

**2015-2016 FISCAL YEAR
FIRST NATIONS FINANCIAL TRANSPARENCY ACT (FNFTA) CHECKLIST**

ANNEX B

This checklist is to be used identify First Nation documents required by the FNFTA to be published on AANDC's internet site (**Audited Consolidated Financial Statements (ACFS)**) and its **Schedule of Remuneration and Expenses for Chiefs and Councilors (Annex B)**. This requirement applies to First Nations that are Indian Act bands, but not to First Nations that are party to a comprehensive self-government agreement.

First Nation: Tobique

No.: 0016

INITIAL EACH COMPONENT WHEN THE REQUIREMENT IS MET¹:

Submission in 2 separate packages from an authorized representative of the First Nation:

1st Package to be published online

2nd Package – not to be published online

AANDC's Reporting Guide requires the submission of the financial reporting package in two files because the FNFTA requires AANDC to publish only part of the financial reporting the First Nation must provide to AANDC. The FNFTA does not authorize publication of other reports such as the Schedule of Remuneration and Expenses - Unelected Senior Officials. If the package is not received in two files, the First Nation should be notified to advise them that the FNFTA documents are required to be separated. Written instruction from an authorized representative of the First Nation must be received with respect to the separation of documentation; or a revised package submitted. A note should be made in the acknowledgement letter.

Have the following pieces of information been submitted:

Management Letter (Management Statement of Responsibility) - not required for FNFTA

yes

Audited Consolidated Financial Statements (ACFS):

Signed Auditor's Report

yes

Consolidated Statement of Financial Position

yes

Must be specified in the scope of the Auditor's Report

Approved by authorized representative of the recipient

If not approved by an authorized representative of the recipient, either by signature on the Statement of Financial Position, by Band Council Resolution or other accepted practice, follow-up with the First Nation is required.

Consolidated Statement of Operations (including budget figures)

yes

Must be specified in the scope of the Auditor's Report

Consolidated Statement of Changes in Net Debt

yes

Must be specified in the scope of the Auditor's Report

Consolidated Statement of Changes in Cash Flow

yes

Must be specified in the scope of the Auditor's Report

Notes to Financial Statements

yes

Schedule of Remuneration and Expenses (Chiefs and Councilors):

Schedule of Remuneration and Expenses (Chiefs and Councilors) - Annex B

yes

Auditor's Attestation to Annex B

Auditor's Report or Review Engagement Report

No attestation because forms part of the ACFS.

ACFS PDF File Extracted

ACFS PDF File Uploaded to <FNFTA – ACFS>

Annex B PDF File Extracted

Annex B PDF File Uploaded to <FNFTA – Schedule>

¹Where formal request from First Nation (Band Council Resolution) to have AANDC publish on behalf of First Nation in order to meet First Nation's obligation under the Act, a formal response is required, to confirm agreement with the request and affirm the First Nation's continuing obligations under the Act. The process for validating and uploading FNFTA documents is unchanged.

MALISEET NATION AT TOBIQUE
Consolidated Financial Statements
Year Ended March 31, 2015

**TEED
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An Independent Member of
DFK Canada Inc. and DFK International

INDEPENDENT AUDITOR'S REPORT

To the Chief and Band Councillors of Maliseet Nation at Tobique

We have audited the accompanying consolidated financial statements of Maliseet Nation at Tobique, which comprise the statements of financial position as at March 31, 2015 and the statements of operations and, changes in net debt and cash flows for the year then ended March 31, 2015, 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 public sector accounting standards and the reporting provisions of the Aboriginal Affairs and Northern Development Canada Year End Reporting Handbook (fiscal year 2014-2015), 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 audits. We conducted our audits 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 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 consolidated financial statements.

We believe that the audit evidence we have obtained in our audits 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 financial position of Maliseet Nation at Tobique as at March 31, 2015 and the results of its operations and its cash flows for the years then ended in accordance with the Aboriginal Affairs and Northern Development Canada Year End Reporting Handbook (fiscal year 2014-2015).

