005

	2005	2004
ASSETS		
CURRENT ASSETS		
Advances receivable	\$ 6,657	\$ 18,299
Accounts receivable	2,773,312	3,884,401
Marketable securities	495,680	505,557
Prepaid expense	61,708	85,554
Capital construction in progress	439,621	1,939,451
Due from related entities	328,180	167,433
	<u>4,105,158</u>	<u>6,600,695</u>
DUE FROM INVESTMENT FUND	285,941	286,299
	<u>\$4,391,099</u>	<u>\$6,886,994</u>
LIABILITIES		
CURRENT LIABILITIES		
Bank indebtedness	\$ 54,691	\$ 664,457
Operating line of credit	2,405,000	2,635,000
Accounts payable and accrued liabilities	729,903	352,058
Accountable mortgage advances	401,581	1,711,403
Deferred revenue	982,325	739,695
Due to related entities	1,125,261	571,424
Current portion of long-term debt	9,089	73,191
	<u>5,707,850</u>	<u>6,747,228</u>
NET ASSETS		
NET ASSETS - UNRESTRICTED (PAGE 34)	(1,316,751)	139,766
	<u>\$4,391,099</u>	<u>\$6,886,994</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
STATEMENT OF NET ASSETS - UNRESTRICTED

YEAR ENDED MARCH 31, 2005

	2005	2004
Net assets - unrestricted, beginning of year	\$ 139,766	\$ (988,351)
Surplus (deficit) for the year (PAGE 35)	(1,456,517)	1,128,117
NET ASSETS - UNRESTRICTED, END OF YEAR	\$(1,316,751)	\$ 139,766

NISICHAWAYASIIHK CREE NATION

**OPERATIONS FUND
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND SURPLUS (DEFICIT)**

YEAR ENDED MARCH 31, 2005

PROGRAM	INAC REVENUE	OTHER REVENUE	DEFERRED REVENUE
Band Support Administration	\$ 1,281,178	\$2,286,335	\$(288,607)
Social Services - N.C.N.	4,925,450	90,506	-
Social Services - S.I.L.	2,628,065	41,336	81,736
S.I.L. - Indian/Inuit Management Development	138,060	-	-
S.I.L. - Special Projects	-	-	-
Education	7,691,970	-	-
Education - Enhanced Teachers Salaries	83,634	-	-
Education - Band Operated Special Education	562,380	-	-
Education - New Paths	85,316	-	-
Education - Parental Engagement Strategies	37,540	-	-
Education - Teacher Recruitment and Retention	40,032	-	-
Community Economic Development	337,091	-	-
Membership	38,378	-	-
Nisichawayasihk Personal Care Home	898,332	-	-
Treaty Land Entitlements - Land Selection	-	-	-
Capital Projects	1,614,485	345,755	-
Sewer O & M - Lagoon Outflow	228,700	-	-
Special Services	401,100	164	(35,759)
Capacity Development	40,000	-	-
Advocacy	-	-	-
Lands Management	-	-	-
Water	287,149	94,395	-
Water - O & M	62,089	-	-
Sanitation	245,005	26,409	-
Sewer O & M	7,077	-	-
Community Buildings	71,872	-	-
Fire Protection	53,066	-	-
Policing	-	367,086	-
Roads and Bridges	72,792	-	-
Maintenance Management Systems	28,985	-	-
Nelson House Medicine Lodge	-	-	-
Brighter Futures	-	192,290	-
Building Healthy Communities	-	665,484	-
Family Violence	35,467	-	-
Health Services	-	686,008	-
Probation	-	40,398	-
Aboriginal Head Start	-	245,340	-
Summer Students	77,690	-	-
	\$21,972,903	\$5,081,506	\$(242,630)

TOTAL REVENUES	TOTAL EXPENDITURES	2005 SURPLUS (DEFICIT)
\$ 3,278,906	\$ 2,940,843	\$ 338,063
5,015,956	5,755,190	(739,234)
2,751,137	3,092,248	(341,111)
138,060	154,493	(16,433)
-	-	-
7,691,970	7,691,970	-
83,634	83,634	-
562,380	562,380	-
85,316	85,316	-
37,540	37,540	-
40,032	40,032	-
337,091	337,091	-
38,378	38,244	134
898,332	1,132,382	(234,050)
-	-	-
1,960,240	1,783,233	177,007
228,700	229,215	(515)
365,505	365,505	-
40,000	40,000	-
-	-	-
-	-	-
381,544	515,161	(133,617)
62,089	62,089	-
271,414	319,149	(47,735)
7,077	7,077	-
71,872	124,063	(52,191)
53,066	76,982	(23,916)
367,086	597,405	(230,319)
72,792	115,147	(42,355)
28,985	52,422	(23,437)
-	-	-
192,290	192,290	-
665,484	665,484	-
35,467	35,467	-
686,008	789,739	(103,731)
40,398	23,475	16,923
245,340	245,340	-
77,690	77,690	-
\$26,811,779	\$28,268,296	\$(1,456,517)

NISICAWAYASIIHK CREE NATION

**OPERATIONS FUND
BAND SUPPORT ADMINISTRATION
STATEMENT OF REVENUES AND EXPENDITURES**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$1,131,753	\$1,281,178	\$1,045,486
Administrative fees	854,338	996,403	1,916,874
Tobacco tax refund	-	533,245	-
Grants	56,139	55,866	56,139
Interest income	262,518	22,476	15,816
Miscellaneous	112,534	102,138	25,500
Nisichawayasihk VLT Program	-	-	18,360
Nisichawayasihk Trust Office	160,694	200,000	106,833
Nisichawayasihk TLE Trust	-	-	250,000
ATEC	-	25,100	-
Pe Ta Pun Trust	-	62,500	50,000
Settlement - Claim 138	-	288,607	-
Deferred revenue	-	(288,607)	-
	<u>2,577,976</u>	<u>3,278,906</u>	<u>3,485,008</u>
EXPENDITURES			
Accounting services	-	188,062	164,133
Advertising	20,000	56,575	73,487
Advances forgiven	-	193,784	327,230
Annual general meeting	25,000	12,738	-
Bank charges and interest	40,000	64,474	78,572
Business development	-	-	24,000
Capital expenditures	-	54,751	88,460
Chief and Council honoraria	472,500	516,453	436,607
Consulting fees	20,000	49,449	44,354
Community projects	-	-	903
Cree Gathering	10,000	4,687	-
Dog control	5,641	41,675	5,641
Election expenses	-	58,611	70,871
Employee benefits	64,847	87,852	87,134
Employee daycare	20,000	11,799	-
Equipment leasing	4,854	-	4,854
Funeral expenses	-	16,642	34,043
Gilbert McDonald Arena	30,000	30,000	62,435
Insurance	40,812	74,214	68,490
Mercury monitoring	-	-	269
Office	40,000	140,068	84,905
Policy development	60,000	15,858	30,000
Pow-wow committee	50,000	50,000	-
	<u>\$ 903,654</u>	<u>\$1,667,692</u>	<u>\$1,686,388</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
BAND SUPPORT ADMINISTRATION
STATEMENT OF REVENUES AND EXPENDITURES - CONTINUED

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
EXPENDITURES - continued			
Subtotal from previous page	\$ 903,654	\$1,667,692	\$1,686,388
Professional fees	30,000	67,561	52,374
Public health nurse	-	45,000	135,000
Recycling Program	21,484	22,323	22,121
Repairs and maintenance	38,457	23,538	25,406
Salaries	1,200,000	578,556	515,390
Search and Rescue	-	12,427	117
Tae Kwon Do	-	14,304	-
Telephone	57,605	65,304	58,869
Transit services	30,710	39,978	31,670
Travel	145,000	181,132	142,105
Vehicles	-	25,580	3,249
Workshops and training	30,000	46,268	29,308
Youth program donation	-	-	25,000
Youth intervention	96,683	151,180	98,088
	<u>2,553,593</u>	<u>2,940,843</u>	<u>2,825,085</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ 24,383	\$ 338,063	\$ 659,923

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
SOCIAL SERVICES - N.C.N.
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$4,925,449	\$4,925,450	\$4,824,144
Interest and other income	-	90,506	91,277
	<u>4,925,449</u>	<u>5,015,956</u>	<u>4,915,421</u>
EXPENDITURES			
Administration	246,272	246,272	482,414
Bank charges and interest	-	8,247	7,855
Income Support	4,353,192	4,790,033	4,538,421
National Child Benefit	-	-	30,000
Office and general	10,002	2,177	9,979
Salaries and travel	262,795	570,489	290,134
Work Opportunity Program	50,000	137,972	25,606
Workshops and training	4,512	-	4,513
	<u>4,926,773</u>	<u>5,755,190</u>	<u>5,388,922</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (1,324)	\$ (739,234)	\$ (473,501)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
SOCIAL SERVICES - S.I.L.
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$2,491,020	\$2,463,407	\$2,462,241
INAC - BSF	-	27,613	27,045
INAC - Headman	-	-	192,836
INAC - Consultation	-	137,045	127,500
INAC - Capacity Development	-	-	39,600
Interest and other income	-	41,336	84,990
Deferred revenue - prior year	-	114,063	90,000
Deferred revenue - current year	-	(32,327)	(114,063)
	<u>2,491,020</u>	<u>2,751,137</u>	<u>2,910,149</u>
EXPENDITURES			
Administration	124,551	134,263	248,929
Bank charges and interest	-	8,184	3,455
Capacity building and reserve development	-	90,535	333,535
Capital expenditures:			
- Office building and equipment	-	4,405	16,666
- Vehicles	-	-	19,277
Income support	2,101,972	1,856,515	1,533,644
Loan payments	-	206,797	240,762
National Child Benefit	-	-	5,667
Office and general	4,513	158,052	282,211
Telephone	-	13,251	15,931
TLE project	16,750	92,215	-
Traditional gatherings	-	-	16,018
Salaries and travel	<u>216,897</u>	<u>528,031</u>	<u>244,457</u>
	<u>2,464,683</u>	<u>3,092,248</u>	<u>2,960,552</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ 26,337	\$ (341,111)	\$ (50,403)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
S.I.L. - INDIAN/INUIT MANAGEMENT DEVELOPMENT
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$ 138,060	\$ -
EXPENDITURES			
Consultants and legal fees	-	126,731	-
Travel	-	27,762	-
	-	154,493	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ (16,433)	\$ -

