



Consolidated Financial Statements

Acadia First Nation

March 31, 2013

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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, 2013, 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, 2013, 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 24 to 34 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.

Yarmouth, Canada
July 26, 2013

Grant Thornton LLP

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. Council is also responsible to ensure that a schedule of Honoraria, Travel Expenses, and Other Remuneration and Reimbursements Paid to Chief and Council is made available to all Band members as per AANDC 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.

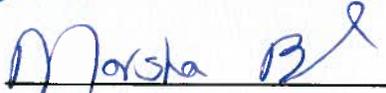
The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Acadia First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

On behalf of Acadia First Nation:

Chief



Band Manager



Acadia First Nation

Consolidated Statement of Accumulated Surplus

Year Ended March 31

2013 2012

	Investment in Capital Assets	Unrestricted Fund	Net Assets - externally restricted	Funds on deposit with INAC	Replacement Reserve	Total	Total
Opening balance, as previously reported	\$ 8,821,260	\$ (7,179,060)	\$ 9,670	\$ 126,983	\$ 1,778,853	\$ 1,435,317	
Surplus	-	289,954	-	-	289,954	347,910	
Change in prepaid expenses	-	(223,548)	-	-	(223,548)	(4,374)	
Current year allocations	-	(81,305)	-	80,684	(621)	(614)	
Interest earned	-	-	237	384	621	614	
Ending balance	<u>\$ 8,821,260</u>	<u>\$(7,193,959)</u>	<u>\$ 9,907</u>	<u>\$ 208,051</u>	<u>\$ 1,845,259</u>	<u>\$ 1,778,853</u>	

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Financial Position

March 31

2013

2012

Financial assets

Receivables (Note 6)	\$ 586,163	\$ 510,887
Investments	7	7
Receivable from government business enterprises	913,375	999,570
Inventory held for resale	102,915	94,527
Restricted cash and deposits		
Funds on deposit at AANDC (Note 15)	9,907	9,670
CMHC reserves	208,051	126,983
	<u>1,820,418</u>	<u>1,741,644</u>

Financial liabilities

Bank indebtedness	997,213	768,336
Payables and accruals (Note 9)	1,198,988	943,567
Deficiency in government business enterprises (Note 22)	491,296	848,280
Deferred revenue	29,874	42,463
Assessment of sales tax, penalties and interest (Note 1)	3,955,973	4,419,580
Long-term debt (Note 8)	5,290,002	4,544,703
	<u>11,963,346</u>	<u>11,566,929</u>

Net debt

(10,142,928) (9,825,285)

Non-financial assets

Tangible capital assets (Note 7)	11,943,389	11,335,792
Prepaid expenses	44,798	268,346
	<u>11,988,187</u>	<u>11,604,138</u>

Accumulated surplus

\$ 1,845,259 \$ 1,778,853

Accumulated surplus (Page 4)

\$ 1,845,259 \$ 1,778,853

Contingencies (Note 17)

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	2013	2012
Surplus	\$ 251,200	\$ 289,954	\$ 347,910
Tangible capital asset additions	(1,250,000)	(1,430,908)	(1,211,302)
Amortization of tangible capital assets	<u>710,000</u>	<u>823,311</u>	<u>823,608</u>
Increase in net debt	<u>\$ (288,800)</u>	<u>(317,643)</u>	<u>(39,784)</u>
Net debt, beginning of year		<u>(9,825,285)</u>	<u>(9,785,501)</u>
Net debt, end of year		<u>\$ (10,142,928)</u>	<u>\$ (9,825,285)</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Consolidated Statement of Cash Flows

March 31

2013

2012

Increase in bank indebtedness

Operations		
Surplus	\$ 289,954	\$ 347,910
Amortization	823,311	823,608
Change in non-cash operating working capital balances (Note 11)	<u>(385,744)</u>	<u>(208,369)</u>
	<u>727,521</u>	<u>963,149</u>
Financing		
Advances of long-term debt - net	745,299	58,460
Advances from government business enterprises - net	<u>86,195</u>	<u>463,378</u>
	<u>831,494</u>	<u>521,838</u>
Investing		
Purchase of tangible capital assets	(1,430,908)	(1,211,302)
Decrease in deficiency in 100% owned Government Business Enterprises	(356,984)	(472,921)
Decrease in investments	<u>-</u>	<u>74,999</u>
	<u>(1,787,892)</u>	<u>(1,609,224)</u>
Increase in bank indebtedness	(228,877)	(124,237)
Bank indebtedness		
Beginning of year	<u>(768,336)</u>	<u>(644,099)</u>
End of year	\$ <u>(997,213)</u>	\$ <u>(768,336)</u>

See accompanying notes to the consolidated financial statements.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

1. Going concern

These financial statements have been prepared on the basis of a going concern which assumes Acadia First Nation 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 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.