Fredericton, New Brunswick
September 8, 2015

Fredericton Partners
John H. Landry
T.J. Smith
Jeffrey E. Saunders
Kenneth H. Kyle



Teed Saunders Doyle & Co.
CHARTERED PROFESSIONAL ACCOUNTANTS

Saint John Partners
Andrew P. Logan
Jean-Marc Poirier
Peter L. Logan

MALISEET NATION AT TOBIQUE
Financial Statement Review and Approval
Year Ended March 31, 2015

The accompanying financial statements of Maliseet Nation at Tobique are the responsibility of management and have been reviewed and approved by:

 Chief

 Councillor

_____ Councillor

 Councillor


_____ Councillor

 Councillor

_____ Councillor

 Councillor

_____ Councillor

 Councillor

_____ Councillor

 Councillor

_____ Councillor

_____ Third Party Manager

 Co-Manager

MALISEET NATION AT TOBIQUE
Consolidated Statement of Financial Position
Year Ended March 31, 2015

	2015	2014
FINANCIAL ASSETS		
Cash (Note 3)	\$ 926,706	\$ 1,257,063
Accounts receivable (Note 6)	1,403,242	1,643,002
Inventory	110,057	94,445
Trust funds held by federal governments (Note 4)	32,027	30,818
	<u>2,472,032</u>	<u>3,025,328</u>
LIABILITIES		
Accounts payable (Note 7)	6,707,448	6,345,353
Deferred revenue (Note 8)	168,562	266,361
Long term debt (Note 10)	14,577,766	15,620,961
	<u>21,453,776</u>	<u>22,232,675</u>
NET DEBT	<u>(18,981,744)</u>	<u>(19,207,347)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 14)	49,385,072	50,638,755
Prepaid expenses (Note 5)	206,449	64,249
	<u>49,591,521</u>	<u>50,703,004</u>
ACCUMULATED SURPLUS	<u>\$ 30,609,777</u>	<u>\$ 31,495,657</u>

MALISEET NATION AT TOBIQUE
Consolidated Statement of Changes in Net Debt
Year Ended March 31, 2015

	2015	2014 <i>Revised</i>
(EXCESS) DEFICIENCY OF REVENUE OVER EXPENSES	\$ (925,160)	\$ (1,211,716)
Acquisition of tangible capital assets	(1,075,057)	(1,367,329)
Proceeds on disposal of tangible capital assets	19,000	-
Amortization of tangible capital assets	2,307,084	2,465,505
Loss on disposal of tangible capital assets	2,658	-
Change in replacement reserve	39,278	19,007
Decrease (Increase) in prepaid expenses	(142,200)	114,982
DECREASE IN NET DEBT	225,603	20,449
NET DEBT - BEGINNING OF YEAR		
As previously reported	(19,372,778)	(19,227,796)
Prior period adjustments (<i>Note 13</i>)	165,431	-
NET DEBT - BEGINNING OF YEAR - AS RESTATED	(19,207,347)	(19,227,796)
NET DEBT - END OF YEAR	\$ (18,981,744)	\$ (19,207,347)

MALISEET NATION AT TOBIQUE
Consolidated Statement of Operations
Year Ended March 31, 2015

	Budget 2015	Actual 2015	Actual 2014 <i>Revised</i>
REVENUE			
Aboriginal Affairs and Northern Development Canada	\$ 9,635,187	\$ 10,471,866	\$ 10,144,036
Canada Mortgage and Housing Corporation (CMHC)	-	89,172	153,218
Defense Construction Canada	-	375,751	-
Department of Fisheries and Oceans Canada	-	345,856	545,139
Health Canada	-	2,675,988	2,592,813
Heritage Canada	-	156,235	86,000
Maliseet Gas Bar Ltd.	3,785,500	3,804,125	3,972,531
Other	1,150,784	2,796,719	2,861,031
Province of New Brunswick	78,000	2,993,104	2,714,886
Tobique High Stakes V.T.	13,369,000	13,378,226	13,521,873
	<u>28,018,471</u>	<u>37,087,042</u>	<u>36,591,527</u>
EXPENSES			
Band administration	829,437	891,742	941,239
Capital	828,196	2,592,324	2,878,805
Education	4,448,381	4,764,550	4,891,064
Social assistance	3,505,768	3,714,228	3,729,686
Maliseet Gas Bar Ltd.	3,662,552	3,711,943	3,905,828
Tobique High Stakes V.T.	12,994,491	13,869,776	13,698,842
Health	-	3,333,691	3,283,131
Own source	270,950	4,832,019	4,129,337
CMHC	-	301,929	345,311
	<u>26,539,775</u>	<u>38,012,202</u>	<u>37,803,243</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 1,478,696</u>	<u>\$ (925,160)</u>	<u>\$ (1,211,716)</u>

