



Consolidated Financial Statements

Acadia First Nation

March 31, 2016

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Independent Auditors' Report

To the Chief and Council of
Acadia First Nation

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We have audited the accompanying consolidated financial statements of Acadia First Nation, which comprise the consolidated statement of financial position as at March 31, 2016, the consolidated statements of operations, accumulated surplus, changes in net debt and changes in cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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, 2016, 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.

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The Schedules of revenues and expenditures on pages 23 to 35 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

Grant Thornton LLP

Yarmouth, Canada
July 25, 2016

Chartered Accountants

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Acadia First Nation and all the information in this 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 Public Sector Accounting Standards. 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.

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 external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Acadia First Nation and meet when required.

On behalf of Acadia First Nation:

Chief



Band Manager



Acadia First Nation

Consolidated Statement of Operations

Year Ended March 31

	<u>Budget</u> <u>2016</u>	<u>Actual</u> <u>2016</u>	<u>Actual</u> <u>2015</u>
Revenues			
Federal government operating transfers	\$ 3,206,500	\$ 2,744,094	\$ 3,197,316
Federal government capital transfers	241,000	131,207	109,324
Provincial government operating transfers	225,000	179,879	235,742
Economic activities	5,725,000	6,890,944	5,839,737
Economic activities – retail operations	23,325,000	22,851,799	18,898,166
Other	<u>398,000</u>	<u>849,237</u>	<u>843,540</u>
	<u>33,120,500</u>	<u>33,647,160</u>	<u>29,123,825</u>
Expenses			
Band Management and Support	7,909,500	7,585,071	7,249,604
Education	704,500	703,541	646,866
Community maintenance	910,000	1,081,819	930,853
Social services	761,500	608,656	595,256
Community health	446,500	524,840	442,578
Housing	503,000	498,567	519,920
Fisheries	1,709,250	2,483,389	2,122,098
Training	424,000	404,257	426,596
Forestry	175,000	226,656	166,949
Retail operations	<u>17,671,750</u>	<u>16,555,998</u>	<u>13,905,276</u>
	<u>31,215,000</u>	<u>30,672,794</u>	<u>27,005,996</u>
Annual surplus	<u>\$ 1,905,500</u>	<u>\$ 2,974,366</u>	<u>\$ 2,117,829</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation
Consolidated Statement of Accumulated Surplus

Year Ended March 31

2016 2015

	Investment in Capital Assets	Unrestricted Fund	Net Assets - externally restricted	Funds on deposit	Replacement Reserve	Total	Total	Total	Total
Opening balance, as previously reported	\$ 8,821,260	\$ (3,812,784)	\$ 10,556	\$ 258,037	\$ 5,277,069	\$ 3,153,554			
Surplus	-	2,974,366	-	-	2,974,366	2,117,826			
Change in prepaid expenses	-	12,527	-	-	12,527	5,689			
Current year allocations	-	47,775	-	(47,923)	(148)	(503)			
Interest earned	-	-	111	37	148	503			
Ending balance	\$ 8,821,260	\$ (778,116)	\$ 10,667	\$ 210,151	\$ 8,263,962	\$ 5,277,069			

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Financial Position

March 31

2016

2015

Financial assets

Cash and cash equivalents	\$ 3,663,224	\$ 1,098,533
Receivables (Note 5)	856,275	1,154,544
Inventory held for resale	432,773	420,748
Restricted cash and deposits		
Funds on deposit at AANDC (Note 14)	10,667	10,556
CMHC reserves	<u>210,151</u>	<u>258,037</u>
	<u>5,173,090</u>	<u>2,942,418</u>

Financial liabilities

Payables and accruals (Note 8)	1,328,366	1,811,210
Deferred revenue	100,000	8,099
Assessment of sales tax, penalties and interest (Note 16)	3,055,973	3,355,973
Long-term debt (Note 7)	<u>4,779,618</u>	<u>5,016,590</u>
	<u>9,263,957</u>	<u>10,191,872</u>

Net debt

(4,090,867) (7,249,454)

Non-financial assets

Tangible capital assets (Note 6)	12,305,613	12,489,835
Prepaid expenses	<u>49,216</u>	<u>36,688</u>
	<u>12,354,829</u>	<u>12,526,523</u>

Accumulated surplus

\$ 8,263,962 \$ 5,277,069

Accumulated surplus (Page 4)

\$ 8,263,962 \$ 5,277,069

Contingencies (Note 16)

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	Budget	2016	2015
Surplus	\$ 1,905,500	\$ 2,974,366	\$ 2,117,826
Retail capital assets transfer, net	-	-	(164,978)
Tangible capital asset additions	(1,000,000)	(794,094)	(1,020,017)
Amortization of tangible capital assets	<u>872,250</u>	<u>978,316</u>	<u>941,654</u>
Decrease in net debt	<u>\$ 1,777,750</u>	<u>3,158,587</u>	<u>1,874,485</u>
Net debt, beginning of year		<u>(7,249,454)</u>	<u>(9,123,939)</u>
Net debt, end of year		<u>\$ (4,090,867)</u>	<u>\$ (7,249,454)</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Cash Flows