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 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.

During 2010, the HST liability in the subsidiary was fully repaid and 2 payments had been made by the Band. These payments met the requirements of CRA for 2011. During the current year, the Band made all 12 payments as required by CRA. 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, each year.

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

The consolidated financial statements of the Band 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, 2013

2. Summary of significant accounting policies (continued)

The focus of PSAB financial statements is on the 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.

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, Winner's Corner - AFN and Wildcat Entertainment - AFN.

Budget

The budget was approved by Chief and Council on May 1, 2012.

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, \$325,159 (2012 - \$101,155) of rental revenue of the Housing Fund and \$109,159 (2012 - \$101,155) rental expense of the Social Services Fund and \$216,000 (2012 - nil) 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.

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.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

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

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, 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.

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, 2013, the equity in Trust Funds under its trusteeship amounted to \$583,400 (2012 - \$881,403), see page 33.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

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 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.

Financial instruments

The Band'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, 2013.

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.

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.

3. Adoption of new accounting policy

On April 1, 2012, Acadia First Nation adopted Public Accounting Standards PS 3410 - Government Transfers. The new standard was adopted prospectively from the date of adoption. Under PS 3410, Government transfers should be recognized as revenue when the transfer is authorized, eligibility criteria and stipulations are met. In accordance with the provisions of these new standards, no adjustments were required.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

4. 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 \$8,479 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.

5. 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.

6. Receivables

	<u>2013</u>	<u>2012</u>
Receivable – D. Coulton	\$ 168,461	\$ -
Health Canada	3,772	5,585
Mi'kmaw Kina'matnewey	3,769	192,374
Province of Nova Scotia	207,936	195,933
Aboriginal Affairs and Northern Development Canada	70,813	-
Canada Revenue Agency	70,901	83,976
Mi'kmaq Employment/Training Secretariat	39,796	-
Other	<u>20,715</u>	<u>33,019</u>
	<u>\$ 586,163</u>	<u>\$ 510,887</u>

Acadia First Nation Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

7. Tangible capital assets

Cost	Land	Building	Bingo Hall	Health Centres	Furniture and Equipment	Paving and Roads	Forestry Equipment	Housing	Motor Vehicles	Fishing Vessels and equipment	Website	Gas Stations	Computers	Total
Balance, beginning of the year	\$ 578,879	\$ 7,572,259	\$ -	\$ 880,277	\$ 252,736	\$ 638,146	\$ 162,835	\$ 6,427,320	\$ 535,486	\$ 2,066,671	\$ 9,000	\$ 962,591	\$ 112,687	\$ 20,198,887
Net additions	-	265,798	620,919	-	13,590	-	-	329,472	27,000	174,129	-	-	-	1,430,908
Net disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance, end of the year	578,879	7,838,057	620,919	880,277	266,326	638,146	162,835	6,756,792	562,486	2,240,800	9,000	962,591	112,687	21,629,795
Accumulated Depreciation														
Balance, beginning of the year	-	3,720,915	-	421,767	215,928	183,162	130,119	2,058,170	437,383	1,385,661	9,000	199,779	101,211	8,863,095
Depreciation during the year	-	284,371	-	35,211	9,412	19,878	14,584	256,803	38,303	127,277	-	32,086	5,386	823,311
Balance, end of the year	-	4,005,286	-	456,978	225,340	203,040	144,703	2,314,973	475,686	1,512,938	9,000	231,865	106,597	9,686,406
Net Book Value 2013	\$ 578,879	\$ 3,832,771	\$ 620,919	\$ 423,299	\$ 40,986	\$ 435,106	\$ 18,132	\$ 4,441,819	\$ 86,800	\$ 727,862	\$ -	\$ 730,726	\$ 6,090	\$ 11,943,389
Net Book Value 2012	\$ 578,879	\$ 3,851,344	\$ -	\$ 458,510	\$ 36,808	\$ 454,984	\$ 32,716	\$ 4,369,150	\$ 98,103	\$ 681,010	\$ -	\$ 762,812	\$ 11,476	\$ 11,335,792

During the year, construction was started on a Bingo Hall on the Yarmouth reserve, which was not completed at year end, thus, no depreciation has been provided for.

