



## Consolidated Financial Statements

Abegweit First Nation

March 31, 2018

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## Independent Auditors' report

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To the Chief and Band Council of

Abegweit First Nation

We have audited the accompanying consolidated financial statements of Abegweit First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, the consolidated statement of operations, consolidated cash flows, and consolidated changes in net debt for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Band'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 Band'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 consolidated financial statements.

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



# Grant Thornton

**Basis for Qualified Opinion**

The statement of financial position includes intangible assets in the amount of \$445,000 for fishing licenses and permits purchased by Abegweit First Nation. Recording intangible assets is a departure from Canadian public sector accounting standards. Accordingly, both the purchased licenses and permits and accumulated surplus are overstated by \$445,000 as at March 31, 2018. If intangible assets were not recorded in order to be in compliance with Canadian public sector accounting standards, purchased licenses and permits and accumulated surplus would both decrease by \$445,000.

**Qualified Opinion**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the consolidated financial statements present fairly, in all material respects, the financial position of Abegweit First Nation as at March 31, 2018 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board.

**Other matter**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The schedule included on Page 21 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, on the audit of the consolidated financial statements taken as a whole.

Charlottetown, Prince Edward Island

July 19, 2018

*Grant Thornton LLP*

Chartered Professional Accountants

# Abegweit First Nation

## Consolidated statement of operations

March 31	Budget	2018	2017
<b>Revenue</b>			
Indigenous Services Canada (ISC)	\$ 2,322,300	\$ 2,783,623	\$ 3,151,554
ACOA	108,036	261,049	156,000
Canada Mortgage & Housing Corporation	-	105,705	77,852
Department of Fisheries & Oceans Canada	498,011	780,311	585,122
Employment Development Agency	45,047	24,421	22,216
Fuel & tobacco rebates	100,000	908,150	930,324
Government of PEI	240,000	215,165	254,192
Health Canada	941,104	1,266,670	1,096,695
Heritage Canada	-	11,400	14,195
Mi'kmaq Confederacy of PEI	190,660	718,500	418,329
Miscellaneous	336,231	500,869	223,908
Gain on sale of assets	-	90,003	9,400
Revenue from sale of products or services	<u>9,482,485</u>	<u>9,174,587</u>	<u>7,253,048</u>
	<u>14,263,874</u>	<u>16,840,453</u>	<u>14,192,835</u>
<b>Expenditures</b>			
Administration	1,252,565	1,496,884	1,319,122
Capital, Operating & Maintenance	710,927	1,352,163	1,383,711
Conservation Society	204,364	332,985	10,495
Economic Development	105,047	128,076	234,026
Education	980,918	1,034,511	1,016,350
Epekwitk Gas Bar	5,022,600	4,953,772	5,035,840
Fisheries	2,376,331	2,799,784	2,000,114
Fisheries – AFS	110,000	130,092	120,721
Hatchery	112,500	118,684	124,869
Health Services	1,145,647	1,619,900	1,315,157
Redstone Auto & Marine	583,930	680,362	593,169
Social Services	<u>398,500</u>	<u>303,011</u>	<u>347,891</u>
	<u>13,003,329</u>	<u>14,950,224</u>	<u>13,501,465</u>
<b>Net revenue</b>	<u>1,260,545</u>	<u>1,890,229</u>	<u>691,370</u>
<hr/>			
Accumulated surplus, beginning of year	6,146,307	6,146,307	5,454,937
Net revenue	<u>1,260,545</u>	<u>1,890,229</u>	<u>691,370</u>
Accumulated surplus, end of year	<u>\$ 7,406,852</u>	<u>\$ 8,036,536</u>	<u>\$ 6,146,307</u>

See accompanying notes and schedules to the consolidated financial statements.