March 31

2016

2015

Increase (decrease) in cash and cash equivalents

Operations		
Surplus	\$ 2,974,366	\$ 2,117,826
Amortization	978,316	941,654
Gain on sale of tangible capital assets	(200,000)	-
Changes in non-cash operating working capital balances (Note 10)	<u>(356,924)</u>	<u>(490,554)</u>
	<u>3,395,757</u>	<u>2,568,926</u>
Financing		
Repayment of long-term debt, net of advances	(236,972)	(17,272)
Advances from government business enterprises, net	<u>-</u>	<u>199,590</u>
	<u>(236,972)</u>	<u>182,318</u>
Investing		
Purchase of tangible capital assets	(794,094)	(1,020,017)
Proceeds on sale of tangible capital assets	200,000	-
Retail capital assets, net	-	(164,978)
Decrease in deficiency in 100% owned Government Business Enterprises	<u>-</u>	<u>8,311</u>
	<u>(594,094)</u>	<u>(1,176,684)</u>
Increase in cash and cash equivalents	2,564,691	1,574,560
Cash and cash equivalents (bank indebtedness)		
Beginning of year	<u>1,098,533</u>	<u>(476,027)</u>
End of year	<u>\$ 3,663,224</u>	<u>\$ 1,098,533</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

1. Summary of significant accounting policies

Reporting entity and principles of financial reporting

The consolidated financial statements of the Band are the representations of management prepared in accordance with Canadian public sector accounting standards for local governments, as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

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

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 Band 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.

The band had full control over the following enterprises during the year and their accounts have been consolidated. 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, AFN Entertainment Centre/Winner's Corner - AFN and Wildcat Entertainment - AFN.

The retail enterprises operate a combination of video lottery terminals, convenience stores and gas bars. Kespuwick Resources manages the Fisheries operations on behalf of the Band.

Budget

The budget was approved by Chief and Council on March 10, 2015.

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, \$115,949 (2015 - \$115,604) was recorded as rental revenue in the Housing Fund and as rental expense in the Social Services Fund and \$303,041 (2015 - \$200,379) in contributions from the General Fund were 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.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

1. Summary of significant accounting policies (continued)

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

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.

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
Playground	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

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. Inventory consists of tobacco products and general retail products.

Investments

Investments, when held, are made up of treasury accounts with longer term maturities. Investments are recorded at cost which approximated market value. Share capital of the government business enterprises are recorded as long-term investments.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

1. Summary of significant accounting policies (continued)

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. Estimates include expected useful lives of assets, accrued liabilities and allowances for doubtful accounts.

Trust funds

The Trust Funds being administered by the First Nation are not consolidated with the accounts of the First Nation. At March 31, 2016, the equity in Trust Funds under its trusteeship amounted to \$483,432 (2015 - \$489,885), see page 34.

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 Band 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.

Net debt

The Band's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the Band is determined by its liabilities less its financial assets. Net debt is comprised of two components, non-financial assets and accumulated surplus.

Revenue

All revenue is recorded on the accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue. Funding received under the terms of contribution agreements with the federal government is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted by the federal government for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

Revenue from economic activities and other sources is recognized when goods or services are provided, the exchange amount is measureable and collectability of the amount is reasonably assured.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

1. Summary of significant accounting policies (continued)

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver the Band's services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, prepaid expenses and inventories of supplies.

2. Future accounting standards

There are no future standards expected to impact Acadia First Nation for the 2017 fiscal year.

3. Replacement reserve

Under the terms of the agreement with 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 (Series 14-283-576) a combined amount of \$5,829 is charged annually, and for projects entered into under the 1997 Section 95 On-Reserve Housing Program (Series 19-042-795) 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 CMHC, excess revenues over expenditures, including the annual allocation to the Replacement Reserve, for projects entered into under the 1997 Sections 95 On-Reserve Program (Series 19-042-795) 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, 2016

5. Receivables	<u>2016</u>	<u>2015</u>
Receivable – D. Coulton	\$ -	\$ 15,036
Health Canada	-	41,952
Mi'kmaw Kina'matnewey	13,575	2,500
Province of Nova Scotia	179,879	210,765
Department of Fisheries and Oceans	289,739	395,120
Aboriginal Affairs and Northern Development Canada	8,404	136,013
Canada Revenue Agency	126,740	93,067
Mi'kmaq Employment/Training Secretariat	118,059	99,312
Other	119,879	160,779
	<u>\$ 856,275</u>	<u>\$ 1,154,544</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