Acadia First Nation**Notes to the Consolidated Financial Statements**Year Ended March 31, 2013

8. Long-term debt	<u>2013</u>	<u>2012</u>
3.7% mortgage, maturing May 1, 2013, payable in monthly instalments of \$648, including principal and interest.	\$ 1,292	\$ 8,872
1.81% mortgage, maturing April 1, 2014, payable in monthly instalments of \$283, including principal and interest.	3,641	6,939
1.81% mortgage, maturing April 1, 2014, payable in monthly instalments of \$268, including principal and interest.	3,452	6,579
2.31% mortgage, maturing March 1, 2016, payable in monthly instalments of \$1,597, including principal and interest.	28,225	46,509
Partially disbursed mortgage funds	166,747	49,352
1.45% mortgage, maturing January 1, 2017, payable in monthly instalments of \$1,268, including principal and interest.	47,057	61,479
2.56% mortgage, maturing November 1, 2017, payable in monthly instalments of \$734, including principal and interest.	33,478	41,331
1.81% mortgage, maturing April 1, 2019, payable in monthly instalments of \$446, including principal and interest.	30,818	35,570
2.75% mortgage, maturing January 1, 2021, payable in monthly instalments of \$541, including principal and interest.	43,084	48,322
2.92% mortgage, maturing October 1, 2033, payable in monthly instalments of \$704, including principal and interest.	130,725	135,311
1.81% mortgage, maturing April 1, 2034, payable in monthly instalments of \$999, including principal and interest.	<u>209,955</u>	<u>218,081</u>
Total carried forward	<u>\$ 698,474</u>	<u>\$ 658,345</u>

Acadia First Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2013

8. Long-term debt (continued)	<u>2013</u>	<u>2012</u>
Balance carried forward	\$ 698,474	\$ 658,345
2.56% mortgage, maturing December 1, 2022, payable in monthly instalments of \$366, including principal and interest.	37,066	40,474
1.81% mortgage, maturing April 1, 2024, payable in monthly instalments of \$299, including principal and interest.	36,023	38,935
2.17% mortgage, maturing January 1, 2024, payable in monthly instalments of \$352, including principal and interest	40,560	43,875
2.56% mortgage, maturing August 1, 2025, payable in monthly instalments of \$324, including principal and interest.	41,292	44,087
1.64% mortgage, maturing October 1, 2026, payable in monthly instalments of \$296, including principal and interest.	43,256	46,079
1.65% mortgage, maturing May 1, 2027, payable in monthly instalments of \$300, including principal and interest.	45,463	48,144
4.55% mortgage, maturing July 1, 2026 payable in monthly payments of \$939 including principal and interest.	116,287	122,751
1.53% mortgage, maturing December 1, 2027, payable in monthly instalments of \$292, including principle and interest.	46,276	48,629
2.37% mortgage, maturing July 1, 2036, payable in monthly instalments of \$1,589, including principle and interest.	341,762	344,832
10.75% Ulnooweg boat loan, maturing June 1, 2012, payable in monthly instalments of \$2,378, including principle and interest.	-	4,568
0% loan, maturing in 2014, with monthly payments of \$717, including interest and principal. As security the Band has provided a motor vehicle.	3,583	12,183
0% loan, maturing in 2014, with monthly payments of \$746, including interest and principal. As security the Band has provided a motor vehicle.	<u>4,908</u>	<u>13,858</u>
Total carried forward	<u>\$ 1,454,950</u>	<u>\$ 1,466,760</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

8. Long-term debt (continued)	<u>2013</u>	<u>2012</u>
Balance carried forward	\$ 1,454,950	\$ 1,466,760
7.55% loan, maturing May 1, 2028, with monthly payments of \$1,992, including principal and interest.	217,167	224,635
3.09% mortgage, maturing August 1, 2028, payable in monthly instalments of \$315, including principal and interest.	46,500	48,827
1.81% mortgage, maturing January 1, 2029, payable in monthly instalments of \$295, including principal and interest.	48,751	51,389
2.26% mortgage, maturing July 1, 2031, payable in monthly instalments of \$448, including principal and interest.	80,662	84,182
4.05% mortgage, maturing in October 2030, payable in monthly instalments of \$2,101, including principal and interest.	258,280	277,272
2.75% mortgage, maturing in February 1, 2031, payable in monthly instalments of \$1,001 including principal and interest.	170,013	177,282
2.69% mortgage, maturing July 1, 2030 payable in monthly instalments of \$652 including principal and interest.	108,407	113,266
1.65% mortgage, maturing April 1, 2032 payable in monthly instalments of \$1,337 including principal and interest.	262,605	273,509
1.64% mortgage, maturing December 1, 2031 payable in monthly instalments of \$648 including principal and interest.	125,581	131,263
1.64% mortgage, maturing February 1, 2032 payable in monthly instalments of \$2,059 including principal and interest.	401,777	419,773
2.87% mortgage, maturing November 1, 2034 payable in monthly instalments of \$2,262 including principal and interest.	437,367	451,837
10.75% Ulnooweg bridge loan, maturing June 2013 payable at maturity.	250,295	-
8% Ulnooweg loan, maturing in March 2015 payable in monthly instalments of \$2,322 including principal and interest.	51,336	-
Bank of Montreal construction loan, partially disbursed	415,692	-
2.76% mortgage, maturing June 1, 2035 payable in monthly instalments of \$1,111 including principal and interest.	<u>221,813</u>	<u>228,965</u>
Total carried forward	<u>\$ 4,551,196</u>	<u>\$ 3,948,960</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