**Abegweit First Nation**  
**Consolidated statement of financial position**

March 31	2018	2017
<b>Financial assets</b>		
Cash and cash equivalents	\$ 918,680	\$ -
Accounts receivable (Note 3)	983,932	669,510
Inventory held for resale (Note 4)	157,931	150,997
Replacement reserve (Note 5)	112,394	124,579
Restricted cash	157,152	89,697
Trust Funds ISC (Note 6)	13,897	13,450
	<u>2,343,983</u>	<u>1,048,233</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	442,019	238,555
Bank indebtedness (Note 8)	-	232,135
Deferred revenue	277,287	267,072
Long-term debt (Note 9)	2,749,927	2,438,747
RRAP liability (Note 10)	228,271	167,860
	<u>3,697,503</u>	<u>3,344,369</u>
<b>Net debt</b>	<u>(1,353,521)</u>	<u>(2,296,136)</u>
<b>Non financial assets</b>		
Prepays (Note 7)	8,121	11,426
Intangible assets	445,000	385,000
Tangible capital assets (Page 20)	8,936,936	8,048,018
	<u>9,390,057</u>	<u>8,442,444</u>
<b>Net assets</b>	<u>\$ 8,036,536</u>	<u>\$ 6,146,308</u>
<b>Accumulated surplus</b>	<u>\$ 7,910,250</u>	<u>\$ 5,998,277</u>
Replacement reserve (Note 5)	112,394	134,581
Trust Funds ISC (Note 6)	13,892	13,450
	<u>\$ 8,036,536</u>	<u>\$ 6,146,308</u>

On behalf of the Band Council

  
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See accompanying notes and schedules to the consolidated financial statements.

# Abegweit First Nation

## Consolidated statement of cash flows

March 31

2018

2017

Increase (decrease) in cash and cash equivalents

### Operating activities

Revenues	\$ 1,890,229	\$ 691,371
Items not affecting cash		
Depreciation	921,682	814,220
Gain on sale	(90,003)	(9,400)
Change in non-cash working capital items		
Increase in accounts receivable	(314,422)	(208,579)
Increase in inventory	(6,935)	(12,811)
Decrease in prepaid expenses	3,306	20,833
(Increase) decrease in replacement reserve	12,184	(34,763)
Increase in trust funds ISC	(442)	(245)
Increase (decrease) in accounts payable and accrued liabilities	203,463	(5,358)
Increase (decrease) in deferred revenue	10,215	(47,842)
Increase in RRAP liabilities	60,412	122,705
	<u>2,689,689</u>	<u>1,330,131</u>

### Financing activities

Proceeds from issuance of long term debt	885,840	393,155
Principal repayments of long term debt	(574,660)	(149,445)
Decrease in bank indebtedness	(232,135)	(170,869)
	<u>79,045</u>	<u>72,841</u>

### Investing activities

Increase in restricted cash	(67,456)	(89,697)
Purchase of tangible capital assets	(1,855,598)	(1,322,675)
Purchase of intangible assets	(60,000)	-
Proceeds from disposal of assets	133,000	9,400
	<u>(1,850,054)</u>	<u>(1,402,972)</u>

Net change in cash and cash equivalents

918,680

Cash and cash equivalents,

Beginning of year

-

End of year

\$ 918,680 \$ -

See accompanying notes and schedules to the consolidated financial statements.

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**Abegweit First Nation****Consolidated statement of changes in net debt**

March 31	Budget	2018	2017
Net revenues (expenditures)	\$ 1,260,485	\$ 1,890,229	\$ 691,371
Gain on sale of asset	-	(90,003)	(9,400)
Amortization	360,300	921,682	814,221
Acquisition of tangible capital assets	-	(1,855,598)	(1,322,675)
Acquisition of intangible capital assets	-	(60,000)	-
Proceeds from sale of tangible capital assets	-	133,000	9,400
	1,620,785	939,310	182,917
Use of prepaid expense, net of acquisitions	-	3,306	20,833
Change in net debt	1,620,785	942,616	203,749
Net debt beginning of year	(2,296,137)	(2,296,137)	(2,499,886)
Net debt, end of year	\$ (675,352)	\$ (1,353,521)	\$ (2,296,137)

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See accompanying notes and schedules to the consolidated financial statements.



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# **Abegweit First Nation**

## **Notes to the consolidated financial statements**

March 31, 2018

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### **1. Summary of significant accounting policies**

#### **Consolidation**

These consolidated financial statements consolidate the assets, liabilities and results of operations of the Abegweit First Nation's reporting entity.

#### **Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures, cash flows and changes in net debt of the reporting entity. The reporting entity is comprised of all organizations and committees that are accountable to the Band for administration of their financial affairs and resources and which are owned by the Band. Interdepartmental and organizational transactions and balances are eliminated.