7. Long-term debt	<u>2016</u>	<u>2015</u>
1.77% mortgage, maturing November 2039, payable in monthly instalments of \$343, including principal and interest.	\$ 79,599	\$ -
Prime + 1.5% BMO boat loan, maturing October 2017, payable in monthly instalments of \$ 1,487 including principal and interest.	26,567	43,432
Partially disbursed mortgage	63,552	82,283
1.01% mortgage, maturing February 1, 2041, payable in monthly instalments of \$400, including principal and interest.	105,834	-
1.82% mortgage, maturing September 2039, payable in monthly instalments of \$995, including principal and interest.	228,460	236,178
1.45% mortgage, maturing January 2017, payable in monthly instalments of \$1,268, including principal and interest.	2,527	17,585
1.01% mortgage, maturing November 2017, payable in monthly instalments of \$476, including principal and interest.	9,429	17,164
1.92% mortgage, maturing April 2019, payable in monthly instalments of \$447, including principal and interest.	16,059	21,067
0.97% mortgage, maturing January 2021, payable in monthly instalments of \$520, including principal and interest.	26,476	32,174
2.11% mortgage, maturing October 2033, payable in monthly instalments of \$654, including principal and interest.	115,298	120,657
Prime plus 1.5% BMO loan, maturing in November 2028, payable in monthly instalment of \$ 5,874, including principal and interest	525,094	570,653
1.92% mortgage, maturing April 2034, payable in monthly instalments of \$1,009, including principal and interest.	<u>184,896</u>	<u>193,365</u>
Total carried forward	<u>\$1,383,791</u>	<u>\$ 1,334,558</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

7. Long-term debt (continued)	<u>2016</u>	<u>2015</u>
Balance carried forward	\$ 1,383,791	\$ 1,334,558
1.30% mortgage, maturing December 2022, payable in monthly instalments of \$339, including principal and interest.	26,312	29,989
1.92% mortgage, maturing April 2024, payable in monthly instalments of \$301, including principal and interest.	26,999	30,057
2.04% mortgage, maturing January 2024, payable in monthly instalments of \$353, including principal and interest	30,072	33,659
1.30% mortgage, maturing August 2025, payable in monthly instalments of \$305, including principal and interest.	32,431	35,490
1.64% mortgage, maturing October 2026, payable in monthly instalments of \$296, including principal and interest.	34,512	37,473
1.65% mortgage, maturing May 2027, payable in monthly instalments of \$300, including principal and interest.	36,699	39,668
4.55% mortgage, maturing September 2026 payable in monthly payments of \$963 including principal and interest.	95,979	102,993
1.53% mortgage, maturing December 2027, payable in monthly instalments of \$292, including principle and interest.	37,688	40,593
2.37% mortgage, maturing July 2036, payable in monthly instalments of \$1,589, including principle and interest.	307,580	319,232
0% vehicle loan, maturing March 2019, payable in monthly instalments of \$642	23,025	30,735
0% vehicle loan, maturing March 2019, payable in monthly instalments of \$808	28,999	38,700
2.49% vehicle loan, maturing October 2019, payable in monthly instalments of \$642	<u>25,271</u>	<u>32,096</u>
Total carried forward	<u>\$ 2,089,358</u>	<u>\$ 2,105,243</u>

Acadia First Nation**Notes to the Consolidated Financial Statements**Year Ended March 31, 2016

7. Long-term debt (continued)	<u>2016</u>	<u>2015</u>
Balance carried forward	\$ 2,089,358	\$ 2,105,243
4.55% loan, maturing August 2028, with monthly payments of \$1,992, including principal and interest.	191,380	200,463
2.35% mortgage, maturing August 2028, payable in monthly instalments of \$300, including principal and interest.	38,777	41,436
1.92% mortgage, maturing January 2029, payable in monthly instalments of \$297, including principal and interest.	40,590	43,352
2.26% mortgage, maturing July 2031, payable in monthly instalments of \$448, including principal and interest.	69,632	73,389
4.55% mortgage, maturing in July 2026 payable in monthly instalments of \$2,158, including principal and interest.	212,322	228,159
1.01% mortgage, maturing in February 2031, payable in monthly instalments of \$885 including principal and interest.	146,935	154,889
0.94% mortgage, maturing July 2030 payable in monthly instalments of \$576 including principal and interest.	92,689	98,305
1.65% mortgage, maturing April 2032 payable in monthly instalments of \$1,337 including principal and interest.	226,584	238,783
1.64% mortgage, maturing December 2031 payable in monthly instalments of \$648 including principal and interest.	107,984	113,943
1.64% mortgage, maturing February 2032 payable in monthly instalments of \$2,059 including principal and interest.	346,050	364,921
1.83% mortgage, maturing November 2034 payable in monthly instalments of \$2,053 including principal and interest.	389,466	406,808
Prime + 1.5% BMO tuna license loan, maturing March 2017, payable in monthly instalments of \$ 3,268 including principal and interest; paid out during the year.	-	75,000
1.37% mortgage, maturing June 2035 payable in monthly instalments of \$977 including principal and interest.	<u>198,406</u>	<u>206,937</u>
Total carried forward	<u>\$ 4,150,173</u>	<u>\$ 4,351,628</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

