



Consolidated Financial Statements

Acadia First Nation

March 31, 2011

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Independent auditors' report

To the Council of
Acadia First Nation Band

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We have audited the accompanying consolidated financial statements of Acadia First Nation, which comprise the statement of financial position as at March 31, 2011, and the statement of financial activities and changes in accumulated surplus for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Acadia First Nation as at March 31, 2011, and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.



Yarmouth, Nova Scotia
July 28, 2011

Chartered Accountants

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Acadia First Nation and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The band maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the band's assets are appropriately accounted for and adequately safeguarded.

The band council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. Council is also responsible to ensure that a schedule of Chief, Councillor and officer remuneration is made available to all Band members as per INAC guidelines.

The council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report.

The consolidated financial statements have been audited by Grant Thornton LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. Grant Thornton LLP has full and free access to the council.

Chief _____

Band Manager _____

Acadia First Nation

Consolidated Statement of Operations

Year Ended March 31

		2011					2010				
Fund Activity	Page	Total Revenue	Total Expenditures	Surplus (deficit) before Transfers	Net Transfers	Surplus (Deficit)	Surplus (Deficit)	(Unaudited) Budget Revenue	(Unaudited) Budget Expenditure	(Unaudited) Surplus (Deficit)	
Band Support and Management	22	\$ 6,343,260	\$ 6,507,817	\$ (164,557)	\$ 190,032	\$ 25,475	\$ (903,421)	\$ 5,346,340	\$ 4,992,000	\$ 354,340	
Education	23	1,141,307	1,005,553	135,754	(10,000)	125,754	120,960	1,045,427	1,033,165	12,262	
Community Maintenance	24	108,110	325,650	(217,540)	-	(217,540)	(173,678)	124,500	435,000	(310,500)	
Social Services	25	1,022,059	548,335	473,724	(135,753)	337,971	403,220	1,000,000	526,500	473,500	
Community Health Representative	26	294,806	372,429	(77,623)	-	(77,623)	57,416	260,000	247,000	13,000	
Development fund	27	9,717,819	9,014,798	703,021	-	703,021	744,663	8,000,000	7,583,000	417,000	
Housing Fund	28	297,788	616,491	(318,703)	95,753	(222,950)	(189,565)	379,900	523,500	(143,600)	
Fisheries Fund	29	2,271,353	1,743,460	527,893	(140,032)	387,861	267,244	1,900,000	1,843,500	56,500	
Training Fund	30	393,487	460,133	(66,646)	-	(66,646)	(85,279)	400,000	436,000	(36,000)	
Forestry Fund	31	50,881	46,147	4,734	-	4,734	(9,474)	85,000	96,500	(11,500)	
Allowance to band members		-	965,200	(965,200)	-	(965,200)	(967,100)	-	969,000	(969,000)	
Sales tax penalties and interest (Note 1)		-	-	-	-	-	3,749,161	-	-	-	
		<u>\$ 21,640,870</u>	<u>\$ 21,606,013</u>	<u>\$ 34,857</u>	<u>\$ -</u>	<u>\$ 34,857</u>	<u>\$ 3,014,147</u>	<u>\$ 18,541,167</u>	<u>\$ 18,685,165</u>	<u>\$ (143,998)</u>	

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Accumulated Surplus (Deficit)

Year Ended March 31

2011

2010

	Investment in Capital Assets	Unrestricted Fund	Net Assets - externally restricted		Total	<u>Total</u>
			Funds on deposit with INAC	Replacement Reserve		
Opening balance, as previously reported	\$ 8,821,260	\$ (7,664,949)	\$ 8,999	\$ 123,686	\$ 1,288,996	\$ (2,500,988)
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>887,404</u>
Opening balances, as restated	8,821,260	(7,664,949)	8,999	123,686	1,288,996	(1,613,584)
Surplus	-	34,857	-	-	34,857	3,014,147
Change in prepaid expenses	-	111,464	-	-	111,464	(111,567)
Current year allocations	-	(39,743)	-	39,195	(548)	(626)
Interest earned	<u>-</u>	<u>-</u>	<u>347</u>	<u>201</u>	<u>548</u>	<u>626</u>
Ending balance	<u>\$ 8,821,260</u>	<u>\$(7,558,371)</u>	<u>\$ 9,346</u>	<u>\$ 163,082</u>	<u>\$ 1,435,317</u>	<u>\$ 1,288,996</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Financial Position

March 31 2011 2010

Financial Assets

Receivables (Note 5)	\$ 675,350	\$ 880,836
Investments	75,006	426
Receivable from government business enterprises	1,462,948	978,713
Inventory held for resale	310,832	376,279
Restricted cash and deposits		
Funds on deposit at INAC (Note 13)	9,346	8,999
CMHC reserves	<u>163,082</u>	<u>123,686</u>
	<u>2,696,564</u>	<u>2,368,939</u>

Financial Liabilities

Bank indebtedness	644,099	484,551
Payables and accruals	1,372,333	1,512,158
Deficiency in government business enterprises (Note 20)	1,321,201	1,178,140
Deferred revenue	58,410	71,470
Assessment of sales tax, penalties and interest (Note 1)	4,599,779	4,643,778
Long-term debt (Note 7)	<u>4,486,243</u>	<u>4,588,624</u>
	<u>12,482,065</u>	<u>12,478,721</u>

Net debt (9,785,501) (10,109,782)

Non-financial assets

Capital assets (Note 6)	10,948,098	11,237,522
Prepaid expenses	<u>272,720</u>	<u>161,256</u>
	<u>11,220,817</u>	<u>11,398,778</u>

Accumulated surplus \$ 1,435,317 \$ 1,288,996

Accumulated surplus (Page 4) \$ 1,435,317 \$ 1,288,996

Contingencies (Note 15)