#### **Basis of presentation**

The consolidated financial statements of Abegweit First Nation are the representations of management prepared in accordance with generally accepted accounting principles for local governments as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

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

#### **Revenue recognition**

Government transfers and rebates are recognized as revenues in the period in which the events giving rise to the transfer and rebates occur, providing the amounts are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Transfers associated with capital projects are restricted in their use and are recorded as deferred revenue until the qualifying capital project funds have been expended. All other revenues and unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor and are recognized as revenue when used for the specific purpose.

Revenue from sales of fish products are recognized when the price is fixed or determinable, collectability is reasonably assured and upon shipment to, and acceptance by, the buyer.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks and term deposits net of any bank overdraft. Bank borrowings are considered to be financing activities.

#### **Inventories for resale**

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value.

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## **Abegweit First Nation**

### **Notes to the consolidated financial statements**

March 31, 2018

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#### **1. Summary of significant accounting policies (cont'd)**

##### **Intangible assets**

Fishing licenses have indefinite lives, are not amortized and are tested for impairment annually or more frequently, if events or changes in circumstances indicate that the assets might be impaired. Fishing licenses are determined to have infinite lives as the annual renewal fee is nominal, the Band has both the ability and intent to renew or extend the life of the license and there has been a history of being able to obtain renewals from government. The impairment test compares the fair value of fishing licenses to their carrying values. When the fair value is less than the carrying value then an impairment loss would be recognized in the consolidated statement of earnings and retained earnings.

##### **Tangible capital assets**

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development and betterment of the asset. The cost of the tangible capital asset is amortized using the declining balance method at the following rates:

Boats	15% declining balance
Buildings	4% declining balance
Computer hardware	30% declining balance
Computer software	100% declining balance
Equipment	20% declining balance
Fencing	8% declining balance
Furniture and equipment	20% declining balance
Headstart renovations	33.3% declining balance
Housing – CMHC Section 95	10% declining balance
Infrastructure	10% declining balance
Landscaping	8% declining balance
Office furniture	20% declining balance
Parking lot	8% declining balance
Sign	20% declining balance
Vehicles	30% declining balance

##### **Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenditures, provides the consolidated change in net debt for the year.

##### **Liability for contaminated sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- I. an environmental standard exists;
- II. contamination exceeds the environmental standards;
- III. the Municipality is directly responsible or accepts responsibility; and
- IV. a reasonable estimate of the amount can be made.

Management has reviewed potential sites where they feel a material liability may exist and has concluded there is no known liability at this time.

# Abegweit First Nation

## Notes to the consolidated financial statements

March 31, 2018

### 1. Summary of significant accounting policies (cont'd)

#### Use of estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepting account principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Significant items subject to such estimates and assumptions include valuation of accounts receivable and the estimated useful lives of property and equipment. Actual results could differ from these estimates used in these consolidated financial statements.

### 2. Band employee benefits

The Band matches employee's contributions to a Registered Retirement Savings Plan (RRSP). During the year there was \$40,149 (2017 - \$50,954) contributed to RRSP plans. This represented both the Band's and the employees' portion of the contribution and was included in expenses for the year.

3. Accounts receivable	2018	2017
Indigenous Services Canada	\$ 5,095	\$ 105,223
ACOA	59,836	50,814
Department of Fisheries and Oceans	491,000	383,525
Government of Prince Edward Island	42,500	10,000
Mi'kmaq Confederacy of PEI	289,463	50,615
Miscellaneous	49,495	34,960
Payroll advances	4,365	7,648
Province of PEI tax rebates	14,587	26,725
Ulooweg Development Corporation	27,591	-
	<u>\$ 983,932</u>	<u>\$ 669,510</u>

### 4. Inventory held for resale

Inventory held for resale included in the consolidated statement of financial position are comprised of the following amounts:

	2018	2017
Gas bar inventory	\$ 118,514	\$ 109,441
Redstone Auto and Marine inventory	39,417	41,556
	<u>\$ 157,931</u>	<u>\$ 150,997</u>

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## Abegweit First Nation

### Notes to the consolidated financial statements

March 31, 2018

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#### 5. Replacement reserve

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the replacement reserve is being credited annually based on \$1,000 per unit, per year pro rated in the year of acquisition. The funds for this reserve are maintained in accounts that are secured by the Canadian Deposit Insurance Corporation and may be used as approved by Canada Mortgage and Housing Corporation.