NISICHAWAYASIHK CREE NATION

OPERATIONS FUND
S.I.L. - SPECIAL PROJECTS
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
Deferred revenue	\$ -	\$ -	\$21,034
EXPENDITURE			
Project expenses	-	-	21,034
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
EDUCATION
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	<u>\$7,349,992</u>	<u>\$7,691,970</u>	<u>\$8,195,299</u>
EXPENDITURES			
Administration fee	367,500	372,663	786,521
Transferred to Nelson House Education Authority Inc.	<u>6,982,492</u>	<u>7,319,307</u>	<u>7,408,778</u>
	<u>7,349,992</u>	<u>7,691,970</u>	<u>8,195,299</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
EDUCATION - ENHANCED TEACHERS' SALARIES
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$83,634	\$ -
EXPENDITURE			
Transferred to Nelson House Education Authority Inc.	-	83,634	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
EDUCATION - BAND OPERATED SPECIAL EDUCATION
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$562,380	\$ -
EXPENDITURE			
Transferred to Nelson House Education Authority Inc.	-	562,380	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIHK CREE NATION

OPERATIONS FUND
EDUCATION - NEW PATHS - PROPOSAL DRIVEN PROJECTS
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$85,316	\$ -
EXPENDITURE			
Transferred to Nelson House Education Authority Inc.	-	85,316	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
EDUCATION - PARENTAL ENGAGEMENT STRATEGIES
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$37,540	\$ -
EXPENDITURE			
Transferred to Nelson House Education Authority Inc.	-	37,540	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
EDUCATION - TEACHER RECRUITMENT AND RETENTION
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$40,032	\$ -
EXPENDITURE			
Transferred to Nelson House Education Authority Inc.	-	40,032	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICAWAYASIIHK CREE NATION

OPERATIONS FUND
COMMUNITY ECONOMIC DEVELOPMENT
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$337,091	\$337,091	\$330,158
ABC Capital Corp.	-	-	79,000
	<u>337,091</u>	<u>337,091</u>	<u>409,158</u>
EXPENDITURES			
Transferred to Nelson House Development Corporation	320,236	320,236	376,142
Administration fee	<u>16,855</u>	<u>16,855</u>	<u>33,016</u>
	<u>337,091</u>	<u>337,091</u>	<u>409,158</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
MEMBERSHIP
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$38,378	\$38,378	\$37,589
EXPENDITURES			
Administration	1,919	1,919	3,759
Office	4,988	1,612	3,138
Telephone	656	531	656
Travel	1,403	4,631	1,403
Salaries and benefits	29,000	29,551	29,841
	37,966	38,244	38,797
SURPLUS (DEFICIT) FOR THE YEAR	\$ 412	\$ 134	\$ (1,208)

NISICAWAYASIIHK CREE NATION

OPERATIONS FUND
NISICAWAYASIIHK PERSONAL CARE HOME
STATEMENT OF REVENUES AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC - Contribution funding	\$149,685	\$ 898,332	\$540,564
Nisichawayasihk Trust Office	-	-	6,250
	<u>149,685</u>	<u>898,332</u>	<u>546,814</u>
EXPENDITURE			
Transfers to the Personal Care Home	200,000	1,132,382	593,284
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ (50,315)</u>	<u>\$ (234,050)</u>	<u>\$ (46,470)</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
TREATY LAND ENTITLEMENTS - LAND SELECTION
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
T.L.E.C. Ltd.	\$ -	\$ -	\$ 8,000
EXPENDITURES			
Negotiations	-	-	30,287
Plan development	-	-	23,815
	-	-	54,102
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$(46,102)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
CAPITAL PROJECTS
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$1,300,285	\$1,614,485	\$3,206,411
R.R.A.P.	-	41,195	65,180
Pe Ta Pun Trust	-	50,000	-
Nisichawayasihk Trust Office	-	254,560	-
Deferred revenue - previous year	-	-	79,606
	<u>1,300,285</u>	<u>1,960,240</u>	<u>3,351,197</u>
EXPENDITURES			
Administration	-	80,724	-
Capital purchases	200,000	162,561	-
Capital housing construction	683,566	464,436	20,972
Housing repairs	70,000	771,227	707,584
Other projects	216,000	21,631	22,374
Lagoon	-	141,457	211,214
Pedestrian walkway	-	-	71,458
Public works garage	-	16,150	18,525
Loan payments - ambulance	-	18,845	18,845
Repairs and maintenance - vehicles	25,000	21,738	11,741
R.R.A.P.	-	48,160	43,948
Supplies	3,500	4,532	1,049
Travel	-	31,772	30,257
	<u>1,198,066</u>	<u>1,783,233</u>	<u>1,157,967</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ 102,219	\$ 177,007	\$2,193,230

NISICHAWAYASIHK CREE NATION

OPERATIONS FUND
SEWER - O & M - LAGOON OUTFLOW
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$228,700	\$ -
EXPENDITURES			
Construction	-	175,877	-
Engineering	-	49,048	-
Band co-ordination	-	4,290	-
	-	229,215	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ (515)	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
SPECIAL SERVICES
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC - Contribution funding	\$ -	\$401,100	\$ -
Interest	-	164	-
Deferred revenue	-	(35,759)	-
	<u>-</u>	<u>365,505</u>	<u>-</u>
EXPENDITURES			
Bank service charges	-	101	-
Consultant - design	-	66,029	-
Coordination	-	11,152	-
Design landfill	-	5,500	-
Phase 11 ESA	-	24,105	-
Project management	-	17,318	-
Soil remediation	-	241,300	-
	<u>-</u>	<u>365,505</u>	<u>-</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIHK CREE NATION

OPERATIONS FUND
CAPACITY DEVELOPMENT
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC - Contribution funding	\$ -	\$40,000	\$ 21,900
Deferred revenue - previous year	-	-	17,339
	<u>-</u>	<u>40,000</u>	<u>39,239</u>
EXPENDITURES			
Transferred to Housing Authority	-	40,000	-
Salary	-	-	82,455
Travel	-	-	10,694
Policy development	-	-	5,589
	<u>-</u>	<u>40,000</u>	<u>98,738</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$(59,499)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND

ADVOCACY

STATEMENT OF REVENUES AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Deferred revenue - previous year	\$ -	\$ -	\$ 11,500
Deferred revenue - current year	-	-	(11,500)
	-	-	-
EXPENDITURE	-	-	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
LANDS MANAGEMENT
STATEMENT OF REVENUES AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Deferred revenue - previous year	\$ -	\$ -	\$ 4,500
Deferred revenue - current year	-	-	(4,500)
	-	-	-
EXPENDITURE			
Administration	-	-	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
WATER
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$287,149	\$ 287,149	\$ 281,243
Other	-	44,263	-
User fees	90,000	50,132	50,724
	<u>377,149</u>	<u>381,544</u>	<u>331,967</u>
EXPENDITURES			
Administration	14,357	14,357	28,124
Repairs and maintenance	50,000	27,957	39,845
Supplies	-	70,105	81,208
Salaries and benefits	390,000	373,136	411,042
Telephone	1,776	2,647	1,776
Travel	-	9,429	16,953
Tank cleaning	6,500	14,821	(8,602)
Workshops and training	-	-	978
Vehicle	-	2,709	301
	<u>462,633</u>	<u>515,161</u>	<u>571,625</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (85,484)	\$(133,617)	\$(239,658)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
WATER - O & M
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$62,089	\$ -
EXPENDITURES			
Supplies	-	20,520	-
Vehicle	-	41,569	-
	-	62,089	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICAWAYASIIHK CREE NATION

OPERATIONS FUND

SANITATION

STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$245,005	\$245,005	\$239,966
User fees	90,000	26,409	59,558
	<u>335,005</u>	<u>271,414</u>	<u>299,524</u>
EXPENDITURES			
Administration	12,250	12,250	23,997
Capital expenditures	-	8,000	-
Garbage contract	60,000	37,725	48,224
Miscellaneous	5,000	41,066	34,703
Repairs and maintenance:			
- garbage dump	10,000	10,651	13,076
- sewage	-	17,766	29,139
Supplies	60,000	9,420	6,865
Travel	-	49,020	31,833
Vehicle operation and maintenance	120,000	133,251	130,028
	<u>267,250</u>	<u>319,149</u>	<u>317,865</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ 67,755	\$ (47,735)	\$ (18,341)