On behalf of the Band

_____ Chief _____ Band Manager

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Changes in Net Debt

March 31

2011

2010

Surplus	\$ 34,857	\$ 3,014,147
Tangible capital asset additions	(829,211)	(1,269,537)
Amortization of tangible capital assets	833,635	786,522
Proceeds on sale of tangible capital assets	313,500	222,695
Gain on sale of tangible capital assets	<u>(28,500)</u>	<u>(222,695)</u>
Decrease in net debt	324,281	2,531,132
Net debt, beginning of year	<u>(10,109,782)</u>	<u>(12,640,914)</u>
Net debt, end of year	<u>\$ (9,785,501)</u>	<u>\$(10,109,782)</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Cash Flows

March 31

2011

2010

Increase (decrease) in cash and cash equivalents

Operations

Surplus	\$ 34,857	\$ 3,014,147
Amortization	833,635	786,522
Change in non-cash operating working capital balances (Note 9)	34,306	(3,520,155)
Gain on sale of tangible capital assets	<u>(28,500)</u>	<u>(222,695)</u>
	<u>874,298</u>	<u>57,819</u>

Financing

Advances of long-term debt - net	(102,381)	772,004
Advances from government business enterprises	<u>(484,235)</u>	<u>(433,635)</u>
	<u>(586,616)</u>	<u>338,369</u>

Investing

Proceeds on sale of tangible capital assets	313,500	222,695
Purchase of tangible capital assets	(829,211)	(1,269,548)
Increase (decrease) in deficiency in 100% owned Government Business Enterprises	143,061	(221,842)
(Increase) decrease in investments	<u>(74,580)</u>	<u>444,252</u>
	<u>(447,230)</u>	<u>(824,443)</u>

Decrease in cash and cash equivalents (159,548) (428,255)

Cash and cash equivalents

Beginning of year	<u>(484,551)</u>	<u>(56,296)</u>
End of year	<u>\$ (644,099)</u>	<u>\$ (484,551)</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

1. Going Concern

These financial statements have been prepared on the basis of a going concern which assumes the Band will be able to realize its assets and settle its obligations in the normal course of operations. However, certain adverse conditions exist, which cast doubt on this assumption.

In the prior year, a long standing matter, arising between 1997 and 2002, with respect to the payment by the Band of sales tax on certain of its activities was confirmed. Acadia First Nation is a self-governing authority that has implemented an aboriginal taxation system which, it proposes, has dominance over the HST on the basis of the aboriginal right of self-government. Canada Revenue Agency has disputed this belief.

As a result of the dispute, taxes including penalties and interest were assessed in the amount of \$8,392,939. Of this amount, taxes total approximately \$4,565,504 and the remaining \$3,827,435 is represented by the interest and penalties.

A wholly owned subsidiary, Your Winners World – AFN, was assessed by Canada Revenue Agency under the same conditions as above. As the result, taxes including penalties and interest have been assessed in the amount of \$678,431. Of this amount, taxes total approximately \$190,852 and the remaining \$487,579 is represented by the interest and penalties.

The recording of these obligations in 2009 resulted in the creation of a deficit for the Band.

During 2010, the Band filed an appeal under the provisions of the Fairness Legislation to seek administrative relief from some or all of the penalties and interest. Canada Revenue Agency authorized relief for penalties and interest in written correspondence dated April 22, 2010 for both Your Winners World – AFN and the Acadia First Nation. Penalty and interest relief can only be granted back for 10 years, as this liability was initiated in 1999, the first year of penalties and interest will be included in the necessary repayment. As well, they have agreed to accept payments of \$25,000 per month until the original HST liability has been fulfilled.

The authorization of Canada Revenue Agency was recognized in the prior year financial statements as a Government Transfer, reversing \$3,749,161 in penalties and interest in Acadia First Nation and \$372,431 in the wholly owned subsidiary.

During 2010, the HST liability in the subsidiary was fully repaid and 2 payments have been made by the Band. These payments met the requirements of CRA for 2011. While the recognition of the waiver has reversed the 2009 deficit, in order for the Band to continue as a going concern it will be necessary that they make the required payments and meet all the conditions of Canada Revenue Agency's waiver.

Were the going concern assumption not appropriate for the Band's financial statements, adjustments to the carrying values of reported assets and equity would be required and these amounts could be material.

2. Summary of significant accounting policies

Reporting entity and principles of financial reporting

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, which encompass the principles common with First Nations.

The consolidated financial statements of Acadia First Nation are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

2. Summary of significant accounting policies (continued)

The focus of PSAB financial statements is on the financial position of the First Nation and the changes thereto. The consolidated statement of financial position includes all the assets and liabilities of the First Nation.

Significant aspects of the accounting policies adopted by the First Nation are as follows:

Principles of consolidation

The consolidated financial statements include the accounts of all funds and operations in which the First Nation has a controlling interest, after the elimination of inter-fund transactions and balances. The entities include the following Acadia First Nation Funds - Operating Fund, Capital Fund, Housing Fund, Development Fund, Fisheries Fund, Forestry Fund, Training Fund, Social Fund, Education Fund and Recreation Fund.

100% owned government business enterprises are recorded using the modified equity method. The enterprises recorded in this manner are Your Winner's World - AFN, Gold Reserves - AFN, Medway Entertainment - AFN, The Gold Nugget - AFN, Kespuwick Fisheries Incorporated and Winner's Corner - AFN.

Revenues and expenditures - Canada Mortgage and Housing Corporation (CMHC)

Housing Projects

Revenues and expenditures are recorded according to the accrual basis of accounting. Rental revenue is recorded at a flat monthly rate and not on a rent-to-income basis as set out in the agreement with CMHC.

Rental revenue is only being collected from tenants on social assistance and all uncollected rental revenue is treated as bad debts. As part of consolidation, \$110,753 (2010 - \$100,933) of rental revenue of the Housing Fund and rental expense of the Social Services Fund was eliminated.