MALISEET NATION AT TOBIQUE
Consolidated Statement of Cash Flows
Year Ended March 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (925,160)	\$ (1,211,716)
Items not affecting cash:		
Amortization	2,307,084	2,465,505
Loss on disposal of assets	2,658	-
	<u>1,384,582</u>	<u>1,253,789</u>
Changes in non-cash working capital:		
Accounts receivable	239,760	(166,904)
Inventory	(15,612)	(4,157)
Accounts payable	362,095	4,846
Deferred revenue	(97,799)	(63,519)
Prepaid expenses	(142,200)	114,982
	<u>346,244</u>	<u>(114,752)</u>
	<u>1,730,826</u>	<u>1,139,037</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(1,075,057)	(1,367,329)
Proceeds on disposal of property and equipment	19,000	-
Trust funds held by federal governments	(1,209)	(761)
Change in replacement reserve	39,278	19,007
	<u>(1,017,988)</u>	<u>(1,349,083)</u>
FINANCING ACTIVITIES		
Proceeds from long term debt	-	44,620
Repayment of long term debt	(1,043,195)	(786,331)
	<u>(1,043,195)</u>	<u>(741,711)</u>
DECREASE IN CASH	<u>(330,357)</u>	<u>(951,757)</u>
CASH - BEGINNING OF YEAR	<u>1,257,063</u>	<u>2,208,820</u>
CASH - END OF YEAR	<u>\$ 926,706</u>	<u>\$ 1,257,063</u>

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

1. DESCRIPTION OF ENTITY

The Maliseet Nation at Tobique operates a First Nation Band in Tobique, New Brunswick for the benefit of its members.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Reporting entity and principals of consolidation

The consolidated financial statements include the accounts of the Maliseet Nation at Tobique government, and its wholly-owned subsidiaries, Maliseet Gar Bar Ltd. and Tobique High Stakes V.T. Interdivisional and inter-organizational balances and transactions are eliminated on consolidation.

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 government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets and prepaid expenses.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks net of bank overdrafts.

Inventories for resale

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

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

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 related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service is performed.

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MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

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

Tangible capital assets are reported at net book value. Opening net book values of residential and commercial buildings and other infrastructure as at April 1, 2012 have been determined by an appraisal report prepared by an independent engineering consulting firm. Contributions received to assist in the acquisition of tangible capital assets are reported as current revenue.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

Items inherited by right of the Crown, such as lands, forests, water and mineral resources, are not recognized in these financial statements.

Amortization is provided annually, at rates calculated to write-off the assets over their estimated useful lives as follows:

Commercial buildings	30 and 40 years	straight-line method
Residential buildings	40 and 50 years	straight-line method
Boats	15%	declining balance method
Vehicles	30%	declining balance method
Shoreline erosion	40 years	straight-line method
Computer equipment	55%	declining balance method
Other equipment	8, 10 and 20%	declining balance method
Roads	4%	declining balance method
Infrastructure	4 and 20%	declining balance method

Amortization of Section 95.1 Housing is provided on buildings and equipment purchased on loans insured by CMHC at a rate equal to the annual principal reduction of the mortgage.

The Maliseet Nation at Tobique regularly reviews its property and equipment to eliminate obsolete items.

Income taxes

The Maliseet Nation at Tobique is an Indian Band and is not subject to income tax. Accordingly, no provision has been made for income taxes.