7. Long-term debt (continued)	<u>2016</u>	<u>2015</u>
Balance carried forward	\$ 4,150,173	\$ 4,351,628
1.01% mortgage, maturing January 2036, payable in monthly instalments of \$469, including principle and interest.	101,163	105,038
1.71% mortgage, maturing September 2037, payable in monthly instalments of \$1,475, including principle and interest.	318,323	330,467
1.65% mortgage, maturing June 2037, payable in monthly instalments of \$976, including principle and interest.	209,959	218,140
6.39% loan, matured March 2016.	-	7,945
6.99% loan, matured October 2016.	-	3,372
	<u>\$ 4,779,618</u>	<u>\$ 5,016,590</u>

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

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

2017	\$310,681
2018	\$306,118
2019	\$301,103
2020	\$283,675
2021	\$287,460

8. Payables and accruals	<u>2016</u>	<u>2015</u>
Vendors	\$ 311,190	\$ 473,996
Term loan, tuna license purchase	-	350,000
Severance accrual	455,000	575,000
Accruals	370,175	118,250
Harmonized sales tax	75,608	93,308
Government remittances	73,474	56,604
Other	42,919	144,052
	<u>\$ 1,328,366</u>	<u>\$ 1,811,210</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

9. Funded reserves

The Acadia First Nation operates thirty-two (32) CMHC subsidized housing projects. Replacement reserves for the Pre 1997 projects are funded through a joint Replacement Reserve bank account and replacement reserves for Post 1997 projects are to be funded through a second joint replacement reserve bank account.

As at March 31, 2016, 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>\$ 5,829</u>	<u>\$ 44,171</u>	<u>\$ 50,000</u>

At March 31, 2016, an amount of \$38,968 has been underfunded (2015 – \$136,891 underfunded).

10. Changes in non-cash operating working capital balances	<u>2016</u>	<u>2015</u>
Receivables	\$ 298,269	(635,186)
Restricted cash and deposits	47,775	(50,265)
Inventory held for resale	(12,025)	(298,980)
Payables and accruals	(482,844)	802,305
Deferred revenue	91,901	(8,428)
Assessment of sales tax, penalties and interest	<u>(300,000)</u>	<u>(300,000)</u>
	<u>\$ (356,924)</u>	<u>\$ (490,554)</u>

11. Economic dependence

The Band receives a portion of its revenues pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada and other federal departments.

12. 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, 2016 was \$137,174 (2015 - \$152,705).

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

13. Non compliance

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

14. Funds on deposit with AANDC

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>2016</u>	<u>2015</u>
Net assets, beginning of year	\$ 10,556	\$ 10,158
Interest earned	<u>111</u>	<u>398</u>
	<u>\$ 10,667</u>	<u>\$ 10,556</u>
Represented by		
Restricted for capital projects	\$ 4,362	\$ 4,362
Unrestricted	<u>6,305</u>	<u>6,194</u>
	<u>\$ 10,667</u>	<u>\$ 10,556</u>

15. Related party transactions

The Band had the following transactions with related parties:

	<u>2016</u>	<u>2015</u>
Building rental charged to related companies	\$ 67,872	\$ 67,872
Royalties received from the gaming companies	4,411,534	3,644,192
Acadia Commodity Taxes charged	912,030	736,101
Agency fee charged from Kespuwick Resources	45,000	45,000

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 Band. These amounts have been eliminated on consolidation.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

16. Contingencies

In prior years, a long standing matter, arising between 1997 and 2002, with respect to the payment by the Band of HST 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 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.

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. Each year that the payments are made in full, CRA waives the interest and penalties for the earliest year applicable.

The authorization of Canada Revenue Agency was recognized in prior years' 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.

With respect to the HST liability, 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.

The HST liability in the subsidiary has been fully repaid and all required payments have been made by the Band to date. During the current year, the Band made all 12 payments as required by CRA.

17. Comparative figures

Certain of the 2015 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2016. Certain balances within the financial statements may also be affected by rounding.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

18. Ponhook land claim settlement

During 2003, the Band 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 the Band the sum of \$1,956,450 subject to the repayment of \$105,903 previously advanced by Canada to the Band.

During the year, \$15,489 (2015 - \$30,496) was withdrawn from the trust to reimburse the Band for expenses approved through the trust agreement.

The remaining funds (see page 34) are to be held in trust for the Band and the Band members. The trustees of the trust were originally the Chief and Council of the Band and subsequently four members of the Band and three external trustees. The funds held by the trust were invested as follows:

- 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.

19. Post employment benefits

During 2006, the Band 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. During the year, \$105,000 (2015 - \$150,000) was set aside in trust to fund the future obligation. As at March 31, 2016, the total amount recorded as a liability is \$455,000 (2015 - \$575,000).

During a prior year, Chief and Council approved to cease accumulating any future amounts.

During the prior year, Chief and Council signed a trust agreement whereby only \$105,000 can be withdrawn against these benefits in any year, thus, the amount above \$105,000 is a current liability and the remainder is a long term liability.

During the current year, \$120,000 (2015 – nil) was paid out to a former councillor.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2016

20. 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 consolidated schedules of revenues and expenditures on the following pages 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.

