



YOUTH

OUR STRENGTH, OUR FUTURE

SASKATOON TRIBAL COUNCIL ANNUAL REPORT 2009-2010

Table of Contents:

Message from the Tribal Chief.....	2
Message from the Vice Chief.....	3
First Nation Winter Games	4
STC Inc.....	9
Health and Family Services	14
Urban First Nation Services.....	20
Cress Housing Corporation.....	26
Corporate Organizational Chart.....	28
STC Member Nations	29
STC Inc. Auditors' Report	30
STC Inc. Financial Statements	31
H&FS Auditors' Report	41
H&FS Financial Statements	42
UFN Auditors' Report	48
UFN Financial Statements	49
Cress Housing Auditors' Report.....	58
Cress Housing Financial Statements.....	59



VISION

Gathering together, honouring the past, building the future; Saskatoon Tribal Council is a catalyst for success.

MISSION

The Saskatoon Tribal Council is dedicated to creating a respectful environment that inspires and encourages innovation and leadership while building and strengthening partnerships with communities, individuals and organizations.

We do this by providing exceptional program and service delivery, sustainable economic development, strong political support and a representative voice for Our Nations while respecting the sovereignty of each First Nation.

MESSAGE FROM TRIBAL CHIEF

FELIX THOMAS



The past year has been a defining one for the Saskatoon Tribal Council, culminating with the 2010 First Nation Winter Games in April 2010.

To the Elders, Chiefs, Councilors, membership and staff I again want to thank you for the honour of serving you as your Tribal Chief.

Success is measured in many ways and 2009 was an exceptional year as we prepared to host the 2010 First Nation Winter Games, continuing our focus on our youth and improving the quality of life for all of our people and communities.

The 2010 First Nation Winter Games were a monumental success from virtually every aspect.

The response from the youth, parents, community leaders, officials, our sponsors, the public and the Saskatchewan media was overwhelming. Many people commented it was the best Winter Games ever.

The committee, staff and volunteers deserve all the credit for doing an excellent job. The games have become such an important event in the development of our youth and their future. The Saskatoon Tribal Council was honoured to host the 2010 edition of the games.

Congratulations to Team STC for once again taking home the overall championship trophy!

Other measures of our success in 2009 can be seen through the continued development of programs, services and business development that improves the quality of life for our people.

In December 2009 we launched a new business partnership unique to First Nations traditional business ventures called First Alliance Construction Solutions.

First Alliance is a construction and project management firm that is a consortium between the Saskatoon Tribal Council, Battlefords Agency Tribal Chiefs and American construction management professionals K-Mech Constructors (K-Mech) from Minneapolis/St. Paul, Minnesota.

We believe FACS will fulfill an important role in the evolution of a strong First Nations economy. The company's growth and expansion into the market will create much needed capacity in construction management, engineering, education, training and the development of the First Nation labour pool.

Last year we began the process of strategically aligning all of our corporations to improve efficiency, effective and program delivery. I am pleased to report our strategy is starting to take shape with each division within STC working in a more cooperative and collaborative manner.

I encourage you to review in detail the reports from STC Inc., STC Urban, STC Health & Family Services and Cress Housing as all corporations continue to develop innovative and effective programs and services for our continually growing urban membership.

On behalf of our seven member nations, our Chiefs, Elders and staff, thank you for all of your dedication and hard work in making another successful year for the Saskatoon Tribal Council.

A handwritten signature in black ink that reads "Felix Thomas". The signature is written in a cursive, flowing style.

Tribal Chief
Felix Thomas



MESSAGE FROM THE VICE CHIEF

GERALDINE ARCAND

To the Elders, Chiefs, Councilors, staff and our many band members, it has been a privilege and an honor to serve as your Vice Chief for the Saskatoon Tribal Council.

2009 was my second year in office and I admit it was a real learning curve. As I near the end of my first term as your Vice Chief, I am starting to get comfortable in my role and respectful of the many challenges and needs that our people face each day.

My focus during the past year has been to engage and consult with as many communities and band members possible to gain a real understanding of the issues.

My consultation strategy also included a secondary objective, which was to bring as many STC senior managers into our communities and put the decision makers in front of the community and engage people in meaningful solutions to the challenges they face. I believe we accomplished that objective and we will continue to consult and engage our communities and people.

One initiative that proved to be extremely challenging during the past year was the STC Child & Family Services program. We are working

diligently to update, renew and expand the CFS program. We have now contracted a full-time staff person who has begun working with the communities to complete an overdue report on the program, and to begin addressing the various needs of our community members. We expect the report will be completed soon and the program to be fully operational by the end of the calendar year.

To meet the challenges that face our people takes teamwork. And while the past year was a learning curve for me it was made easier by the teamwork with Tribal Chief Felix Thomas. I believe Chief Thomas and I have created a real balance and we work extremely well together to meet the needs of our people. I look forward to continuing our work together.

The fiscal year in review was especially gratifying for me as I was honoured to be chosen the Co-Chair of the 2010 First Nations Winter Games hosted by STC. The games were a monumental success and I want to thank and congratulate the athletes, coaches, staff and volunteers for all of their hard work.

As we move into 2010 and beyond, we will continue our focus on our youth and improving the quality of life for all of our communities and people in the Saskatoon Tribal Council.

Megwatch, inananāskomon, pidamaya



2010 FIRST NATION





N WINTER GAMES





Games Overview

DOUG PORTER

The 2010 First Nation Winter Games, themed *Our Youth, Our Strength, Our Future*, had over 3500 athletes in attendance. Opening ceremonies were held at Credit Union Centre and televised live on Shaw Cable. Tribal Council teams entered the arena through a teepee and two columns of flames and were filmed on the overhead big screen video for all to see. The expressions of the athletes were inspiring and will be a memory for all who attended.

Rockhill, a drum group from Yellow Quill, were the drum group for the opening ceremonies. Dignitaries including Tribal Chief Felix Thomas and AFN Chief Sean Atleo welcomed the athletes.

Vice Chief Geraldine Arcand officially opened the games. Blu and Ekwol provided hip hop entertainment. Buffalo Boy Productions provided a display of traditional dance. The opening ceremonies concluded with a spectacular display of fireworks.

Role models Theo Fluery, Micheal Linklater and Scott Daniels were present at the opening ceremonies, sponsors banquet and throughout the week at different venues. Many photo and autograph opportunities were available to the athletes as well as opportunities for informal discussions.

Saskatoon Public Schools and Greater Saskatoon Catholic Schools provided the venues for the events and accommodations. Their support of this event and the volunteers involved in the set up



were instrumental in the success of the games. The Prime Minister's wife, Laureen Harper, brought greeting to the athletes at Walter Murray Collegiate and was provided a sampling and explanation of traditional First Nation dance.

A banquet for the sponsors was held at the Dakota Dunes Casino. Sponsors received artwork for their contribution to the games. Each of the role models spoke to the sponsors with the keynote address by Theo Fluery. A variety of entertainment was provided by Voices of the North concluding with a very entertaining comedian.

A teen dance was held at the Prairieland Exhibition. Over 2000 youth attended. A highlight of the evening included a "So You Think You're Hot" contest where the athletes could demonstrate their musical talents.

Closing ceremonies were held at the Cosmo Civic Centre. The final hockey game, which went in to overtime and a packed to capacity facility added excitement to the closing ceremonies. Trophies were presented to the winning Tribal Councils in each event.

The overall champion was the Saskatoon Tribal Council for the third time in a row. It was a great way to finish the games.

It is estimated the event generated over \$5 million in economic activity for the City of Saskatoon. The games received good media coverage, both in print and on television.



STC INC.

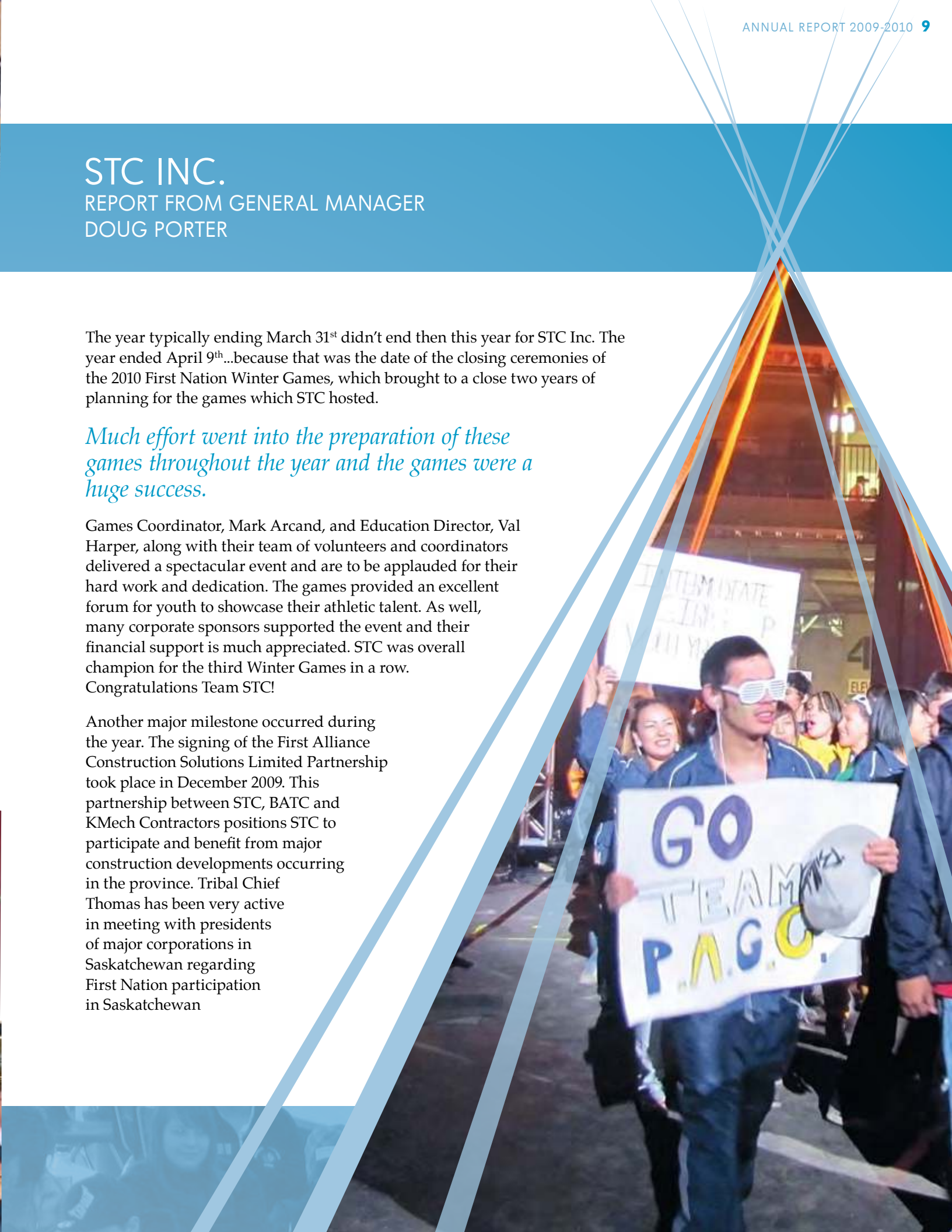
REPORT FROM GENERAL MANAGER DOUG PORTER

The year typically ending March 31st didn't end then this year for STC Inc. The year ended April 9th...because that was the date of the closing ceremonies of the 2010 First Nation Winter Games, which brought to a close two years of planning for the games which STC hosted.

Much effort went into the preparation of these games throughout the year and the games were a huge success.

Games Coordinator, Mark Arcand, and Education Director, Val Harper, along with their team of volunteers and coordinators delivered a spectacular event and are to be applauded for their hard work and dedication. The games provided an excellent forum for youth to showcase their athletic talent. As well, many corporate sponsors supported the event and their financial support is much appreciated. STC was overall champion for the third Winter Games in a row. Congratulations Team STC!

Another major milestone occurred during the year. The signing of the First Alliance Construction Solutions Limited Partnership took place in December 2009. This partnership between STC, BATC and KMech Contractors positions STC to participate and benefit from major construction developments occurring in the province. Tribal Chief Thomas has been very active in meeting with presidents of major corporations in Saskatchewan regarding First Nation participation in Saskatchewan





businesses. In addition to a large labour force, STC now has the ability to offer a First Nation construction business as a solution.

Through the efforts of Tribal Chief Thomas, STC has an increased profile in the City of Saskatoon. It has been satisfying to see the Tribal Chief and the Saskatoon Tribal Council be acknowledged by both the Mayor and Premier at business events.

STC continues its efforts in establishing and maintaining beneficial partnerships. The Mamawohkamatowin partnership with Greater Saskatoon Catholic Schools was signed this year. Mamawohkamatowin is a Cree word meaning working collaboratively. The continued partnership with the Saskatoon Public Schools is a model promoted as a means to successfully increase First Nation employment and work together on increasing student success.

STC again signed a partnership agreement with SaskEnergy in early 2010 and was also successful in obtaining \$8 million in federal funding to support improved telecommunications infrastructure at 26 First Nations in partnership with SaskTel.

Discussions are also underway with SGI on a Traffic Safety Coordinator at STC, and with Junior

Achievement to have an individual working with students on acquiring business skills.

The loss of the Yellow Quill water treatment demonstrated the ability of STC and band staff to quickly address a tragedy. Within 24 hours, staff had the water and sanitary needs of the community addressed on an interim basis.



In closing, it was nice to see former Tribal Chief Joe Quewezance presented with Indian Government – Lifetime Achievement award at the FSIN Circle of Honour.

During the upcoming year much focus will be on the Active Measures implementation INAC has mandated. Changes to Labour Force funding and uncertainty with Post Secondary funding will also be challenges.

STC INC. HIGHLIGHTS

Labour Force Development Program

OLIVER CAMERON

In the final year of the Aboriginal Human Resources Development Strategy (AHRDS) Agreement, the Saskatoon Tribal Council Labour Force Development (STC LFD) had a very industrious year. We are pleased to report that we exceeded client and labour market activities forecasted.

Our commitment to assist youth in preparing for the workforce continues by providing programming to fulfill this objective. We provided a two-week Youth Career & Leadership Development program entitled, ATOSKE, which is a Cree word meaning 'ready to work' or 'he or she wants to work'. ATOSKE was offered in partnership with the City of Saskatoon Community Development Branch to deliver practical training for jobs in the sport, culture and recreation field.

The twelve youth selected for the program worked hard to complete the Play Leadership Certification training, First Aid CPR 'C', Aboriginal Coaching Module and Canoe Water Safety training. The youth also job shadowed summer recreation workers, learning about how volunteer boards operate and developed their own portfolios.