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#### 6. Trust funds ISC

	<u>March 31,</u> <u>2017</u>	<u>Additions</u> <u>2018</u>	<u>Withdrawals</u> <u>2018</u>	<u>March 31,</u> <u>2018</u>
Trust funds	<u>\$ 13,450</u>	<u>\$ 447</u>	<u>\$ -</u>	<u>\$ 13,897</u>

The trust funds arise 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. The management of these funds is primarily governed by Sections 63 to 69 of the *Indian Act*.

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#### 7. Prepaids

Prepaid expenses included in the consolidated statement of financial position are comprised of the following amounts:

	<u>2018</u>	<u>2017</u>
Post-secondary education – living allowance	<u>\$ 4,580</u>	<u>\$ 6,974</u>
Social assistance	<u>3,541</u>	<u>4,452</u>
	<u>\$ 8,121</u>	<u>\$ 11,426</u>

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#### 8. Bank indebtedness

The Band has access to operating lines of credit with approved borrowing amounts of \$750,000 from January 15 to April 2 and a borrowing limit of \$500,000 for the remainder of the year. The credit facility bears interest at a rate of prime plus 1.15%. As of March 31, 2018, \$750,000 (2017- \$ 570,000) of the line of credit was unused.

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# Abegweit First Nation

## Notes to the consolidated financial statements

March 31, 2018

<b>9. Long-term debt</b>	<b><u>2018</u></b>	<b><u>2017</u></b>
1.83% demand loan maturing in 2019, repayable in equal monthly instalments of principal and interest of \$497.	\$ 86,240	\$ 90,603
3.19% demand loan maturing in 2019, repayable in equal monthly instalments of principal and interest of \$584.	88,386	92,497
1.49% demand loan maturing in 2018, repayable in equal 25 monthly instalments of principal and interest of \$533.	105,198	110,029
1.92% demand loan maturing in 2018, repayable in equal monthly instalments of principal and interest of \$561.	107,436	112,326
1.92% demand loan maturing in 2018, repayable in equal monthly instalments of principal and interest of \$561.	107,433	112,322
1.43% demand loan maturing in 2022, repayable in equal monthly instalments of principal and interest of \$545.	108,860	113,826
1.14% demand loan maturing in 2021, repayable in equal monthly instalments of principal and interest of \$543.	106,917	112,186
1.14% demand loan maturing in 2021, repayable in equal monthly instalments of principal and interest of \$543.	106,917	112,186
2.44% demand loan maturing in 2022, repayable in equal monthly instalments of principal and interest of \$1,658.	239,981	253,697
2.4% demand loan maturing in 2022, repayable in equal monthly instalments of principal and interest of \$553.	79,990	84,206
2.4% demand loan maturing in 2022, repayable in equal monthly instalments of principal and interest of \$553.	79,990	84,206
2.83% demand loan maturing in 2018, repayable in equal monthly instalments of principal and interest of \$540.	79,547	83,723
Prime plus 1.15% demand loan maturing in 2020, to be repaid as follows: \$35,000 per year, payable on June 1 of each year, from June 1, 2014 to and including June 1, 2019 and \$25,000 on or before June 1, 2020.	95,000	130,000
1.62% term loan maturing in 2018, repayable in equal monthly instalments of principal and interest of \$579.	118,764	123,757