Operating surplus reserve

The operating surplus reserve account is funded by an appropriation of surplus, including the annual charge to the replacement reserve as opposed to an annual charge to earnings for projects entered into under the 1997 Section 95 On-Reserve Housing Program.

Replacement reserve

The replacement reserve account is funded by an annual charge against earnings as opposed to an appropriation of surplus.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money market instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Tangible capital assets

As of April 1, 2009 the First Nation adopted Section 3150 - Tangible Capital Assets of the Public Sector. The First Nation has restated the prior year to comply with the provision of Section 3150, which requires the First Nation to record and amortize their tangible capital assets over their estimated useful life, see Note 6.

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to their acquisition, construction or betterment of the asset. Interest on construction is also included in cost. Amortization, at the rates noted below, is expensed in the current year.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

2. Summary of significant accounting policies (continued)

Rates and bases of amortization applied to write-off the cost of property and equipment over their estimated lives are as follows:

Buildings	25 yrs straight line basis
Health centres	25 yrs straight line basis
Furniture and equipment	10 yrs straight line basis
Paving and roads	30 yrs straight line basis
Forestry equipment	10 yrs straight line basis
Equipment	10 yrs straight line basis
Motor vehicles	5 yrs straight line basis
Computers	4 yrs straight line basis
Fishing equipment and vessels	10 yrs straight line basis

Prior to April 1, 2009, the First Nation recorded Tangible Capital Assets at cost in the period they were acquired on the statement of financial position and as an expenditure within the capital fund. Tangible capital assets were amortized within the capital fund.

As at March 31, 2010, the First Nation has prepared a complete listing and values for all assets in the asset classes. Donated assets are recorded at a nominal value of \$1, unless otherwise noted. In the year of acquisition amortization of capital assets is calculated at the full annual rate as stated above.

RRAP expenditures

Repairs and renovations incurred under the CMHC Residential Renovations Assistance Program (RRAP) are expensed in the Operating Fund in the year incurred.

Inventory held for resale

Inventory is valued at the lower of cost and net realizable value. The cost of inventories includes the cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs such as storage costs, administrative overheads that do not contribute to bringing the inventories to their present location and condition, and selling costs are specifically excluded from the cost of inventories and are expensed in the period incurred.

Investments

Investments are made up of treasury accounts with longer term maturities. Investments are recorded at cost which approximated market value.

Interest rate risk

The Band has interest bearing loans on which general interest rate fluctuations apply. The financial risk is the risk to the Band's earnings that arises from fluctuations in interest rates and the degree of volatility of these rates. The Band does not use derivative instruments to reduce its exposure to interest and foreign currency risk.

Use of estimates

In preparing the Band's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

Trust funds

The Trust Funds being administered by the First Nation are not consolidated with the accounts of the First Nation. At March 31, 2011, the equity in Trust Funds under its trusteeship amounted to \$820,885 (2010, \$515,785), see page 32.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

2. Summary of significant accounting policies (continued)

Concentrations of credit risk

Concentrations of credit risk exist if a number of customers are engaged in similar economic activities or are located in the same geographic region, and indicate the relative sensitivity of the Band's performance to developments affecting a particular segment of borrowers or geographic region. Geographic credit risk exists for the Organization due to most of the fish buyers they are dealing with are all located in South West Nova Scotia. The exposure to credit risk associated with the non-performance of these customers can be directly impacted by a decline in economic conditions which would impair the buyers' ability to satisfy their obligations to the Band.

Financial Instruments

The Organization's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and long-term debt. The carrying value of the other financial instruments approximates their fair market value at March 31, 2011.

3. Replacement reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve account is to be credited annually with an amount established by CMHC as a charge against earnings plus interest. For projects entered into under the pre 1997 Section 95 On-Reserve Housing Program (Projects 1 to 11) a combined amount of \$8,529 is charged annually, and for projects entered into under the 1997 Section 95 On-Reserve Housing Program (Projects 12+) an amount of \$1,000 per unit is charged annually unless otherwise specified by Acadia First Nation.

These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC under the pre 1997 Section 95 On-Reserve Program. Under the 1997 Section 95 On-Reserve Program, funds may be withdrawn in accordance with Replacement Reserve Criteria, CMHC 3022. Withdrawals are credited to interest first and then principal.

4. Operating surplus reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation, excess revenues over expenditures, including the annual allocation to the Replacement Reserve, for projects entered into under the 1997 Sections 95 On-Reserve Program (projects 12+) are to be maintained as an operating reserve fund. The fund is to be credited annually with future surpluses of such projects plus interest. The projects operating reserve fund may only be used for the on-going operating costs of the housing projects and future years' deficits.

This reserve is to be comprised of monies deposited in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by Canada Mortgage and Housing Corporation from time to time.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

5. Receivables	<u>2011</u>	<u>2010</u>
Tri-Nav deposit	\$ -	\$ 45,000
CMHC	48,977	37,524
Health Canada	4,024	85,180
Mi'kmaw Kina'matnewey	9,156	-
Province of Nova Scotia	215,286	229,309
Indian and Northern Affairs Canada	96,856	211,033
Canada Customs and Revenue Agency	156,568	150,000
Mi'kmaq Employment/Training Secretariat	71,449	17,083
Other	60,843	94,312
Wilson's Gas	12,191	11,395
	<u>\$ 675,350</u>	<u>\$ 880,836</u>