A participant's testimonial indicated that "it was fun, I met new friends and I gained valuable work experience!" Program evaluations specified the program surpassed expectations and recommended that we offer similar programs in the future for youth.

Education Program

VALERIE HARPER

Education partnerships engage in a collaborative process to implement culturally responsive schools, culturally responsive curriculums, effective assessments, effective teaching strategies and best practices. Several projects have been undertaken with Memorandum of Understandings (MOU) partnerships.

STC has signed an MOU with the Saskatoon Public Schools, Greater Saskatoon Catholic Schools, North East School Division, and Prairie Spirit School Division.



STC has initiated preliminary partnership discussions with Sask Rivers School Division, Prince Albert Catholic School Division, and Horizon School Division.

The Saskatoon Tribal Council Education Unit received funding from INAC: New Paths for Education. The funding was used to enhance core curriculum programs in PRIME Math; Balanced Literacy; Literacy Enhancement in School Libraries; School Inclusiveness; student supports with Student Advisory Counselors; and Professional Learning Community initiatives.

First Nations Student Success Program (FNSSP) and Education Partnership Program (EPP) are new funding programs introduced by INAC for 2009-2010. The Saskatoon Tribal Council received EPP funding to establish a memorandum of understanding agreement with INAC, the Ministry of Education, and the Saskatoon Tribal Council.

STC INC. HIGHLIGHTS

Education Program *(continued)*

Super Saturday Program

The Super Saturday program continues to provide educational activities and resources to STC First Nations. Through newly created and existing partnerships, Super Saturday has truly benefited from the generosity of partnerships.



There were three initiatives selected by the Super Saturday Committee for 2009-2010. The first initiative was to re-institute annual camps. After several discussions and meetings, a working partnership was struck with IBM Canada Ltd. Through an existing partnership with the University of Saskatchewan and IBM's partnership with the College of Computer Science, we were able to partner with the college to deliver the Igniting Interest in Technology and Engineering (IGNITE) camp in July, 2009. The three-day camp infused

topics of science, technology, team building and cultural teachings.

Other partnerships that are of high importance with Super Saturday are the Innovation Research Park and Saskatchewan Research Council; the Office of the Treaty Commissioner with their leadership and resource-based knowledge; and a new partnership with Saskatoon Trades & Skills Centre. Saskatoon Public Schools and Greater Saskatoon Catholic Schools have continued to provide excellent resources to supplement and benefit the Super Saturday program.



The newest initiative was the formation of a strategic plan to develop the resources of career development for First Nations youth. This initiative includes plans to develop resources to guide First Nations youth through career choices, starting with lessons for kindergarten through to grade twelve.





Youth Sports, Culture, and Recreation

In addition to several training camps, in July 2009 STC competed in the Summer Games in Onion Lake and the 2010 Winter Games. STC hosted a celebration for the 2009 Summer Games in Saskatoon at the White Buffalo Youth Lodge. There were presentations to athletes, coaches and chaperones.

Community Justice Program

CRYSTAL LAPLANTE

The Community Justice program realized accomplishments and experienced challenges throughout the past fiscal year. One major accomplishment was the level of stability both at the Tribal Council level and at the community level.

Community Justice Worker positions typically have a higher turn over rate due to the lack of funding, however five of the six positions remained filled with the sixth just having a temporary one-month absence.

Another major accomplishment centered on increasing Extrajudicial Sanctions (youth) and Alternative Measure (adult) referrals to the STC Inc. Justice Program. This was accomplished by liaising with the RCMP, City of Saskatoon police, the Crown and Legal Aid/Defense Attorneys. This is viewed as a great success as there was an increase in referrals from the previous year.

Housing and Engineering Services

RILEY BEAR

Assisting STC First Nations in providing safe drinking water continues to be a high priority for Housing and Engineering. Since 2005, STC has offered the services of two Water Treatment and Facility Maintenance Advisors, while only being partially funded for one.

In 2009, INAC recognized the importance of our Water Treatment and Facility Maintenance Advisor positions and is now providing funding for two full-time positions. STC Advisors have been primarily focusing on health and safety issues pertaining to water/wastewater, training new operators, and major upgrades to the water/wastewater infrastructure. School operations and maintenance is an area we also provide hands on training.

Economic Development Services

MATTHEW SHERRY

STC continues to develop business opportunities in three primary industry sectors such as mining, Crown Corporations and major mainstream commercial construction projects. The overall objective is greater First Nation and Tribal Council participation in the capital construction projects with these companies and industry sectors. Participation may take the form of employment, labor force training, vendor/supplier services, construction contracts, and subcontracting.

STC HEALTH & FAMILY SERVICES

MESSAGE FROM THE GENERAL MANAGER CEAL TOURNIER

When we reflect on the service delivery for the year in review, it reveals a lot of accomplishments in all areas. Our statistics demonstrate a high level of service commitment and delivery.

For example, higher immunization coverages are being accomplished despite vacancies in key positions. The H1N1 pandemic immunization campaign within STC member First Nations communities reached one of the highest levels of coverage in Canada at 81.5 per cent.

The Research, Evaluation & Epidemiology Unit established in January 2009, showed success in utilizing STC data sources to secure a demonstration project in mental health promotion for children and youth in grades three to eight.

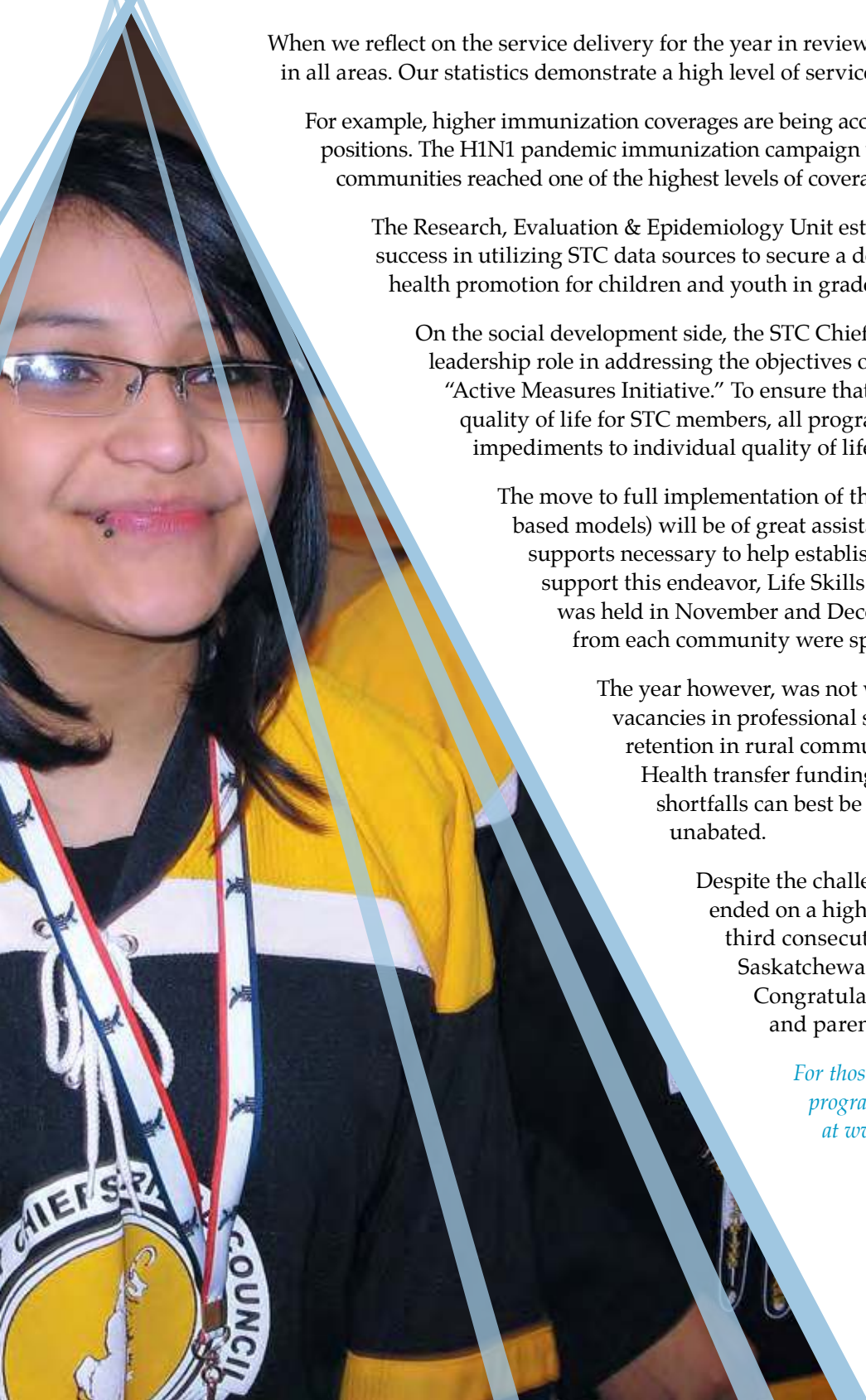
On the social development side, the STC Chiefs have demonstrated a strong leadership role in addressing the objectives of the Indian and Northern Affairs "Active Measures Initiative." To ensure that this initiative improves the quality of life for STC members, all programs and services are to address impediments to individual quality of life issues.

The move to full implementation of the Focus On Families (community-based models) will be of great assistance in delivering the social supports necessary to help establish and maintain strong families. To support this endeavor, Life Skills Coach Training of Trainers Session was held in November and December of 2009, which two people from each community were sponsored.

The year however, was not without challenges. We experienced vacancies in professional service areas, as recruitment and retention in rural communities continues to be problematic. Health transfer funding and non-insured health benefit shortfalls can best be described as chronic and continue unabated.

Despite the challenges and short falls, the year ended on a high note with team STC winning a third consecutive overall championship at 2010 Saskatchewan First Nations' Winter Games. Congratulations to all the STC athletes, coaches and parents!

For those members interested, a complete program report is published on the STC website at www.saskatoontribalcouncil.ca.



STC HEALTH & FAMILY SERVICES HIGHLIGHTS

Community Health

2009 was a challenging year with nursing shortages and vacancies placing additional pressure on existing community and tribal council personnel. The shortages and vacancies increased workloads and demands in mandatory programs. Despite an increased volume in the immunization program, the overall childhood immunization rates have increased from 73% to 83%. Pandemic H1N1 reached 81 per cent of STC community members which were vaccinated during the three waves of coverage during the special H1N1 Pandemic mass blitz and clinics.

Communicable disease control continues to be a struggle, as noted in the chart (page 19). There were 217 initial cases, and this does not include the follow-up contact tracing which greatly increases the aforementioned numbers. Ongoing education, referrals and surveillance continues to be a foundation of the community health program at STC.

Mental Health Promotion Project - Resourceful Adolescent Program (RAP)

The STC Health and Education staff, working in collaboration with other agencies has implemented a school based mental health promotion program. This project was initiated after we identified youth mental health as being a targeted priority area for the delivery of health services by community based senior HSD program staff and portfolio councillors.

As a result of this collaboration, funding was secured in January 2010 to introduce the RAP program in the seven member First Nation schools. It is designed to build resilience and prevent depression in youth. The RAP program involves the delivery of eleven lessons plus 1 day for evaluation work. The RAP facilitators and teachers have been accommodating each other to book classroom presentations during the last quarter of this fiscal year.

The RAP program consists of three components:

1-RAP (Resourceful Adolescent Program) – A series of eleven classroom lessons by the STC Mental Health Workers (RAP Team).

2-RAP-T (Resourceful Adolescent Program – Teacher) – An in-service for teachers on background information, and a collection of activities to promote the program in various curriculum related subject and activity areas. The in-service is two hours in duration; and,

3-RAP-P (Resourceful Adolescent Program-Parent) – Activities include communication with parents through personalized letters and through school newsletter inserts. Activities include celebrating what one is already doing as a parent and further suggestions to build positive relationships with their adolescents at home.

The STC community health staff continues to be visited by the RAP team to initiate collaboration and understanding of the objectives of the RAP program. Visits have occurred with Health Directors, Focus On Families staff, Drug and Addictions Counsellors, Community/School Counsellors and Living Well Facilitators/Therapists. The project continues to explore strategies to better engage each community in the programming.

Future initiatives include:

- Continue implementation of the RAP Program in the classrooms in the new school year (phase II);
- Add two more mental health promotion programs entitled PATHS and PENN;
- Expand service to include schools with a large STC student body population;
- Deliver in-service for community members in the three areas of RAP (Students), RAP (Teachers), RAP (Parents); and,
- Continue to collaborate in planning strategies to increase promotion, awareness and implementation of the programs at all levels with STC Communities.



STC HEALTH & FAMILY SERVICES HIGHLIGHTS

Focus On Families (a CFS Initiative)

This was the first full year of the Focus On Families (community-based models) implementation. Every STC member moved into full operation and delivery of services to children and families in need of support using the specific and unique elements based on their communities' specific needs.

The STC business plan was successful in drawing down the Indian & Northern Affairs Canada (INAC) pilot project resources, which allowed for a level of individual community flexibility while still meeting the specific requirements for tracking and evaluation.

The Focus On Families staff has been involved in a number of training sessions that will ensure successful interventions that support families and build on their strengths. It is this strengthening that the collective evaluation component was designed to capture. It is from the success or lack of it on which INAC will determine if the pilot project funding will continue past the initial five-year time frame.

The purchase of the electronic CFS case management software program is another exciting initiative. The intent is to make information available to those who need it, when they need it (authorized personnel only) while minimizing the paper files.

On the tertiary end of the continuum, protection cases maintained at the (approximately) 100 case file level. This is still deemed an arbitrary number as many factors can affect the actual caseload of children in care, at any given time.

Community Addictions Prevention Program (CAPP)

The Saskatoon Tribal Council's Community Addictions Prevention Program (CAPP) was established in 1996. The goal is to create an accessible, comprehensive and coordinated approach to addictions, including addressing problem gambling in the communities.

The proactive approach to addictions by the CAP Program is proving successful. CAPP workers seek opportunities to educate and implement healing and wellness programming in the communities they serve.

Some initiatives include: Elder's Social Gatherings, Sewing Classes, Square Dances, Traditional Ceremonies, Knowledge Sharing Circles, Self Help Groups and Responsible Gambling Education. In addition, counselling and referrals are provided as needed. There are also three major events that provide opportunity to promote healthy lifestyle choices: National Aboriginal Addictions Awareness Week (3rd week in November), Treaty Day Events and Gambling Awareness Week (May).

Community members are benefiting. There are more awareness programs and activities occurring throughout the year and an increase in self referrals has been noted.