Accounts receivable

Accounts receivable arise from trade receivables, loans and advances, and federal and provincial government receivables. An allowance for bad debts has been calculated, through discussions with management, assessment of other circumstances influencing the collectability of amounts, and using historical loss experience. Amounts deemed uncollectable are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

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MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net debt

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Significant estimates pertaining to these financial statements include the following:

- determination of amortization rates and residual values of tangible capital assets

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. CASH

Cash is comprised of the following.

	<u>2015</u>	<u>2014</u>
Externally restricted		
CMHC - Replacement reserve (Note 11)	\$ 142,259	\$ 102,980
Unrestricted		
Operating	<u>784,447</u>	<u>1,154,083</u>
	<u>\$ 926,706</u>	<u>\$ 1,257,063</u>

4. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	<u>March 31, 2014</u>		<u>Additions</u>		<u>Withdrawals</u>		<u>March 31, 2015</u>
Revenue	\$ 25,393	\$	1,209	\$	-	\$	26,602
Capital	5,425		-		-		5,425
	<u>\$ 30,818</u>	\$	<u>1,209</u>	\$	<u>-</u>	\$	<u>32,027</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.

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

5. PREPAID EXPENSES

	2015	2014
Insurance	\$ 25,917	\$ 45,961
Payroll	19,018	-
Other	161,514	18,288
	<u>\$ 206,449</u>	<u>\$ 64,249</u>

6. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	2015	2014
Due from members:		
Employee advances	\$ 9,455	\$ 13,989
Due from others:		
Aboriginal Affairs and Northern Development Canada (2014-2015)	480,993	-
Aboriginal Affairs and Northern Development Canada (2013-2014)	-	747,271
Aboriginal Affairs and Northern Development Canada (2012-2013)	-	228,727
Aboriginal Affairs and Northern Development Canada (2011-2012)	-	18,487
Department of Fisheries and Oceans	146,748	123,040
Canada Mortgage and Housing Corporation	-	27,200
Health Canada	4,930	-
Province of New Brunswick	546,883	311,516
Heritage Canada	12,462	-
Other	201,771	172,772
	<u>\$ 1,403,242</u>	<u>\$ 1,643,002</u>

7. ACCOUNTS PAYABLE

	2015	2014
Aboriginal Affairs and Northern Development Canada - recoverable funding	\$ 37,411	\$ 113,281
Suppliers	716,526	1,208,891
Accrued salaries	10,818	15,133
HST	941,690	914,364
Payroll deductions	4,454,367	3,783,322
Other accrued liabilities	546,636	310,362
	<u>\$ 6,707,448</u>	<u>\$ 6,345,353</u>

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

8. DEFERRED REVENUE

	2015	2014
Province of New Brunswick	\$ 117,327	\$ 126,200
Heritage Canada	-	9,175
Other	51,235	130,986
	<u>\$ 168,562</u>	<u>\$ 266,361</u>

9. RECONCILIATION OF ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA (AANDC) FUNDING

	2015	2014
AANDC Funding per Consolidated Financial Statements	\$ 10,471,866	\$ 10,144,036
Less: Current year approved increases (social & education)	(171,684)	-
Less: Family violence (Health)	(45,000)	-
Less: Current year adjustments	(53,863)	-
Plus: Current year recovered funding	-	113,551
Plus: Prior period adjustments - March 31, 2014	-	358,021
	<u>\$ 10,201,319</u>	<u>\$ 10,615,608</u>
Funding per AANDC revenue confirmation		

10. LONG TERM DEBT

Aboriginal Affairs and Northern Development Canada loan bearing interest at 2.7%, repayment in 15 monthly blended payments of \$20,000 starting January 2015 with payments of \$27,761 starting in April 2016 until the loan is repaid. The loan matures on July 1, 2025.

\$ 3,645,058 \$ 3,709,400

Aboriginal Affairs and Northern Development Canada loan bearing interest at various rates, repayable in monthly blended payments of \$34,000. The loan matures on May 1, 2023.