8. Long-term debt (continued)	<u>2013</u>	<u>2012</u>
Balance carried forward	\$ 4,551,196	\$ 3,948,960
2.68% mortgage, maturing January 1, 2036, payable in monthly instalments of \$548, including principle and interest.	112,394	115,934
1.71% mortgage, maturing September 1, 2037, payable in monthly instalments of \$1,475, including principle and interest.	354,169	230,233
1.65% mortgage, maturing June 1, 2037, payable in monthly instalments of \$976, including principle and interest.	234,119	199,323
6.39% loan, maturing March 2016, payments \$685, including principal and interest. The vehicle for which the loan was secured, is pledged as security.	22,380	28,937
6.99% loan, maturing October 2016, payments \$574, including principal and interest. The vehicle for which the loan was secured, is pledged as security.	<u>15,744</u>	<u>21,316</u>
	<u>\$ 5,290,002</u>	<u>\$ 4,544,703</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:

2014	\$566,310
2015	\$297,940
2016	\$263,088
2017	\$242,359
2018	\$234,672

9. Payables and accruals

	<u>2013</u>	<u>2012</u>
Vendors	\$ 344,518	\$ 188,038
Severance accrual	657,500	650,000
Accruals	81,751	81,750
Harmonized sales tax	7,502	7,596
Government remittances	20,692	19,719
Other	<u>87,025</u>	<u>(3,536)</u>
	<u>\$ 1,198,988</u>	<u>\$ 943,567</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

10. Funded reserves

The Acadia First Nation operates thirty-two (32) 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.

As at March 31, 2013, 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>\$ 42,684</u>	<u>\$ 38,000</u>	<u>\$ 80,684</u>

At March 31, 2013, an amount of \$172,736 has been underfunded (2012 – \$92,052 underfunded). These balances have been eliminated upon consolidation.

11. Non-cash operating working capital balances

	<u>2013</u>	<u>2012</u>
(Increase) decrease in receivables	\$ (75,276)	\$ 164,463
(Increase) decrease in restricted cash and deposits	(81,305)	35,775
(Increase) decrease in inventory held for resale	(8,388)	216,305
Increase (decrease) in payables and accruals	255,421	(428,766)
Decrease in deferred revenue	(12,589)	(15,947)
Decrease in assessment of sales tax, penalties and interest	<u>(463,607)</u>	<u>(180,199)</u>
	<u>\$ (385,744)</u>	<u>\$ (208,369)</u>

12. Economic dependence

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

13. 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, 2013 was \$162,605 (2012 - \$152,048).

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

14. Non compliance

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

15. 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>2013</u>	<u>2012</u>
Net assets, beginning of year	\$ 9,670	\$ 9,346
Interest earned	<u>237</u>	<u>324</u>
	<u>\$ 9,907</u>	<u>\$ 9,670</u>
Represented by		
Restricted for capital projects	\$ 4,362	\$ 4,362
Unrestricted	<u>5,545</u>	<u>5,308</u>
	<u>\$ 9,907</u>	<u>\$ 9,670</u>

16. Related party transactions

The Band had the following transactions with related parties:

Building rental charged to related companies	\$ 62,472 (2012 - \$ 62,472)
Royalties received from Government Business Enterprises	\$3,403,987 (2012 - \$4,000,855)
Acadia Commodity Taxes charged	\$ 526,794 (2012 - \$ 611,341)
Agency fee charged from Government Business Enterprises	\$ 45,000 (2012 - \$ 45,000)

The consolidation of funds and operations in which the Band 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 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 Band.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

17. Contingencies

The Band has guaranteed bank indebtedness of the Gaming Commission, which, at the balance sheet date totalled \$ nil (2012 - \$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.

18. Comparative figures

Certain of the 2012 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2013.