A highlight of the year was the NNADAP Gala Event held in March 2010 at the Radisson in Saskatoon. A special award was presented posthumously to Bobbie McCloskey, whose family was in attendance to accept on her behalf. Bobbie was an activist for strong programming in addictions services and an advocate for adequate First Nations resourcing and service access. She was instrumental in formulating and introducing the NNADAP Program in its early years. Also honoured were many people working in and for First Nations communities, including 4 CAPP Workers from the STC member First Nations. Congratulations to:



George Kayseas (Yellow Quill First Nations)
– Years of Service Award

Corine Eyahpaise (Muskeg Lake Cree Nation)
– Wellness Promotion Award

Gerald Whitehead (Kinistin Saulteaux Nation)
– Years of Service Award

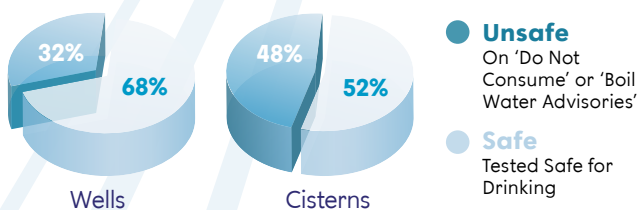
Anne Pambrun (Mistawasis First Nation)
– Wellness Promotion Award

Environmental Health Program

Long Term Boil Water or Do Not Consume Advisories - Wells and Cisterns

The poor structural condition of many wells and cisterns continues to be a major water quality issue that impacts the occupants of the approximately 108 affected homes.

68% of wells (36/53) and 52% of cisterns (55/108) were on Boil Water Advisories because of Coliform positive samples, poor system condition or “Do Not Consume” Advisories (wells only) related to chemical contaminants of health concern. Many of these systems have been on advisories for 2 years or more, meaning that these residents have not had safe drinking water out of their tap for an extended period of time. The lack of dedicated funding from INAC to communities for system repair or replacement continues to be a challenge.



Urban Health Services - School-Based Pediatric Program (St. Mary's School)

St. Mary's Pediatric Clinic was created in the wake of a study released in November 2006. The study highlighted the extent of the health disparities that exist in Saskatoon between people living in low-income neighbourhoods and those living in affluent neighbourhoods. A partnership arrangement between three parties made the clinic a reality.

The Pediatric Clinic is staffed with an office assistant (STC) and 2 pediatricians (Department of Pediatrics-School of Medicine, University of Saskatchewan) and the space is provided in St. Mary's School (Greater Saskatoon Catholic School Board). The clinic offers comprehensive pediatric care for all children living in the core neighborhoods, with a focus on the physical, mental, social, environmental and cultural factors within the community that influence the health and well-being of children. Advocating for the children and their families is also a big part of the Pediatrics Clinic mandate. The clinic operates Monday to Wednesday at St. Mary's school.

As a multi-disciplinary clinic there is much collaboration with other health disciplines such as Child Psychiatry, Child Psychologists, ENT, School staff such as teachers and school social workers and referrals to STC Urban Immunization Program.

Urban Health Center - Immunization Program

The mandate of the program is to increase the immunization rate in children living the core neighborhoods with a focus on the STC First Nations band members who live in these areas.

The client base continues to grow, as referrals by those who have received services in the past increase. Many children are now complete in their



STC HEALTH & FAMILY SERVICES HIGHLIGHTS

immunizations to age 4. An unscientific review had an estimated 32 per cent increase in immunization rates for the neighbourhoods at the end of calendar year. Statistics are difficult to keep as STC is not allowed access to the provincial immunizations system (SIMS).

Services remain accessible to parents as transportation services continue to be offered to encourage adherence to the immunization schedule. In addition, the staff brings their medical kits and attends several daycares to provide immunizations. Anyone requiring immunizations is encouraged to contact the clinic through the STC main switchboard.

Urban Health Center - SHARP Program

After 28 months, this program is well established and being utilized by more than 600 of the target population. Established with resources from the \$700 Million Up-stream Investment from the federal government, the Saskatoon HIV/Aids Reduction Program (SHARP) was envisioned to address the rapid rise in HIV transmission in the city of Saskatoon.

As most of those being affected were First Nations people, it was imperative that STC utilize its family and community connections to ensure that appropriate harm reduction activities were available to our members. Further, as HIV is now considered a chronic condition, which can be managed with appropriate medical treatment, it was necessary to encourage early testing to establish at risk individual's HIV status. Early identification leads to proper medical attention and a healthier state of being.

The SHARP program is staffed by: a Nurse Coordinator, an Addiction & Mental Health Counselor, one full time Outreach Worker, four part time outreach workers, specifically for the needle exchange program and a support coordinator.

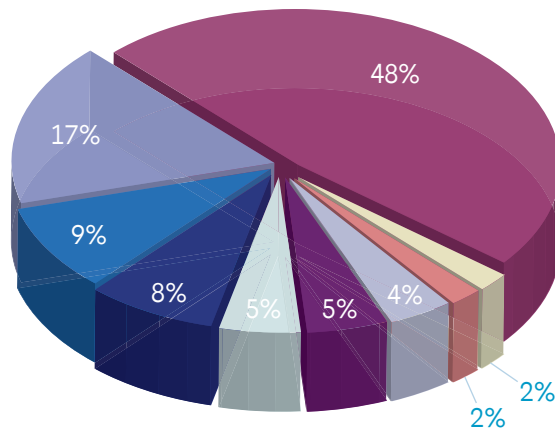
SHARP Facts:

- Needle exchange program has been running since Aug 2008 and operates from 12 to 5 pm every day of the year;
- Average needle exchange rate is 96 per cent, if needle recovery is the preferred marker then it reaches over 100 per cent;
- Database indicates over 600 individuals are utilizing the needle exchange;
- The mental health counselor's client list is approximately 40 clients;
- Support worker focus is to assist with prenatal HIV positive clients;
- Support worker client list is more than 70 clients;
- Clients now requesting testing to be sure of their HIV status;
- Creating partnerships in the community and receiving referrals from them;
- Presentations done in 7 member communities and in many facilities in Saskatoon; and,
- Decreased incidence of loose needles on the ground since implementing this program.

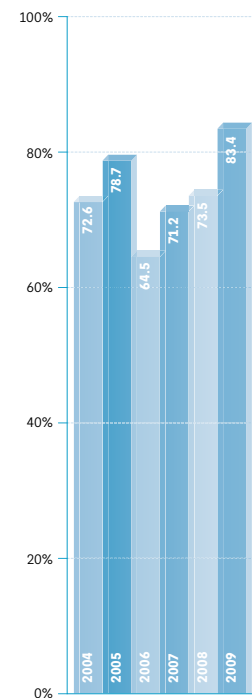


Communicable Disease Control

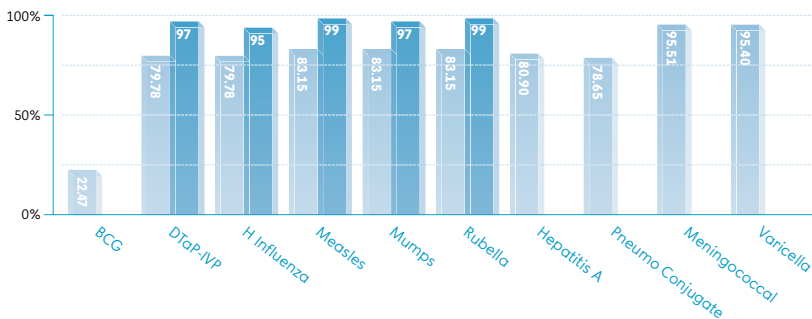
- MRSA
- Chlamydia
- Infl A H1N1
- Influenza A
- Dog Bite
- Hepatitis C
- Strep A
- HIV
- Gonorrhea



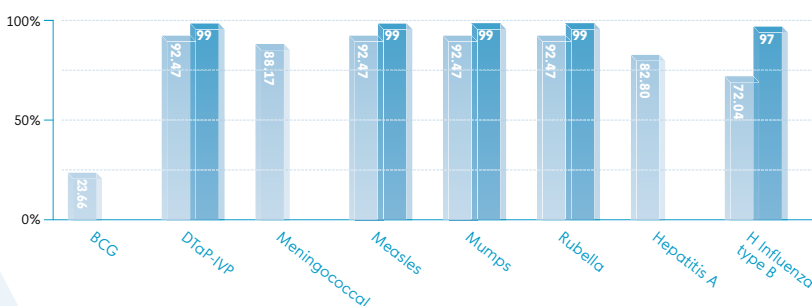
Two Year Old Average History



Two Year Old Immunization Rates



Six Year Old Immunization Rates



Year-End Statistical Highlights

Pre Natal Contact Visits	855
Post Natal Contact Visits	368
Infant Clinic Visits	389
Preschool Clinic Visits	1046
School Age Students Seen	1547
Childhood Immunizations Administered	2626
Adult Immunizations	2073
Adult Health Visits	1547
Elder Visits	761
General Treatments / Assessments	1471
Communicable Disease Control (CDC)	325.5

STC URBAN FIRST NATIONS SERVICES INC.

REPORT FROM GENERAL MANAGER MARIE ADAM

We are pleased to present our annual report to the membership, a summary of the STC Urban Programs delivered in the 2009-2010 fiscal year.

Sections include Urban Services, Labour Force, Justice, Family Services and the White Buffalo Youth Lodge, along with the administrative functions of the entire corporation.

Policy and reporting is through the Board of Directors, the Chief's of the member bands, supported through the Treaty Office. The administrative function of STC Urban is the responsibility of the General Manager, Administrative Assistant and casual staff. Accounting services are purchased through STC Inc.

Overall, STC Urban started the year with 86 full-time permanent employees and approximately 21 part-time, term and casual. The year ended with 91 full-time permanent employees and 26 part-time, term and casual. We ended the year with more than 80 percent Aboriginal staff.

The **STC Urban Labour Force Development (LFD)** program assists First Nations people living in the City of Saskatoon to prepare for and gain sustainable employment. This initiative focuses on providing education and training at technical institutions. It provides employment opportunities through direct employer placements and through employer and community partnerships.

The objective of the **Urban Aboriginal Strategy (UAS)** is to provide long term investments to support Urban Aboriginal communities by promoting self-reliance and increasing life choices for Aboriginal people living in urban settings. The UAS is guided by national and local priorities.

The **STC Urban Justice Program** provides support and assistance to youth, adults and their families throughout the duration of their involvement in the Criminal Justice System. Services are integrated using a family centered case management model has been the means in providing services to meet this objective.

The goal of STCU Justice is to ensure that those we service receive fair, just and equitable judicial services by providing support that enable restorative holistic healing through a kinship model.

STC Urban Justice oversees the following programs: Extrajudicial Measures Program, Extrajudicial Sanctions Intensive Support Program (Break, enter, theft and related offenses), opikinawasowin Reintegration Program (Youth Circles), Community Connections Reintegration Program and the Aboriginal Court worker Program.

The Director of Justice continues monthly participation in Prevention and Intervention pillars of the Saskatoon Gang Strategy.

The Saskatoon Crime Reduction Strategy has been reviewing ongoing crime reduction initiatives and determining whether there is sufficient evidence to support an initiative targeting crimes against the person while maintaining existing initiatives. The degree of violence in Saskatoon is escalating, as is the level of assaults causing bodily harm. This increase in violence includes street violence such as robbery (e.g. muggings, purse snatchings, convenience store hold-ups, home invasions) and swarming. This has led the public to express concern over the safety of youth taking part in such daily activities as going to school or attending a sports event.



The mandate of the **Extrajudicial Measures/Sanctions/Enhanced Programs** is to support youth ages 12-17 years that have been diverted away from the Justice system for offenses that meet Section 10 criteria as outlined in the Criminal Code of Canada.

Using restorative methods the programs seeks to help youth to understand and take responsibility for the crime's they have committed and further guide them as they make efforts to repair the harm caused, whereby achieving victim satisfaction.

For the 2009-2010 fiscal year there were 154 cases referred to the Saskatoon Tribal Council Urban Extrajudicial Measures/Sanctions Program.

In June 2007 the **opikinawasowin Youth Reintegration and Community Connections program** were amalgamated and renamed as the "Community Reintegration Program". opikinawasowin is a Cree word translated in English to "raising the child." This program was developed in 2005 with a mandate to offer mentoring support to the youth referred to the program.

The Community Connections program was developed in 2006 to provide support and assistance to a selected group of youth and young adult offenders who face unique personal or systematic barriers, which limit their ability to access appropriate rehabilitative services, and have known gang involvement.

The Community Reintegration program was designed to mentor/support and link youth and young adults to resources and supportive networks within the community.

Success Story

16 year old female youth

The STC Urban Justice Youth Reintegration program has helped me in many ways to be successful. I have learned that if you want something in life you have to put your mind to it, if you put your mind to anything you will succeed in whatever you want to complete. I came into the program as a young offender on probation serving a 15 month probation order. The STC Urban Justice youth workers have worked with me throughout to successfully complete my probation order, and I made it through a whole year of school. Many times I was ready to give up on my schooling and probation, at times I wanted to move away or go back to jail, when I was sad, mad, or stressed and the STC Urban Justice youth workers would take me out and talk, we watched a variety of movies. We went to the Mendel Art Gallery/symposium; we also went to watch the Saskatchewan Roughriders in Regina, we also had a make-over with a Mary Kay consultant. STC Urban Justice youth workers helped me and my family with rides when we needed to go shopping for food, or just when I and my family had no money for the bus. I am glad to have been in the STC youth reintegration program because it has helped me a lot even after I was done my probation. I would recommend the program to other youth who want to get their life together and be successful.



STC URBAN FIRST NATIONS SERVICES HIGHLIGHTS

The mandate of the **Aboriginal Court Worker Program** is to provide support to First Nations and Aboriginal youth and adults who come before the courts on charges and identify sanctions other than imprisonment consistent with Section 718.2 of the Criminal Code, which reads as follows:

“All available sanctions other than imprisonment that are reasonable in the circumstances should be considered for all offenders, with particular attention to the circumstances of aboriginal offenders (R.V. GLADUE 1999)”

The **Four Feathers Boxing Club** has been administered through the Justice programs and has been in full operation since March 2009.

This club has experienced some challenges that include a shortage of funding. However, it has seen an increase in participation and is reporting 40 registered boxers of which 80 percent are youth. One of the benefits of housing the boxing club with the Justice programs is that one of the leading causes of youth becoming involved in criminal activity is a lack of opportunities to healthier lifestyle choices.

The **STC Urban Family Services Programs** are dedicated to providing consistent programming. The Family Services team is committed to supporting families in their struggles with urban living and life in general. The Family services team provides culturally relevant, sensitive support and resources for families coping with urban living through Family Support services, Community Development, Healing Circles/ Groups, Workshops/Information Sharing, Support/ Counseling (accompaniment, advocacy, referrals), Youth Counseling and Group Activities, Home Visitation, Childcare Services, Preschool and Transport, and Advisory Committees.