# **Abegweit First Nation** **Notes to the consolidated financial statements**

March 31, 2018

<b>9. Long term debt (cont'd)</b>	<b><u>2018</u></b>	<b><u>2017</u></b>
1.98% term loan maturing in 2019, repayable in equal monthly instalments of principal and interest of \$603.	<b>125,392</b>	<b>130,119</b>
2.18% term loan maturing in 2019, repayable in equal monthly instalments of principal and interest of \$617.	<b>124,232</b>	<b>128,900</b>
4.81% term loan maturing in 2020, repayable in equal annual instalments of principal and interest of \$9,110.	<b>15,780</b>	<b>24,900</b>
1.17% demand loan maturing in 2021, repayable in equal monthly instalments of principal and interest of \$546.	<b>131,216</b>	<b>136,211</b>
4.00% term loan maturing in 2021, repayable in equal monthly instalments of principal and interest of \$861.	<b>25,603</b>	<b>35,941</b>
Prime plus 1.10% term loan maturing in 2018, to be repaid as follows: \$18,000 per year, payable on June 1 of each year, from June 1, 2018 to and including June 1, 2026.	<b>160,669</b>	<b>180,000</b>
The terms of the demand loan have not been finalized as of the date of this report.	<b>110,100</b>	<b>-</b>
4.20% term loan maturing in 2021, repayable in equal monthly instalments of principal and interest of \$660.	<b>26,276</b>	<b>-</b>
1.18% term loan maturing in 2019.	<b>520,000</b>	<b>-</b>
Loans repaid during the year	<b>-</b>	<b>187,112</b>
	<b><u>\$2,749,927</u></b>	<b><u>\$2,438,747</u></b>

Based on these terms the principal repayments in the next five years are due as follows:

2019	\$ 881,628
2020	\$ 163,554
2021	\$ 144,935
2022	\$ 112,658
2023	\$ 110,400

Demand loans are secured by a general security agreement constituting a first ranking security interest in all property and irrevocable Band Council resolution authorizing borrowings.

# Abegweit First Nation

## Notes to the consolidated financial statements

March 31, 2018

### 10. RRAP liability

Canada Mortgage and Housing Corporation ("CMHC") has granted forgivable loans to Abegweit First Nation through the Residential Rehabilitation Assistance Program to finance modifications for the accessibility of disabled members. The loans are only forgivable if the First Nation fulfills a list of conditions proposed by CMHC and must be repaid if these conditions are not met. The loans are forgivable over periods of three to five years and give rise to a liability until the funds are fully forgiven. The liability for the remaining balance of the loans to be forgiven as of March 31, 2018, totals \$228,271 (2017 - \$167,860).

### 11. CMHC funding

Abegweit First Nation is an eligible recipient under the Section 95 housing program operated by Canada Mortgage and Housing Corporation.

### 12. Commitments

The Abegweit First Nation has provided a letter of guarantee to Ultramar Ltd. and has a franchise agreement with Merrik Franchising (Maritimes) Limited relating to the gas bar operation.

### 13. Economic dependence

The Abegweit First Nation receives a major portion of its revenues pursuant to a funding arrangement with Indigenous & Northern Affairs Canada. As this is the major source of revenues, the organization's ability to continue viable operations is dependent upon maintaining this funding source.

### 14. Prior year's figures

Certain prior year's figures have been reclassified to conform with current year financial statement presentation.

### 15. Government transfers

	Operating	2018 Capital	Total	Operating	2017 Capital	Total
<b>Federal Government Transfers:</b>						
Indigenous Services Canada (ISC)	2,529,992	253,631	2,783,623	\$3,000,205	\$151,349	\$3,151,554
Canada Mortgage & Housing Corporation	105,705		105,705	77,852		77,852
Department of Fisheries & Oceans	193,700	453,011	646,711	145,499	334,719	480,218
Health Canada	1,266,670		1,266,670	1,096,695	-	1,096,695
Heritage Canada	11,400		11,400	14,195	-	14,195
<b>Total</b>	<b>4,107,466</b>	<b>706,642</b>	<b>4,814,108</b>	<b>4,334,447</b>	<b>486,068</b>	<b>4,820,515</b>
<b>Provincial Government Transfers</b>	<b>165,165</b>	<b>50,000</b>	<b>215,165</b>	<b>154,192</b>	<b>100,000</b>	<b>254,192</b>
	<b>\$4,272,631</b>	<b>\$756,642</b>	<b>\$5,029,274</b>	<b>\$4,488,639</b>	<b>\$586,068</b>	<b>\$5,074,707</b>

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**Abegweit First Nation****Notes to the consolidated financial statements**

March 31, 2018

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**16. Budgeted figures**

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Band Council.