2,701,414 3,184,784

Ford Credit loan bearing interest at 5.69% per annum, repayable in monthly blended payments of \$856. The loan matures on November 17, 2018 and is secured by a vehicle with a net book value of \$26,549.

33,235 41,366

Peace Hills Trust loan bearing interest at 5.85% per annum, repayable in monthly blended payments of \$6,282. The loan matures on February 1, 2020 and is secured by a general security agreement.

753,693 785,221

Peace Hills Trust mortgage bearing interest at 3.95% per annum, repayable in monthly blended payments of \$2,361. The loan matures on March 1, 2020 and is secured by a Ministerial Guarantee and first mortgage on buildings.

182,144 199,637

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MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

10. LONG TERM DEBT *(continued)*

	2015	2014
Peace Hills Trust loan bearing interest at 3.95% per annum, repayable in monthly blended payments of \$700. The loan matures on March 1, 2020 and is secured by a Ministerial Guarantee and first mortgage on buildings.	53,987	59,172
Peace Hills Trust loan bearing interest at 3.95% per annum, repayable in monthly blended payments of \$1,135. The loan matures on March 1, 2020 and is secured by a Ministerial Guarantee and first mortgage on buildings.	87,571	95,981
Peace Hills Trust loan bearing interest at 4.5% per annum, repayable in monthly blended payments of \$2,900. The loan matures on September 1, 2019 and is secured by a Ministerial Guarantee and first mortgage on buildings.	128,213	151,733
Peace Hills Trust loan bearing interest at 4.5% per annum, repayable in monthly blended payments of \$3,915. The loan matures on August 1, 2019 and is secured by a Ministerial Guarantee and first mortgage on buildings.	461,727	484,125
Peace Hills Trust loan bearing interest at 3.75% per annum, repayable in monthly blended payments of \$4,500. The loan matures on December 1, 2017 and is secured by a general security agreement.	593,344	615,924
Peace Hills Trust loan bearing interest at 3.75% per annum, repayable in monthly blended payments of \$40,000. The loan matures on November 27, 2017 and is secured by a general security agreement.	3,945,227	4,203,234
Peace Hills Trust loan bearing interest at 3.75% per annum, repayable in monthly blended payments of \$500. The loan matures on November 1, 2017 and is secured by a general security agreement.	85,475	87,271
CMHC loan bearing interest at 1.71% per annum, repayable in monthly blended payments of \$1,041. The loan matures on August 1, 2027, scheduled to be renewed on September 1, 2017 and is secured by a Ministerial Guarantee and first mortgage on buildings.	139,706	149,726
CMHC loan bearing interest at 2.76% per annum, repayable in monthly blended payments of \$2,208. The loan matures on April 1, 2028, scheduled to be renewed on June 1, 2015 and is secured by a Ministerial Guarantee and first mortgage on buildings.	290,502	308,756
CMHC loan bearing interest at 1.67% per annum, repayable in monthly blended payments of \$370. The loan matures on April 1, 2017, scheduled to be renewed on April 1, 2017 and is secured by a Ministerial Guarantee and first mortgage on buildings.	48,516	52,111

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MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