19. 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, \$309,999 was withdrawn from the trust to reimburse the Band for expenses approved through the trust agreement.

The remaining funds (see page 33) 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.
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Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

20. Funding reconciliation note	<u>2013</u>	<u>2012</u>
AANDC funding per financial statements		
Band Support (page 24)	\$ 597,891	\$ 619,801
Community Maintenance (page 26)	276,103	108,468
Social Services (page 27)	1,029,209	1,025,439
Prior year deferred revenue	-	-
	<u>\$ 1,903,203</u>	<u>\$ 1,753,708</u>
AANDC funding per confirmation	<u>\$ 1,903,203</u>	<u>\$ 1,753,708</u>

21. 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, \$35,832 was paid out to a former councillor and the current year's allocation was \$43,332. As at March 31, 2013, the total amount recorded as a liability is \$657,500 (2012 - \$650,000).

Subsequent to year end, Chief and Council approved to cease accumulating any future amounts.

22. Deficiency in government business enterprises

Your Winners World – AFN, Winners Corner – AFN, Gold Reserves – AFN, The Gold Nugget – AFN, Kespuwick Resources Incorporated, Wildcat Entertainment – AFN 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 16. All transactions are in the normal course of operations and are recorded at the exchange value based on contractual agreements.

The Government Business Enterprises operate a combination of VLT operations, convenience stores and gas bars.

Kespuwick Resources manages the Fisheries operations on behalf of the Band.

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

22. Deficiency in government business enterprises (continued)

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

Financial position:	<u>2013</u>	<u>2012</u>
Total assets		
Wildcat Entertainment – AFN	\$ 52,775	\$ 36,984
Medway Entertainment – AFN	112,456	124,191
Your Winners World – AFN	1,491,197	969,532
Winners Corner – AFN	396,909	179,620
Gold Reserves – AFN	547,136	255,157
The Gold Nugget – AFN	85,442	91,681
Kespuwick Resources Incorporated	<u>5,549,226</u>	<u>5,837,995</u>
	<u>\$ 8,235,141</u>	<u>\$ 7,495,160</u>
Total liabilities		
Wildcat Entertainment – AFN	\$ 93,009	\$ 19,459
Medway Entertainment – AFN	1,307,228	1,123,055
Your Winners World – AFN	310,877	201,878
Winners Corner – AFN	477,891	164,545
Gold Reserves – AFN	606,747	547,877
The Gold Nugget – AFN	802,397	824,568
Kespuwick Resources Incorporated	<u>4,999,223</u>	<u>5,332,993</u>
	<u>\$ 8,597,372</u>	<u>\$ 8,214,375</u>
Results of operations:		
Revenues		
Wildcat Entertainment – AFN	\$ 236,456	\$ 280,876
Medway Entertainment – AFN	592,198	520,961
Your Winners World – AFN	6,276,205	6,786,901
Winners Corner – AFN	1,645,354	2,057,515
Gold Reserves – AFN	3,501,349	3,668,043
The Gold Nugget – AFN	789,946	787,477
Kespuwick Resources Incorporated	<u>45,000</u>	<u>45,000</u>
	<u>13,086,508</u>	<u>14,146,773</u>
Expenditures		
Wildcat Entertainment – AFN	\$ 294,214	\$ 283,673
Medway Entertainment – AFN	788,106	761,387
Your Winners World – AFN	5,863,539	6,353,251
Winners Corner – AFN	1,741,413	2,067,207
Gold Reserves – AFN	3,268,240	3,421,923
The Gold Nugget – AFN	<u>774,012</u>	<u>786,411</u>
	<u>12,729,524</u>	<u>13,673,852</u>
Net earnings	356,984	472,921
Deficiency in government business enterprises		
Beginning	<u>(848,280)</u>	<u>(1,321,201)</u>
Ending	<u>\$ (491,296)</u>	<u>\$ (848,280)</u>

Acadia First Nation

Notes to the Consolidated Financial Statements

Year Ended March 31, 2013

23. 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.