NISICHAWAYASIHK CREE NATION

OPERATIONS FUND
SEWER - O & M
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$ -	\$7,077	\$ -
EXPENDITURES			
Supplies	-	3,100	-
Vehicle operations and maintenance	-	3,977	-
	-	7,077	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
COMMUNITY BUILDINGS
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	<u>\$ 71,000</u>	<u>\$ 71,872</u>	<u>\$ 70,393</u>
EXPENDITURES			
Administration	-	3,594	7,039
Utilities	<u>100,000</u>	<u>120,469</u>	<u>122,836</u>
	100,000	124,063	129,875
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ (29,000)</u>	<u>\$ (52,191)</u>	<u>\$ (59,482)</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
FIRE PROTECTION
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$ 53,066	\$ 53,066	\$ 51,975
EXPENDITURES			
Capital expenditures	-	3,952	-
Office and administration	4,153	2,653	5,198
Supplies	15,000	3,867	32,554
Salaries and benefits	38,000	38,265	36,807
Telephone	3,259	4,053	3,259
Travel	5,000	9,332	10,119
Vehicle operation and maintenance	6,139	14,860	6,139
	71,551	76,982	94,076
SURPLUS (DEFICIT) FOR THE YEAR	\$(18,485)	\$(23,916)	\$(42,101)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
POLICING
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Solicitor General	\$ 87,086	\$ 87,086	\$ 87,086
Other revenue	280,000	280,000	259,710
	<u>367,086</u>	<u>367,086</u>	<u>346,796</u>
EXPENDITURES			
Administration	4,354	4,355	8,709
Capital expenditure	-	58,891	-
Office and general	1,500	20,469	38,866
Pe Ta Pun repayment	-	-	60,860
Repairs and maintenance - building	-	16,034	3,773
Salaries and benefits	300,000	426,236	426,277
Telephone	3,049	3,191	3,049
Travel	-	33,359	56,103
Vehicle operation and maintenance	30,000	34,545	30,607
Workshops	20,000	325	200
	<u>358,903</u>	<u>597,405</u>	<u>628,444</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ 8,183	\$(230,319)	\$(281,648)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
ROADS AND BRIDGES
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	<u>\$72,792</u>	<u>\$ 72,792</u>	<u>\$71,295</u>
EXPENDITURES			
Administration	3,640	3,640	7,130
Repairs and maintenance	<u>69,152</u>	<u>111,507</u>	<u>70,743</u>
	<u>72,792</u>	<u>115,147</u>	<u>77,873</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ -</u>	<u>\$(42,355)</u>	<u>\$(6,578)</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
MAINTENANCE MANAGEMENT SYSTEMS
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	<u>\$ 27,751</u>	<u>\$ 28,985</u>	<u>\$ 28,389</u>
EXPENDITURES			
Administration	2,775	1,449	2,839
General	39,500	-	-
Salaries and benefits	<u>-</u>	<u>50,973</u>	<u>53,264</u>
	42,275	52,422	56,103
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$(14,524)</u>	<u>\$(23,437)</u>	<u>\$(27,714)</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
NELSON HOUSE MEDICINE LODGE
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
Health Canada	\$ -	\$ -	\$1,096,740
EXPENDITURES			
Administration	-	-	109,674
Transfers to the Medicine Lodge	-	-	987,066
	-	-	1,096,740
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
BRIGHTER FUTURES
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
Health Canada	<u>\$192,290</u>	<u>\$192,290</u>	<u>\$192,290</u>
EXPENDITURES			
Administration	9,615	9,615	19,229
Transfers to the Health and Wellness Centre	<u>182,675</u>	<u>182,675</u>	<u>173,061</u>
	192,290	192,290	192,290
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
BUILDING HEALTHY COMMUNITIES
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
Health Canada - BHC & FNIHCC	<u>\$547,711</u>	<u>\$665,484</u>	<u>\$547,711</u>
EXPENDITURES			
Administration	27,386	33,274	54,771
Transfers to the Health and Wellness Centre	<u>520,325</u>	<u>632,210</u>	<u>492,940</u>
	547,711	665,484	547,711
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NISICAWAYASIIHK CREE NATION

OPERATIONS FUND
FAMILY VIOLENCE
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$ -	\$35,467	\$35,467
EXPENDITURES			
Administration	-	1,773	3,547
Transfers to the Health and Wellness Centre	-	33,694	31,920
	-	35,467	35,467
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIHK CREE NATION

OPERATIONS FUND
HEALTH SERVICES
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
Health Canada	\$536,953	\$ 686,008	\$ 593,883
EXPENDITURES			
Administration	10,625	33,014	59,388
Medical transportation	71,930	168,845	277,045
Nurses' residence - O & M	-	28,741	-
Salaries and benefits	-	170,058	181,454
Recovery of prior year's funding	-	-	127,421
Security	67,271	65,853	70,762
Travel	-	4,564	4,529
Transfers to the Health and Wellness Centre	439,398	318,664	232,479
	589,224	789,739	953,078
SURPLUS (DEFICIT) FOR THE YEAR	\$ (52,271)	\$(103,731)	\$(359,195)

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
PROBATION
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Province of Manitoba	\$10,000	\$17,898	\$ 12,224
Nisichawayasihk Trust Office	25,000	22,500	-
	<u>35,000</u>	<u>40,398</u>	<u>12,224</u>
EXPENDITURES			
Salaries and benefits	21,571	19,974	22,457
Office and general	1,395	1,075	803
Travel	2,099	2,426	2,099
	<u>25,065</u>	<u>23,475</u>	<u>25,359</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ 9,935	\$16,923	\$(13,135)

NISICHAWAYASIHK CREE NATION

OPERATIONS FUND
ABORIGINAL HEAD START
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
Health Canada	<u>\$237,235</u>	<u>\$245,340</u>	<u>\$237,235</u>
EXPENDITURES			
Administration	11,862	12,267	23,724
Transfer to the Health and Wellness Centre	<u>225,373</u>	<u>233,073</u>	<u>213,511</u>
	<u>237,235</u>	<u>245,340</u>	<u>237,235</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NISICHAWAYASIIHK CREE NATION

OPERATIONS FUND
SUMMER STUDENTS
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$15,000	\$77,690	\$ 77,690
Education and youth	-	-	43,650
	<u>15,000</u>	<u>77,690</u>	<u>121,340</u>
EXPENDITURES			
Summer students	15,000	-	-
Transferred to HRDC	-	77,690	121,340
	<u>15,000</u>	<u>77,690</u>	<u>121,340</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

EDUCATION FUND

STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005

	2005	2004
		(restated)
ASSETS		
CURRENT ASSETS		
Cash	\$ -	\$ 2,868
Accounts receivable	92,938	396,630
Advances receivable	28,688	46,013
Prepaid expenses	12,275	-
Deferred expenditures	27,228	-
Due from related entities	687,875	153,492
	<u>849,004</u>	<u>599,003</u>
INCORPORATION COSTS	1,015	1,015
	<u>\$ 850,019</u>	<u>\$ 600,018</u>
LIABILITIES		
CURRENT LIABILITIES		
Bank overdraft	\$ 76,304	\$ -
Accounts payable	407,448	385,242
Employee deductions payable	104,339	140,938
Deferred revenue	188,713	-
Current portion of long-term debt	243,417	309,800
	<u>1,020,221</u>	<u>835,980</u>
LONG-TERM DEBT	106,062	88,587
SICK LEAVE RESERVE	91,959	74,401
	<u>1,218,242</u>	<u>998,968</u>
NET ASSETS		
NET ASSETS - UNRESTRICTED (PAGE 77)	(368,223)	(398,950)
	<u>\$ 850,019</u>	<u>\$ 600,018</u>

NISICAWAYASIIHK CREE NATION

EDUCATION FUND
SCHEDULE OF UNRESTRICTED NET ASSETS

YEAR ENDED MARCH 31, 2005

	2005	2004 (restated)
Unrestricted net assets, beginning of year, as previously stated	\$(794,196)	\$(474,557)
Prior period adjustment	<u>395,246</u>	<u>158,747</u>
Unrestricted net assets, beginning of year, as restated	(398,950)	(315,810)
Surplus (deficit) for the year (PAGE 78)	30,727	(83,140)
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$(368,223)</u>	<u>\$(398,950)</u>

NELSON HOUSE EDUCATION AUTHORITY INC.

**EDUCATION FUND
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND SURPLUS (DEFICIT)**

YEAR ENDED MARCH 31, 2005

FUND	INAC REVENUE	OTHER REVENUE	TOTAL REVENUES	TOTAL EXPENDITURES	2005 SURPLUS (DEFICIT)	2004 SURPLUS (DEFICIT)
Band Operated School	\$4,663,751	\$424,074	\$5,087,825	\$4,248,435	\$ 839,390	\$ 592,627
Band Operated School - Pension Plan	216,193	-	216,193	565,646	(349,453)	(327,321)
Guidance and Counselling	62,135	-	62,135	44,746	17,389	9,254
Provincial Schools	96,378	-	96,378	32,362	64,016	27,518
Student Accommodation Services - Provincial	65,941	-	65,941	34,412	31,529	8,876
Post Secondary	1,686,998	-	1,686,998	1,596,437	90,561	(34,424)
Student Transportation	353,558	(188,713)	164,845	188,587	(23,742)	98,711
Operations and Maintenance	547,015	67,405	614,420	634,025	(19,605)	(190,748)
Capital Contributions	-	-	-	291,693	(291,693)	71,772
Teacher Recruitment & Retention - Contribution Funding	40,032	-	40,032	54,622	(14,590)	-
New Paths - Contribution Funding	85,316	-	85,316	85,316	-	-
Parental Engagement Strategy - Contribution Funding	37,540	-	37,540	37,540	-	-
Enhanced Funding - Contribution Funding	83,634	-	83,634	83,634	-	-
Special Funding - Contribution Funding	562,380	-	562,380	875,455	(313,075)	(339,405)
	\$8,500,871	\$302,766	\$8,803,637	\$8,772,910	\$ 30,727	\$ (83,140)

NELSON HOUSE EDUCATION AUTHORITY INC.

**EDUCATION FUND
BAND OPERATED SCHOOL
STATEMENT OF REVENUES AND EXPENDITURES**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$4,951,283	\$4,663,751	\$4,577,244
Tuition recovery	-	216,336	236,499
Other	112,000	207,738	218,065
	<u>5,063,283</u>	<u>5,087,825</u>	<u>5,031,808</u>
EXPENDITURES			
CLASSROOM INSTRUCTION			
Consulting fees	-	81,537	9,353
Contract settlement	156,311	-	-
Daycare subsidy	-	21,113	15,495
Equipment rental - school	60,840	49,898	48,202
General	-	8,464	13,660
Graduation	10,000	15,928	21,826
Meetings	-	10,223	3,330
MSIP	-	10,780	5,690
Nursery nutrition program	22,220	-	32,259
Office supplies - instructional	200,000	183,200	153,202
Principal/vice-principal	233,314	244,022	237,546
- staff	6,588	16,481	12,502
- teachers	25,285	22,049	46,954
Repairs and maintenance	8,000	5,535	26,945
School clerical staff	176,712	112,690	114,297
Student activities	24,000	13,193	18,247
Student awards	-	180	4,483
Substitute secretaries	-	-	30
Substitute teachers	60,000	75,756	114,089
Teacher salaries	1,685,690	2,018,691	1,828,957
Teaching supplies	156,000	-	-
Telephone	13,500	11,610	13,366
Travel	51,674	57,537	66,084
	<u>\$2,890,134</u>	<u>\$2,958,887</u>	<u>\$2,786,517</u>

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
BAND OPERATED SCHOOL
STATEMENT OF REVENUES AND EXPENDITURES - CONTINUED