10. LONG TERM DEBT (continued)

	2015	2014
CMHC loan bearing interest at 1.8% per annum, repayable in monthly blended payments of \$1,535. The loan matures on July 1, 2026, scheduled to be renewed on October 1, 2016 and is secured by a Ministerial Guarantee and first mortgage on buildings.	188,782	203,671
CMHC loan bearing interest at 1.05% per annum, repayable in monthly blended payments of \$1,319. The loan matures on March 1, 2024, scheduled to be renewed on April 1, 2020 and is secured by a Ministerial Guarantee and first mortgage on buildings.	135,813	148,884
CMHC loan bearing interest at 2.56% per annum, repayable in monthly blended payments of \$1,434. The loan matures on September 1, 2025, scheduled to be renewed on December 1, 2015 and is secured by a Ministerial Guarantee and first mortgage on buildings.	158,430	171,427
Ulnooweg Development Group Inc. loan bearing interest at 12.75% per annum. The loan was repaid during the year.	-	10,758
Ulnooweg Development Group Inc. loan bearing interest at 12.75% per annum with no specified repayment terms currently in place.	84,772	79,831
Ulnooweg Development Group Inc. loan bearing interest at 12.75% per annum. The loan was repaid during the year.	-	4,539
Ulnooweg Development Group Inc. loan bearing interest at 0% per annum with no specified repayment terms currently in place.	135,197	135,197
Ulnooweg Development Group Inc. loan bearing interest at 5.75% per annum with no specified repayment terms currently in place.	57,765	55,600
Ulnooweg Development Group Inc. loan bearing interest at 6% per annum, repayable in weekly blended payments of \$270. The loan is secured by a general security agreement.	124,961	127,361
Ulnooweg Development Group Inc. loan bearing interest at 5.75% per annum with no specified repayment terms currently in place.	10,301	9,916
Ulnooweg Development Group Inc. loan bearing interest at 12.75% per annum, repayable in weekly blended payments of \$730. The loan is secured by a general security agreement.	250,801	264,672
Ulnooweg Development Group Inc. loan bearing interest at 0% per annum with no specified repayment terms currently in place.	115,330	115,330

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MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

10. LONG TERM DEBT (continued)

	<u>2015</u>	<u>2014</u>
Ulnooweg Development Group Inc. loan bearing interest at 12.75% per annum with no specified repayment terms currently in place.	<u>165,802</u>	<u>165,334</u>
	14,577,766	15,620,961
Amounts payable within one year	<u>(1,604,083)</u>	<u>(3,420,323)</u>
	<u>\$ 12,973,683</u>	<u>\$ 12,200,638</u>

Principal repayment terms are approximately:

2016	\$ 1,604,083
2017	1,267,836
2018	4,773,550
2019	948,047
2020	1,514,459
Thereafter	<u>4,469,791</u>
	<u>\$ 14,577,766</u>

11. CASH - CMHC REPLACEMENT RESERVE

Under the terms of the agreement with the Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$39,279 annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. Withdrawals are credited to interest first and then principal

	<u>2015</u>	<u>2014</u>
Balance, beginning of year	\$ 102,980	\$ 83,973
Contributions	39,279	40,154
Transfer to operating reserve	-	<u>(21,147)</u>
Balance, end of year	<u>\$ 142,259</u>	<u>\$ 102,980</u>

As at March 31, 2015 the cash related to the replacement reserve was not held in a segregated bank account. These funds are combined with the bank accounts of the Band which are under third party management with Aboriginal Affairs and Northern Development Canada.

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

12. EXPENSES BY OBJECT

	<u>2015</u>	<u>2014</u>
AANDC recovery	\$ 35,080	\$ -
Amortization	2,307,084	2,465,505
Consulting fees	1,539,876	1,000,864
Insurance	294,205	220,540
Interest and bank charges	289,380	276,766
Interest on long term debt	519,756	517,004
Office	164,542	188,476
Other	20,605,055	20,691,534
Professional fees	393,303	315,757
Repairs and maintenance	535,072	854,774
Salaries and wages	8,022,224	7,817,094
Supplies	248,478	262,795
Travel and vehicle	154,397	253,593
Tuition	2,428,918	2,442,739
Utilities and telephone	474,832	495,802
	<u>\$ 38,012,202</u>	<u>\$ 37,803,243</u>

13. PRIOR PERIOD ADJUSTMENT

Prior period adjustments represents program funding changes from Aboriginal Affairs and Northern Development Canada as well as a reduction in the MLG loans that have been retroactively recorded in the financial statements