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Band Management and Support

Year Ended March 31	Budget	2013	2012
Revenue			
Aboriginal Affairs and Northern Development Canada	\$ 455,000	\$ -	\$ -
Fisheries	-	-	14,500
Capital	-	-	96,070
Registration and membership	-	13,990	13,939
Band support	-	300,213	299,114
Community Economic Development Contribution	-	46,165	45,996
Water	-	237,523	106,682
	<u>-</u>	<u>-</u>	<u>43,500</u>
	455,000	597,891	619,801
Income from Ponhook Trust	-	309,999	-
Income from 100% owned government business enterprises (Note 22)	92,978	356,982	472,921
Recreation Fund, net of expenses	110,000	218,510	97,989
Acadia Commodity Tax	725,000	526,794	611,341
Rental	62,472	62,472	62,472
Other	50,000	40,785	16,726
Income earned on restricted reserves, net Province of Nova Scotia	35,000	81,305	43,093
Royalties	175,000	267,220	179,081
	<u>4,515,000</u>	<u>3,403,987</u>	<u>4,000,855</u>
	6,220,450	5,865,945	6,104,279
Expenditures			
Amortization	550,000	566,508	566,214
Band member requests	100,000	114,412	362,835
Bank charges	75,000	89,771	116,652
Changes in prepaid expenses	-	(223,548)	(4,374)
Community expenses	-	74,040	69,810
Community Economic Development	100,000	408,561	181,496
Donations	2,500	31,255	1,060
Heat and lights	60,000	51,853	46,860
Elders	215,000	256,494	227,642
HST write-down	-	-	40,667
Insurance	85,000	66,405	62,516
Land claim	-	4,321	46,956
Office and postage	75,000	79,872	80,777
Other	100,000	46,927	68,490
Professional fees	75,000	119,184	76,378
Salaries, benefits and honorarium	3,100,000	2,206,797	2,800,532
Taxes	20,000	20,985	19,744
Telephone	70,000	61,572	59,492
Travel, conferences and meetings	350,000	312,163	322,362
Vehicle operating	75,000	91,410	73,940
	<u>5,052,500</u>	<u>4,378,982</u>	<u>5,220,049</u>
Excess of revenues over expenditures	1,167,950	1,486,963	884,230
Net transfers	-	(13,078)	235,825
Surplus	<u>\$ 1,167,950</u>	<u>\$1,473,885</u>	<u>\$ 1,120,055</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Education

Year Ended March 31	Budget	2013	2012
Revenue			
Mi'kmaw Kina'matnewey			
Elementary/Secondary			
Instructional services - provincial	\$ 690,000	\$ -	\$ 788,651
Paraprofessional		77,330	-
Supplies		8,506	-
Student transportation	12,750	12,672	56,841
Financial assistance	3,100	3,059	3,059
Guidance and counselling	14,800	14,800	17,400
Advice and assistance	850	847	830
Post secondary			
Tuition	305,000	398,618	385,685
ISSP	33,450	33,481	32,466
Government support	14,700	14,701	14,414
Governance	17,450	17,445	16,803
Special education	53,000	52,995	52,003
New paths	9,500	9,508	9,330
Parental engagement	-	7,900	-
EPP	-	-	11,300
Other	49,150	27,895	87,625
	<u>1,203,750</u>	<u>679,757</u>	<u>1,476,407</u>
Expenditures			
Elementary/Secondary			
Instructional services – provincial	690,000	-	714,535
Student transportation	57,500	46,192	162,532
Financial assistance	-	31,500	4,740
Guidance and counselling	-	15,000	18,375
Advice and assistance	-	1,305	833
Post secondary			
Tuition	330,000	387,530	350,529
ISSP	-	36,000	33,418
Government support	-	15,000	21,825
Governance	-	18,000	20,000
Special education	-	53,779	52,676
New paths	-	21,115	9,330
Other	93,000	-	(25,000)
	<u>1,170,500</u>	<u>625,421</u>	<u>1,363,793</u>
Excess of revenue over expenditures	33,250	54,336	112,614
Net transfers	-	(25,000)	(25,000)
Surplus	<u>\$ 33,250</u>	<u>\$ 29,336</u>	<u>\$ 87,614</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Community Maintenance

Year Ended March 31	Budget	2013	2012
Revenue			
Aboriginal Affairs and Northern Development Canada	\$ 110,000	\$ -	\$ -
Capital	-	96,423	-
Water systems	-	70,813	-
Facilities O&M	-	108,867	108,468
CMHC RRAP	-	24,000	24,000
	<u>110,000</u>	<u>300,103</u>	<u>132,468</u>
Expenditures			
Fire protection	20,000	17,911	31,412
Garbage collection	40,000	41,488	40,512
Repairs	200,000	391,314	74,526
Snow removal	22,500	16,276	20,579
Water and sewer	75,000	77,256	77,982
	<u>357,500</u>	<u>544,245</u>	<u>245,011</u>
Excess of expenditures over revenue	(247,500)	(244,142)	(112,543)
Net transfers	-	244,142	-
Deficit	<u>\$ (247,500)</u>	<u>\$ -</u>	<u>\$ (112,543)</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Social Services