6. Capital assets			<u>2011</u>	<u>2010</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 547,204	\$ -	\$ 547,204	\$ 797,204
Buildings	7,623,882	3,445,792	4,178,090	4,202,643
Health centres	880,277	386,556	493,721	528,932
Furniture and equipment	247,898	197,316	50,582	63,813
Paving and roads	588,732	163,285	425,447	427,006
Forestry equipment	162,835	115,535	47,300	61,884
Land & building – Housing	5,413,354	1,790,746	3,622,608	3,666,585
Motor vehicles	535,486	404,480	131,006	83,136
Fishing vessels and licenses	1,896,404	1,253,229	643,175	579,335
Website	9,000	9,000	-	-
Gas station	962,591	167,693	794,898	826,984
Computers	109,892	95,825	14,067	-
	<u>\$ 18,977,555</u>	<u>\$ 8,029,457</u>	<u>\$ 10,948,098</u>	<u>\$ 11,237,522</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

7. Long-term debt	<u>2011</u>	<u>2010</u>
3.7% mortgage, maturing May 1, 2013, payable in monthly instalments of \$648, including principal and interest.	\$ 16,178	\$ 23,222
1.81% mortgage, maturing April 1, 2014, payable in monthly instalments of \$283, including principal and interest.	10,178	13,359
1.81% mortgage, maturing April 1, 2014, payable in monthly instalments of \$268, including principal and interest.	9,650	12,667
2.31% mortgage, maturing March 1, 2016, payable in monthly instalments of \$1,597, including principal and interest.	64,319	87,558
4.40% mortgage, maturing March 1, 2011, payable in monthly instalments of \$742, including principal and interest.	-	745
4.12% mortgage, maturing January 1, 2017, payable in monthly instalments of \$1,341, including principal and interest.	74,810	80,979
2.56% mortgage, maturing November 1, 2017, payable in monthly instalments of \$734, including principal and interest.	48,982	56,167
1.81% mortgage, maturing April 1, 2019, payable in monthly instalments of \$446, including principal and interest.	40,234	44,816
2.75% mortgage, maturing January 1, 2021, payable in monthly instalments of \$541, including principal and interest.	53,414	58,015
2.92% mortgage, maturing October 1, 2033, payable in monthly instalments of \$704, including principal and interest.	139,749	144,069
1.81% mortgage, maturing April 1, 2034, payable in monthly instalments of \$999, including principal and interest.	<u>226,044</u>	<u>233,873</u>
Total carried forward	<u>\$ 683,558</u>	<u>\$ 755,470</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

7. Long-term debt (continued)	<u>2011</u>	<u>2010</u>
Balance carried forward	\$ 683,558	\$ 755,470
2.56% mortgage, maturing December 1, 2022, payable in monthly instalments of \$366, including principal and interest.	43,792	46,804
1.81% mortgage, maturing April 1, 2024, payable in monthly instalments of \$299, including principal and interest.	41,791	44,598
2.17% mortgage, maturing January 1, 2024, payable in monthly instalments of \$324, including principal and interest	47,115	50,288
2.56% mortgage, maturing August 1, 2025, payable in monthly instalments of \$324, including principal and interest.	46,807	49,232
4.16% mortgage, maturing October 1, 2026, payable in monthly instalments of \$352, including principal and interest.	48,461	50,634
4.55% mortgage, maturing May 1, 2027, payable in monthly instalments of \$366, including principal and interest.	50,303	52,372
5.3% mortgage, maturing July 1, 2026 payable in monthly payments of \$1,020 including principal and interest.	128,732	134,066
4.28% mortgage, maturing December 1, 2027, payable in monthly instalments of \$353, including principle and interest	50,750	52,788
Partially disbursed	321,526	239,073
10.75% Ulnooweg boat loan, maturing December 1, 2027, payable in monthly instalments of \$2,378, including principle and interest	31,278	452,391
0% loan, maturing in 2011, with monthly payments of \$717, including interest and principal. As security the Band has provided a motor vehicle.	20,782	29,381
0% loan, maturing in 2011, with monthly payments of \$746, including interest and principal. As security the Band has provided a motor vehicle.	<u>22,808</u>	<u>31,757</u>
Total carried forward	<u>\$ 1,537,703</u>	<u>\$ 1,988,854</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

7. Long-term debt (continued)	<u>2011</u>	<u>2010</u>
Balance carried forward	\$ 1,743,703	\$ 1,988,854
0% loan, maturing in 2011, with monthly payments of \$1,028, including interest and principal. As security the Band has provided a motor vehicle.	-	8,304
7.55% loan, maturing May 1, 2028, with monthly payments of \$1,791, including principal and interest.	231,502	237,939
3.09% mortgage, maturing August 1, 2028, payable in monthly instalments of \$315, including principal and interest.	51,078	53,263
1.81% mortgage, maturing January 1, 2029, payable in monthly instalments of \$295, including principal and interest.	53,977	56,520
4.79% mortgage, maturing July 1, 2031, payable in monthly instalments of \$558, including principal and interest.	87,263	89,758
6.15% mortgage, maturing in February 2030, payable in monthly instalments of \$1,001, including principal and interest.	283,337	291,062
2.75% mortgage, maturing in February 1, 2031, payable in monthly instalments of \$1,001 including principal and interest.	184,333	190,291
2.69% mortgage, maturing July 1, 2030 payable in monthly instalments of \$652 including principal and interest.	117,983	122,425
4.3% mortgage, maturing April 1, 2032 payable in monthly instalments of \$1,692 including principal and interest.	281,936	290,037
4.16% mortgage, maturing December 1, 2031 payable in monthly instalments of \$813 including principal and interest.	135,809	139,869
4.34% mortgage, maturing February 1, 2032 payable in monthly instalments of \$2,625 including principal and interest.	433,177	445,747
2.87% mortgage, maturing November 1, 2034 payable in monthly instalments of \$2,262 including principal and interest.	465,842	434,023
2.76% mortgage, maturing June 1, 2035 payable in monthly instalments of \$1,111 including principal and interest.	<u>235,896</u>	<u>240,532</u>
Total carried forward	<u>\$ 4,099,836</u>	<u>\$ 4,588,624</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

7. Long-term debt (continued)	<u>2011</u>	<u>2010</u>
Balance carried forward	\$ 4,099,836	\$ 4,588,624
2.68%, January 1, 2036, \$548	118,626	-
Partially disbursed	70,380	-
Partially disbursed	135,806	-
6.39% loan, maturing March 2016, payments \$685, including principal and interest. As security vehicle	35,090	-
6.99% loan, maturing October 2016, payments \$574, including principal and interest. As security vehicle	<u>26,505</u>	<u>-</u>
	<u>\$ 4,486,243</u>	<u>\$ 4,588,624</u>

The Minister of Indian and Northern Affairs Canada has provided guarantees for all Canada Mortgage and Housing Corporation mortgages.