Development Fund – inactive at this time.

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.

Economic Activities – purchase and sale of band tobacco.

Retail Operations – operation of facilities with VLTs, store and gas stations.

See financial data on Page 32.

Acadia First Nation

Schedule of Revenue and Expenditures

Band Management and Support

Year Ended March 31	Budget	2016	2015
Revenue			
Aboriginal Affairs and Northern Development Canada			
Registration and membership	\$ 15,000	\$ 14,394	\$ 14,121
Band support	305,000	308,880	303,018
Community Economic Development Contribution	50,000	47,498	46,597
	<u>180,000</u>	<u>17,000</u>	<u>148,024</u>
	550,000	387,772	511,760
Income from Ponhook Trust	-	15,489	30,496
Economic Activities - Retail operations	23,325,000	22,851,799	18,898,166
Economic Activities – Band tobacco	3,650,000	3,872,638	3,575,218
Other	50,000	255,839	164,190
Income earned on restricted reserves, net Province of Nova Scotia	-	(47,775)	50,265
	<u>225,000</u>	<u>179,879</u>	<u>235,742</u>
	<u>27,800,000</u>	<u>27,515,641</u>	<u>23,465,837</u>
Expenditures			
Allocation to band members	850,000	800,000	755,250
Allocation to housing	223,000	205,206	200,379
Amortization	630,000	653,078	623,616
Band member requests	75,000	118,290	56,536
Bank charges and interest	100,000	70,328	123,541
Changes in prepaid expenses	-	(12,527)	(7,769)
Community expenses	100,000	175,670	151,387
Community Economic Development	200,000	106,407	209,426
Donations	-	27,292	5,962
Heat and lights	60,000	62,812	56,897
Elders and disabled	300,000	315,800	298,468
Insurance	40,000	66,682	39,431
Land claim	-	6,015	57
Office and postage	75,000	89,543	74,920
Other	50,000	59,783	12,187
Professional fees	85,000	103,840	84,581
Economic Activities – Band tobacco	3,126,500	3,211,111	3,012,189
Economic Activities - Retail operations	17,671,750	16,555,998	13,905,276
Salaries, benefits and honorarium	1,675,000	1,387,995	1,460,042
Taxes	20,000	17,463	17,471
Telephone	50,000	51,911	49,808
Travel, conferences and meetings	200,000	228,477	176,934
Vehicle operating	50,000	45,101	48,671
	<u>25,581,250</u>	<u>24,346,275</u>	<u>21,355,259</u>
Surplus	\$ 2,218,750	\$ 3,169,366	\$ 2,110,578

Acadia First Nation

Schedule of Revenue and Expenditures

Education

Year Ended March 31	Budget	2016	2015
Revenue			
Mi'kmaw Kina'matnewey			
Elementary/Secondary			
Paraprofessional	\$ 79,400	\$ 79,430	\$ 76,285
Supplies	8,700	8,737	8,391
Student transportation	61,300	61,325	59,754
Financial assistance	3,000	3,047	2,926
Guidance and counselling	15,400	15,410	14,800
Advice and assistance	900	897	874
Post secondary			
Tuition	423,600	423,622	406,851
Government support	15,500	15,564	15,165
Governance	18,800	18,546	17,812
Special education	56,300	56,340	54,109
New paths	10,100	10,108	9,708
Other	-	32,658	6,914
	<u>693,000</u>	<u>725,684</u>	<u>673,589</u>
Expenditures			
Elementary/Secondary			
Elementary/Secondary	76,500	90,125	-
Student transportation	60,000	60,611	74,642
Financial assistance	14,500	31,900	32,650
Guidance and counselling	15,000	17,500	15,000
Advice and assistance	30,000	33,177	18,090
Post secondary			
Tuition	410,000	413,358	429,964
Government support	18,000	20,000	15,500
Governance	15,500	17,500	18,000
Special education	55,000	58,395	54,226
New paths	10,000	10,975	10,102
Other	-	-	3,692
	<u>704,500</u>	<u>753,541</u>	<u>671,866</u>
(Deficit) surplus	\$ (11,500)	\$ (27,857)	\$ 1,723

Acadia First Nation
Schedule of Revenue and Expenditures
Community Maintenance

Year Ended March 31	Budget	2016	2015
Revenue			
Aboriginal Affairs and Northern Development Canada			
Capital	\$ 100,000	\$ 99,207	\$ 97,324
Facilities O&M	125,000	112,010	109,884
CMHC RRAP	<u>16,000</u>	<u>32,000</u>	<u>12,000</u>
	<u>241,000</u>	<u>243,217</u>	<u>219,208</u>
Expenditures			
Fire protection	20,000	18,326	16,260
Garbage collection	40,000	35,717	35,290
Repairs	250,000	231,107	250,897
Salaries	500,000	623,086	538,300
Snow removal	25,000	24,623	25,062
Water and sewer	<u>75,000</u>	<u>148,960</u>	<u>65,044</u>
	<u>910,000</u>	<u>1,081,819</u>	<u>930,853</u>
Excess of expenditures over revenue	(669,000)	(838,602)	(711,645)
Transfer within block funding	<u>-</u>	<u>303,642</u>	<u>297,397</u>
Deficit	<u>\$ (669,000)</u>	<u>\$ (534,960)</u>	<u>\$ (414,248)</u>