Year Ended March 31	Budget	2013	2012
Revenue			
Aboriginal Affairs and Northern Development Canada	\$ 1,025,000	\$ -	\$ -
Assisted living	-	50,659	50,473
Income assistance	-	978,550	974,966
	<u>1,025,000</u>	<u>1,029,209</u>	<u>1,025,439</u>
Expenditures			
Administrative	25,000	623	937
Adult care	45,000	25,003	43,090
Bank charges	2,500	221	800
Basic needs	400,000	395,821	405,527
Salaries and benefits	62,500	65,235	63,640
Special needs	20,000	14,118	20,829
Travel	2,750	1,908	3,233
	<u>557,750</u>	<u>502,929</u>	<u>538,056</u>
Excess of revenue over expenditures	467,250	526,280	487,383
Net transfers	-	(526,280)	(126,155)
Surplus	<u>\$ 467,250</u>	<u>\$ -</u>	<u>\$ 361,228</u>

Acadia First Nation

Consolidated Schedule of Revenue and Expenditures

Community Health Representatives

Year Ended March 31	Budget	2013	2012
Revenue			
Health Canada	\$ 299,000	\$ -	\$ -
Renovations	-	8,840	10,350
Health careers	-	-	4,000
Maternal health	-	7,964	-
HIV/AIDS	-	-	5,500
Facilities operation and management	-	47,300	47,300
Mental Health	-	31,684	30,761
Home and community	-	57,632	55,953
Aboriginal Diabetes Initiative	-	16,373	19,048
Health promotion and prevention	-	85,492	83,063
Environmental - drinking water	-	12,757	11,396
Head start	-	15,905	16,989
Prenatal	-	6,570	6,379
Brighter Futures	-	31,568	30,649
	<u>299,000</u>	<u>322,085</u>	<u>321,388</u>
Expenditures			
Maternal Health	-	8,806	-
Brighter Futures	31,000	34,388	47,113
Home care	56,000	134,479	65,143
Mental health	31,000	31,897	36,542
Aboriginal Diabetes	14,500	19,825	22,827
Health promotion and prevention	83,250	109,639	117,305
Environmental - drinking water	6,500	21,970	16,202
Head start	26,500	59,989	24,648
Health careers/HIV & AIDS	-	-	10,000
Facilities operation and management renovations	44,750	67,682	49,700
Prenatal	6,500	11,566	10,200
	<u>300,000</u>	<u>500,241</u>	<u>399,680</u>
Excess of expenditures over revenue	(1,000)	(178,156)	(78,292)
Net transfers	-	-	-
Deficit	\$ (1,000)	\$ (178,156)	\$ (78,292)

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Housing Fund

Year Ended March 31	Budget	2013	2012
Revenue			
CMHC	\$ 150,000	\$ 162,605	\$ 152,048
CMHC Grant	<u>24,000</u>	<u>-</u>	<u>-</u>
	<u>174,000</u>	<u>162,605</u>	<u>152,048</u>
Expenditures			
Amortization	160,000	256,803	257,394
Mortgage interest	100,000	83,681	105,666
Maintenance	100,000	75,215	83,611
Replacement reserve			
Current year charge	37,500	80,684	42,479
Accounting and audit	7,500	7,500	7,500
Bank charges	750	88	531
Insurance	28,500	36,884	35,351
Utilities	<u>15,000</u>	<u>53,234</u>	<u>28,701</u>
	<u>449,250</u>	<u>594,089</u>	<u>561,233</u>
Excess of expenditures over revenue	(275,250)	(431,484)	(409,185)
Net transfers	<u>50,000</u>	<u>300,159</u>	<u>76,155</u>
Deficit	<u>\$ (225,250)</u>	<u>\$ (131,325)</u>	<u>\$ (333,030)</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Fisheries Fund