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
EXPENDITURES			
ADMINISTRATION			
Administration salaries	\$ 355,624	\$ 467,216	\$ 352,998
Advertising	1,500	6,037	11,565
Audit	7,500	8,500	7,500
Bad debts	-	10,665	11,614
Band administration fee	724,043	230,687	432,818
Bank charges and interest	33,692	23,779	40,162
Computer supplies	-	-	10,408
Consulting fees	140,000	172,449	236,986
Donations	5,000	7,588	13,384
Equipment maintenance	22,000	18,276	26,666
Equipment rental	19,756	24,737	34,068
Freight and courier	18,400	13,504	19,357
Honoraria	72,000	65,616	90,000
Insurance	30,000	50,109	108,501
Legal	45,000	15,743	21,386
Meeting expense	-	11,529	31,252
Office supplies	9,000	38,286	43,377
Other administration	5,200	2,625	3,573
Postage	1,800	325	6,959
Professional development	10,350	19,589	13,180
Staff awards	-	19,385	-
Telephone	15,700	21,247	16,581
Travel administration	87,500	61,656	120,329
	<u>1,604,065</u>	<u>1,289,548</u>	<u>1,652,664</u>
TOTAL EXPENDITURES	4,494,199	4,248,435	4,439,181
SURPLUS (DEFICIT) FOR THE YEAR	\$ 569,084	\$ 839,390	\$ 592,627

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
BAND OPERATED SCHOOL - PENSION PLAN
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$ 216,617	\$ 216,193	\$ 211,747
EXPENDITURES			
Band administration fee	-	10,810	21,174
CPP - employer share	137,759	140,151	115,636
EI - employer share	69,387	75,794	59,615
Pension - employer share	221,213	215,603	206,089
Sick leave credit	9,000	18,047	47,183
Group insurance	102,080	105,241	89,371
	539,439	565,646	539,068
SURPLUS (DEFICIT) FOR THE YEAR	\$(322,822)	\$(349,453)	\$(327,321)

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
GUIDANCE AND COUNSELLING
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$ 60,857	\$ 62,135	\$ 60,857
EXPENDITURES			
Band administration fee	-	3,107	6,085
Salaries	42,061	41,250	42,482
Travel	-	389	3,036
	42,061	44,746	51,603
SURPLUS (DEFICIT) FOR THE YEAR	\$ 18,796	\$ 17,389	\$ 9,254

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
PROVINCIAL SCHOOLS
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$ 96,567	\$96,378	\$ 94,396
EXPENDITURE			
Band administration fee	-	4,819	9,439
Tuition agreement	52,000	27,543	57,439
	52,000	32,362	66,878
SURPLUS (DEFICIT) FOR THE YEAR	\$ 44,567	\$64,016	\$27,518

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
STUDENT ACCOMMODATION SERVICES - PROVINCIAL
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$ 66,070	\$65,941	\$ 64,585
EXPENDITURES			
Band administration fee	-	3,297	6,458
Graduation	-	1,600	2,000
Meetings	-	2,480	-
Supplies	-	520	632
Transportation	-	3,003	2,941
Room and board	37,100	16,900	39,698
Travel	-	4,899	-
Student allowances	4,000	1,713	3,980
	41,100	34,412	55,709
SURPLUS (DEFICIT) FOR THE YEAR	\$ 24,970	\$31,529	\$ 8,876

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
POST SECONDARY
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$1,628,426	\$1,686,998	\$1,652,300
Other	-	-	9,514
	<u>1,628,426</u>	<u>1,686,998</u>	<u>1,661,814</u>
EXPENDITURES			
Band administration fee	-	84,350	165,230
Books and supplies	134,668	73,537	104,822
Graduation	-	19,045	13,824
Living expense	730,000	705,443	796,946
Meeting expense	-	40,863	23,162
Salaries and benefits	139,407	115,210	143,341
Support services		28,841	1,352
Transportation	97,885	80,426	106,831
Tuition and special program	331,900	448,722	340,730
	<u>1,433,860</u>	<u>1,596,437</u>	<u>1,696,238</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ 194,566	\$ 90,561	\$ (34,424)

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
STUDENT TRANSPORTATION
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$ 133,907	\$ 353,558	\$ 319,609
Deferred revenue - current year	-	(188,713)	-
	<u>133,907</u>	<u>164,845</u>	<u>319,609</u>
EXPENDITURES			
Band administration fee	-	8,242	31,960
Transportation - federal	173,555	180,345	188,938
	<u>173,555</u>	<u>188,587</u>	<u>220,898</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (39,648)	\$ (23,742)	\$ 98,711

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
OPERATIONS AND MAINTENANCE
STATEMENT OF REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
INAC	\$548,088	\$ 547,015	\$ 535,765
Rental and other	52,000	67,405	138,585
	<u>600,088</u>	<u>614,420</u>	<u>674,350</u>
EXPENDITURES			
Band administration fee	-	27,351	53,576
Consulting fees	-	500	790
Heat, power, water	174,230	145,161	180,829
Repairs and maintenance	75,000	191,615	294,235
Salaries	223,788	251,707	301,742
Vehicle expense	20,000	17,656	33,926
Equipment rental	-	35	-
	<u>493,018</u>	<u>634,025</u>	<u>865,098</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$107,070	\$ (19,605)	\$ (190,748)

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
CAPITAL
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC	\$ -	\$ -	\$ 150,000
EXPENDITURES			
Band administration fee	-	-	15,000
Capital expenditures	57,000	223,440	37,993
Teacher furnishings	15,000	68,253	25,235
	<u>72,000</u>	<u>291,693</u>	<u>78,228</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (72,000)	\$ (291,693)	\$ 71,772

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
TEACHER RECRUITMENT & RETENTION - CONTRIBUTION FUNDING
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Teacher recruitment & retention	\$ -	\$ 40,032	\$ -
EXPENDITURES			
Staff recruitment	-	17,661	-
Training expense	-	36,961	-
	<u>-</u>	<u>54,622</u>	<u>-</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ (14,590)	\$ -

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
NEW PATHS - CONTRIBUTION FUNDING
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - New Paths	\$ -	\$ 85,316	\$ 35,073
EXPENDITURE			
Textbooks	-	85,316	35,073
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
PARENTAL ENGAGEMENT STRATEGY - CONTRIBUTION FUNDING
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Parental Engagement Strategy	\$ -	\$ 37,540	\$ -
EXPENDITURE			
Supplies -classroom	-	37,540	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
ENHANCED FUNDING - CONTRIBUTION FUNDING
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Enhanced Teacher Salaries	\$ -	\$ 83,634	\$ 45,913
EXPENDITURE			
Salaries	-	83,634	45,913
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -	\$ -

NELSON HOUSE EDUCATION AUTHORITY INC.

EDUCATION FUND
SPECIAL EDUCATION - CONTRIBUTION FUNDING
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Special Education	\$ 363,788	\$ 562,380	\$ 447,810
EXPENDITURES			
Band administration fee	-	-	44,781
Consulting	50,000	-	-
Graduation	-	3,300	-
Meeting	1,000	4,309	2,492
Miscellaneous	-	26,452	-
Professional development	7,877	4,195	-
Salaries	749,365	657,144	693,401
Staff recruiting	2,000	-	-
Supplies - classroom	105,300	71,775	2,585
Support services	-	21,654	28,633
Transportation	30,000	42,875	12,489
Travel	10,000	43,751	2,834
	955,542	875,455	787,215
SURPLUS (DEFICIT) FOR THE YEAR	\$ (591,754)	\$ (313,075)	\$ (339,405)

NISICHAWAYASIIHK CREE NATION

**ECONOMIC DEVELOPMENT FUND
STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005**

	2005	2004
ASSETS		
CURRENT ASSETS		
Accounts receivable	\$ 63,958	\$ 60,406
Inventory	5,592	2,650
Prepays	-	1,000
	<u>69,550</u>	<u>64,056</u>
DUE FROM RELATED ENTITIES	33,159	272,909
	<u>\$102,709</u>	<u>\$336,965</u>
LIABILITIES		
CURRENT LIABILITIES		
Bank indebtedness	\$ 140	\$ 1,430
Accounts payable and accrued liabilities	<u>239,164</u>	<u>89,159</u>
	239,304	90,589
DEFERRED REVENUE	-	45,000
	<u>239,304</u>	<u>135,589</u>
NET ASSETS		
NET ASSETS INVESTED IN LOANS RECEIVABLE (PAGE 89)	-	-
NET ASSETS - UNRESTRICTED (PAGE 90)	<u>(136,595)</u>	<u>201,376</u>
	(136,595)	201,376
	<u>\$102,709</u>	<u>\$336,965</u>

NISICAWAYASIIHK CREE NATION

**ECONOMIC DEVELOPMENT FUND
STATEMENT OF NET ASSETS INVESTED IN LOANS RECEIVABLE**

YEAR ENDED MARCH 31, 2005

	2005	2004
BALANCE, BEGINNING OF YEAR	\$ -	\$10,787
Deductions		
Loan recovery	-	(10,787)
BALANCE, END OF YEAR	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

**ECONOMIC DEVELOPMENT FUND
STATEMENT OF NET ASSETS - UNRESTRICTED**

YEAR ENDED MARCH 31, 2005

	2005	2004
BALANCE, BEGINNING OF YEAR	\$ 201,376	\$ 309,930
Surplus (deficit) for the year (PAGE 91)	(337,971)	(108,554)
BALANCE, END OF YEAR	\$(136,595)	\$ 201,376

NISICHAWAYASIIHK CREE NATION

ECONOMIC DEVELOPMENT FUND

COMBINED STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND SURPLUS (DEFICIT)

YEAR ENDED MARCH 31, 2005

FUND	INAC REVENUE	OTHER REVENUE	TOTAL REVENUES	TOTAL EXPENDITURES	2005 SURPLUS (DEFICIT)	2004 SURPLUS (DEFICIT)
I.E.D.F. Operations	\$185,400	\$347,841	\$533,241	\$ 380,821	\$ 152,420	\$ (52,957)
I.E.D.F. Flow Through Business Development	151,691	-	151,691	611,565	(459,874)	(55,798)
Resource Acquisition Initiative	-	-	-	-	-	-
Transit	-	-	-	-	-	(4,222)
NCN Office Products	-	74,579	74,579	74,550	29	(3,457)
Footprint Travel	-	54,269	54,269	84,815	(30,546)	7,880
	\$337,091	\$476,689	\$813,780	\$1,151,751	\$(337,971)	\$(108,554)