The **STC Urban Daycare** is co-located with the **Aboriginal Head Start Preschool** in the STC Urban Early Learning Centre behind St. Frances School. The Daycare became provisionally licensed on April 14, 2008 and opened its doors on April 16, 2008. Full license was received on October 31st of 2009 and renewed for another year in March of 2010.

The daycare operates from 7:30 am to 6:00 pm Monday to Friday. This provincially subsidized daycare has fifty-eight spaces. Twelve spaces are designated for infants, twenty-five are toddler, sixteen are preschool and five are flex spaces and able to be used either for toddler or preschool.



The **STC Urban Early Learning** is designed to provide a safe, healthy place for infants and children. The Centre is geared to provide high quality care to the children it serves. The children are enrolled in an early childhood, social, cultural and educational setting. Aboriginal role models/staff benefit both parents and children, as this is the first building block to a solid foundation for lifelong learning. Emphasis is placed on First Nations beliefs and culture with respect and appreciation for all ethnic diversities.

The **Aboriginal Head Start (AHS) Program** is a National Program administered through the Public Health Agency of Canada. STC Urban is a sponsoring agency that delivers AHS programming in Saskatoon. The program's goal is to help Aboriginal families become stronger, healthier and empowered to engage in the lifelong learning of their children through preschool, parent groups and home visitation.

The **Pewasayaw** facility was purchased in the summer of 2008, and officially opened January 15, 2009, when we started to accept children into the home. The intent is to provide a safe home for apprehended children aged 0 to 8 years of age. It is a short-term five bed emergency transitional home which provides a safe environment with positive experiences and quality care.

Pewasayaw may be translated to "brighter skies are coming", where children wake up to brighter futures.

Oskinikiwikamik can be translated to mean young men's home. It is fully funded by the Ministry of Social Services. Established in July 2008, as a 5 bed emergency facility for male youth aged 9 to 15 that have been deemed difficult to serve and who may be involved in high risk behaviors. It is a temporary emergency placement that provides support in a safe and nurturing environment. Referrals are made in partnership with the Ministry of Social Services.

Established in 1999, the **Safe House** is funded by the Ministry of Social services, the Saskatoon Health Region, and Saskatchewan Justice. Located in the inner city neighborhood, the Safe House provides temporary emergency shelter and services to high-risk children/youth aged 16 and under.

During 2009/2010, the Safe House served 117 children/youth as in-house residents and 110 drop-ins resulting in 287 clients in total. Regrettably 55 children/youth had to be turned away due to exceeded capacity and/or age requirements.



STC URBAN FIRST NATIONS SERVICES HIGHLIGHTS

KidsFirst is a joint initiative of Saskatchewan Health, Saskatchewan Learning and the Ministry of Social Services. It is a voluntary program that helps families to become the best parents they can be and to have the healthiest kids possible. Families in Pleasant Hill, Riversdale, Holiday Park, King George, Meadow Green and Confederation Suburban Centre area are eligible. In October 2009 Confederation Park was added to our list of eligible areas in Saskatoon.

The **PALS** program was created and introduced in November of 1996, and is funded by the Ministry of Social Services. It provides culturally relevant social support to urban First Nations and Aboriginal families in the community.

The PALS program has supported a total of 139 families from April 1, 2009 to March 31, 2010. The PALS workers will continue to offer their assistance to the First Nations and Aboriginal people in the city of Saskatoon. The staff would like to thank all the families involved with the program for their support to the program through-out the year. We look forward to another year of success and hope to work together as a team to overcome any challenges involved with the PALS program.

STC Urban Family Services Team is privileged and honored to have the **The Old Peoples Program** which is an opportunity to work with well-respected Old People (Elders) from the community. The Elders provide a wealth of information, knowledge, wisdom and skills to assist Urban First Nations children, youth and families to improve their quality of life in the urban area.

These old people provide guidance for the staff in the STC Urban Family Services Programs. It is an honor to have access to them. These old people are available to all other STC programs. STC Urban staff meets with the old people at the change of every season to have a breakfast together. Tobacco is offered at that time for the old people to continue to provide services to the families, youth and children we work with.



The **CHUMS program** is a very successful project funded by the Ministry of Social Services (MSS) and was created in 1996. There are three separate modules of sessions offered and each is delivered every three (3) months. New intakes are compiled at the end of each three-month module. These individual projects are intended to ensure that individuals and families are strengthened through the process of learning life skills and teachings that reflect both the cultural and cross-cultural issues that relate to contemporary living.

The **Children First** program is a performance-based program funded by the Public Health Agency of Canada, through the Community Action Program for Children (CAPC). This is an initiative for families with children ages 0-6 years of age. STC Urban Children First program continues to partner with Wanuskewin Heritage Park and White Buffalo Youth Lodge in delivering the program to provide much needed culturally relevant programming to Urban First Nations people within the City of Saskatoon. The Children First program began its fifteenth year of operation on April 1, 2010.

In December 2000, **White Buffalo Youth Lodge (WBYL)** was established and has since operated through a partnership between the City of Saskatoon, the Saskatoon Health Region, Central Urban Métis Federation Inc (CUMFI), and the STC Urban First Nations Services, Inc., who is the managing partner. The partnership's contributions are supplemented by a grant from the Department of Canadian Heritage's Urban Multipurpose Aboriginal Youth Center (UMAYC) initiative and a number of small grants from various sources. Facility rental fees and donations also contribute to WBYL's operating budget.

White Buffalo Youth Lodge is an advocate for First Nations and Métis youth and families and thus White Buffalo maintains a collective collaborative working relationship with a number of community entities and serves on numerous committees. Among them are: Saskatoon Police Advisory Committee on Diversity (SPACOD), Community Diabetes Outreach Program (CDOP) Committee, Saskatoon Gang Strategy Committee, Saskatoon Homelessness Committee, Saskatoon Police Service Habitual Runaways Focus Group, Saskatoon Public School Division Cultural Responsiveness Advisory Body, Strength of Spirit (SOS) Advisory Committee for the United Way, and Saskatoon Region Intersectoral Council (SRIC).



CRESS HOUSING CORPORATION

REPORT FROM GENERAL MANAGER BARRY DOWNS

Cress Housing is dedicated to providing affordable and adequate housing for First Nations people in the City of Saskatoon. Our objective is to nurture and support our people in finding other potential solutions to address the housing shortage faced in the urban First Nation community.

Internal environment

2009 marked the 25th anniversary of Cress Housing Corporation. Unfortunately, this also marked the expiration of the first operating agreement with Canada Mortgage & Housing Corporation. With the lapse of this agreement, 36 single-family residences, valued at \$8.5 million, are no longer eligible for an operating subsidy. While it is our intent to continue to operate these units as affordable housing, rent levels will certainly increase without the full subsidy. An additional 26 units will also lose the subsidy when the same agreement on these units expires in September 2010.

External environment

Despite our growth, the corporation continues to operate in an environment where existing housing stock can only meet a limited portion of the demand for affordable housing. As of December 31 2009, we had in excess of 900 applicants for housing. It is obvious that the supply will not meet demand and this will need to be addressed in the future.

The primary forces impacting the rental market in Saskatoon include the following:

- The philosophical shift whereby all levels of government are moving towards assisted home ownership as the method of choice to address housing needs. While recognizing that home ownership is an integral part of the housing continuum, it is not currently a strong fit for the majority of the First Nations urban population;
- The continued and rapidly rising price levels in the Saskatoon real estate market, coupled with rising utility and property taxation costs translate into corresponding rising rental rates, while income levels for a typical client remain basically unchanged;
- The urban population has rapidly expanded while income levels have in no way kept pace with the dynamics of the rental & ownership market;
- Current state of our economy has resulted in both federal and provincial governments reducing their expenditures. With both levels of government maintaining existing levels of funding in housing delivery, which we have successfully accessed over the past 5 years, we were casualties of the fiscal restraint;
- Economics of the residential construction industry where rising construction costs cannot be supported by rental income and as such, new construction of rental units by the private market sector is not deemed to be financially viable at this time; and,
- Anticipated ongoing escalation in urban migration patterns in an attempt to access employment, educational opportunities and medical services.



Corporate Achievements in 2009

- The acquisition and complete retrofit of a ten-suite apartment block, which was purchased in May 2009 and occupied in February 2010. This \$975,000.00 project was jointly funded by Saskatchewan Housing Corporation, Service Canada, City of Saskatoon & Cress Housing Corporation;
- For a variety of reasons, the proposed 27 unit student apartment which was scheduled for a late 2009 construction start has seen some delays. We are now looking at a June 2010 start. This \$3.6 million project is jointly funded by Saskatchewan Housing Corporation, City of Saskatoon, Cress Housing Corporation and Dakota Dunes Community Development Corporation;
- The continuing development of the operational plan for the acquisition of an existing 12 to 16-suite apartment block which will then be converted to affordable housing units. Total project value is estimated at \$1.1 million and will be funded by the City of Saskatoon, Cress Housing Corporation and Service Canada. Completion of the acquisition and retrofit of this project is targeted for December 2010;
- The continued participation as an anchor partner in the redevelopment plan of the St. Mary's

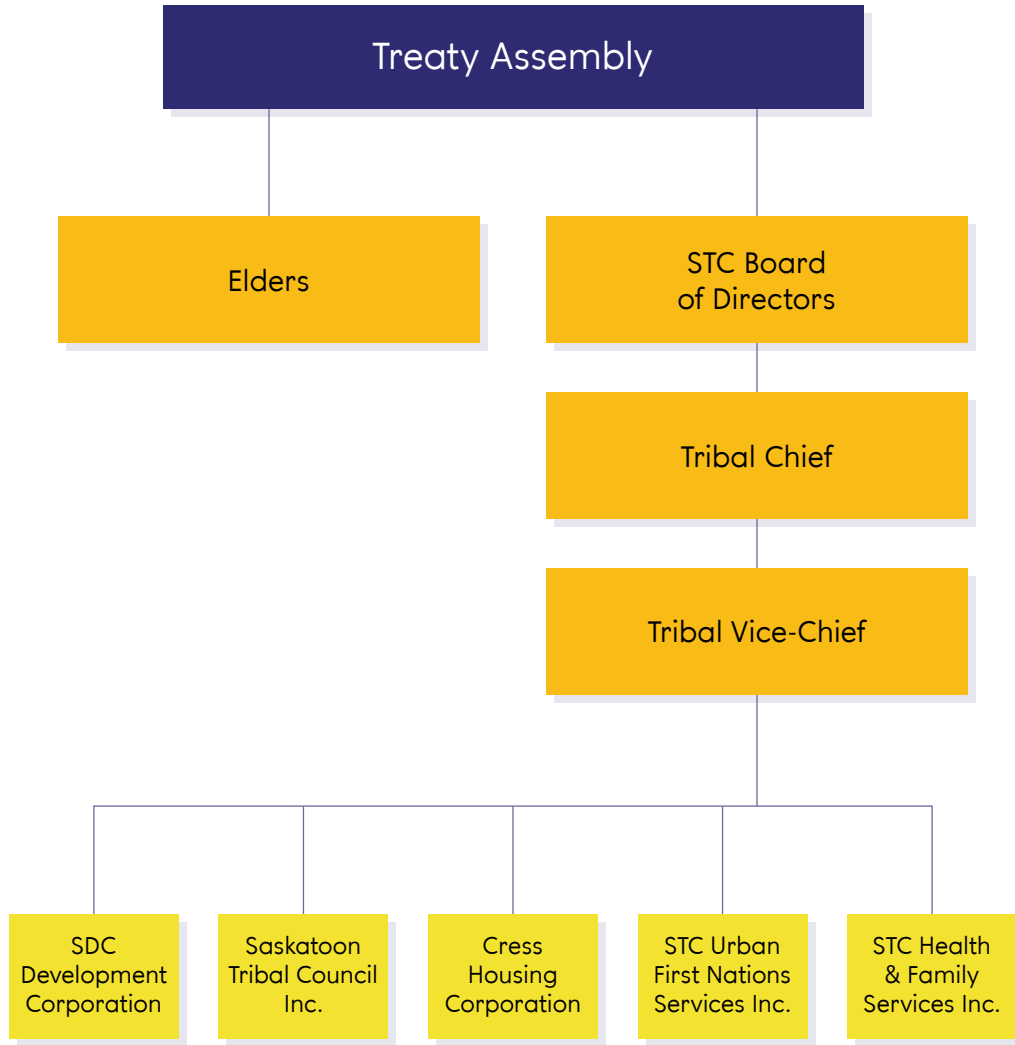
Pleasant Hill site. Construction is well underway with completion scheduled for September 2010. We have a purchase agreement in place for a minimum of 10 units. Estimated project cost for these 10 units is \$2.45 million with funding from Saskatchewan Housing Corporation, City of Saskatoon and Cress Housing Corporation;

- We continue to be a supporting partner for the 12-unit apartment building at Whitecap Dakota First Nation. Construction on this \$2.5 million project is scheduled to start in the summer 2010 and is funded by Saskatchewan Housing Corporation and Whitecap Dakota First Nation; and,
- Development of a project for a \$1.8 million commitment from Saskatchewan Housing Corporation for the purchase or construction of housing stock in communities in close proximity to Saskatoon Tribal Council member First Nations. We are optimistic this project could begin to take shape in the summer 2010 in three or four such communities.

Collectively these projects are valued in excess of \$12 million, with the potential of up to 90 housing units.



CORPORATE ORGANIZATIONAL CHART



SASKATOON TRIBAL COUNCIL MEMBER NATIONS

KINISTIN



**SAULTEAUX
NATION**



STC INC.

FINANCIAL STATEMENTS MARCH 31, 2010

AUDITORS' REPORT



PricewaterhouseCoopers LLP
Chartered Accountants

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August 9, 2010

To the Directors of Saskatoon Tribal Council Inc.

We have audited the statement of financial position of **Saskatoon Tribal Council Inc.** as at March 31, 2010 and the statements of operations, changes in net debt and cash flows for the year then ended. These financial statements are the responsibility of the corporation'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 misstatements. 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 corporation as at March 31, 2010 and the results of its operations, and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for governments.

The supplementary information contained in the accompanying schedules is presented for the purposes of additional information to the membership of Indian and Northern Affairs Canada and does not form part of the financial statements. The schedules have not been audited other than in the course of our audit of the financial statements to the extent necessary to allow us to render our opinion thereon.