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

16 TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization			Net Book Value				
	Operating Balance	Additions	Disposals	Transfers of Assets	Closing Balance	Opening Balance	Amortization	Disposals, Write-offs & Other adj	Closing Balance	Total 2014	Total 2013
Tangible Capital Assets	\$ 24,916,485	\$ 340,150	\$ -	\$ -	\$ 25,256,635	\$ 7,056,291	\$ 690,425	\$ -	\$ 7,746,716	\$ 17,509,919	\$ 17,860,194
Commercial buildings	50,954	-	-	-	50,954	-	-	-	-	50,954	50,954
Residential land	25,069,653	-	-	-	25,069,653	7,135,691	546,189	-	7,681,880	17,387,773	17,933,962
Residential buildings	6,000	-	-	-	6,000	5,588	412	-	6,000	-	412
Boats	910,578	56,044	(51,995)	-	914,627	672,074	73,461	(30,338)	715,197	199,430	238,504
Vehicles	4,190,634	418,416	-	-	4,609,050	141,674	109,996	-	251,670	4,357,380	4,048,960
Shoreline erosion	18,429	2,140	-	-	20,569	15,445	2,504	-	17,949	2,620	2,984
Computer equipment	2,106,577	94,888	-	-	2,201,415	1,097,564	193,245	-	1,290,809	910,606	1,008,963
Other equipment	5,721,060	163,420	-	-	5,884,480	454,570	214,558	-	669,128	5,215,352	5,266,490
Roads	5,503,615	-	-	-	5,503,615	1,276,284	476,293	-	1,752,577	3,751,038	4,227,331
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 68,493,935	\$ 1,075,057	\$ (51,995)	\$ -	\$ 69,516,998	\$ 17,855,180	\$ 2,307,084	\$ (30,338)	\$ 20,131,927	\$ 49,385,072	\$ 50,638,755

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

15 GOVERNMENT TRANSFERS

	Operating	Capital	2015
Aboriginal Affairs and Northern Development Canada	\$ 10,118,318	\$ 353,548	\$ 10,471,866
Health Canada	2,675,988	-	2,675,988
Canada Mortgage and Housing Corporation	89,172	-	89,172
Department of Fisheries and Oceans Canada	345,856	-	345,856
Defense Construction Canada	375,751	-	375,751
Heritage Canada	156,235	-	156,235
Federal government transfers	\$ 13,761,320	\$ 353,548	\$ 14,114,868
Provincial government transfers	\$ 1,785,412	\$ 1,207,692	\$ 2,993,104
Total government transfers	\$ 15,546,732	\$ 1,561,240	\$ 17,107,972
	Operating	Capital	2014
Aboriginal Affairs and Northern Development Canada	\$ 9,980,436	\$ 163,600	\$ 10,144,036
Health Canada	2,592,813	-	2,592,813
Canada Mortgage and Housing Corporation	153,218	-	153,218
Department of Fisheries and Oceans Canada	545,139	-	545,139
Heritage Canada	86,000	-	86,000
Federal government transfers	\$ 13,357,606	\$ 163,600	\$ 13,521,206
Provincial government transfers	1,485,998	\$ 1,228,888	\$ 2,714,886
Total government transfers	\$ 14,843,604	\$ 1,392,488	\$ 16,236,092

16. CONTINGENCIES

Maliseet Nation at Tobique has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Maliseet Nation at Tobique may become involved in legal actions. Some other potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Maliseet Nation at Tobique's consolidated financial statements.

The Band is defending various legal actions. Counsel is unable to form an opinion at this date in regard to the amount and merits of these claims.

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

17. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

The commercial enterprises are included in the First Nation reporting entity, as described in note 2 - Reporting Entity and of Consolidation includes:

- Maliseet Gas Bar Ltd.
- Tobique High Stakes V.T.

The following table presents condensed financial information for these commercial enterprises.