NISICHAWAYASIIHK CREE NATION

**ECONOMIC DEVELOPMENT FUND
I.E.D.F. OPERATIONS
STATEMENT OF REVENUES AND EXPENDITURES**

YEAR ENDED MARCH 31, 2005

	2005	2004
REVENUES		
INAC	\$185,400	\$181,587
NCN Trust Office	135,000	142,000
Deferred revenue - current year	-	(45,000)
Deferred revenue - previous year	45,000	101,000
Other	167,841	129,281
	<u>533,241</u>	<u>508,868</u>
EXPENDITURES		
Administration fee	9,270	18,159
Advertising	2,465	2,338
Bad debts	7,626	-
Bank charges and interest	26,587	10,605
Board meetings	673	-
Consultant	-	55,754
Contracts	3,874	575
Donations	969	8,215
Equipment purchases	3,258	10,596
Honorariums	19,500	25,250
Office and general	9,854	18,275
Professional development	2,151	2,484
Professional fees	44,066	37,841
Repairs and maintenance	1,477	2,030
Telephone	14,561	14,800
Training	-	1,521
Travel	61,631	121,196
Utilities	5,771	2,423
Wages and benefits	167,088	229,763
	<u>380,821</u>	<u>561,825</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$152,420</u>	<u>\$ (52,957)</u>

NISICHAWAYASIIHK CREE NATION

**ECONOMIC DEVELOPMENT FUND
I.E.D.F. FLOW THROUGH BUSINESS DEVELOPMENT
STATEMENT OF REVENUES AND EXPENDITURES**

YEAR ENDED MARCH 31, 2005

	2005	2004
REVENUES		
INAC	\$ 151,691	\$148,571
ABC Capital Corp.	-	79,000
Loan recovery	-	2,500
	<u>151,691</u>	<u>230,071</u>
EXPENDITURES		
Administration fee	7,585	14,857
Business development	188,749	132,398
Loan expense	283	-
Loan guarantee - Wapisi Air Inc.	111,171	-
Transfer to Rising Sun Restaurant	-	79,000
Provision for uncollectible advances	<u>303,777</u>	<u>59,614</u>
	611,565	285,869
SURPLUS (DEFICIT) FOR THE YEAR	\$(459,874)	\$ (55,798)

NISICHAWAYASIIHK CREE NATION

ECONOMIC DEVELOPMENT FUND
RESOURCE ACQUISITION INITIATIVE
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	2005	2004
REVENUE		
Deferred revenue - previous year	\$ -	\$51,634
EXPENDITURES		
Administration fee	-	1,714
Transfer to Rising Sun Restaurant	-	24,920
Transfer to Notigi Portage Outfitters	-	25,000
	-	51,634
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ -

NISICHAWAYASIIHK CREE NATION

ECONOMIC DEVELOPMENT FUND
TRANSIT
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	2005	2004
REVENUE	\$ -	\$ -
EXPENDITURE		
Repairs and maintenance	-	4,222
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$ (4,222)



NISICHAWAYASIIHK CREE NATION

ECONOMIC DEVELOPMENT FUND
NCN OFFICE SUPPLIES
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	2005	2004
REVENUE	<u>\$74,579</u>	<u>\$119,129</u>
EXPENDITURES		
Purchases	50,500	83,677
Bad debts	2,612	-
Bank charges	115	138
Office	350	438
Wages	18,588	32,466
Travel	1,900	4,238
Telephone	<u>485</u>	<u>1,629</u>
	74,550	122,586
<u>SURPLUS (DEFICIT) FOR THE YEAR</u>	\$ 29	\$ (3,457)

NISICHAWAYASIIHK CREE NATION

ECONOMIC DEVELOPMENT FUND
FOOTPRINT TRAVEL
STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	2005	2004
REVENUE		
Sales and other revenue	\$ 54,269	\$61,131
EXPENDITURES		
Purchases	54,502	47,134
Bad debts	21,511	-
Bank charges	8,802	3,371
Office	-	55
Travel	-	2,691
	<u>84,815</u>	<u>53,251</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$(30,546)</u>	<u>\$ 7,880</u>

NISICAWAYASIIHK CREE NATION

**HOUSING FUND
STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005**

	2005	2004
		(restated)
ASSETS		
CURRENT ASSETS		
Cash	\$ 11,159	\$ 42,569
Accounts receivable	82,790	61,631
Prepaid expenses	-	34,870
	<u>93,949</u>	<u>139,070</u>
DUE FROM RELATED ENTITIES	97,306	-
ORGANIZATION COSTS	1,400	1,400
	<u>\$ 192,655</u>	<u>\$ 140,470</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 97,397	\$ 82,340
Security deposits	1,900	1,900
	<u>99,297</u>	<u>84,240</u>
DUE TO RELATED ENTITIES	-	25,980
REPLACEMENT RESERVE	506,391	442,873
SUBSIDY RESERVE	<u>5,257</u>	<u>-</u>
	<u>610,945</u>	<u>553,093</u>
NET ASSETS		
NET ASSETS - UNRESTRICTED (PAGE 98)	(418,290)	(412,623)
	<u>\$ 192,655</u>	<u>\$ 140,470</u>

NISICHAWAYASIIHK CREE NATION

**HOUSING FUND
COMBINED STATEMENT OF PROGRAM REVENUES, EXPENDITURES
AND UNRESTRICTED NET ASSETS**

YEAR ENDED MARCH 31, 2005

	2005	2004 (restated)
REVENUES		
CMHC subsidy	\$ 421,104	\$ 337,622
INAC - Contribution funding (PAGE 99)	40,000	-
Interest income	10	1
Other revenue	502,741	480,137
Rental revenue	426,151	384,556
	<u>1,390,006</u>	<u>1,202,316</u>
EXPENDITURES		
Administration	75,662	82,343
Appliance purchases	9,170	7,722
Bad debts	5,032	12,559
Bank charges and interest	8,885	6,297
Insurance	170,283	131,021
Mortgage payments	653,717	583,434
Policy development (PAGE 99)	58,778	-
Professional fees	23,247	20,613
Repairs and maintenance	21,241	32,799
Replacement reserve	72,333	65,573
Sewer and water	32,039	29,458
Subcontract	35,257	-
Training	-	18,918
Wages and benefits	385,414	345,869
	<u>1,551,058</u>	<u>1,336,606</u>
Surplus (deficit) for the year before other items	(161,052)	(134,290)
OTHER ITEMS		
Forgiveness of debt to Nisichawayasihk Cree Nation	160,642	185,608
Transfer from (to) subsidy reserve	(5,257)	-
SURPLUS (DEFICIT) FOR THE YEAR	<u>(5,667)</u>	<u>51,318</u>
Unrestricted net assets, beginning of year (as previously stated)	(447,493)	(463,941)
Prior period adjustment	<u>34,870</u>	<u>-</u>
Unrestricted net assets, beginning of year (as restated)	(412,623)	(463,941)
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ (418,290)</u>	<u>\$ (412,623)</u>

NISICAWAYASIIHK CREE NATION

HOUSING FUND
CAPACITY DEVELOPMENT
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
INAC - Contribution funding	\$40,000	\$ 40,000	\$ -
EXPENDITURE			
Policy development	40,000	58,778	-
SURPLUS (DEFICIT) FOR THE YEAR	\$ -	\$(18,778)	\$ -

NISICHAWAYASIIHK CREE NATION

**CAPITAL FUND
STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005**

	2005	2004
		(restated)
ASSETS		
PROPERTY AND EQUIPMENT	\$27,619,573	\$27,313,904
	<u>\$27,619,573</u>	<u>\$27,313,904</u>
LIABILITIES		
CURRENT LIABILITIES		
Accrued interest	\$ 30,091	\$ 27,721
Capital costs payable	161,954	187,853
Current portion of long-term debt	<u>729,807</u>	<u>1,015,382</u>
	921,852	1,230,956
LONG-TERM DEBT	<u>7,438,612</u>	<u>6,647,939</u>
	8,360,464	7,878,895
NET ASSETS		
NET ASSETS INVESTED		
IN PROPERTY AND EQUIPMENT (PAGE 101)	19,259,109	19,435,009
	<u>\$27,619,573</u>	<u>\$27,313,904</u>

NISICHAWAYASIIHK CREE NATION

CAPITAL FUND

STATEMENT OF NET ASSETS INVESTED IN PROPERTY AND EQUIPMENT

YEAR ENDED MARCH 31, 2005

	2005	2004 (restated)
Balance, beginning of year (as previously stated)	\$19,633,175	\$19,738,362
Prior period adjustment	(198,166)	(198,166)
Balance, beginning of year (as restated)	<u>19,435,009</u>	<u>19,540,196</u>
Additions		
Investment in property and equipment:		
Operations Fund	386,638	173,540
Education Fund	291,591	162,090
Economic Development Fund	3,258	94,646
Housing Fund	1,120,653	1,843,785
Principal repayment of long-term debt:		
Operations Fund	452,195	495,347
Economic Development Fund	15,272	8,948
Housing Fund	321,683	257,530
Payment of capital costs	<u>187,853</u>	<u>-</u>
	<u>2,779,143</u>	<u>3,035,886</u>
Deductions		
Amortization of property and equipment:		
Operations Fund	622,413	622,912
Education Fund	204,295	197,882
Economic Development Fund	22,293	17,546
Housing Fund	646,271	595,269
Disposal/transfer of property and equipment:		
Education Fund	1,200	-
Economic Development Fund	-	11,436
Capital costs payable	161,954	187,853
Proceeds of long-term debt:		
Operations Fund	150,065	10,000
Economic Development Fund	-	62,536
Housing Fund	<u>1,146,552</u>	<u>1,435,639</u>
	<u>2,955,043</u>	<u>3,141,073</u>
BALANCE, END OF YEAR	<u>\$19,259,109</u>	<u>\$19,435,009</u>