Principal instalments required in the next five years are as follows:

2012	\$224,383
2013	\$214,031
2014	\$198,077
2015	\$180,284
2016	\$173,425

8. Funded reserves

The Acadia First Nation operates thirty (30) CMHC subsidized housing projects. Replacement reserves for the first eleven projects are funded through a joint Replacement Reserve bank account and replacement reserves for Projects 12 and up are to be funded through a second joint replacement reserve bank account. Subsidy Surplus Reserves for all nineteen projects are funded in one (1) joint Subsidy Surplus Reserve bank account.

As at March 31, 2011, the Acadia First Nation has provided for funding of Reserves as follows:

(Pre 1997) Projects 1 to 11 Amount of reserve	(1997 Agreement) Projects 12 and 13 Amount of reserve	Amount funded
<u>\$ 8,529</u>	<u>\$ 30,666</u>	<u>\$ 39,195</u>

At March 31, 2011, an amount of \$128,441 has been underfunded (2010 – \$89,246 underfunded). These balances have been eliminated upon consolidation.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

9. Non-cash operating working capital balances	<u>2011</u>	<u>2010</u>
Decrease in receivables	\$ 205,486	\$ 66,308
Increase in restricted cash and deposits	(39,743)	(36,024)
Decrease (increase) in inventory held for resale	65,447	(99,022)
(Decrease) increase in payables and accruals	(139,825)	352,221
(Decrease) in deferred revenue	(13,060)	(54,477)
Decrease in assessment of sales tax, penalties and interest	<u>(43,999)</u>	<u>(3,749,161)</u>
	<u>\$ 34,306</u>	<u>\$ (3,520,155)</u>

10. Economic dependence

The Acadia First Nation receives a major portion of its revenues pursuant to a funding arrangement with Indian and Northern Affairs Canada.

11. Federal assistance payments

The housing projects have received assistance through CMHC pursuant to Section 56.1 of the National Housing Act to reduce mortgage interest expense to enable the project to provide housing to low-income individuals. The amount of assistance received in the year ended March 31, 2011 was \$148,688 (2010- \$138,915).

12. Non compliance

The Acadia First Nation does not apply the rent-to-income scale with respect to Section 95 housing units.

13. Funds on deposit with INAC

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

The changes in net assets of the Funds on deposit during the year are as follows:

	<u>2011</u>	<u>2010</u>
Net assets, beginning of year	\$ 8,999	\$ 8,827
Interest earned	<u>347</u>	<u>172</u>
	<u>\$ 9,346</u>	<u>\$ 8,999</u>
Represented by		
Restricted for capital projects	\$ 4,362	\$ 4,362
Unrestricted	<u>4,984</u>	<u>4,637</u>
	<u>\$ 9,346</u>	<u>\$ 8,999</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

14. Related party transactions

The First Nation had the following transactions with related parties:

Building rental charged to related companies	\$ 62,472 (2010 - \$ 62,472)
Royalties received from Government Business Enterprises	\$4,210,910 (2010 - \$4,113,581)
Acadia Commodity Taxes charged	\$ 784,677 (2010 - \$ 742,084)
Agency fee paid to Government Business Enterprises	\$ 60,218 (2010 - \$ 53,380)
Agency fee charged from Government Business Enterprises	\$ 45,000 (2010 - \$ 45,000)

The consolidation of funds and operations in which Acadia First Nation has a controlling interest has resulted in the elimination of certain transactions. Administration fees, building rental, rental charges paid by various funds, licensing fees paid by the Fisheries Fund and Acadia Commodity Tax paid by the Development Fund and the Fisheries Fund have been eliminated in the consolidated financial statements.

The rental charges, royalties and agency fees are charged on the basis of contractual agreement. The Acadia Commodity Tax is charged on the basis of the legal authority of the Acadia First Nation.

15. Contingencies

The Acadia First Nation has guaranteed bank indebtedness of the Gaming Commission, which, at the balance sheet date totalled \$ nil (2010 - \$nil).

With respect to the HST liability described in note 1, if the Band fails to make their monthly payments, the penalties and interest that were waived will become payable. Management believes that all future payments will be made on time and that no future repayment of penalties and interest will be required.

16. Comparative figures

Certain of the 2010 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2011.

17. Ponhook land claim settlement

During 2003, Acadia First Nation ratified a settlement agreement with Her Majesty The Queen in Right of Canada (Canada) in connection with compensation for the illegal alienation of reserve lands. Under the terms of the settlement, Canada agreed to pay to Acadia First Nation the sum of \$1,956,450 subject to the repayment of \$105,903 previously advanced by Canada to Acadia First Nation.

During the year, \$50,323 was withdrawn from the trust to reimburse the Band for expenses approved through the trust agreement.

The remaining funds (see page 32) are to be held in trust for Acadia First Nation and the Band members. The trustees of the trust were originally the Chief and Council of the Acadia First Nation and subsequently four members of the Acadia Band Council and three external trustees. The funds held by the trust were invested as follows:

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

17. Ponhook land claim settlement (continued)

- i) The majority in a "fixed income account" that will distribute to the Acadia First Nation approximately one fifth of the original principal per year for five years. The funds so distributed are restricted by the terms of the trust agreement for use by Acadia First Nation in specified purposes consistent with the objectives of the Acadia First Nation; and
- ii) Approximately \$175,000 in a "land acquisition account" to be held for up to fifteen years for the purpose of distributing to the Acadia First Nation to acquire land. Any unexpended funds in the land acquisition account after fifteen years are to be used for the same specified purposes as the funds in the fixed income account.