	Maliseet Gas Bar Ltd.	Tobique High Stakes V.T.	2015	2014
Cash	\$ 12,957	\$ 101,916	\$ 114,873	\$ 136,480
Accounts receivable	616,161	6,656	622,817	428,666
Inventory	110,057	-	110,057	94,445
Tangible capital assets	694,946	1,741,268	2,436,214	2,609,276
Total assets	\$ 1,434,121	\$ 1,849,840	\$ 3,283,961	\$ 3,268,867
Accounts payable	\$ 1,096,375	\$ 1,260,320	\$ 2,356,695	\$ 1,907,075
Long term debt	375,762	33,235	408,997	444,157
Total liabilities	\$ 1,472,137	\$ 1,293,555	\$ 2,765,692	\$ 2,351,232
Accumulated Surplus	\$ (38,016)	\$ 556,285	\$ 518,269	\$ 917,635
Revenue	\$ 3,804,125	\$ 13,378,225	\$ 17,182,350	\$ 17,494,402
Expenses	3,676,211	13,866,788	17,542,999	17,564,947
Debt servicing	35,729	2,988	38,717	39,725
Total Expenses	\$ 3,711,940	\$ 13,869,776	\$ 17,581,716	\$ 17,604,672
Net Income (loss)	\$ 92,185	\$ (491,551)	\$ (399,366)	\$ (110,270)

18. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2015

21. SEGMENT DISCLOSURE

The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 2. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. This segment results for the period are as follows:

	Education		Health		Economic Development		Housing		Community Services	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
REVENUE										
Federal Government	\$ 4,680,497	\$ 4,525,718	\$ 2,877,223	\$ 2,678,813	\$ -	\$ -	\$ 97,771	\$ 107,798	\$ 1,123,098	\$ 1,171,485
Provincial Government	220,652	178,286	154,000	106,745	-	-	-	-	(17,338)	100,650
Economic Activities	-	-	-	-	17,182,350	17,494,402	230,735	259,544	-	-
Other Revenue	(2,256)	22,564	134,361	251,500	-	-	-	-	54,229	23,702
	4,898,893	4,726,568	3,165,584	3,037,058	17,182,350	17,494,402	328,506	367,342	1,159,989	1,295,837
EXPENSES										
Salaries and benefits	1,273,833	1,471,788	1,726,188	1,741,779	1,892,489	2,024,026	-	-	382,601	239,635
Amortization	255,732	254,577	236,258	256,884	222,739	244,536	149,832	174,038	1,313,491	1,435,752
Debt Servicing	-	515	-	-	38,717	39,725	73,412	84,005	219,199	213,089
Other Expenses	3,234,985	3,164,184	1,371,245	1,284,468	15,427,774	15,296,383	78,685	87,268	677,033	990,329
	4,764,550	4,891,064	3,333,691	3,283,131	17,581,719	17,604,670	301,929	345,311	2,592,324	2,878,805
SURPLUS (DEFICIT)	\$ 134,343	\$ (164,496)	\$ (168,107)	\$ (246,073)	\$ (399,369)	\$ (110,268)	\$ 26,577	\$ 22,031	\$ (1,432,335)	\$ (1,582,968)
	Social Services		Band Government		Other		Consolidated Total			
	2015	2014	2015	2014	2015	2014	2015	2014		
REVENUE										
Federal Government	\$ 3,754,392	\$ 3,608,812	\$ 860,279	\$ 883,440	\$ 721,607	\$ 545,139	\$ 14,114,868	\$ 13,521,206		
Provincial Government	-	-	-	-	2,635,789	2,329,203	2,993,104	2,714,886		
Economic Activities	-	-	-	-	834,413	890,972	18,247,498	18,644,918		
Other Revenue	-	-	20,476	761	1,524,762	1,411,989	1,731,572	1,710,517		
	3,754,392	3,608,812	880,755	884,201	5,716,571	5,177,305	37,087,042	36,591,527		
EXPENSES										
Salaries and benefits	372,058	216,320	229,740	317,221	2,145,315	1,806,325	8,022,224	7,817,094		
Amortization	20,085	20,085	14,356	14,356	94,591	65,277	2,307,084	2,465,505		
Debt Servicing	-	-	-	-	188,428	179,670	519,756	517,004		
Other Expenses	3,322,085	3,493,281	647,646	609,662	2,403,683	2,078,065	27,163,138	27,003,640		
	3,714,228	3,729,686	891,742	941,239	4,832,017	4,129,337	38,012,202	37,803,243		
SURPLUS (DEFICIT)	\$ 40,164	\$ (120,874)	\$ (10,987)	\$ (57,038)	\$ 884,554	\$ 1,047,968	\$ (925,160)	\$ (121,716)		