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# Abegweit First Nation

## Notes to the consolidated financial statements

March 31, 2018

### 17. Funding reconciliation

Programs	Funding received	Unexpended federal funding beginning of year	Adjustments / Transfers	Total federal funding available	Federal funding expended	Unexpended funding at year end
<b>INAC</b>						
Block - Indian Government Support - Band	\$ 348,404	\$ -	\$ -	\$ 348,404	\$ 348,404	\$ -
Block - LITS Core Funding - Registration and membership	3,892	-	-	3,892	3,892	-
Block - Elementary/Secondary	801,521	-	-	801,521	801,521	-
Block - Post Secondary education	127,520	-	-	127,520	127,520	-
Block - Income Assistance	418,754	-	-	418,754	418,754	-
Block - Assisted living - block funding	34,177	-	-	34,177	34,177	-
Block - LEOSP Ex Dev Allocations	45,372	-	-	45,372	45,372	-
Block - Other - Capital	152,440	-	-	-	-	-
Block - Other - Facilities C&M	119,821	-	-	119,821	119,821	-
Fixed - Instruc.Serv Formula	44,877	-	-	44,877	44,877	-
Fixed - Corp-EdDev-Opportunities	40,420	-	-	152,440	152,440	-
Fixed - Enhanced Teachers Sal	789	-	-	789	789	-
Fixed - School Effectiveness	21,805	-	-	21,805	21,805	-
Fixed - Language and Culture	17,364	-	-	17,364	17,364	-
Fixed - First Nation and Inuit - Summer Work Exp	22,480	-	-	22,480	22,480	-
Fixed - First Nation and Inuit - SMU Link Prog	105,742	-	-	105,742	105,742	-
Fixed - Post Secondary Student Supplement Program	17,280	-	-	17,280	17,280	-
Fixed - IT Servers Capital Development	36,435	-	-	36,435	36,435	-
Fixed - Plan and Risk Management Government Program	46,185	5,415	-	51,600	51,600	-
Fixed - Water Systems	68,280	-	-	68,280	68,280	-
Fixed - Major Renovations, Extensions, and Repairs	35,000	-	-	35,000	35,000	-
Fixed - Renovations and additions	86,000	-	-	86,000	68,022	17,978
Fixed - Local Roads and Bridges	100,000	-	-	100,000	100,000	-
Fixed - Other Mitigation	54,649	-	-	54,649	51,221	3,428
Flexible - A&C Water	-	88,571	-	88,571	58,138	30,433
Set - Community Involvement Capital Program	17,370	-	-	17,370	18,000	-
Set - Prevention Projects	28,840	-	-	28,840	30,178	-
<b>Subtotal ISC</b>	<b>2,794,476</b>	<b>98,986</b>	<b>-</b>	<b>2,893,462</b>	<b>2,794,372</b>	<b>98,986</b>
<b>Health Canada</b>						
Block - KA01 - Prenatal	8,331	-	-	8,331	8,331	-
Block - KA03 - Maternal Child Health	16,300	-	-	16,300	16,300	-
Block - KA04 - Health - CCHH	4,034	-	-	4,034	4,034	-
Block - KA05 - Headstart	52,068	-	-	52,068	52,068	-
Block - KB01 - Building Healthy Communities	32,520	-	-	32,520	32,520	-
Block - KB02 - Brighter Futures	32,400	-	-	32,400	32,400	-
Block - KB08 - Suicide Prevention	5,681	-	-	5,681	5,681	-
Block - KB05 - Mental Well. Team	150,000	-	-	150,000	150,000	-
Block - KB10 - National Native Alcohol and Drug Abuse	105,184	-	-	105,184	105,184	-
Block - KB12 - VSAP	6,728	-	-	6,728	6,728	-
Block - KC01 - Aboriginal Diabetes Initiatives	38,253	-	-	38,253	38,253	-
Block - KC09 - HL Pub Hlth & Chr	129,742	-	-	129,742	129,742	-
Block - KD10-KD40 - Communicable Disease Control	7,050	-	-	7,050	7,050	-
Block - KE02 - Drinking Water	20,814	-	-	20,814	20,814	-
Block - KG03 - HCC Service Del	64,752	-	-	64,752	64,752	-
Block - KU00 - Health Planning and Management	100,670	172,718	-	273,388	115,143	158,237
Block - KU10 - Accreditation	37,521	-	-	37,521	37,521	-
Block - KM00 - Operations and Maintenance programs	43,560	-	-	43,560	43,560	-
Block - KN00 - HSIF	77,000	-	-	77,000	77,000	-
Flexible - KN00 - Capital Investment	50,000	-	-	50,000	28,482	21,508
Flexible - KL - Jordan's Principle	40,980	-	-	40,980	26,088	14,882
Set - KB02 - INS	110,660	-	-	110,660	110,660	-
Set - KH00 - Traditional Healer	22,000	-	-	22,000	22,000	-
Set - KH00 - MT Client Ins.	39,371	-	-	39,371	39,371	-
Set - KH44 - MT-CA Admin	3,937	-	-	3,937	3,937	-
Set - KH00 - Victims of Family Violence	82,500	-	-	82,500	82,500	-
Set - KP31 - Telehealth-Maint	6,646	-	-	6,646	6,646	-
<b>Total Health Canada</b>	<b>1,289,347</b>	<b>172,718</b>	<b>-</b>	<b>1,462,065</b>	<b>1,265,676</b>	<b>194,627</b>
<b>Department of Fisheries and Oceans (DFO)</b>						
ACFI Component 2.4	48,011	-	-	48,011	48,011	-
ACFI Component 4.0	405,000	-	-	405,000	405,000	-
AFS	133,600	-	-	133,600	133,600	-
Recreational Fisheries Conservation Partnerships	41,341	-	1,869	43,210	43,210	-
<b>Subtotal DFO</b>	<b>627,952</b>	<b>-</b>	<b>1,869</b>	<b>629,821</b>	<b>629,821</b>	<b>-</b>
<b>Headstart EVC</b>	<b>125,286</b>	<b>1,110</b>	<b>-</b>	<b>126,396</b>	<b>100,946</b>	<b>25,450</b>
<b>Total funding</b>	<b>\$ 4,439,951</b>	<b>\$ 267,806</b>	<b>\$ 1,869</b>	<b>\$ 4,667,326</b>	<b>\$ 4,793,008</b>	<b>\$ 227,287</b>