18. Funding reconciliation note	<u>2011</u>	<u>2010</u>
INAC funding per financial statements		
Band Support (page 22)	\$ 752,592	\$ 705,456
Community Maintenance (page 24)	108,110	107,731
Social Services (page 25)	1,022,059	1,018,474
Prior year deferred revenue	-	(54,477)
	<u>\$ 1,882,761</u>	<u>\$ 1,777,184</u>
INAC funding per confirmation	<u>\$ 1,882,761</u>	<u>\$ 1,777,184</u>

19. Post employment benefits

During 2006, Chief and Council approved a resolution initiating a retirement benefit where each of the Chief and Councillors will receive \$5,000 for each year of service that they have provided to the Acadia First Nation. As at March 31, 2011, the current year's allocation was \$50,000 and the total amount recorded is \$605,000 (2010, \$555,000).

20. Deficiency in government business enterprises

Your Winners World – AFN, Winners Corner – AFN, Gold Reserves – AFN, The Gold Nugget – AFN, Kespuwick Resources Incorporated and Medway Entertainment – AFN are wholly-owned and controlled government business enterprises and are accounted for using the modified equity basis of accounting.

The related party transactions with these enterprises are summarized in Note 14. All transactions are in the normal course of operations and are recorded at the exchange value based on contractual agreements.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

20. Deficiency in government business enterprises (continued)

The following provides the condensed supplementary financial information for the enterprises:

Financial Position:	<u>2011</u>	<u>2010</u>
Total assets		
Medway Entertainment – AFN	\$ 116,532	\$ 76,579
Your Winners World – AFN	929,339	626,693
Winners Corner – AFN	2,123,244	102,090
Gold Reserves – AFN	1,605,905	271,386
The Gold Nugget – AFN	709,728	448,331
Kespuwick Resources Incorporated	<u>6,213,022</u>	<u>6,527,641</u>
	<u>\$ 11,697,770</u>	<u>\$ 8,052,720</u>
Total liabilities		
Medway Entertainment - AFN	\$ 874,972	\$ 566,956
Your Winners World – AFN	595,335	674,217
Winners Corner – AFN	2,098,477	165,804
Gold Reserves – AFN	2,144,745	533,330
The Gold Nugget – AFN	1,443,676	1,069,166
Kespuwick Resources Incorporated	<u>5,753,020</u>	<u>6,112,639</u>
	<u>\$ 12,910,225</u>	<u>\$ 9,122,112</u>
Results of operations:		
Revenues:		
Medway Entertainment – AFN	\$ 1,025,458	\$ 931,944
Your Winners World – AFN	2,458,552	2,444,186
Winners Corner – AFN	2,061,385	1,752,262
Gold Reserves – AFN	2,138,474	2,196,158
The Gold Nugget – AFN	2,416,243	1,938,908
Kespuwick Resources Incorporated	<u>45,000</u>	<u>45,000</u>
	<u>10,145,112</u>	<u>9,308,458</u>
Expenditures:		
Medway Entertainment – AFN	1,293,521	1,095,865
Your Winners World – AFN	2,077,024	1,787,993
Winners Corner – AFN	1,972,904	1,788,336
Gold Reserves – AFN	2,415,370	2,399,354
The Gold Nugget – AFN	<u>2,529,354</u>	<u>2,015,068</u>
	<u>10,288,173</u>	<u>9,086,616</u>
Net (loss) earnings	(143,061)	221,842
Deficiency in government business enterprises		
Beginning	<u>(1,178,140)</u>	<u>(1,399,982)</u>
Ending	<u>\$ (1,321,201)</u>	<u>\$ (1,178,140)</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2011

21. Segmented information

Acadia First Nation provides a wide range of services to its members, including training, education, social, health care and housing. For management reporting purposes Acadia First Nation's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording activities to comply with specific regulations and requirements.

Funds that have been separately disclosed in the segmented information are:

Band Support – all other activities not described in another fund. Mainly centralized and shared activities.

Education – providing elementary, secondary and post-secondary tuition for qualifying members along with related programs and support.

Community Maintenance – repairs and maintenance carried out during the year to Acadia First Nation's fixed assets. This includes garbage and snow removal.

Social Services – social assistance provided to qualifying members.

Community Health Representative – activity of the two Health Centres which provide a variety of health care programs and support.

Capital Expenditures – records the capital projects undertaken during the year and the related government assistance.

Development Fund – encompasses the retail sales of the gaming commission.

Housing Fund – Section 95 housing and related expenditures.

Fisheries Fund – encompasses the fisheries activities of Acadia First Nation.

Training Fund – activities related to job training and skills.

Forestry Fund – logging and mill activities of Acadia First Nation.