PricewaterhouseCoopers LLP

Chartered Accountants

STATEMENT OF FINANCIAL POSITION

As at March 31, 2010

	2010	2009
	\$	\$
Financial Assets		
Current assets		
Cash and cash equivalents	1,940,612	1,654,072
Short-term investments	59,520	58,365
Accounts receivable (notes 5 and 11)	9,989,336	834,604
	<u>11,989,468</u>	<u>2,547,041</u>
Financial Liabilities		
Accounts payable (notes 7 and 11)	2,613,724	2,536,805
Deferred revenue (note 8)	9,253,901	252,428
	<u>12,137,625</u>	<u>2,789,233</u>
Net Debt	(148,157)	(242,192)
Non-Financial Assets		
Prepaid expenses	146,074	26,935
Due from related parties (note 11)	366,262	366,262
Tangible capital assets (note 6)	42,978	45,313
	<u>555,314</u>	<u>438,510</u>
Accumulated Surplus	<u>407,157</u>	<u>196,318</u>

Approved by the Board of Directors

 Director

 Director

STC INC.
FINANCIAL STATEMENTS MARCH 31, 2010

STATEMENT OF CHANGES IN NET DEBT

For the year ended March 31, 2010

	2010 \$	2009 \$
Surplus of revenue over expenditures for the year	210,839	85,299
Acquisition of tangible capital assets	(26,259)	(26,495)
Amortization of tangible capital assets	28,594	34,620
	213,174	93,424
Net prepaid assets	(119,139)	(1,712)
Change in net financial assets	94,035	91,712
Net debt - Beginning of year	(242,192)	(333,904)
Net debt - End of year	(148,157)	(242,192)

STATEMENT OF OPERATIONS

For the year ended March 31, 2010

	Budget	2010	2009
	\$	\$	\$
Revenue			
Indian and Northern Affairs Canada	2,800,967	2,669,326	2,109,071
Saskatchewan Indian Institute of Technologies	767,923	817,989	835,661
STC Health & Family Services Inc. (note 11)	369,128	388,909	341,762
Administration charges	207,781	217,120	194,315
STC Casino Holdings LP	204,000	213,233	127,428
STC Urban First Nations Services Inc. (note 11)	219,805	196,758	241,147
Dakota Dunes Community Development Corp.	115,936	192,879	112,403
Department of Justice Canada	170,421	166,924	187,984
Saskatoon Public School Division	170,743	165,462	167,272
Saskatchewan Justice	147,500	148,782	142,212
Enbridge	-	127,603	-
Other income	-	108,465	68,254
Saskatchewan Games Council	75,000	75,000	-
Muskoday First Nation (note 10)	48,935	48,935	48,935
SaskEnergy	10,000	43,500	70,000
Muskeg Lake Cree Nation (note 10)	40,395	40,395	40,395
Grants	135,000	34,426	26,300
Saskatchewan Lotteries	33,000	33,990	33,000
STC Inc. - Golf	28,000	33,916	28,975
Cress Housing Corporation (note 11)	22,433	23,116	22,626
City of Saskatoon	-	13,181	21,580
Whitecap Dakota First Nation (note 10)	13,113	13,113	13,113
Canada Mortgage and Housing Corporation	25,000	7,022	30,619
Interest	1,500	3,251	7,255
Recreation	-	-	100
	5,606,580	5,783,295	4,870,407

STC INC.
FINANCIAL STATEMENTS MARCH 31, 2010

STATEMENT OF OPERATIONS (continued)
For the year ended March 31, 2010

	Budget \$	2010 \$	2009 \$
Expenditures			
Labour Force Development	767,923	818,650	876,547
Administration	715,563	669,774	657,940
Treaty Office	587,701	661,824	610,322
Economic Development	482,367	512,202	495,523
Education	345,296	345,296	301,603
New Paths	333,306	340,100	309,817
Justice	317,921	316,348	330,839
Technical Services	415,387	283,880	385,256
Building	220,302	229,749	216,111
Education Partnership Program	278,723	213,113	-
Winter Games 2010	153,000	206,226	71,796
Special Education	180,717	173,891	196,157
Education Partnership	170,743	159,621	167,424
Circuit Rider Training Program	161,394	150,000	-
Recreation	168,000	139,696	99,408
First Nations Projects	145,467	134,475	32,869
Enbridge Project	-	127,603	-
Advisors	79,079	32,310	17,240
First Nations Student Success Program	46,324	30,000	-
Super Saturday	20,000	26,346	16,256
	5,589,213	5,572,456	4,785,108
Surplus of revenue over expenditures for the year	17,367	210,839	85,299
Accumulated Surplus - Beginning of Year		196,318	111,219
Accumulated Surplus - End of Year		407,157	196,318

STC INC.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2010

1. Description of business

The Saskatoon Tribal Council Inc. (the "Corporation") is comprised of Whitecap Dakota, Kinistin, Mistawasis, Muskeg Lake, Muskoday, Yellow Quill and One Arrow First Nations and operates under written Principles of Agreement for the benefit of the member First Nation.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for government, as defined in the CICA Public Sector Accounting and Auditing Handbook, as prescribed by Indian and Northern Affairs Canada ("INAC") and include the following significant accounting policies:

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Revenue recognition

Funding received or receivable under the terms of agreements with government agencies is recognized as revenue when related expenses are incurred. Funding earned but not yet expended is recorded as deferred revenue.

Short-term investments

Short-term investments are stated at the lower of cost and market value. At March 31, 2010, the cost approximates market value.

Tangible capital assets and amortization

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for delivering services.

Tangible capital assets are initially recorded at cost and are amortized over their expected useful lives using the straight-line method:

Office equipment and furnishing	5 years
Computer equipment and software.	3.33 years
Leasehold improvements	5 years
Equipment	3.33 years

Donated assets

Donated assets are recorded at fair value when fair value can be reasonably estimated.

3. Change in accounting policies

Reporting model

The Corporation adopted the reporting model for governments in accordance with the Public Sector Accounting Board standards PS 1100, PS 1200 and PS 1300. This has resulted in assets being reclassified into financial and non-financial assets. Net assets are no longer shown on the Statement of Financial Position. The Statement of Cash Flows has been reformatted to include a category for capital transactions. The Statement of Changes in Net Financial Assets (Net Debt) shows the impact of applying the expenditure basis of accounting. Under the expenditure basis of accounting, tangible capital assets, prepaid expenses and other assets are recorded when calculating the current year surplus or deficit. Under the expense basis of accounting, these items are recorded on the Statement of Financial Position as assets and amortized over an applicable period of time.

STC INC.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2010

3. Change in accounting policies (continued)

Tangible capital assets

The Corporation adopted Tangible Capital Asset reporting during the year in accordance with the Public Sector Accounting Board standard PS 3150. Tangible capital assets are no longer treated as expenditures in the year of acquisition. Instead, accrual accounting requires that tangible capital assets be expensed over their useful lives by a charge to amortization expenses. Prior year surplus has not been affected given that costs capitalized in the prior year were consistent with the amortization expense charged to the prior year.

4. Transfer of health programs to STC Health & Family Services Inc.

Effective April 1, 2002, the administration of all health programs (Health Services, Daycare, Mental Health, Tuberculosis, and Home Care) were transferred from the Corporation to STC Health & Family Services Inc. Deferred funding in the amount of \$1,424,939 (2009 - \$1,424,939) is still held by the Corporation as at March 31, 2010 and will be transferred to STC Health & Family Services Inc. in future years.

5. Accounts receivable

	2010	2009
	\$	\$
Canada Mortgage & Housing Corporation	4,529	-
Canada Revenue Agency	39,604	33,664
Cress Housing Corporation	9,560	9,080
Dakota Dunes Community Development Corp	45,110	53,768
Department of Justice Canada	41,504	34,605
Federation of Saskatchewan Indian Nations	18,874	21,874
Indian & Northern Affairs Canada	8,993,707	162,147
Mistawasis First Nation	5,120	968
Muskeg Lake Cree Nation	63,546	21,369
Muskoday First Nation	48,935	24,468
Other	41,566	30,448
Saskatchewan Justice	26,194	14,012
Saskatchewan Games Council	10,000	-
Saskatchewan Indian Institute of Technologies	52,591	58,348
Saskatoon Public School Division	34,677	45,247
SaskEnergy	43,500	-
Staff Receivable	5,156	-
STC Casino Holdings Limited Partnership	131,163	22,232
STC Health & Family Services Inc.	156,967	70,698
STC Urban First Nations Services Inc.	209,294	224,765
Whitecap Dakota First Nation	6,911	6,911
Yellow Quill First Nation	828	-
	9,989,336	834,604

6. Tangible capital assets

	Computer Equipment & Software \$	Office Equipment & Furnishings \$	Leasehold Improvements \$	Equipment \$	2010 Total \$	2009 Total \$
Cost						
Beginning of the year	432,511	508,924	163,226	39,413	1,144,074	1,117,579
Additions	9,898	5,823	-	10,538	26,259	26,495
End of the year	442,409	514,747	163,226	49,951	1,170,333	1,144,074
Accumulated Amortization						
Beginning of the year	413,925	491,260	161,000	32,576	1,098,761	1,064,141
Amortization	11,823	6,625	1,113	9,033	28,594	34,620
End of the year	425,748	497,885	162,113	41,609	1,127,355	1,098,761
	16,661	16,862	1,113	8,342	42,978	45,313

7. Accounts payable

	2010 \$	2009 \$
Accrued Holiday Pay	163,318	148,506
Dakota Dunes Community Development Corp.	-	17,415
Health Clinic - Yellow Quill	41,285	13,721
Indian & Northern Affairs Canada	106,769	98,252
Kinistin Saulteaux Nation	34,075	107,114
Mistawasis First Nation	34,161	14,698
Muskeg Lake Cree Nation	76,910	88,908
Muskeg Property Management Inc.	-	46,538
Muskoday First Nation	161,839	143,459
One Arrow First Nation	123,917	104,954
STC Health & Family Services Inc.	1,436,098	1,445,068
STC Urban First Nations Services Inc.	206	100
Trade Payables	375,473	215,718
Whitecap Dakota First Nation	48,837	92,354
Yellow Quill First Nation	10,836	-
	2,613,724	2,536,805

STC INC.

NOTES TO THE FINANCIAL STATEMENTS

8. Deferred revenue

	2010 \$	2009 \$
Indian and Northern Affairs Canada	9,208,435	173,259
Other income	315,466	79,169
	<u>9,523,901</u>	<u>252,428</u>

9. Administration fee

An administration fee of \$280,843 (2009 - \$194,314) for rent, telephone and other costs was charged to certain programs. Of this amount, \$113,191 (2009 - \$96,637) is reflected as revenue in Treaty Office, \$4,075 (2009 - \$313) is reflected in Education, \$50,000 (2009 - \$nil) is reflected in Economic Development, and \$113,577 (2009 - \$95,586) of this charge is reflected as revenue in Administration. The offsetting expenditures are reflected in the schedules of revenues and expenditures of the programs charged.

10. Transfers to and from First Nations

Transfers made to member First Nations by the Corporation include economic development transfers of \$292,200 (2009 - \$292,200).

Included in revenue are the amounts transferred from First Nations as follows:

	2010			2009	
	Muskeg Lake Cree Nation \$	Muskoday First Nation \$	Whitecap Dakota First Nation \$	Total \$	Total \$
Technical services	29,975	30,057	-	60,032	60,032
Education	10,420	18,878	13,113	42,411	42,411
	<u>40,395</u>	<u>48,935</u>	<u>13,113</u>	<u>102,443</u>	<u>102,443</u>

11. Related parties

Related party transactions are recorded at the exchange amount agreed to by the related parties.

Other than items specifically disclosed elsewhere in the financial statements and notes, the following is a list of significant related party transactions.

	2010 \$	2009 \$
STC Urban First Nation Services Inc.		
Administration and contracted services	193,558	196,143
Accounts payable	206	100
Accounts receivable	209,294	224,765
Cress Housing Corporation		
Administration and contracted services	23,116	22,626
Accounts receivable	9,560	9,080
SDC Development Corporation		
Accounts receivable - building	229,321	229,321
Accounts receivable	97,345	97,345
Visions Marketing Corporation		
Accounts receivable	39,596	39,596
STC Health & Family Services Inc.		
Administration and contracted services	368,024	331,762
Accounts payable	11,159	16,621
Accounts payable	1,424,939	1,424,939
Accounts receivable	156,967	70,698
STC Casino Holdings LP		
Administration and contracted services	213,233	127,428
Accounts receivable	131,163	22,232
Muskeg Property Management Inc.		
Rent and occupancy costs	262,650	259,888
Accounts payable	-	46,538
Dakota Dunes Community Development Corp.		
Administration and contracted services	67,051	68,648
Accounts payable	53	17,415
Accounts receivable	45,110	53,768

12 Operating line of credit

The Corporation maintains an authorized line of credit of \$250,000 (of which nil was drawn on at March 31, 2010; (2009 - nil). Interest on outstanding credit is calculated at prime plus 2% (5% at March 31, 2010; 2009 - 8%). The line of credit is secured by the Corporation's funding agreement with INAC.

STC INC.

NOTES TO THE FINANCIAL STATEMENTS

13 Income taxes

The Corporation was incorporated on February 15, 1991 under the Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the provisions of paragraph 149(1)(1) of the Income Tax Act.

14. Expenditures

	2010	2009
	\$	\$
Salary	1,578,957	1,366,894
Specific project payments	1,285,407	1,096,172
First Nations Program payments	517,358	533,058
Rent and insurance	517,358	533,058
Administration charges	280,843	194,314
Chiefs - travel and per diem	218,115	264,394
Professional fees	212,859	75,373
Benefits	178,966	156,832
Travel	172,251	181,032
Consulting/contract fees	134,963	82,196
Advertising	126,614	40,880
Meetings and workshops	122,887	97,658
Vehicles	99,057	78,592
Elders-Senators	65,852	20,541
Supply and material	51,883	34,416
Telephone	36,203	37,136
Computer support	30,730	3,680
Donations	29,276	30,832
Amortization	28,594	34,620
Copier and fax machines	20,242	14,023
Utilities	18,365	17,486
Repairs and maintenance	13,804	7,169
Postage	9,236	9,037
SaskEnergy Partnership	8,255	30,068
Professional development	7,972	59,141
Interest and service charges	6,856	7,298
Coffee/water coolers	6,739	5,070
Equipment	6,119	3,294
	5,572,456	4,785,108

15. Comparative figures

Certain of the comparative figures for 2009 have been reclassified to conform with the current year's presentation.

STC HEALTH & FAMILY SERVICES INC.

FINANCIAL STATEMENTS MARCH 31, 2010

AUDITORS' REPORT



PricewaterhouseCoopers LLP
Chartered Accountants
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 123 2nd Avenue South, Suite 200
 Saskatoon, Saskatchewan
 Canada S7K 7E6
 Telephone +1 (306) 668 5900
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August 9, 2010

To the Directors of STC Health & Family Services Inc.