Acadia First Nation

Schedule of Revenue and Expenditures

Social Services

Year Ended March 31 Budget 2016 2015

Revenue

Aboriginal Affairs and Northern
Development Canada

Assisted living	\$ 50,000	\$ 52,121	\$ 51,132
Income assistance	<u>983,500</u>	<u>1,001,126</u>	<u>982,125</u>
	<u>1,033,500</u>	<u>1,053,247</u>	<u>1,033,257</u>

Expenditures

Administrative	27,500	26,580	26,595
Adult care	40,000	36,610	38,855
Bank charges	1,500	368	1,363
Basic needs	600,000	598,546	585,842
Salaries and benefits	65,000	62,833	60,742
Special needs	25,000	21,902	21,440
Travel	<u>2,500</u>	<u>2,766</u>	<u>1,024</u>
	<u>761,500</u>	<u>749,605</u>	<u>735,861</u>

Excess of revenue over expenditures	272,000	303,642	297,397
Transfer within block funding	<u>-</u>	<u>(303,642)</u>	<u>(297,397)</u>
Surplus	<u>\$ 272,000</u>	<u>\$ -</u>	<u>\$ -</u>

Acadia First Nation

Schedule of Revenue and Expenditures

Community Health Representatives

Year Ended March 31	Budget	2016	2015
Revenue			
Health Canada			
Immunizations	\$ -	\$ 2,400	\$ -
Maternal health	8,000	7,964	7,964
Facilities operation and management	47,000	47,300	47,300
Mental Health	34,000	34,475	33,614
Home and community	62,000	62,707	61,142
Aboriginal Diabetes Initiative	19,000	19,373	16,873
Health promotion and prevention	90,000	93,766	91,501
Environmental - drinking water	12,000	11,989	12,097
Head start	12,000	12,097	11,989
Prenatal	7,000	7,148	6,970
Brighter Futures	34,000	34,347	33,490
	<u>325,000</u>	<u>333,566</u>	<u>322,940</u>
Expenditures			
Maternal Health	8,000	10,626	8,900
Brighter Futures	34,000	38,248	34,736
Home care	65,000	68,652	64,655
Mental health	35,000	38,814	35,516
Aboriginal Diabetes	17,500	23,795	17,538
Health promotion and prevention	90,000	147,639	90,756
Environmental - drinking water	15,000	15,940	15,000
Immunizations	-	6,801	-
Head start	50,000	42,487	47,412
Facilities operation and management renovations	125,000	122,138	120,640
Prenatal	7,000	9,700	7,425
	<u>446,500</u>	<u>524,840</u>	<u>442,578</u>
Deficit	\$ (121,500)	\$ (191,274)	\$ (119,638)

Acadia First Nation
Schedule of Revenue and Expenditures
Housing Fund

Year Ended March 31	Budget	2016	2015
Revenue			
Rent	\$ 125,000	\$ 115,949	\$ 115,604
CMHC	155,000	137,174	152,705
Allocation from Band	<u>223,000</u>	<u>303,041</u>	<u>200,379</u>
	<u>503,000</u>	<u>556,164</u>	<u>468,688</u>
Expenditures			
Administration	25,000	25,000	25,000
Amortization	200,000	266,832	275,193
Mortgage interest	75,000	68,851	76,953
Maintenance	75,000	48,854	43,238
Replacement reserve			
Current year charge	50,000	147,747	49,762
Accounting and audit	7,500	10,095	7,500
Bank charges	500	106	69
Insurance	25,000	15,552	20,823
Utilities	<u>45,000</u>	<u>38,365</u>	<u>46,382</u>
	<u>503,000</u>	<u>621,402</u>	<u>544,920</u>
Deficit	<u>\$ -</u>	<u>\$ (65,238)</u>	<u>\$ (76,232)</u>