As at March 31, 2018, \$5,095 was due from ISC and included in accounts receivable. As at March 31, 2018, no balance was due with Health Canada.

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# **Abegweit First Nation**

## **Notes to the consolidated financial statements**

March 31, 2018

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### **18. Segmented reporting**

The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies as described in Note 1. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Band services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

#### **Administrative**

This segment includes departments that are responsible for the overall financial and local government administration. The tasks include, but are not limited to, daily accounting functions, preparation and coordination of the annual audited financial statements, coordination of the development of the annual budget, human resource functions for the entire municipal unit, economic development initiatives and maintenance of bylaws and policies. This would also include administrative and policy support for the Chief and all members of the Council.

#### **Capital/Housing**

This segment is responsible for providing housing and capital infrastructure for the Band's residents. This includes the operation of water and sewer utilities.

#### **Social Services**

This segment is responsible for providing social assistance to band members in need. This includes the basic needs and social needs programs.

#### **Education Services**

This segment is responsible for providing education funding. This includes tuition agreements, student's costs and supplies as required.

#### **Health Services**

Services provided by the Health department are included in this segment. The following tasks are delivered by this department: Aboriginal diabetes initiatives, adult care, brighter futures program, the early learning centre, health planning and various other programs depending on the funding obtained.

#### **Epikwik Gas Bar**

The Band operates a gas station on the reserve. The revenues and expenses associated with the operations of the gas station are included in this segment.

#### **Fisheries/Fisheries AFS**

This segment is responsible for the commercial fishing of lobster, snow crab, etc. and other related fishing projects such as the hatchery.

#### **Redstone Auto & Marine**

The Band operates an auto and marine mechanic shop on the reserve. The revenues and expenses associated with the operations of the mechanic shop are included in this segment.

#### **Economic Development**

The Band is involved in activities to promote economic development that benefits its community and members.

#### **Abegweit Conservation Society**

This segment is a registered charity, with the purpose of protecting the environment of Prince Edward Island by saving, supporting, protecting and assisting stressed and endangered fish, plant and animal species as well as cleaning, remediating and protecting streams, rivers, watersheds and forests.