We have audited the statement of financial position of STC Health & Family Services Inc. as at March 31, 2010 and the statements of operations, changes in net debt and cash flows for the year then ended. These financial statements are the responsibility of the corporation'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 corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The supplementary information contained in the accompanying schedules is presented for the purposes of additional information to the membership, Health Canada, and Indian and Northern Affairs Canada and does not form part of the financial statements. The schedules have not been audited other than in the course of our audit of the financial statements to the extent necessary to allow us to render an opinion thereon.

PricewaterhouseCoopers LLP

Chartered Accountants

STC HEALTH & FAMILY SERVICES INC.

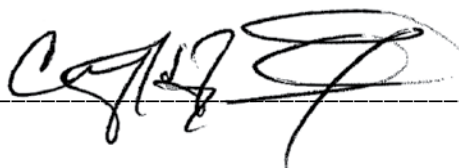
FINANCIAL STATEMENTS MARCH 31, 2010

STATEMENT OF FINANCIAL POSITION

As at March 31, 2010

	2010 \$	2009 \$
Financial Assets		
Cash and cash equivalents	3,843,256	4,798,080
Accounts receivable (note 3)	4,597,934	3,620,163
	8,441,190	8,418,243
Financial Liabilities		
Accounts payable	2,296,357	2,122,202
Due to related parties (note 6)	145,475	60,468
Accrued holiday pay	450,271	390,765
Deferred revenue (note 7)	7,927,928	7,845,642
	10,820,031	10,419,077
Net Debt	(2,378,841)	(2,000,834)
Non-Financial Assets		
Prepaid expenses	363,606	232,671
Due from related parties (note 6)	1,435,167	1,438,276
Tangible capital assets (note 5)	556,336	329,887
	2,355,109	2,000,834
Accumulated Deficit	(23,732)	-

Approved by the Board of Directors

 Director

 Director

STATEMENT OF OPERATIONS

For the year ended March 31, 2010

	Budget \$	2010 \$	2009 \$
Revenue			
Health Canada ("FNIHB")	8,885,914	7,594,299	7,154,361
Indian and Northern Affairs Canada ("INAC")	4,487,496	4,125,998	2,967,433
Saskatchewan Indian Institute of Technologies ("SIIT")	563,207	563,207	648,505
Saskatchewan Health	279,300	506,500	386,700
Saskatchewan Ministry of Social Services ("MSS")	120,000	241,588	183,494
Canada Revenue Agency Child Tax Benefit	100,000	213,970	272,233
Federation of Saskatchewan Indian Nations ("FSIN")	80,000	80,000	108,713
Province of Saskatchewan	-	39,000	-
Government of Canada	-	34,754	-
Other	58,000	268,074	220,199
	14,573,917	13,667,390	11,941,638
Expenditures (note 8)			
INAC – Indian Child and Family Services ("ICFS") – Operations	4,439,932	4,078,434	2,919,869
Other – Indian Child and Family Services ("ICFS") – Operations	120,000	242,637	184,571
Child Tax Benefit	100,000	213,970	272,233
Health Operations	6,008,878	4,926,288	4,594,999
Daycare	563,207	563,207	648,505
Health Services	3,015,036	3,015,036	2,887,197
INAC – Adult Home Care	47,564	47,564	47,564
SHARP Project	279,300	530,232	386,700
PHAC Project	-	34,754	-
Province of Saskatchewan Tri-First Nations Project	-	39,000	-
	14,573,917	13,691,122	11,941,638
Deficiency of revenue over expenditures for the year	-	(23,732)	-
Accumulated Surplus - Beginning of Year		-	-
Accumulated Deficit - End of Year		(23,732)	-

STC HEALTH & FAMILY SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2010

1. Description of operations

STC Health & Family Services Inc. (the "Corporation") has been established to operate a child protection agency and to provide support and related social services to the Kinistin, Mistawasis, Muskeg Lake, Muskoday, One Arrow, Whitecap Dakota and Yellow Quill First Nations.

The Corporation was incorporated in September 1995, under the Canada Corporations Act as a not-for-profit corporation and remained inactive until April 1, 1998, at which time operations commenced. Beginning April 1, 2002, the Corporation expanded to include various health programs that had been operated by Saskatoon Tribal Council Inc.

2. Significant accounting policies

The financial statements have been prepared in accordance with generally Accepted accounting principles for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, and reflect the following specific accounting policies:

Use of estimates

The preparation of the Corporation's financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition

Revenue is recognized under the terms of applicable funding agreements. Funding received or receivable under the funding agreements, which relates to a subsequent fiscal period, is reflected as deferred revenue which will be reported as revenue in subsequent fiscal years as the related expenses are incurred.

Tangible capital assets and amortization

The corporation adopted Tangible Capital Asset reporting in 2009 in accordance with Public Sector Accounting Board standard 3150. The cost of the tangible capital assets is recorded as additions to tangible capital assets and the related funding is recorded as deferred revenue in the year of acquisition.

Tangible capital assets and the related funding are amortized to operations over their expected useful life using the following rates:

Building	4% declining balance
Office furniture and equipment	5 years
Computer equipment	30% -100% declining balance

Cash and cash equivalents

Cash equivalents are highly liquid investments with a maturity at the time of purchase of less than one year. Cash equivalents are stated at cost, which approximates market value plus accrued interest.

Income taxes

The Corporation was incorporated under The Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the provisions of paragraph 149(1) of the Income Tax Act.

3. Change in accounting policies

Tangible capital assets

The corporation adopted tangible capital asset reporting in accordance with the Public Sector Accounting Board standard PS 3150. Calculation of operating balances includes, where available acquisition totals for 1973 onwards. Tangible assets are no longer treated as expenditures in the year of acquisition. Instead, accrual accounting requires that tangible capital assets be expensed over their useful lives by a charge to amortization expense.

Prior periods have been restated as there were no assets recorded in the statement of operations.

Reporting model

The corporation adopted the reporting model for governments in accordance with the Public Sector Accounting Board standards PS 1100, PS 1200 and PS 1300. This has resulted in assets being reclassified into financial and non-financial. Members' equity is no longer shown on the Statement of Financial Position. The Statement of Cash Flow has been reformatted to include a category for capital transactions. The Statement of Changes in Net Debt shows the impact of applying the expenditure basis of accounting.

Under the expenditure basis of accounting, tangible capital assets, prepaid program costs and other assets are recorded when calculating the current year surplus or deficit. Under the expense basis of accounting, these items are recorded on the Statement of Financial Position as assets and amortized over an applicable period of time.

4. Accounts receivable

	2010 \$	2009 \$
Program receivables	4,152,094	3,101,242
General receivables	355,788	428,402
Sask MSS	62,125	82,964
GST receivable	35,065	14,007
Employee advances receivable	9,619	9,865
	4,614,691	3,636,480
Less: Allowable for doubtful accounts (Sask. MSS)	16,757	16,317
	4,597,934	3,620,163

STC HEALTH & FAMILY SERVICES INC. NOTES TO THE FINANCIAL STATEMENTS

5. Tangible capital assets

	Computer equipment and software \$	Office furniture and equipment \$	Buildings \$	2010 \$	2009 \$
Cost					
Beginning of year	342,648	39,589	285,637	667,874	394,803
Additions	91,871	-	286,655	378,526	329,582
Disposals	-	-	-	-	(56,511)
End of year	434,519	39,589	572,292	1,046,400	667,874
Accumulated amortization					
Beginning of year	301,210	25,352	11,425	337,987	306,446
Disposals	-	-	-	-	(94,522)
Amortization expense	122,459	7,183	22,435	152,077	126,063
End of year	423,669	32,535	33,860	490,064	337,987
	10,850	7,054	538,432	556,336	329,887

6. Related party transactions

During the year, the Corporation paid administration charges, office rent, occupancy costs and other costs to Saskatoon Tribal Council Inc., a corporation under common control, in the amount of \$368,025 (2009 – \$331,762). At year-end, an amount of \$146,111 (2009 – \$57,862) was payable to Saskatoon Tribal Council Inc. This amount is without interest and specific repayment terms.

In addition, an amount of \$1,424,939 (2009 – \$1,424,939) was receivable from Saskatoon Tribal Council Inc., that pertains to deferred revenue transferred as a result of the transfer of health operations from the Saskatoon Tribal Council Inc. to the Corporation. This amount is without interest and specific repayment terms.

An amount of \$10,228 (2009 – \$11,274) is due from STC Urban First Nations Services Inc., a corporation under common control. This amount is without interest and specific repayment terms.

An amount of \$nil (2009 – \$582) is due from Cress Housing Corporation. The amount is without interest and specific repayment terms.

7. Deferred revenue

Deferred revenue consists of unexpended Health and Family Services funding relating to future program expenditures. These amounts relate to Health Canada, Indian and Northern Affairs Canada, and other funding sources.

8. Expenditures

	2010 \$	2009 \$
Other: First Nation Program Payments	6,787,789	5,649,008
Maintenance Payments – Children in Care	1,712,423	1,803,169
Salary	1,671,985	1,351,694
Other: Specific Programming Costs	1,586,765	1,553,061
Other: Client/Program Support	348,280	156,924
Office Rent and Insurance	308,105	263,687
Other: Administration Fees	227,000	205,498
Staff Benefits	167,198	139,545
Amortization	149,985	88,055
Vehicle	117,205	72,273
Other: IT Systems & Maintenance	104,791	21,132
Travel & Per Diem	95,547	85,098
Accounting & Legal	69,298	124,834
Strategic Planning and Evaluation	60,033	35,581
Training & Professional Development	52,359	60,806
Advertising and Recruitment	48,895	55,098
Telephone	42,062	55,808
Conference and Meetings	39,769	53,677
Office Supplies	25,854	26,688
Contractor Costs (Consulting, Consultants)	24,331	78,368
Supplies & Materials	21,477	11,260
Bank Charges & Interest	14,800	13,428
Honorarium	7,089	36,018
Office Repairs & Maintenance	4,878	-
Services	2,734	611
Miscellaneous (Gifts)	470	317
	13,691,122	11,941,638

9. Comparative figures

Certain comparative figures for 2009 have been reclassified to conform to current year's presentation.

STC URBAN FIRST NATIONS SERVICES INC.

FINANCIAL STATEMENTS MARCH 31, 2010

AUDITORS' REPORT



PricewaterhouseCoopers LLP
Chartered Accountants

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Saskatoon, Saskatchewan
Canada S7K 7E6
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Facsimile +1 (306) 652 1315

September 15, 2010

To the Directors of STC Urban First Nations Services Inc.

We have audited the statement of financial position of STC Urban First Nations Services Inc. as at March 31, 2010 and the statements of operations and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the corporation'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 corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The supplementary information contained in the accompanying schedules is presented for the purposes of additional information to the membership and funding agencies and does not form part of the financial statements. The schedules have not been audited other than in the course of our audit of the financial statements to the extent necessary to allow us to render an opinion thereon.

PricewaterhouseCoopers LLP
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

As at March 31, 2010

				2010	2009
	Operating fund	Tangible capital asset fund	Reserve fund	Total	Total
	\$	\$	\$	\$	(as restated) \$
Assets					
Current assets					
Cash	256,433	-	214,775	471,208	464,221
Accounts receivable (note 5)	789,162	-	-	789,162	825,940
Prepaid expenses	102,902	-	-	102,902	63,582
	1,148,497	-	214,775	1,363,272	1,353,743
Tangible capital assets (notes 3 and 4)	-	1,941,752	-	1,941,752	2,242,915
	1,148,497	1,941,752	214,775	3,305,024	3,596,658
Liabilities & fund balances					
Current liabilities					
Accounts payable (note 5)	901,876	705,439	-	1,607,315	1,759,338
Accrued holiday pay	124,635	-	-	124,635	110,407
Current portion of long-term debt (note 4)	-	33,563	-	33,563	31,944
Deferred revenue (note 6)	201,790	-	-	201,790	268,232
	1,228,301	739,002	-	1,967,303	2,169,921
Long-term debt (note 4)	-	92,843	-	92,843	126,715
	1,228,301	831,845	-	2,060,146	2,296,636
Fund balance (note 7)	(79,8042)	1,109,907	214,775	1,244,878	1,300,022
	1,148,497	1,941,752	214,775	3,305,024	3,596,658

Approved by the Board of Directors



Director



Director

STC URBAN FIRST NATIONS SERVICES INC. FINANCIAL STATEMENTS MARCH 31, 2010

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

As at March 31, 2010

				2010	2009
	Operating fund \$	Tangible capital asset fund \$	Reserve fund \$	Total \$	Total (as restated) \$
Revenue					
Saskatchewan Indian Institute of Technologies	2,544,741	-	-	2,544,741	2,502,890
Ministry of Social Services	1,981,229	-	-	1,981,229	1,522,252
Ministry of Education	625,230	-	-	625,230	377,870
Saskatoon Regional Health Authority	236,588	382,331	-	618,919	640,855
Ministry of Corrections, Public Safety and Policing	499,572	-	-	499,572	511,638
Public Health Agency of Canada	467,603	-	-	467,603	439,357
Canadian Heritage	382,526	-	-	382,526	415,075
Indian and Northern Affairs Canada	359,531	-	-	359,531	135,484
Saskatchewan Justice	168,400	-	-	168,400	159,600
Department of Justice Canada	117,743	-	-	117,743	97,031
Rent	106,970	-	-	106,970	96,955
Other	106,560	-	-	106,560	60,767
Grants	97,221	-	-	97,221	78,597
Fees	94,015	-	-	94,015	80,083
Ministry of Social Services - Restricted funding	-	-	5,410	5,410	83,548
City of Saskatoon	5,000	-	-	5,000	6,445
Interest	624	-	-	624	831
Human Resources and Skill Development Canada	-	-	-	-	100,000
Saskatchewan Indian Gaming Authority Inc.	-	-	-	-	10,000
	7,793,553	382,331	5,410	8,181,294	7,319,278

(continued)

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES (cont.)