Acadia First Nation

Schedule of Revenue and Expenditures

Fisheries Fund

Year Ended March 31	Budget	2016	2015
Revenue			
Fishing settlements	\$ 1,500,000	\$ 2,346,618	\$ 1,684,554
Leased quota	450,000	541,818	490,531
Department of Fisheries & Oceans grant	<u>50,000</u>	<u>313,000</u>	<u>645,922</u>
	<u>2,000,000</u>	<u>3,201,436</u>	<u>2,821,007</u>
Expenditures			
Bait	75,000	101,768	88,874
Bank charges	1,000	487	105
Crew share	815,000	1,129,702	826,497
Dockside monitoring	10,000	6,414	15,040
Dues and fees	15,000	35,204	21,985
Fuel	125,000	100,630	101,508
Gear	120,000	43,039	38,355
Insurance	25,000	21,970	25,966
Leasing costs – vessels	10,000	31,441	1,063
License expense	-	420,000	425,000
Miscellaneous	2,500	6,288	2,452
Office supplies	2,500	1,094	1,593
Professional fees	8,500	-	366
Repairs and maintenance	100,000	143,041	195,620
Salaries and benefits	225,000	248,347	218,136
Telephone	5,000	3,760	3,167
Training	4,000	700	3,338
Travel	15,000	4,762	388
Vehicle operations	12,750	6,377	6,949
Wharfage	13,000	17,371	15,312
Workers' Compensation insurance	<u>125,000</u>	<u>160,994</u>	<u>130,384</u>
	<u>1,709,250</u>	<u>2,483,389</u>	<u>2,122,098</u>
Surplus	<u>\$ 290,750</u>	<u>\$ 718,047</u>	<u>\$ 698,909</u>

Acadia First Nation
Schedule of Revenue and Expenditures
Training Fund

Year Ended March 31	Budget	2016	2015
Revenue			
Mi'kmaq Employment/Training Secretariat	<u>\$ 400,000</u>	<u>\$ 407,325</u>	<u>\$ 420,848</u>
Expenditure			
Job creation	45,000	21,156	48,287
Office	1,500	285	439
Programs	100,000	105,412	97,059
Salaries and benefits	220,000	204,605	206,921
Single seat purchases	50,000	64,247	66,495
Travel	<u>7,500</u>	<u>8,552</u>	<u>7,395</u>
	<u>424,000</u>	<u>404,257</u>	<u>426,596</u>
Surplus (deficit)	<u>\$ (24,000)</u>	<u>\$ 3,068</u>	<u>\$ (5,749)</u>

Acadia First Nation
Schedule of Revenue and Expenditures
Forestry Fund

Year Ended March 31	Budget	2016	2015
Revenue			
Sales	<u>\$ 125,000</u>	<u>\$ 129,871</u>	<u>\$ 89,434</u>
Expenditures			
Fuel	10,000	8,250	9,000
Miscellaneous	2,500	1,809	98
Office	2,500	677	4,165
Repairs and maintenance	15,000	10,655	13,057
Salaries and benefits	140,000	195,027	137,163
Supplies	<u>5,000</u>	<u>10,238</u>	<u>3,466</u>
	<u>175,000</u>	<u>226,656</u>	<u>166,949</u>
Deficit	<u>\$ (50,000)</u>	<u>\$ (96,785)</u>	<u>\$ (77,515)</u>

Acadia First Nation Schedule of Segment Disclosure

Year Ended March 31

	Band M&S		Education		Maintenance		Social		CHR	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues										
Federal government operating transfers	\$ 387,772	\$ 511,760	\$ -	\$ -	\$ 112,010	\$ 109,884	\$ 1,053,247	\$ 1,033,257	\$ 333,566	\$ 322,940
Federal government capital transfers	-	-	-	-	131,207	109,324	-	-	-	-
Provincial government operating transfers	179,879	235,742	-	-	-	-	-	-	-	-
Provincial government Economic activities	3,872,638	3,575,218	-	-	-	-	-	-	-	-
Income retail operations	22,851,799	18,898,166	-	-	-	-	-	-	-	-
Income from investment	-	-	-	-	-	-	-	-	-	-
Other	123,553	169,951	725,684	673,589	-	-	-	-	-	-
	<u>27,415,641</u>	<u>23,390,837</u>	<u>725,684</u>	<u>673,589</u>	<u>243,217</u>	<u>219,208</u>	<u>1,053,247</u>	<u>1,033,257</u>	<u>333,566</u>	<u>322,940</u>
Expenses										
Salaries	1,387,995	1,460,042	-	-	623,086	538,300	62,833	60,742	-	-
Amortization	653,078	666,466	-	-	-	-	-	-	-	-
Interest	70,328	123,541	-	-	-	-	-	-	-	-
Economic activities	3,211,111	3,012,189	-	-	-	-	-	-	-	-
Expense retail operations	16,555,998	13,905,276	-	-	-	-	-	-	-	-
Other	2,262,559	1,987,366	703,541	646,866	155,091	95,156	849,465	831,911	524,840	442,578
	<u>24,141,069</u>	<u>21,154,880</u>	<u>703,541</u>	<u>646,866</u>	<u>778,177</u>	<u>633,456</u>	<u>912,298</u>	<u>892,653</u>	<u>524,840</u>	<u>442,578</u>
Surplus (deficit) for the year	<u>\$ 3,274,572</u>	<u>\$ 2,235,957</u>	<u>\$ 22,143</u>	<u>\$ 26,723</u>	<u>\$ (534,960)</u>	<u>\$ (414,248)</u>	<u>\$ 140,949</u>	<u>\$ 140,604</u>	<u>\$ (191,274)</u>	<u>\$ (119,638)</u>
Eliminated interfund charges	(105,206)	(125,379)	(50,000)	(25,000)	-	-	(140,949)	(140,604)	-	-
Surplus (deficit)	<u>\$ 3,169,366</u>	<u>\$ 2,110,578</u>	<u>\$ (27,857)</u>	<u>\$ 1,723</u>	<u>\$ (534,960)</u>	<u>\$ (414,248)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (191,274)</u>	<u>\$ (119,638)</u>

