

FIRST PEOPLES DEVELOPMENT INC.

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2013

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors First Peoples Development Inc.

I have audited the accompanying financial statements of First Peoples Development Inc., which comprise the statement of financial position as at March 31, 2013, and the statements of revenues and expenses and changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

AUDITOR'S REPORT - PAGE 2

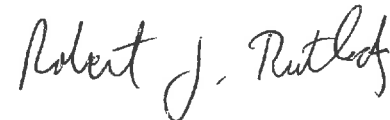
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of First Peoples Development Inc. as at March 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

The financial statements for the year ended March 31, 2012 were audited by another accounting firm and are presented for comparative purposes only.

Winnipeg, Manitoba
December 10, 2014



Chartered Accountant

FIRST PEOPLES DEVELOPMENT INC.

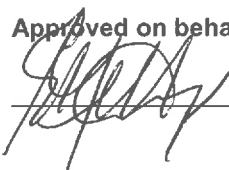
STATEMENT OF FINANCIAL POSITION


AS AT MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
ASSETS		
Current assets		
Cash and short-term investments	\$ 3,068,318	\$ 2,957,431
Accounts receivable	161,967	211,465
Prepaid expenses	14,432	-
Excess funding to sub-agreement holders (Note 3)	<u>163,437</u>	<u>-</u>
	\$ <u>3,408,154</u>	\$ <u>3,168,896</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 47,923	\$ 70,379
Funding due to sub-agreement holders (Note 3)	-	328,927
Deferred revenue (Note 4)	1,851,059	1,170,158
Current portion of long-term debt (Note 5)	<u>155,188</u>	<u>93,543</u>
	2,054,170	1,663,007
Long-term debt		
Due to Employment and Social Development Canada (Note 5)	<u>280,816</u>	<u>436,004</u>
	2,334,986	2,099,011
NET ASSETS (Note 6)	<u>1,073,168</u>	<u>1,069,885</u>
	\$ <u>3,408,154</u>	\$ <u>3,168,896</u>

Contingent liabilities - See Note 9

Approved on behalf of the Board:


 _____ Director


 _____ Director

FIRST PEOPLES DEVELOPMENT INC.

SCHEDULE OF REVENUES AND EXPENSES - ADMINISTRATION

FOR THE YEAR ENDED MARCH 31, 2013

	2013	2012
Revenue		
Employment and Social Development Canada	\$ 1,058,329	\$ 825,304
Other income		
Interest income	29,222	10,292
Miscellaneous income	17,488	6,926
	1,105,039	842,522
Expenses		
Advertising and promotion	5,407	-
Bank charges	8,089	25,704
Capacity building	22,956	12,021
Insurance	4,236	3,959
Office costs	17,032	17,455
Meeting facilities	10,386	14,775
Miscellaneous	14,203	-
Professional fees	127,220	172,734
Rent	40,982	42,117
Salaries and benefits	710,320	661,506
Telephone	18,088	19,292
Travel	122,837	154,237
	1,101,756	1,123,800
Excess of revenue over expenses	\$ 3,283	\$ (281,278)

FIRST PEOPLES DEVELOPMENT INC.

SCHEDULE OF REVENUES AND EXPENSES - CONSOLIDATED REVENUE FUND

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Employment and Social Development Canada	\$ 9,119,346	\$ 9,730,730
Expenses		
Administration	617,008	638,396
Core program services	1,726,230	3,618,382
Employment benefit	2,860,403	2,138,255
Employment support measures	3,107,173	3,192,218
Employment and training - youth and disabled	590,802	-
Partnership development	197,306	-
Geothermal project	-	-
Other	20,424	143,479
	<u>9,119,346</u>	<u>9,730,730</u>
Excess of revenue over expenses	\$ <u>-</u>	\$ <u>-</u>

FIRST PEOPLES DEVELOPMENT INC.

SCHEDULE OF REVENUES AND EXPENSES - EMPLOYMENT INSURANCE

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Employment and Social Development Canada	\$ 3,873,625	\$ 3,989,289
Expenses		
Administration	373,943	664,695
Core program services	1,543,768	2,025,391
Employment benefit	936,654	584,775
Employment support measures	904,653	689,230
Employment and training - youth and disabled	109,619	-
Partnership development	2,488	-
Other	2,500	25,198
	<u>3,873,625</u>	<u>3,989,289</u>
Excess of revenue over expenses	\$ <u>-</u>	\$ <u>-</u>

FIRST PEOPLES DEVELOPMENT INC.

SCHEDULE OF REVENUES AND EXPENSES - CHILD CARE

FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
Revenue		
Employment and Social Development Canada	\$ 4,332,160	\$ 4,491,992
Expenses		
Administration	415,913	426,335
Core program services	1,109,943	4,065,657
Employment benefit	2,875	-
Capital costs - daycare	162,202	-
Program costs - daycare	<u>2,641,227</u>	<u>-</u>
	<u>4,332,160</u>	<u>4,491,992</u>
Excess of revenue over expenses	\$ <u>-</u>	\$ <u>-</u>