NISICHAWAYASIIHK CREE NATION

TRUST FUND
STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005

	2005	2004
ASSET		
CASH IN OTTAWA TRUST	\$27,588	\$26,216
	\$27,588	\$26,216
NET ASSETS		
NET ASSETS INVESTED IN OTTAWA TRUST FUNDS	\$27,588	\$26,216
	\$27,588	\$26,216

NISICAWAYASIIHK CREE NATION

**INVESTMENT FUND
STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005**

	2005	2004
ASSETS		
CURRENT ASSETS		
Loans receivable	\$ 3,073	\$ 3,073
Distribution receivable - Pe Ta Pun Trust	746,010	614,991
	<u>749,083</u>	<u>618,064</u>
LAND	650,000	650,000
PROMISSORY NOTE RECEIVABLE	91,354	68,539
INVESTMENTS	1,680,636	1,051,899
	<u>\$3,171,073</u>	<u>\$2,388,502</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 1,774	\$ 6,817
Current portion of long-term debt	325,707	1,171,953
Due to Operating Fund	285,941	286,299
	<u>613,422</u>	<u>1,465,069</u>
LONG-TERM DEBT	534,927	-
	<u>1,148,349</u>	<u>1,465,069</u>
NET ASSETS		
NET ASSETS INVESTED IN INVESTMENTS (PAGE 104)	2,022,724	923,433
	<u>\$3,171,073</u>	<u>\$2,388,502</u>

NISICHAWAYASIIHK CREE NATION

**INVESTMENT FUND
STATEMENT OF NET ASSETS INVESTED IN INVESTMENTS**

YEAR ENDED MARCH 31, 2005

	2005	2004
BALANCE, BEGINNING OF YEAR	\$ 923,433	\$ 751,822
Additions		
Equity income - Nelson House Forest Industries	337,280	(46,547)
Equity income - Footprint Engineering Inc.	(18,105)	(60,767)
Distributions - Pe Ta Pun Trust	717,153	667,991
Distributions - N.C.N. TLE Trust	22,815	37,500
Equity income (loss) from DevCo investments	(362,294)	(53,916)
Write-off of DevCo investments in subsidiaries	672,156	-
Repayment of distribution	-	60,860
Lease revenue	66,000	66,000
	1,435,005	671,121
Deductions		
Distribution from Pe Ta Pun Trust to NCN	144,400	50,000
Distribution from Pe Ta Pun Trust to VLT Program	16,075	-
Distribution from Pe Ta Pun Trust to HRDC	24,279	-
Distribution from Pe Ta Pun Trust to Junior B Hockey	-	85,000
Distribution from Pe Ta Pun Trust to NHFI (Baseball field)	-	16,000
Distribution from Pe Ta Pun Trust to Wellness Centre	100,000	12,000
Distribution from Pe Ta Pun Trust to NCN Housing	-	7,500
Distribution from Pe Ta Pun Trust to Ryan Linklater	-	2,000
Distribution from Pe Ta Pun Trust to O-Pipon-Na-Piwan Cree Nation	3,000	-
Distribution - N.C.N. TLE Trust to N.C.N.	-	250,000
Loan interest	47,960	77,010
	335,714	499,510
BALANCE, END OF YEAR	\$2,022,724	\$ 923,433



W.J. Hemenway, B.A. C.A. - Partner (ret.)
A.M. (Arnie) Silver, B.A., C.A. - Principal
Jerrod A. Griffiths, B. COMM. (HONS.), C.A. - Principal
R.W. Malanchuk, C.M.A. - Associate

**AUDITORS' DERIVATIVE REPORT
ON THE SCHEDULES OF SALARIES, HONORARIUMS,
AND TRAVEL EXPENSES AND OTHER REMUNERATIONS**

To the members of Nisichawayasihk Cree Nation:

We have audited the combined financial statements of Nisichawayasihk Cree Nation as at March 31, 2005, and for the year then ended and reported on May 5, 2005.

The schedules of Salaries, Honorariums, and Travel and Other Remuneration are required to be presented to the membership of Nisichawayasihk Cree Nation pursuant to the funding agreement between Indian and Northern Affairs Canada and Nisichawayasihk Cree Nation. These schedules have been compiled by the management of Nisichawayasihk Cree Nation from their records. For purposes of understanding our involvement with these schedules, please note that:

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

During the course of the aforementioned audit, we encountered no 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 combined financial statements.

This report has been prepared in accordance with the applicable Assurance and Related Service Guideline issued by the Canadian Institute of Chartered Accountants.

Winnipeg, Manitoba
May 5, 2005

A handwritten signature in blue ink, appearing to read "Hemenway Silver".

CHARTERED ACCOUNTANTS



Member of
The Institute of
Chartered Accountants
of Manitoba



SCHEDULE 1

NISICHAWAYASIIHK CREE NATION

OPERATING FUND
SCHEDULE OF SALARIES, HONORARIUMS, AND
TRAVEL EXPENSES AND OTHER REMUNERATIONS
PAID TO CHIEF AND COUNCIL

YEAR ENDED MARCH 31, 2005

<u>NAME</u>	<u>POSITION HELD</u>	<u>NUMBER OF MONTHS</u>	<u>SALARY/ HONORARIUM</u>	<u>HOLIDAY PAYOUTS/ OTHER</u>	<u>TRAVEL EXPENSES</u>
Jerry Primrose	Chief	12	\$76,586	\$ 8,486	\$ 8,784
D'Arcy Linklater	Councillor	12	\$66,357	\$ 23,098	\$14,831
David Spence	Councillor	7	\$66,357	\$ -	\$13,649
Jimmy Spence	Councillor	12	\$66,357	\$ 17,994	\$ 7,780
Agnes Spence	Councillor	12	\$66,357	\$ 4,901	\$ 7,813
Shirley Linklater	Councillor	12	\$66,357	\$ 3,625	\$ 7,611
William Thomas	Councillor	12	\$66,357	\$ 9,953	\$ 6,600

SCHEDULE 2

NISICHAWAYASIIHK CREE NATION

OPERATING FUND
SCHEDULE OF SALARIES AND TRAVEL EXPENSES
PAID TO CREE NATION ADMINISTRATION

YEAR ENDED MARCH 31, 2005

<u>POSITION</u>	<u>SALARY</u>	<u>TRAVEL EXPENSES</u>
Controller	\$73,572	\$14,359
Chief executive officer	\$67,986	\$12,396
Assistant chief executive officer	\$57,066	\$11,859
Headman	\$51,212	*
Capital salary	\$51,857	*
Capital salary	\$62,790	*
Housing manager	\$58,205	*
Plumber	\$50,355	*
Policing	\$52,019	*
Maintenance management	\$50,973	*

Note: Only salaries greater than \$50,000 are disclosed above.

Note: *Travel expenses were not tracked individually for all positions noted above.

SCHEDULE 3

NISICHAWAYASIIHK CREE NATION

ECONOMIC DEVELOPMENT FUND
SCHEDULE OF SALARIES, HONORARIUMS AND
TRAVEL EXPENSES PAID TO SENIOR ADMINISTRATION STAFF

YEAR ENDED MARCH 31, 2005

<u>NAME</u>	<u>POSITION HELD</u>	<u>NUMBER OF MONTHS</u>	<u>SALARY/ HONORARIUM</u>	<u>TRAVEL EXPENSES</u>
Leonard Linklater	Manager	12	\$75,000	\$22,605

Note: Only salaries greater than \$50,000 are disclosed above.

SCHEDULE 4

NISICHAWAYASIHK CREE NATION

EDUCATION FUND
SCHEDULE OF SALARIES, HONORARIUMS AND
TRAVEL EXPENSES

YEAR ENDED MARCH 31, 2005

<u>NAME</u>	<u>POSITION HELD</u>	<u>NUMBER OF MONTHS</u>	<u>SALARY/ HONORARIUM</u>	<u>TRAVEL EXPENSES</u>
Matthias White	Director - Education	12	\$117,892	\$20,354
Natalie Tays	Principal - NNOC	12	\$72,873	\$ 7,874
Lloyd Chubb	Principal - O.K.	12	\$85,019	\$16,964
William Spence	Vice Principal	12	\$77,005	\$ 5,567
Paul Bonner	Comptroller	12	\$67,192	\$ 4,760
Earl Swanson	Assistant Comptroller	12	\$60,891	\$10,118
Ed Godsell	Special Education	12	\$81,866	\$17,100
William Gamblin	P.S. Counsellor	12	\$70,631	\$ 6,111
Murdock Cole	Language Arts	8	\$54,018	\$ 1,079
Susan Kobliski	Counsellor	12	\$53,000	\$ 1,219
Shirley Spence	Finance Clerk	12	\$54,630	\$ -

Note: Only salaries greater than \$50,000 are disclosed above.

NELSON HOUSE MEDICINE LODGE INC.

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AUDITORS' REPORT

To the Board of Directors
Nelson House Medicine Lodge Inc.

We have audited the statement of financial position of Nelson House Medicine Lodge Inc. as at March 31, 2005 and the statements of combined revenues and expenditures, net assets - unrestricted, net assets invested in capital assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2005 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
April 15, 2005

A handwritten signature in blue ink, appearing to read 'Hemenway Silver'.

CHARTERED ACCOUNTANTS



Member of
The Institute of
Chartered Accountants
of Manitoba



201 - 930 Jefferson Avenue Winnipeg, Manitoba R2P 1W1 Phone 204-694-8999 Fax 204-694-6885 e-mail: hsilver@icenter.net

NELSON HOUSE MEDICINE LODGE INC.