As at March 31, 2010

				2010	2009
	Operating fund	Tangible capital asset fund	Reserve fund	Total	Total
	\$	\$	\$	\$	(as restated) \$
Expenses (note 9)					
Administration	322,957	-	-	322,957	271,473
Labour Force Development	2,530,128	-	-	2,530,128	2,477,826
CHUMS/PALS	496,835	-	-	496,835	423,445
Children's First	85,657	-	-	85,657	88,807
Head Start	350,121	-	-	350,121	304,857
Early Learning Centre	633,039	-	-	633,039	589,778
Kids First	333,167	-	-	333,167	329,925
St. Frances School	27,011	-	-	27,011	9,617
Special Projects	59,121	-	-	59,121	891
Urban Aboriginal Strategy	325,088	-	-	325,088	123,400
Court Workers	97,494	-	-	97,494	92,035
Justice A - Alternative Measures	180,106	-	-	180,106	177,511
Justice B - Youth Circles	89,723	-	-	89,723	91,878
Justice C - Extrajudicial	106,566	-	-	106,566	98,788
Justice D - Youth with Cognitive Impairment	-	-	-	-	7,518
Justice E - Community Connections	167,132	-	-	167,132	187,225
Justice Centre	55,429	-	-	55,429	52,265
Safe House Refuge	463,066	-	-	463,066	479,062
Oskinikowakamik	389,587	-	10,960	400,547	264,777
White Buffalo Youth Lodge	673,512	-	-	673,512	732,247
24 Hour Child Care	334,552	-	44,079	378,631	104,489
Justice - Training Program	10,395	-	-	10,395	-
Nature Project	44,822	-	-	44,822	-
Amortization	-	405,891	-	405,891	99,967
	7,775,508	405,891	55,039	8,236,438	7,007,781
Excess (deficiency) of revenue over expenditures for the year					
	18,045	(23,560)	(49,629)	(55,144)	311,497
Fund balances - Beginning of year	39,132	996,486	264,404	1,300,022	326,199
Change in accounting policies (note 2)	-	-	-	-	662,326
Interfund transfers	(136,981)	136,981	-	-	-
Fund balances - End of year	(79,804)	1,109,907	214,775	1,244,878	1,300,022

STC URBAN FIRST NATIONS SERVICES INC.

FINANCIAL STATEMENTS MARCH 31, 2010

STATEMENT OF CASH FLOWS

For the year ended March 31, 2010

				2010	2009
	Operating fund	Tangible capital asset fund	Reserve fund	Total	Total
	\$	\$	\$	\$	(as restated) \$
Cash provided by (used in)					
Operating activities					
Deficiency of revenue over expenditures for the year	18,045	(23,560)	(49,629)	(55,144)	311,497
Items not affecting cash:					
Amortization	-	405,891	-	405,891	99,967
	18,045	382,331	(49,629)	350,747	411,464
Changes in non-cash working capital items relating to operations:					
Accounts receivable	36,778	-	-	36,778	437,664
Prepaid expenses	(39,320)	-	-	(39,320)	(21,716)
Accounts payable	230,308	(382,331)	-	(152,023)	693,554
Accrued holiday pay	14,228	-	-	14,228	21,332
Deferred revenue	(66,442)	-	-	(66,442)	57,203
	193,597	-	(49,629)	143,968	1,599,501
Investing activities					
Purchase of tangible capital assets	(104,728)	-	-	(104,728)	(1,155,852)
Financing activities					
Principal repayment of long-term debt	(32,253)	-	-	(32,253)	(163,042)
Increase (decrease) in cash	56,616	-	(49,629)	6,987	280,607
Cash - Beginning of year	199,817	-	264,404	464,221	183,614
Cash - End of year	256,433	-	214,775	471,208	464,221

STC URBAN FIRST NATIONS SERVICES INC.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2010

1. Description of operations

STC Urban First Nations Services Inc. (the "Corporation") was incorporated June 28, 1994 under the Non-Profit Corporation's Act and commenced operations December 1, 1994. The Corporation is comprised of the Whitecap Dakota, Kinistin, Mistawasis, Muskeg Lake, Muskoday, Yellow Quill and One Arrow First Nations and operates under written Principles of Agreement to provide a variety of services to First Nations living in urban areas.

2 Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies.

Change in accounting policy

During the year, the corporation adopted fund accounting using the restricted fund method as recommended by the Ministry of Social Services. Changes to the figures previously reported result from changing to fund accounting and accounting treatment of tangible capital assets. As a result, prior year figures have been restated as follows:

	2009 \$
Deferred revenue, as previously reported	532,636
Deferred revenue, as restated	268,232
Revenue, as previously reported	7,680,807
Revenue, as restated	7,319,278
Expenses, as previously reported	8,714,423
Expenses, as restated	7,007,781

Fund accounting

The accounts of the corporation are maintained in accordance with the principles of fund accounting. For financial reporting purposes, there are three funds, as follows:

i) Operating fund

The operating fund reflects the primary operation of the corporation including revenues received from government departments, billings to clients, the federal government and other agencies. Expenses are for the delivery services.

ii) Tangible capital asset fund

The Tangible capital asset fund is a restricted fund that reflects the equity of the corporation in capital assets after taking into consideration any associated long-term debt. The capital fund includes revenues received from Saskatoon Regional Health Authority designated for tenant improvement.

iii) Reserve fund

The reserve fund is a restricted fund that reflects funds by the Ministry of Social Services ("MSS") for equipment and furnishings and maintenance reserve. The assets include cash accumulated by the corporation from MSS funding which is accounted for separately.

Use of estimates

The preparation of the Corporation's financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

STC URBAN FIRST NATIONS SERVICES INC. NOTES TO THE FINANCIAL STATEMENTS

Revenue recognition

Restricted revenues relating to the Reserve fund are recognized as revenue in the Reserve fund when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under the funding arrangements, which relates to a subsequent fiscal period, is reflected as deferred revenue in the year of receipt and classified as such on the statement of financial position. Deferred revenue also includes grant funding which was received prior to year-end against which the related costs will be incurred in periods subsequent to year-end. Deferred revenue will be brought into revenue in subsequent fiscal years as the related expenses are incurred.

Tangible capital assets

Tangible capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the asset's estimated useful lives:

Buildings	20 years
Leasehold improvements	5 years
Office equipment and furniture	5 years
Computer equipment	3.33 years
Vehicle	3.33 years

Income taxes

The Corporation was incorporated under The Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the provisions of paragraph 149 of the Income Tax Act.

3. Tangible capital assets

			2010	2009
	Cost \$	Accumulated amortization \$	Net \$	Total \$
Land	13,200	-	13,200	13,200
Buildings	874,487	259,551	614,936	658,661
Leasehold improvements	1,474,857	294,971	1,179,886	1,452,442
Office equipment and furniture	460,640	364,203	96,437	93,703
Computer equipment	267,659	253,334	14,325	10,793
Vehicle	172,324	149,356	22,968	14,116
	3,263,167	1,321,415	1,941,752	2,242,915

In the prior year, the Corporation entered into an agreement with The Board of Education of St. Paul's Roman Catholic Separate School Division No. 20 ("St. Paul's") to occupy and develop portable educational facilities at St. Frances' School. The agreement is for a term of 5 years from substantial completion of the renovations and can be renewed for 3-year periods thereafter. Alternatively, at the end of the lease term, the corporation could exercise the option to purchase the portable facilities for \$940,000. During the initial term, the annual lease rate is \$80,000 plus a pro-rata share of occupancy and other charges.

In the prior year, the Corporation also agreed to reimburse St. Paul's for relocation, site development and renovation costs. The related expenditure was recorded as leasehold improvements and totalled \$1,452,442 with \$705,439 included in accounts payable at March 31, 2010 (2009 - \$1,087,770).

4. Long-term debt

	2010 \$	2009 \$
First Nations Bank of Canada term loan; repayable in monthly blended payments of principal and interest, at a floating interest rate of prime + 3% (5.25% at March 31, 2010), maturing on February 6, 2013; building has been pledged as collateral.	20,460	27,188
First Nations Bank of Canada term loan; repayable in monthly blended payments of principal and interest, at a floating interest rate of prime + 2% (4.25% at March 31, 2010), maturing on September 1, 2023; building has been pledged as collateral.	105,946	131,471
	126,406	158,659
Less: Current portion of long-term debt	33,563	31,944
	92,843	126,715

The estimated principal payments due in each of the next four years are as follows:

	\$
2011	33,563
2012	33,138
2013	34,782
2014	22,923

5. Related party transactions and balances

Included in accounts receivable and accounts payable are the following balances with related parties:

	2010 \$	2009 \$
Saskatoon Tribal Council Inc.		
Administration and contracted services	193,558	196,144
Accounts payable	209,294	223,238
Accounts receivable	206	-
Cress Housing Corporation		
Accounts payable	-	1,268
STC Health & Family Services Inc.		
Accounts payable	10,229	11,274
Accounts receivable	-	-

STC URBAN FIRST NATIONS SERVICES INC. NOTES TO THE FINANCIAL STATEMENTS

6. Deferred revenue

	Balance - Beginning of year \$	Amount recognized/ repaid \$	Amount received \$	Balance - End of year \$
Saskatchewan Justice	12,043	-	-	12,043
Saskatchewan Corrections and Public Safety				
Justice - Alternative	11,060	2,517	3,289	11,832
Justice - Youth Circles	14,567	559	5,938	19,946
Justice - Extrajudicial	9,276	5,012	2,034	6,298
Justice - YCI	445	-	-	445
Justice - Community Connection	14,075	14,075	47,867	47,867
Department of Justice Canada	4,469	-	2,993	7,462
Public Health Agency of Canada				
Children First	4,455	4,455	4,950	4,950
Head Start	50,653	50,653	-	-
Indian and Northern Affairs Canada				
Capacity/Boxing	52,525	-	-	52,525
Special Project	5,574	-	-	5,574
Saskatchewan Indian Institute of Technology	81,485	81,485	-	-
Dakota Dunes CDC	7,605	7,605	-	-
Saskatchewan Regional Health Authority				
Safe House	-	-	25,178	25,178
Kids First	-	-	7,670	7,670
	268,232	166,361	99,919	201,790

7. Ministry of Social Services - Reserve fund

	Balance - Beginning of year \$	Amount recognized/ repaid \$	Amount received \$	Balance - End of year \$
Equipment and furnishings				
24 Hour Child Care	21,135	1,610	-	22,745
Family Centre	85,995	-	-	85,995
Safe House	27,757	-	-	27,757
Oskinikowakamik	14,183	1,640	(10,960)	4,863
Maintenance				
24 Hour Child Care	53,697	1,070	(44,079)	10,688
Safe House	18,121	-	-	18,121
Oskinikowakamik	43,516	1,090	-	44,606
	264,404	5,410	(55,039)	214,775

8. Operating line of credit

The Corporation maintains an authorized line of credit of \$250,000 (not drawn on at March 31, 2010). Interest on outstanding credit is calculated at prime plus 2% (4.25% at March 31, 2010).

9. Expenses

	2010 \$	2009 \$
Salary	3,839,839	3,319,682
Special project payments	2,085,908	1,910,896
Benefits	462,411	412,727
Rent	322,495	311,900
Program costs	275,260	188,923
Administration charge	170,887	158,486
Travel	125,562	100,616
Amortization	405,891	99,967
Utilities	118,527	80,289
Telephone and IT	56,824	65,400
Elders	43,349	59,834
Janitorial	43,925	54,334
Office supply	47,780	38,350
Office costs	25,053	28,261
Advertising and promotion	35,976	25,889
Bank service charges	16,733	21,790
Insurance	17,200	19,575
Maintenance, equipment and furnishings	8,308	19,151
Meetings and workshop	25,586	18,912
Legal and audit	24,521	14,071
Professional development and training	24,851	13,677
Taxes	5,505	13,615
Consulting/contract fees	27,456	13,385
Furniture and equipment	6,141	8,031
Donations	1,279	6,430
Capital reserve	5,410	3,590
Playground	8,499	-
Set-up costs	5,262	-
	<u>8,236,438</u>	<u>7,007,781</u>

10. Comparative figures

Certain comparative figures for 2009 have been reclassified to conform with the current year's presentation.

CRESS HOUSING CORPORATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED DEC. 31, 2010

AUDITORS' REPORT

TWIGG & COMPANY
CHARTERED ACCOUNTANTS

650 REGENCY CENTER
333 - 25th STREET EAST
SASKATOON S7K 0L4
TELEPHONE (306) 244-0808
FACSIMILE (306) 244-0004

To the Directors,

Cress Housing Corporation,

We have audited the balance sheet of Cress Housing Corporation as at December 31, 2009 and the statements of revenue, expenditure and surplus and cash flows for the year then ended. These financial statements are the responsibility of the company'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 company as at December 31, 2009 and the results of its operations and the changes in its financial position for the year then ended in accordance with accounting principles appropriate to Housing Authorities.

Saskatoon, Saskatchewan
February 19, 2010


Chartered Accountants

BALANCE SHEET

As at December 31, 2009

	2009	2008
	\$	\$
Assets		
Current:		
Cash (Note 5)	112,773	-
Accounts receivable (notes 5 and 11)	84,657	135,303
	197,430	135,303
Capital Assets (Note 3):		
CMHC	3,552,980	4,053,246
Market Units	3,848,208	3,032,764
	7,401,188	7,086,010
Restricted Cash:		
Replacement reserve (CMHC)	444,440	453,897
Replacement reserve (Market)	161,441	119,181
Tenant deposits	49,280	38,962
	655,161	612,040
	8,253,779	7,833,353
Liabilities		
Current:		
Bank indebtedness	-	30,042
Accounts payable	9,350	8,500
Management contract payable	7,260	-
Deferred revenue	17,439	15,680
Current portion of long-term debt	494,118	642,575
	528,167	696,797
Long-Term Debt (Note 4)	3,155,763	3,580,353
Other:		
Tenants deposits	49,280	38,962
	3,733,210	4,316,112
Surplus		
Surplus (Deficit)	156,542	(14,872)
Replacement Reserve	605,881	573,078
Invested in Capital Assets	3,758,146	2,959,035
	4,520,569	3,517,241
	8,253,779	7,833,353

Approved on behalf of the board:



Director



Director

CRESS HOUSING CORPORATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED DEC. 31, 2010

STATEMENT OF SURPLUSES (DEFICIT)

	Market Units							Total
	CMHC	Hopkins Phases	Ave Y Phase 6	Hopkins Phase 7	Activity Phase 8	Ave V Phase 10	Ave H Phase 12	
Balance, beginning of year	\$ (18,284)	4,302	(70)	3,776	(4,575)			\$ (14,851)
Excess (deficiency) for year	228,110	(4,623)	(6,045)	2,733	205			220,380
Recovery(payment) for prior year								
Transfer (to) from Replacement Reserve	(56,487)			7,500				(48,987)
Balance, end of year	\$ 153,339	(321)	1,385	6,509	(4,370)			\$ 156,542

STATEMENT OF REPLACEMENT RESERVE

Balance, beginning of year	\$ 453,897	27,421	72,416	19,344				\$ 573,078
Allocation of funds	176,016	10,800	17,680	10,800		9,562		224,858
Interest earned	3,673	230	551	138				4,592
Transfer from (to) surplus	56,487		(7,500)					48,987
	690,073	38,451	83,147	30,282		9,562		851,515
Expenditures from fund	(215,633)							(215,633)
Capital contribution	(30,000)							(30,000)
Balance, end of year	\$ 444,440	38,451	83,147	30,282		9,562		\$ 605,882