Year Ended March 31	Budget	2013	2012
Revenue			
Fishing settlements	\$ 1,400,000	\$ 1,364,717	\$ 1,602,929
Leased quota	425,000	435,822	441,121
Proceeds on sale of tangible capital	-	-	-
Department of Fisheries & Oceans grant	<u>150,000</u>	<u>496,013</u>	<u>216,138</u>
	<u>1,975,000</u>	<u>2,296,552</u>	<u>2,260,188</u>
Expenditures			
Agency fee	-	45,000	45,000
Bait	75,000	68,957	76,770
Bank charges	2,500	1,188	577
Crew share	800,000	616,767	700,474
Dockside monitoring	7,500	2,146	9,460
Dues and fees	17,500	12,422	15,107
Food fishery	25,000	-	28,679
Fuel	150,000	125,421	167,237
Gear	150,000	65,586	56,566
Insurance	30,000	25,319	31,254
Leasing costs – vessels	60,000	76,108	55,176
License expense	-	300,000	-
Miscellaneous	5,000	2,366	3,872
Office supplies	1,500	1,209	2,805
Professional fees	6,500	8,804	6,953
Repairs and maintenance	75,000	129,247	96,276
Salaries and benefits	275,000	244,947	256,714
Telephone	7,500	7,234	8,533
Training	2,500	6,176	2,075
Travel	5,000	240	497
Vehicle operations	12,500	9,886	13,789
Wharfage	13,500	12,835	12,715
Workers' Compensation insurance	92,500	78,219	88,614
Research	-	-	14,500
	<u>1,814,000</u>	<u>1,840,077</u>	<u>1,693,643</u>
Excess of revenue over expenditures	161,000	456,475	566,545
Net transfers	-	(127,922)	(160,825)
Surplus	<u>\$ 161,000</u>	<u>\$ 328,553</u>	<u>\$ 405,720</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Training Fund

Year Ended March 31	Budget	2013	2012
Revenue			
Mi'kmaq Employment/Training Secretariat	\$ 450,000	\$ 381,049	\$ 399,683
Other	-	23,567	-
	<u>450,000</u>	<u>404,616</u>	<u>399,683</u>
Expenditures			
Administration	15,000	-	-
Job creation	27,500	52,346	39,637
Office	1,500	164	810
Programs	50,000	123,541	26,396
Salaries and benefits	375,000	366,855	405,069
Single seat purchases	65,000	42,356	71,104
Travel	10,000	7,232	9,476
	<u>544,000</u>	<u>592,494</u>	<u>552,492</u>
Excess of expenditures over revenue	(94,000)	(187,878)	(152,809)
Net transfers	-	147,979	-
Deficit	<u>\$ (94,000)</u>	<u>\$ (39,899)</u>	<u>\$ (152,809)</u>

Acadia First Nation
Consolidated Schedule of Revenue and Expenditures
Forestry Fund

Year Ended March 31	Budget	2013	2012
Revenue			
Sales	<u>\$ 50,000</u>	<u>\$ 69,487</u>	<u>\$ 56,397</u>
Expenditures			
Fuel	2,500	1,600	11,500
Miscellaneous	-	897	-
Office	1,500	1,451	3,764
Repairs and maintenance	5,000	3,335	6,013
Salaries and benefits	50,000	93,698	65,372
Supplies	1,500	4,986	786
Utilities and rent	-	1,560	2,495
	<u>60,500</u>	<u>107,527</u>	<u>89,930</u>
Excess of expenditures over revenue	(10,500)	(38,040)	(33,533)
Net transfers	-	-	-
Deficit	<u>\$ (10,500)</u>	<u>\$ (38,040)</u>	<u>\$ (33,533)</u>

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

March 31	2013	2012
Assets		
Restricted investments	<u>\$ 583,400</u>	<u>\$ 881,403</u>
Trust Equity		
Restricted funds on deposit with Scotia McLeod	<u>\$ 583,400</u>	<u>\$ 881,403</u>

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

Year Ended March 31	2013	2012
Balance, beginning of year	\$ 881,403	\$ 820,885
Capital gains on disposal/dividends	2,263	73,145
Withdrawals	(309,999)	(15,661)
Interest earned	<u>9,733</u>	<u>3,034</u>
Balance, end of year	<u>\$ 583,400</u>	<u>\$ 881,403</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, 2013

Name of Individual Chief/Council Member	Honoraria	Travel Expenses	Other Remuneration	2013 Total	2012 Total
Chief Deborah Robinson	\$ 130,000	\$ 20,000	\$ 500	\$ 150,500	\$ 290,186
Darlene Coulton	90,000	20,000	800	110,800	200,665
Charmaine Stevens	80,000	20,000	-	100,000	122,768
Michael Paul	80,000	20,000	-	100,000	128,926
Thomas Pictou	80,000	20,000	-	100,000	156,896
Debra Wentzell	80,000	20,000	-	100,000	131,254
Andrew Francis	80,000	20,000	-	100,000	124,967
Todd Labrador	80,000	20,000	7,970	107,970	136,789
Jeff Purdy (5 months)	33,333	8,333	-	41,666	-
Ed Benham (5 months)	33,333	8,333	-	41,666	105,258
	<u>\$ 766,666</u>	<u>\$ 176,666</u>	<u>\$ 9,270</u>	<u>\$ 952,602</u>	<u>\$1,397,709</u>

Other remuneration occurred prior to current policies implemented and represent amounts for duties outside of council responsibilities.