STATEMENT OF FINANCIAL POSITION - MARCH 31, 2005

	Operating Fund	Capital Fund	Replacement Reserve Fund	2005 Total	2004 Total
CURRENT ASSETS					
Cash - unrestricted	\$ 9,559	\$ -	\$ -	\$ 9,559	\$ 72,250
Cash - restricted (NOTE 7)	-	-	126,132	126,132	126,132
Funding receivable - NNADAP	-	-	-	-	14,202
Accounts receivable - other (NOTE 5)	167,408	-	-	167,408	194,208
Due from related parties (NOTE 4)	36,891	-	-	36,891	29,038
Due from Replacement Reserve Fund	2,869	-	(2,869)	-	-
Prepaid expense	47,939	-	-	47,939	3,861
	<u>264,666</u>	<u>-</u>	<u>123,263</u>	<u>387,929</u>	<u>439,691</u>
CAPITAL ASSETS (NOTES 2 AND 6)	-	1,643,148	-	1,643,148	1,718,269
	<u>\$264,666</u>	<u>\$ 1,643,148</u>	<u>\$ 123,263</u>	<u>\$2,031,077</u>	<u>\$ 2,157,960</u>
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	\$ 82,117	\$ -	\$ -	\$ 82,117	\$ 71,206
Security deposits	600	-	-	600	600
Wages and vacation pay payable	35,176	-	-	35,176	125,387
Deferred revenue (NOTE 10)	44,000	-	-	44,000	52,482
Current portion of long-term debt (NOTE 11)	-	5,595	-	5,595	4,869
	<u>161,893</u>	<u>5,595</u>	<u>-</u>	<u>167,488</u>	<u>254,544</u>
LONG-TERM DEBT (NOTE 11)	-	6,429	-	6,429	12,024
	<u>161,893</u>	<u>12,024</u>	<u>-</u>	<u>173,917</u>	<u>266,568</u>
NET ASSETS					
Unrestricted (PAGE 5)	102,773	-	-	102,773	87,520
Invested in Capital Assets (PAGE 6)	-	1,631,124	-	1,631,124	1,701,376
Restricted (NOTE 7)	-	-	123,263	123,263	102,496
	<u>102,773</u>	<u>1,631,124</u>	<u>123,263</u>	<u>1,857,160</u>	<u>1,891,392</u>
	<u>\$264,666</u>	<u>\$ 1,643,148</u>	<u>\$ 123,263</u>	<u>\$ 2,031,077</u>	<u>\$ 2,157,960</u>

APPROVED

NELSON HOUSE MEDICINE LODGE INC.

STATEMENT OF NET ASSETS - UNRESTRICTED

YEAR ENDED MARCH 31, 2005

	2005	2004
OPERATING FUND		
Net assets - unrestricted, beginning of year	\$ 87,520	\$ (40,760)
Surplus, for the year	15,253	128,280
NET ASSETS - UNRESTRICTED, END OF YEAR	\$102,773	\$ 87,520

NELSON HOUSE MEDICINE LODGE INC.STATEMENT OF NET ASSETS
INVESTED IN CAPITAL ASSETS

YEAR ENDED MARCH 31, 2005

	2005	2004
Balance, beginning of year	<u>\$ 1,701,376</u>	<u>\$1,135,490</u>
Additions		
Purchase of capital assets	29,907	170,329
Repayment of bank loan	-	525,000
Principal portion of the capital lease	4,869	-
Accrued interest on long-term debt	-	1,985
	<u>34,776</u>	<u>697,314</u>
Deductions		
Amortization of capital assets	(105,028)	(114,535)
Proceeds from capital lease	-	(16,893)
	<u>(105,028)</u>	<u>(131,428)</u>
BALANCE, END OF YEAR	<u>\$ 1,631,124</u>	<u>\$1,701,376</u>

NELSON HOUSE MEDICINE LODGE INC.

STATEMENT OF COMBINED REVENUES AND EXPENDITURES

YEAR ENDED MARCH 31, 2005

	2005	2004
REVENUES		
Health Canada Transfer Agreement (NOTE 3)	\$ 1,096,740	\$ 1,096,740
Health Canada NNADAP Funding	85,220	85,220
AHF Funding	383,200	418,234
Health Canada Agreement - Capital Renovations	100,000	-
Mileage revenue	519	1,093
Staff trailer rentals (NOTE 8)	18,999	14,754
Miscellaneous	3,961	7,792
	<u>1,688,639</u>	<u>1,623,833</u>
Add: revenues deferred from previous year	52,482	680,107
Less: revenues deferred to following year	(44,000)	(52,482)
	<u>1,697,121</u>	<u>2,251,458</u>
EXPENDITURES		
Accreditation	19,692	1,989
Administration fees - NCN	-	109,674
Audit	11,875	10,600
Bank charges and interest	2,572	2,718
Capital expenditures	1,265	32,970
Contribution to POW WOW committee	50,405	-
Equipment and fixtures	26,052	32,669
Food (Net of recovery: 2005 - \$15,175, 2004 - \$12,215)	79,254	60,977
Freight	9,016	7,107
Honorariums	64,400	34,450
Human resources / Professional development	6,276	2,509
Kitchen and janitorial	9,423	10,642
Laundry	8,027	9,887
Loan payments	-	557,434
Miscellaneous (NOTE 9)	20,071	18,363
Office supplies	23,126	22,157
Printing supplies	4,053	958
Program materials	53,010	51,520
Rent and utilities (PAGE 14)	184,487	114,097
Salaries and benefits (PAGE 14)	887,199	877,732
Training	36,491	32,167
Transfer to Replacement Reserve	24,622	24,622
Travel (PAGE 15)	128,872	97,004
Vehicle upkeep	6,696	8,101
Webpage development	24,984	-
Workshops	-	2,831
	<u>1,681,868</u>	<u>2,123,178</u>
SURPLUS, FOR THE YEAR	<u>\$ 15,253</u>	<u>\$ 128,280</u>

NELSON HOUSE MEDICINE LODGE INC.

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2005

	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Health Canada Funding received	\$1,216,162	\$1,167,758
AHF Funding received	487,623	170,623
Trailer rents received	18,999	14,754
Other revenues received	5,415	27,248
Operating expenses	(674,073)	(557,921)
Salaries paid	(977,410)	(834,823)
Bank charges and interest	(2,572)	(2,718)
Loan interest	-	(34,419)
Expenditures out of replacement reserve	(3,855)	-
Trailer expenses	(2,539)	(5,329)
Net cash received from (paid for) operating activities	<u>67,750</u>	<u>(54,827)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of capital assets	<u>(117,719)</u>	<u>(170,329)</u>
Net cash received from (paid for) investing activities	<u>(117,719)</u>	<u>(170,329)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Due from related parties	(7,853)	-
Proceeds (repayment) of capital lease	(4,869)	16,893
Repayment of bank loan	-	(525,000)
Net cash received from (paid for) financing activities	<u>(12,722)</u>	<u>(508,107)</u>
DECREASE IN CASH FOR THE YEAR	(62,691)	(733,263)
Cash, beginning of year	198,382	931,645
CASH, END OF YEAR	\$ 135,691	\$ 198,382
Cash consists of:		
Operating Fund		
Cash	\$ 9,559	\$ 72,250
Replacement Reserve Fund		
Restricted cash	126,132	126,132
CASH, END OF YEAR	\$ 135,691	\$ 198,382

NELSON HOUSE MEDICINE LODGE INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2005

1. PURPOSE OF THE ORGANIZATION

Nelson House Medicine Lodge Inc. is a not-for-profit organization operating a treatment centre on the reserve located in Nelson House, Manitoba.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations, as defined in the CICA Handbook, which encompasses the following principles:

a) Fund Accounting

Revenues are accounted for using the deferral method.

The Lodge records its financial transactions using fund accounting procedures which result in a self-balancing set of accounts for each fund. The Lodge maintains the following funds:

- The Operating Fund reports the general activities of the management and administration of the Lodge.
- The Capital Fund reports the capital assets of The Lodge together with their related financing.
- The Replacement Reserve Fund reports the activities of the moveable capital assets replacement reserve (MCARR) used to purchase equipment, furniture and vehicles.

b) Capital Assets and Amortization

Capital Assets expenditures which are not funded from capital sources, are expended against the related capital funding and are reported on the statement of financial position with an offset to "Net Assets Invested In Capital Assets". Capital Assets acquired are amortized using the declining balance method as follows:

	<u>RATE</u>
Buildings	4%
Trailers	5%
Sewer-trailers	5%
Vehicles	20%
Computer equipment	30%
Office equipment	20%
Furnishings and equipment - Lodge	10%
Landscaping	100%

NELSON HOUSE MEDICINE LODGE INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

c) **Food Stocks and Activity Supplies**

Food stocks and activity supplies are expensed when purchased.

d) **Accounts and Advances Receivable**

Accounts and advances receivable are recorded net of allowance for doubtful accounts.

e) **Management Estimates and Assumptions**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

f) **Comparative Figures**

Prior year's comparative figures have been reclassified where necessary to conform to the current year's presentation.

3. ECONOMIC DEPENDENCE

The organization's operations are dependent upon receipt of operating funds from the Government of Canada - Health Canada.

4. DUE FROM RELATED PARTIES

	2005	2004
Nelson House Cree Nation	\$91,395	\$101,710
Nelson House Forest Industries	(54,504)	(72,672)
	\$36,891	\$ 29,038

Amounts due to/from related parties are non-interest bearing with no fixed terms of repayment.