Acadia First Nation

Consolidated Schedule of Revenue and Expenditures

Band Management and Support

Year Ended March 31	2011	2010
Revenue		
Indian and Northern Affairs Canada		
Capital	\$ 95,753	\$ 95,417
Indian registration	13,893	13,844
Band support	298,128	308,588
Community Economic Development	45,844	100,161
Contribution	148,974	179,946
Summer Students	<u>150,000</u>	<u>7,500</u>
	752,592	705,456
Income from Ponhook Trust	50,323	-
Income from Department of Fisheries & Ocean	401,250	-
Income (deficiency) from 100% owned government business enterprises (Note 20)	(143,061)	221,842
Recreation Fund, net of expenses	43,060	3,520
Acadia Commodity Tax	644,645	615,696
Rental	62,472	62,472
Other	59,126	-
Income earned on restricted reserves, net	39,195	36,037
Province of Nova Scotia	222,748	261,186
Royalties	<u>4,210,910</u>	<u>4,113,581</u>
	<u>6,343,260</u>	<u>6,019,790</u>
Expenditures		
Amortization	624,082	593,468
Band member requests	520,629	646,953
Bank charges	96,873	85,623
Changes in prepaid expenses	111,464	(111,567)
Community expenses	55,688	121,354
Community Economic Development	223,228	346,949
Donations	34,732	22,726
Gaming expenses	17,420	48,469
Heat and lights	52,106	54,244
Heat and lights – Band members	210,750	210,801
HST write-down	-	167,947
Insurance	94,081	59,487
Land claim	253,965	42,845
Office and postage	71,845	100,275
Other	123,209	166,002
Professional fees	151,354	77,832
Salaries, benefits and honorarium	3,285,584	2,962,940
Taxes	17,066	18,660
Telephone	50,193	62,246
Travel, conferences and meetings	468,344	1,358,935
Vehicle operating	<u>45,204</u>	<u>38,410</u>
	<u>6,507,817</u>	<u>7,074,599</u>
Excess of expenditures over revenue	(164,557)	(1,054,809)
Net transfers	<u>190,032</u>	<u>151,388</u>
Surplus (deficit)	<u>\$ 25,475</u>	<u>\$ (903,421)</u>

Acadia First Nation

Consolidated Schedule of Revenue and Expenditures

Education

Year Ended March 31	2011	2010
Revenue		
Mi'kmaw Kina'matnewey - Education	<u>\$ 1,141,307</u>	<u>\$ 986,533</u>
Expenditures		
Administration	1,357	9,030
Books and supplies	45,281	45,671
Living allowance	167,328	161,168
Salaries and benefits	63,084	61,982
Student transportation	20,379	19,958
Travel	1,821	1,606
Tuition - post secondary	115,138	150,493
Tuition - schools	<u>591,165</u>	<u>405,665</u>
	<u>1,005,553</u>	<u>855,573</u>
Excess of revenue over expenditure	135,754	130,960
Net transfers	<u>(10,000)</u>	<u>(10,000)</u>
Surplus	<u>\$ 125,754</u>	<u>\$ 120,960</u>

Acadia First Nation

Consolidated Schedule of Revenue and Expenditures

Community Maintenance

Year Ended March 31	2011	2010
Revenue		
Indian and Northern Affairs Canada	\$ 108,110	\$ 107,731
CMHC RRAP	-	12,000
	<u>108,110</u>	<u>119,731</u>
Expenditures		
Fire protection	2,966	17,103
Garbage collection	30,963	26,389
Repairs	199,817	186,117
Snow removal	26,755	24,341
Water and sewer	65,149	39,459
	<u>325,650</u>	<u>293,409</u>
Excess of expenditures over revenue	(217,540)	(173,678)
Net transfers	-	-
Deficit	<u>\$ (217,540)</u>	<u>\$ (173,678)</u>

Acadia First Nation

Consolidated Schedule of Revenue and Expenditures

Social Services

Year Ended March 31	2011	2010
Revenue		
Indian and Northern Affairs Canada	<u>\$ 1,022,059</u>	<u>\$ 1,018,474</u>
Expenditures		
Administrative	(368)	748
Adult care	48,749	33,512
Bank charges	5,600	4,740
Basic needs	414,987	401,574
Salaries and benefits	64,111	59,730
Special needs	12,292	10,893
Travel	<u>2,964</u>	<u>3,123</u>
	<u>548,335</u>	<u>514,320</u>
Excess of revenue over expenditures	473,724	504,154
Net transfers	<u>(135,753)</u>	<u>(100,934)</u>
Surplus	<u>\$ 337,971</u>	<u>\$ 403,220</u>

Acadia First Nation

Consolidated Schedule of Revenue and Expenditures

Community Health Representatives

Year Ended March 31 2011 2010

Revenue

Health Canada		
Facilities Operation & Management	\$ 48,564	\$ 47,300
Mental Health	29,865	28,995
Home and community	54,323	57,741
Aboriginal Diabetes Initiative	25,487	4,614
Health Promotion and Prevention	78,605	100,449
Environmental - Drinking Water	6,000	6,000
Head Start	16,013	21,989
Prenatal	6,193	8,013
Brighter Futures	<u>29,756</u>	<u>28,889</u>
	<u>294,806</u>	<u>303,990</u>

Expenditures

Administration	72,813	70,811
Brighter Futures	57,488	51,821
Home care	54,921	30,324
Mental health	33,197	23,279
Salaries and benefits	-	66,040
Travel	-	4,299
Aboriginal Diabetes	27,285	-
Health promotion and prevention	94,183	-
Environmental - drinking water	6,904	-
Head start	18,138	-
Prenatal	<u>7,500</u>	<u>-</u>
	<u>372,429</u>	<u>246,574</u>

Excess of (expenditure over revenue) revenue over expenditure (77,623) 57,416

Net transfers - -

(Deficit) surplus \$ (77,623) \$ 57,416

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Development Fund

Year Ended March 31	2011	2010
Sales	\$ 9,717,819	\$ 8,731,754
Cost of sales	<u>8,926,680</u>	<u>7,910,493</u>
Gross profit	<u>791,139</u>	<u>821,261</u>
Expenditures		
Agency fee	60,218	53,380
Bank charges and interest	21,495	17,723
Professional fees	<u>6,405</u>	<u>5,495</u>
	<u>88,118</u>	<u>76,598</u>
Excess of revenue over expenditures	703,021	744,663
Net transfers	<u>-</u>	<u>-</u>
Surplus	<u>\$ 703,021</u>	<u>\$ 744,663</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Housing Fund