**Acadia First Nation
Schedule of Segment Disclosure**

Year Ended March 31

	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
		Housing	Fisheries	Training	Forestry	Total				Total
Revenues										
Federal government operating transfers	\$ 137,174	\$ 152,705	\$ 313,000	\$ 407,325	\$ 420,848	\$ -	\$ -	\$ -	\$ -	\$ 3,197,316
Federal government capital transfers	-	-	-	-	-	-	-	-	-	109,324
Provincial government operating transfers	-	-	-	-	-	-	-	-	-	179,879
Economic activities	-	-	2,888,436	-	-	129,871	89,434	-	6,890,945	5,839,737
Income – retail operations	-	-	-	-	-	-	-	-	22,851,799	18,898,166
Other	-	-	-	-	-	-	-	-	849,237	843,540
	<u>137,174</u>	<u>152,705</u>	<u>3,201,436</u>	<u>407,325</u>	<u>420,848</u>	<u>129,871</u>	<u>89,434</u>	<u>33,647,161</u>	<u>29,123,824</u>	
Expenses										
Salaries	-	-	248,347	204,605	206,921	195,027	137,163	2,721,893	919,910	2,621,304
Amortization	266,832	275,193	-	-	-	-	-	-	-	941,659
Interest	68,851	76,953	-	-	-	-	-	139,179	-	200,494
Economic activities	-	-	2,235,042	-	-	31,629	29,786	5,477,782	-	4,945,937
Expense retail operations	-	-	-	-	-	-	-	16,555,998	-	13,905,276
Other	162,884	167,774	-	199,652	219,675	-	-	4,858,032	-	4,391,326
	<u>498,567</u>	<u>519,920</u>	<u>2,483,389</u>	<u>404,257</u>	<u>426,596</u>	<u>226,656</u>	<u>166,949</u>	<u>30,672,794</u>	<u>27,005,996</u>	
Surplus (deficit) for the year	<u>(361,393)</u>	<u>(367,215)</u>	<u>718,047</u>	<u>3,068</u>	<u>(5,748)</u>	<u>(96,785)</u>	<u>(77,515)</u>	<u>2,974,367</u>	<u>2,117,829</u>	
Eliminated interfund-charges	296,155	290,983	-	-	-	-	-	-	-	-
Surplus (deficit)	<u>\$ (65,238)</u>	<u>\$ (76,232)</u>	<u>\$ 718,047</u>	<u>\$ 3,068</u>	<u>\$ (5,748)</u>	<u>\$ (96,785)</u>	<u>\$ (77,515)</u>	<u>\$ 2,974,367</u>	<u>\$ 2,117,829</u>	

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

March 31	2016	2015
Assets		
Restricted investments	<u>\$ 483,432</u>	<u>\$ 489,885</u>
Trust Equity		
Restricted funds on deposit with Scotia McLeod	<u>\$ 483,432</u>	<u>\$ 489,885</u>

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

Year Ended March 31	2016	2015
Balance, beginning of year	\$ 489,885	\$ 511,762
Capital gains on disposal/dividends	4,192	3,636
Withdrawals	(15,489)	(30,496)
Interest earned	<u>4,844</u>	<u>4,983</u>
Balance, end of year	<u>\$ 483,432</u>	<u>\$ 489,885</u>

This statement is included for information purposes only, the balances are not consolidated as the amounts are in trust.

Acadia First Nation
Schedule of Honoraria, Travel Expenses and Other Remuneration
paid to Chief and Council
Year Ended March 31, 2016

Name of Individual Chief/Council Member	Months	Honoraria	Travel Expenses	Other Remuneration	2016 Total	2015 Total
Chief Deborah Robinson	12	\$ 130,000	\$ 3,442	\$ -	\$ 133,442	\$ 140,450
Darlene Coulton	12	82,500	12,978	-	95,478	112,000
Charmaine Stevens	12	80,000	5,167	-	85,167	86,330
Michael Paul	12	80,000	4,410	-	84,410	87,306
Thomas Pictou	12	80,000	13,713	-	93,713	92,788
Debra Wentzell	2.5	16,604	-	120,000	136,604	82,222
Andrew Francis	12	80,000	1,927	-	81,927	83,296
Avis Johnson	9.5	63,396	-	3,600 *	66,996	-
Rachel Falls	9.5	63,396	-	5,778 *	69,174	-
Jeff Purdy	12	80,000	1,333	-	81,133	81,781
		<u>\$ 755,896</u>	<u>\$ 42,970</u>	<u>\$ 129,378</u>	<u>\$ 928,244</u>	<u>\$ 766,173</u>

*these amounts were earned as a result of employment at Acadia First Nation, but were only paid out to them after they were elected to Council.