NELSON HOUSE MEDICINE LODGE INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

5. ACCOUNTS RECEIVABLE - OTHER

	2005	2004
Aboriginal Healing Foundation	\$ 87,408	\$ 191,831
Employee and board advances	1,801	2,736
Health Canada	80,000	-
Other	9,028	9,028
	<u>178,237</u>	<u>203,595</u>
Less: Allowance for doubtful accounts	(10,829)	(9,387)
	<u>\$ 167,408</u>	<u>\$ 194,208</u>

6. CAPITAL ASSETS

	2005		2004	
	<u>COST</u>	<u>ACCUMULATED AMORTIZATION</u>	<u>NET BOOK VALUE</u>	<u>NET BOOK VALUE</u>
Building	\$1,361,892	\$131,497	\$ 1,230,395	\$ 1,281,662
Trailers	210,000	63,756	146,244	153,941
Sewer-trailers	75,839	23,025	52,814	55,594
Vehicles	135,110	77,087	58,023	72,528
Computer equipment	53,672	32,470	21,202	12,239
Office equipment	100,619	37,461	63,158	78,948
Furnishings and equipment - Lodge	99,309	27,997	71,312	63,357
Landscaping	16,500	16,500	-	-
	<u>\$2,052,941</u>	<u>\$409,793</u>	<u>\$ 1,643,148</u>	<u>\$ 1,718,269</u>

NELSON HOUSE MEDICINE LODGE INC.**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

YEAR ENDED MARCH 31, 2005

7. NET ASSETS - RESTRICTED

The restricted assets is funded by an annual allocation in the Health Transfer Agreement. These funds, along with accumulated interest, must be held in a separate bank account and are to be used only for the replacement and acquisition of property and equipment. This fund, termed the Moveable Capital Assets Replacement Reserve, consists of the following:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
Opening balance, April 1, 2004	\$102,496	\$ -	\$102,496
Allocation for the year	<u>24,622</u>	<u>-</u>	<u>24,622</u>
	127,118	-	127,118
Replacement of property and equipment	(3,855)	-	(3,855)
ENDING BALANCE, MARCH 31, 2005	\$123,263	\$ -	\$123,263

8. STAFF RENTALS - TRAILERS

	<u>2005</u>	<u>2004</u>
INCOME		
Rents	\$17,811	\$13,650
User fees	<u>1,188</u>	<u>1,104</u>
	18,999	14,754
EXPENSE		
Repairs and maintenance	2,539	5,329
SURPLUS	\$16,460	\$9,425

NELSON HOUSE MEDICINE LODGE INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

YEAR ENDED MARCH 31, 2005

9. MISCELLANEOUS EXPENDITURES

	2005	2004
Bad debts	\$ 1,442	\$ 200
Donations	7,665	1,730
Other	3,382	8,690
Staff recognition	1,265	3,719
Legal and consulting fees	4,837	759
Advertising	1,480	3,265
	\$20,071	\$18,363

10. DEFERRED REVENUE

	2005	2004
Health Canada - Capital	\$ 44,000	\$ -
Pisimweyapiy - Healing and Wellness	-	52,482
	\$44,000	\$52,482

11. LONG-TERM DEBT

	2005	2004
WILSON'S BUSINESS SOLUTIONS		
Capital lease on a photocopier, repayable at \$1,751.76 quarterly plus interest at a rate of 14.91%, matures March, 2007.	\$ 12,024	\$ 16,893
Less: current portion	5,595	4,869
	\$ 6,429	\$ 12,024

The principal repayments required over the next two fiscal years are as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2005-2006	\$ 5,595
2006-2007	6,429
	<u>\$ 12,024</u>

NELSON HOUSE MEDICINE LODGE INC.**SCHEDULE OF RENT AND UTILITIES**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
Equipment leasing	\$ 4,680	\$ 7,269	\$ 30,743
Telephone	10,321	21,519	17,569
Utilities and maintenance	70,460	146,903	55,146
Insurance	4,219	8,796	10,639
	\$ 89,680	\$ 184,487	\$ 114,097

NELSON HOUSE MEDICINE LODGE INC.**SCHEDULE OF SALARIES AND BENEFITS**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
Executive director	\$ 59,900	\$ 59,900	\$ 57,500
Senior counsellor	48,900	50,636	47,000
Therapists	43,000	44,734	28,138
Counsellors	134,000	124,831	115,752
Traditional counsellors	36,500	33,050	31,539
Cook	35,000	33,486	31,706
Assistant cooks	54,400	52,703	59,188
Maintenance	27,300	29,055	29,997
Night supervisors	78,600	77,367	73,517
NNADAP co-ordinator	35,800	35,861	35,000
NNADAP counsellor	26,936	23,776	24,543
Finance administrator	30,900	30,306	27,154
Administrative manager	38,200	38,273	33,723
PCC co-ordinator	51,000	36,073	46,924
PCC administrative assistant	29,000	25,086	26,764
PCC therapists	123,000	91,091	112,520
PCC maintenance	8,000	8,071	10,290
Casual and relief	10,000	18,404	4,175
Employee benefits	119,955	74,496	82,302
	\$990,391	\$ 887,199	\$877,732



NELSON HOUSE MEDICINE LODGE INC.

SCHEDULE OF TRAVEL

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
Car mileage (gas)	\$ -	\$ 18,345	\$ 13,669
Administration	75,080	95,446	69,988
PCC Participant Transportation	18,000	14,481	13,347
	\$93,080	\$128,272	\$ 97,004

NELSON HOUSE MEDICINE LODGE INC.**SCHEDULE OF REVENUES AND EXPENDITURES
TRANSFER FUNDING PROGRAM**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Health Canada	\$ 1,096,740	\$ 1,096,740	\$ 1,096,740
Administration charges	17,378	21,338	19,047
Miscellaneous	-	1,426	-
	<u>1,114,118</u>	<u>1,119,504</u>	<u>1,115,787</u>
Add: revenues deferred from previous year	-	-	630,708
	<u>1,114,118</u>	<u>1,119,504</u>	<u>1,746,495</u>
EXPENDITURES			
Accreditation	-	13,800	1,392
Administration fees - NCN	-	-	109,674
Audit	15,500	7,500	7,100
Bank charges and interest	3,000	2,572	2,718
Capital expansion	35,000	1,265	32,970
Contribution to POW WOW	5,000	50,405	-
Equipment and fixtures	35,000	26,052	28,515
Food (Net of recovery: 2005 - \$15,175, 2004 - \$12,215)	76,380	78,731	60,644
Freight	-	6,991	4,669
Honorariums	35,000	41,422	19,024
Kitchen and janitorial	15,000	9,423	10,642
Laundry	8,000	8,027	9,887
Loan payments	-	-	557,434
Miscellaneous	69,224	15,889	9,724
Office supplies	14,000	17,470	16,399
Printing supplies	5,500	2,745	260
Program materials	15,000	13,245	18,897
Rent and utilities	85,000	112,144	103,131
Salaries and benefits	662,660	638,775	599,557
Training	48,000	7,179	15,320
Transfer to Replacement Reserve	24,662	24,622	24,622
Travel	57,000	77,504	53,430
Vehicle upkeep	12,000	6,696	8,101
Webpage development	-	24,984	-
Workshops	-	-	1,486
	<u>1,220,926</u>	<u>1,187,441</u>	<u>1,695,596</u>
SURPLUS (DEFICIT), FOR THE YEAR	\$ (106,808)	\$ (67,937)	\$ 50,899

NELSON HOUSE MEDICINE LODGE INC.

**SCHEDULE OF REVENUE AND EXPENDITURES
NNADAP FUNDING PROGRAM**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUE			
Health Canada - NNADAP Funding	\$85,220	\$85,220	\$85,220
EXPENDITURES			
Administration fees	8,522	8,522	8,522
NNADAP co-ordinator	40,562	35,861	35,000
NNADAP counsellor	26,893	23,776	24,543
Employee benefits	4,692	4,148	4,574
Equipment and fixtures	-	3,327	1,646
Honorariums	-	600	1,040
Printing supplies	-	129	-
Travel	2,080	2,580	3,866
Office supplies	-	3,025	977
Food expense	-	523	333
Program materials	-	2,011	3,182
Staff recognition	-	190	824
Advertising	-	410	789
Training	2,472	156	368
	85,220	85,258	85,664
SURPLUS (DEFICIT), FOR THE YEAR	\$ -	\$ (38)	\$ (444)

NELSON HOUSE MEDICINE LODGE INC.**SCHEDULE OF REVENUES AND EXPENDITURES
PISIMWEYAPIY COUNSELLING CENTER**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Aboriginal Healing Foundation	\$ 383,200	\$ 383,200	\$ 418,234
Add: revenues deferred from previous year	52,482	52,482	49,399
Less: revenues deferred to the following year	-	-	(52,482)
	<u>435,682</u>	<u>435,682</u>	<u>415,151</u>
EXPENDITURES			
Accreditation	-	5,892	597
Audit	4,167	4,375	3,819
Co-ordinator	37,267	36,073	46,924
Therapists	94,185	91,091	112,520
Administrative assistant	21,667	25,086	26,764
Maintenance	6,933	8,071	10,290
Employee benefits	24,008	24,318	17,560
Travel	13,333	23,134	12,000
Human Resources/Consulting fees	12,500	6,276	2,509
Training/Professional Development workplans	20,000	29,156	17,227
Meeting room/office rental	20,000	20,000	24,000
Administrative costs	55,633	65,870	53,707
Program supplies/resource materials	9,583	15,708	14,764
Honorariums	12,500	22,378	14,386
Equipment and rentals	3,900	1,436	4,896
Transportation - mileage/gas	15,000	29,481	32,039
Production costs - forms, brochures, manuals, etc.	10,000	22,560	10,975
Distribution costs	3,333	2,025	2,438
Other - Child care	22,500	3,108	2,332
Other - PCC Committee and Vitamins	-	3,300	4,400
Other - Donations and staff recognition	-	470	1,004
	<u>386,508</u>	<u>439,808</u>	<u>415,151</u>
SURPLUS (DEFICIT), FOR THE YEAR	\$ 49,174	\$ (4,126)	\$ -

NELSON HOUSE MEDICINE LODGE INC.

**SCHEDULE OF REVENUES AND EXPENDITURES
CAPITAL EXPANSION PROGRAM**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Health Canada	\$100,000	\$100,000	\$ -
Less: revenues deferred to following year	-	44,000	-
	<u>100,000</u>	<u>56,000</u>	<u>-</u>
EXPENDITURES			
Administration fees	1,196	1,196	-
Capital expansion costs	<u>54,804</u>	<u>54,804</u>	<u>-</u>
	<u>56,000</u>	<u>56,000</u>	<u>-</u>
SURPLUS, FOR THE YEAR	<u>\$ 44,000</u>	<u>\$ -</u>	<u>\$ -</u>

NELSON HOUSE MEDICINE LODGE INC.**SCHEDULE OF REVENUES AND EXPENDITURES
ADMINISTRATION PROGRAM**

YEAR ENDED MARCH 31, 2005

	BUDGET	2005	2004
	(unaudited)		
REVENUES			
Mileage revenue	\$ -	\$ 15,519	\$ 19,093
Staff trailer rentals		18,999	14,754
Administration fee	-	64,013	57,141
Miscellaneous	-	2,535	5,835
	-	101,066	96,823
EXPENDITURES			
Trailer repairs and maintenance	-	2,539	5,329
Car mileage and gas	-	11,173	13,669
	-	13,712	18,998
SURPLUS (DEFICIT), FOR THE YEAR	\$ -	\$ 87,354	\$ 77,825