Year Ended March 31	2011	2010
Revenue		
CMHC	\$ 148,688	\$ 138,915
CMHC Grant	<u>149,100</u>	<u>162,272</u>
	<u>297,788</u>	<u>301,187</u>
Expenditures		
Amortization	209,553	193,067
Mortgage interest	108,481	97,913
Maintenance	178,024	203,617
Replacement reserve		
Current year charge	39,195	35,411
Accounting and audit	7,500	6,750
Bank charges	714	685
Insurance	28,793	25,580
Utilities	<u>44,231</u>	<u>13,663</u>
	<u>616,491</u>	<u>576,686</u>
Excess of expenditures over revenue	(318,703)	(275,499)
Net transfers	<u>95,753</u>	<u>85,934</u>
Deficit	<u>\$ (222,950)</u>	<u>\$ (189,565)</u>

Acadia First Nation

Consolidated Schedule of Revenue and Expenditures

Fisheries Fund

Year Ended March 31	2011	2010
Revenue		
Fishing settlements	\$ 1,546,555	\$ 1,302,488
Leased quota	318,271	342,544
Proceeds on sale of tangible capital	28,500	222,695
Department of Fisheries & Oceans grant	<u>378,027</u>	<u>180,720</u>
	<u>2,271,353</u>	<u>2,048,447</u>
Expenditures		
Agency fee	45,000	45,000
Bait	77,946	81,868
Bank charges	3,206	15,286
Crew share	794,581	639,915
Dockside monitoring	5,517	5,937
Dues and fees	6,898	9,994
Food fishery	17,781	18,346
Fuel	124,385	106,246
Gear	43,118	46,603
Insurance	41,170	50,875
Leasing costs – vessels	51,444	60,415
Miscellaneous	12,385	8,406
Office supplies	2,934	1,429
Professional fees	13,591	5,636
Repairs and maintenance	67,385	134,318
Salaries and benefits	311,256	302,316
Telephone	9,385	11,735
Training	16,425	4,006
Trap making	-	18,735
Vehicle operations	1,314	929
Wharfage	12,167	14,929
Workers' Compensation insurance	<u>85,572</u>	<u>71,891</u>
	<u>1,743,460</u>	<u>1,654,815</u>
Excess of revenue over expenditures	527,893	393,632
Net transfers	<u>(140,032)</u>	<u>(126,388)</u>
Surplus	<u>\$ 387,861</u>	<u>\$ 267,244</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Training Fund

Year Ended March 31	2011	2010
Revenue		
Mi'kmaq Employment/Training Secretariat	<u>\$ 393,487</u>	<u>\$ 360,256</u>
Expenditures		
Administration	2,625	2,500
Job creation	29,100	26,724
Office	2,778	3,237
Programs	24,722	4,047
Salaries and benefits	328,043	318,467
Single seat purchases	65,107	86,274
Travel	<u>7,758</u>	<u>4,286</u>
	<u>460,133</u>	<u>445,535</u>
Excess of expenditures over revenue	(66,646)	(85,279)
Net transfers	<u>-</u>	<u>-</u>
Deficit	<u>\$ (66,646)</u>	<u>\$ (85,279)</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Forestry Fund

Year Ended March 31	2011	2010
Revenue		
Sales	<u>\$ 50,881</u>	<u>\$ 79,830</u>
Expenditures		
Fuel	2,000	14,117
Miscellaneous	-	2,071
Office	2,832	1,552
Repairs and maintenance	2,086	11,122
Salaries and benefits	36,697	57,792
Supplies	2,532	2,131
Travel	-	105
Utilities and rent	<u>-</u>	<u>414</u>
	<u>46,147</u>	<u>89,304</u>
Excess of revenue over expenditures (expenditures over revenue)	4,734	(9,474)
Net transfers	<u>-</u>	<u>-</u>
Surplus (deficit)	<u>\$ 4,734</u>	<u>\$ (9,474)</u>

**Acadia First Nation
Ponhook Trust
Statement of Financial Position**

March 31	2011	2010
Assets		
Restricted investments	<u>\$ 820,885</u>	<u>\$ 515,785</u>
Trust Equity		
Restricted funds on deposit with Scotia McLeod	<u>\$ 820,885</u>	<u>\$ 515,785</u>

**Acadia First Nation
Statement of Changes in Ponhook Trust Equity**

Year Ended March 31	2011	2010
Balance, beginning of year	\$ 515,785	\$ 510,856
Capital gains on disposal/dividends	68,112	-
Withdrawals	(13,191)	-
Proceeds on sale of land	247,868	-
Interest earned	<u>2,311</u>	<u>4,929</u>
Balance, end of year	<u>\$ 820,885</u>	<u>\$ 515,785</u>

This statement is included for information purposes only.

Acadia First Nation Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration and Reimbursements Paid to Chief and Council

Year Ended March 31, 2011

Name of Individual Chief/Council Member	Salary and Honoraria	Travel Expenses	Other Remuneration & Reimbursements	2011 Total	2010 Total
Chief Deborah Robinson	\$ 315,865	\$ 65,619	\$ 36,724	\$ 418,208	\$ 467,599
Darlene Coulton	102,313	72,810	13,225	188,348	242,988
Charmaine Stevens	102,313	11,796	10,333	124,442	148,977
Michael Paul	102,313	7,808	9,333	119,454	131,234
Thomas Pictou	102,313	55,947	12,333	170,593	198,837
Debra Wentzell	102,313	21,170	10,333	133,816	146,129
Andrew Francis	102,313	7,892	9,333	119,538	134,303
Todd Labrador	102,313	21,676	10,333	134,322	153,370
Ed Benham	102,313	8,311	-	110,624	143,078
	<u>\$1,134,369</u>	<u>\$ 273,029</u>	<u>\$ 111,947</u>	<u>\$1,519,345</u>	<u>\$1,766,515</u>

Senior Unelected Officials

"This section has been intentionally redacted to protect the privacy rights of non-elected employees. Band members may view this information by contacting the Band office."