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

Balance, beginning of year	\$ 58,491	681,000	1,237,917	779,602	202,025			\$ 2,959,035
Service Canada Grant					25,000	341,000		366,000
Sask. Housing Grant						242,088	45,000	287,088
Dakota Dunes, CDC							67,500	67,500
Other Grants					35,768	590		36,358
Transfer from Replacement Reserve	30,000							30,000
Cress contributions	12,165							12,165
	\$ 100,656	681,000	1,237,917	779,602	262,793	583,678	112,500	\$ 3,758,146

STATEMENT OF REVENUE AND EXPENSES - CMHC

For the year ended December 31, 2009

	2009	2008
	\$	\$
Revenue:		
Gross Rental Revenue	972,043	734,535
LESS: Vacancy	19,160	17,992
Net rental revenue	952,883	716,543
Operating subsidy	1,619,270	1,752,610
Other revenue	636	820
	2,572,789	2,469,973
Expenses:		
Property taxes	368,010	366,145
Insurance on dwellings	77,407	72,039
Utilities - vacant units	10,900	8,790
- senior housing	21,294	21,514
- single parent	6,021	7,169
- apartment	10,890	13,678
Apartment	18,275	5,111
Maintenance	406,133	388,421
Shop expense	14,503	13,652
Mortgage interest	151,350	185,653
Amortization	666,381	636,618
Administration		
Salaries, benefits and travel	264,579	234,554
Office rent	14,793	17,038
Telephone	6,253	6,272
Office supplies	7,765	7,527
Bank charges	1,582	1,274
Insurance	1,575	4,665
Work shop and training	2,667	2,953
Board	4,000	5,900
Miscellaneous	315	411
Tenant counseling	69,209	66,326
Audit and accounting	9,350	8,500
Legal	250	520
Tenant incentive	1,350	1,172
Replacement reserve	176,016	334,528
Office equipment	2,573	2,164
Bad debts	6,811	9,142
Committee meetings	3,447	2,271
Data Support	20,980	12,175
	2,344,679	2,436,182
Excess of revenue over expenses for the year	228,110	33,791

CRESS HOUSING CORPORATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED DEC. 31, 2010

STATEMENT OF REVENUE AND EXPENSES - MARKET UNITS - PHASE 6

For the year ended December 31, 2009

	2009 \$	2008 \$
Income:		
Rental revenue	19,160	17,992
Expenses:		
Administrative fee	8,474	5,970
Bank charges	260	96
Site Management	4,081	2,400
Insurance	6,115	5,698
Furniture replacement	8,135	
Property taxes	13,289	14,062
Maintenance	16,667	21,874
Replacement reserve	17,680	17,300
Bad debt	2,050	1,094
Utilities	9,517	9,386
	86,268	77,880
Excess (deficiency) of revenue over expenses for the year	(6,045)	(70)

STATEMENT OF REVENUE AND EXPENSES - ACTIVITY CENTRE - PHASE 8

For the year ended December 31, 2009

	2009 \$	2008 \$
Income:		
Rental revenue	15,803	
Expenses:		
Administrative fee	2,361	
Amortization	6,667	
Bank charges	10	
Janitorial		
Insurance		
Interest	3,120	
Property taxes		
Maintenance	2,269	
Replacement reserve		
Bad debt		
Utilities	1,171	
Security		
	15,598	
Excess (deficiency) of revenue over expenses for the year	205	NIL

STATEMENT OF REVENUE AND EXPENSES - MARKET UNITS - PHASE 9

For the year ended December 31, 2009

	2009	2008
	\$	\$
Income:		
Rental revenue	50,165	
Laundry	662	
	50,827	
Expenses:		
Administrative fee	7,219	
Bank charges	131	
Site Management	2,550	
Insurance		
Furniture replacement		
Property taxes	6,720	
Maintenance	6,169	
Replacement reserve	9,563	
Bad debt		
Utilities	10,873	
Security	342	
	43,567	
Excess (deficiency) of revenue over expenses for the year	7,260	
Owner's allocation of excess (deficiency)	7,260	
Net excess (deficiency) for the year	NIL	NIL

CRESS HOUSING CORPORATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED DEC. 31, 2010

STATEMENT OF CASH FLOWS

For the year ended December 31, 2009

	2009 \$	2008 \$
Operating Activities:		
Net income (loss) for the year	220,380	41,568
Changes to income not involving cash:		
Amortization	673,048	636,618
Transfer to replacement reserve	(48,987)	
	844,441	678,186
Change in non-cash working capital balances related to operations:		
Trade accounts receivable	50,646	(105,111)
Deferred revenue	1,759	(2,246)
Accounts payable	8,110	
	60,515	(107,357)
Total from operating activities	904,956	570,829
Financing Activities:		
Replacement reserve	32,803	240,167
Tenant deposit	10,318	(1,734)
Mortgage repayment	(673,048)	(636,618)
Capital grants	799,111	11,721
Gain on sale of house		2,159
Mortgage proceeds	100,000	
Total from financing activities	269,184	(384,305)
Investing Activities:		
Investment - Replacement reserve	(32,803)	(240,167)
Investment - Tenant deposit	(10,318)	1,734
Acquisition of capital assets	(988,204)	(198,252)
Total from investing activities	(1,031,325)	(436,685)
Increase (decrease) in cash and equivalents for the year	142,815	(250,161)
Cash and (bank indebtedness) and equivalents, beginning of year	(30,042)	220,119
Cash and (bank indebtedness) and equivalents, end of year	112,773	(30,042)
Cash and (bank indebtedness) and equivalents consist of:		
Cash and (bank indebtedness)	112,773	(30,042)

CRESS HOUSING CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

1. Nature of business:

Cress Housing Corporation was incorporated February 24, 1984 and registered under the Saskatchewan Non-Profit Corporations Act. The Company commenced acquiring single unit dwellings during July, 1984. The Company now also acquires apartment buildings and rents these units to qualifying tenants.

2. Significant accounting policies:

The accounting policies of Cress Housing Corporation are in accordance with policies prescribed by Housing Authorities. The financial statements are not intended to be in accordance with generally accepted accounting principals. This basis of accounting is considered appropriate because it provides the information required to determine the amount of annual subsidy funding to be provided.

The more significant accounting policies that have been prescribed are:

a) **Investments** - Investments are stated at fair value as at December 31.

b) **Capital assets and amortization** -

Capital assets are recorded at cost less accumulated amortization. Amortization is provided to the extent that the mortgage principal is retired during the year. Buildings and equipment that are not financed are not amortized for accounting purposes.

c) **Replacement reserve** -

Appropriations to the replacement reserve, amounting to \$224,859 is made out of revenue during the current year. Approved expenditures incurred in the year are charged to this reserve. As a result of this accounting practice, actual expenditures for replacement and maintenance do not normally appear in the statement of revenue and expense and surplus.

d) **Credit risk** -

Credit risk arises from the possibility that tenants may be unable to fulfill their lease commitments. The Company mitigates the risk by conducting rental reference checks prior to tenant placement, through well defined procedures for addressing rent arrears, and by limiting the exposure to credit loss for any one tenant.

e) **Fair value of financial instruments** -

The carrying amount of bank, accounts receivable and deferred revenue, and accounts payable, approximate their fair value due to the short-term nature of these instruments. The carrying amount of the mortgage payable approximates its fair value, as the interest rate thereon approximates the market rate of interest for mortgages with a similar term to renewal.

f) **Use of Estimates** -

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, any disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. These estimates are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

g) **Financial instruments** -

The company has elected not to disclose fair value information about financial assets and liabilities for which fair values was not readily obtainable.

The company has classified its financial instruments as follows:

- Cash and cash equivalents were classified as held-for-trading and accordingly carried at their fair values;
- Accounts receivable were classified as loans and receivables, and accordingly carried at their amortized costs;
- Accounts payable and accrued liabilities and long-term debt were classified as other financial liabilities and are currently carried at their amortized cost.

CRESS HOUSING CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

3. Capital assets:

The major categories of capital assets and related accumulated amortization are as follows:

	Market Units							Market Total
	CMHC Total	Hopkins Phases	Ave Y Phase 6	Hopkins Phase 7	Activity Phase 8	Ave V Phase 10	Ave H Phase 12	
Land and building:								
Purchase price	\$10,085,725	425,000	784,500	445,000	108,000	341,000	152,525	2,256,025
Restoration	596,953	182,594	307,957	245,790	305,303	239,111		1,280,755
Acquisition fees	168,373	12,274	68,546	42,741	1,531			125,092
Fridge and stove	181,428	60,841	76,914	46,070	3,446	5,732		193,003
Office equipment	9,169							
	\$11,041,648	\$680,709	\$1,237,917	\$779,601	\$418,280	\$585,843	\$152,525	\$3,854,875
Accumulated Amortization	7,488,668				6,667			6,667
	\$3,552,980	\$680,709	\$1,237,917	\$779,601	\$411,613	\$585,843	\$152,525	\$3,848,208

4. Long-Term debt:

Long-term debt consists of the following mortgages:

	2009	2008
1) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$15,598 including interest at 4.33%.	\$	\$ 182,813
2) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$10,702 including interest at 3.88%.	105,043	226,869
3) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$6,015 including interest at 2.01%.	221,313	285,990
4) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$6,623 including interest at 2.21%.	255,224	325,781
5) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$4,635 including interest at 3.88%	205,826	252,547
6) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$8,972 including interest at 3.88%.	481,449	568,762
7) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$5,154 including interest at 2.61 %.	805,606	841,625
8) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$4,568 including interest at 3.88%.	687,680	715,449
9) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$2,368 including interest at 3.88%.	367,376	381,364
10) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$459 including interest at 3.88%.	71,838	74,522
11) Canada Mortgage and Housing Corp. repayable in monthly instalments of \$1,936 including interest at 2.61%.	355,193	367,206
12) First Nations Bank loan repayable in monthly instalments of \$833	93,333	
	3,649,881	4,222,928
Less: Current portion	494,118	642,575
Total Long-term debt	\$ 3,155,763	\$ 3,580,353

The estimated principal repayment due in each of the next five years are as follows:

2010	\$ 494,118
2011	401,169
2012	413,669
2013	312,789
2014	219,058
Thereafter	1,809,079
	\$ 3,649,882

CRESS HOUSING CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

5. GST Rebate:

Cress Housing Corporation is registered for GST purposes and is eligible for the GST rebate. The 2009 rebate consists of one-half of the GST incurred or \$38,272. The accounts receivable as at December 31, 2009 includes GST of \$55,069.

6. Replacement reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve accounts are to be credited annually with interest and allocation of Canada Mortgage and Housing Corporation subsidy to provide for major replacements to the rental properties. The replacement reserve is funded by an annual charge against earnings as opposed to an appropriation of accumulated surpluses.

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 Canada Mortgage and Housing Corporation from time to time.

The CMHC reserve account consists of:

	Enriched 62 units	Core 116 units	SHC 17 units	TOTAL 195 units
Balance				
December 31, 2008	\$ 323,664	136,521	(6,288)	\$ 453,897
CMHC Subsidy Allocation	70,680	91,872	13,464	176,016
Transfer from prior years surplus	15,571	29,133	4,269	48,973
Interest Earned	2,570	1,103		3,673
	412,485	258,628	11,445	682,558
Approved expenditures from reserve	(80,021)	(117,191)	(10,907)	(208,119)
Capital contribution		(30,000)		(30,000)
Balance				
December 31, 2009	\$ 332,464	111,437	538	\$ 444,440

STATEMENT OF REVENUE AND EXPENSES

For The Year Ended December 31, 2008

	Actual 2009					Budget 2009	
	Total	Group 1 62 Units	Group 2 116 Units	Group 3 17 Units	Group 4 30 Units	Total	Variance
Revenue:							
Gross Rental Revenue	\$ 972,043	272,529	494,831	77,053	127,630	728,447	\$ 243,596
LESS: Vacancy	(19,360)	(5,722)	(8,861)	(822)	(3,755)	(18,575)	(585)
Net rental revenue	952,883	266,807	485,970	76,231	123,875	709,872	243,011
Operating subsidy	1,619,270	471,228	881,652	129,207	137,183	1,619,270	
Other revenue	636		636				636
	2,572,789	738,035	1,368,258	205,438	261,058	2,329,142	243,647
Expenses:							
Property taxes	368,010	111,573	180,479	30,879	45,079	377,135	9,125
Insurance on dwellings	77,407	24,550	45,952	6,905		82,845	5,438
Utilities - vacant units	10,900	4,551	4,040		2,309	6,291	(4,609)
- senior housing	21,294		21,294			21,351	57
- single parent	6,021		6,021			5,277	(744)
- apartment	10,890		10,890			14,455	3,565
Apartment	18,275		18,275			8,100	(10,175)
Maintenance	406,133	99,270	149,881	35,645	121,337	412,265	6,132
Shop expense	14,503	4,061	7,397	1,160	1,885	13,657	(846)
Mortgage interest	151,350	10,893	129,244	11,213		211,053	59,703
Amortization	666,381	304,639	291,185	70,557		611,217	(55,164)
Administration:							
Staff Salaries, benefits, travel	264,579	74,052	134,935	21,167	34,395	252,741	(11,838)
Office rent	14,793	4,142	7,544	1,184	1,923	15,500	707
Telephone	6,253	1,751	3,189	500	813	5,900	(353)
Office supplies	7,765	2,174	3,960	621	1,010	7,800	35
Bank charges	1,582	443	807	126	206	1,500	(82)
Insurance	1,575	441	803	126	205	6,405	4,830
Work shop and training	2,667	747	1,360	213	347	2,500	(167)
Board	4,000	1,120	2,040	320	520	4,000	
Miscellaneous	315	88	161	25	41	300	(15)
Tenant counseling	69,209	19,379	35,296	5,537	8,997	69,023	(186)
Audit and accounting	9,350	2,618	4,768	748	1,216	9,000	(350)
Legal	250	70	128	20	32	680	430
Tenant incentive	1,350	378	688	108	176	1,200	(150)
Replacement reserve	176,016	70,680	91,872	13,464		176,016	
Office equipment	2,573	720	1,312	206	335	2,400	(173)
Bad debts	6,811	2,609	4,034		168	6,531	(280)
Committee meetings	3,447	965	1,758	276	448	4,000	553
Data support	20,980	5,874	10,700	1,678	2,728		(20,980)
	2,344,679	747,818	1,170,013	202,678	224,170	2,329,142	(15,537)
Excess (Deficiency) of revenue over expenses for the year	\$ 228,110	(9,783)	198,245	2,760	36,888	NIL	\$ 228,110



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