

MALISEET NATION AT TOBIQUE
Consolidated Financial Statements
Year Ended March 31, 2023

MALISEET NATION AT TOBIQUE
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Year Ended March 31, 2023

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Management Report

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Maliseet Nation at Tobique are the responsibility of management and have been approved by Chief and Council.

The consolidated financial statements have been prepared by management 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 and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The First Nation's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The First Nation's 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 consolidated financial statements and the external auditor's report.

The external auditors, Teed Saunders Doyle, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Maliseet Nation at Tobique and meet when required.

Approved by the Council of the First Nation:



Chief



Council

INDEPENDENT AUDITOR'S REPORT

To the Chief and Band Councilors's of Maliseet Nation at Tobique

Opinion

We have audited the consolidated financial statements of Maliseet Nation at Tobique (the First Nation), which comprise the which comprise the consolidated statements of financial position as at March 31, 2023, and the consolidated statements of operations and, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Teed Saunders Doyle

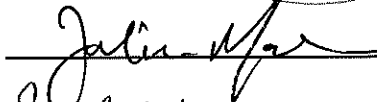
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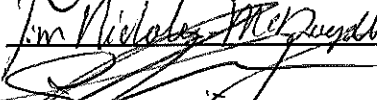
CHARTERED PROFESSIONAL ACCOUNTANTS

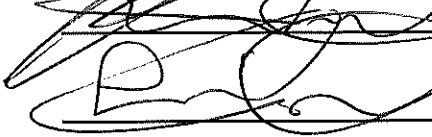
MALISEET NATION AT TOBIQUE
Consolidated Financial Statements Review and Approval
Year Ended March 31, 2023

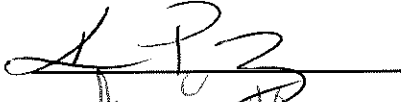
The accompanying financial statements of Maliseet Nation at Tobique are the responsibility of management and have been reviewed and approved by:

 Chief

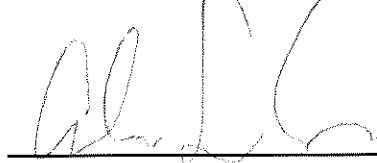
 Councilor

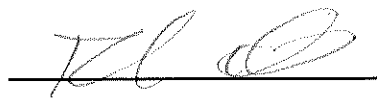
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MALISEET NATION AT TOBIQUE
Consolidated Statement of Financial Position
Year Ended March 31, 2023

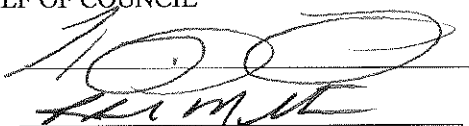
| | 2023 | 2022 |
|--|----------------------|----------------------|
| FINANCIAL ASSETS | | |
| Cash and cash equivalents <i>(Note 3)</i> | \$ 15,071,684 | \$ 17,153,373 |
| Accounts receivable <i>(Note 4)</i> | 11,386,857 | 6,948,410 |
| Inventory | 309,492 | 303,468 |
| Trust funds held by federal governments <i>(Note 5)</i> | 37,616 | 36,489 |
| Investments held in trust <i>(Note 19)</i> | 2,339,388 | 3,464,568 |
| Investment in government business enterprise <i>(Note 12)</i> | 4,874,233 | 5,899,710 |
| Due from related parties <i>(Note 21)</i> | 135,788 | 642,764 |
| | <u>34,155,058</u> | <u>34,448,782</u> |
| LIABILITIES | | |
| Accounts payable <i>(Note 7)</i> | 7,400,368 | 9,269,030 |
| Line of credit <i>(Note 10)</i> | 14,012,808 | 14,457,164 |
| Deferred revenue <i>(Note 8)</i> | 14,646,577 | 16,501,929 |
| Long term debt <i>(Note 11)</i> | 8,795,811 | 10,682,910 |
| Deferred contributions related to Economic Development Trust Funds <i>(Note 19)</i> | 2,339,388 | 3,464,568 |
| | <u>47,194,952</u> | <u>54,375,601</u> |
| NET DEBT | <u>(13,039,894)</u> | <u>(19,926,819)</u> |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets <i>(Note 16)</i> | 77,478,871 | 72,545,908 |
| Prepaid expenses <i>(Note 6)</i> | 208,078 | 245,598 |
| | <u>77,686,949</u> | <u>72,791,506</u> |
| ACCUMULATED SURPLUS | <u>\$ 64,647,055</u> | <u>\$ 52,864,687</u> |

Contingencies (Note 18)

ON BEHALF OF COUNCIL

Chief

Councilor



MALISEET NATION AT TOBIQUE
Consolidated Statement of Changes in Net Debt
Year Ended March 31, 2023

| | 2023 | 2022 |
|--|------------------------|------------------------|
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | \$ 11,722,082 | \$ 9,264,013 |
| Acquisition of tangible capital assets | (8,618,300) | (8,801,661) |
| Amortization of tangible capital assets | 3,628,211 | 3,053,124 |
| Disposal of tangible capital assets | 57,126 | - |
| Change in replacement reserve | 60,286 | 59,523 |
| (Increase) decrease in prepaid expenses | <u>37,520</u> | <u>(37,725)</u> |
| (INCREASE) DECREASE IN NET DEBT | 6,886,925 | 3,537,274 |
| NET DEBT - BEGINNING OF YEAR | <u>(19,926,819)</u> | <u>(23,464,093)</u> |
| NET DEBT - END OF YEAR | <u>\$ (13,039,894)</u> | <u>\$ (19,926,819)</u> |

MALISEET NATION AT TOBIQUE
Consolidated Statement of Operations
Year Ended March 31, 2023

| | Budget 2023 (unaudited) | Actual 2023 | Actual 2022 |
|---|-------------------------------|----------------------|---------------------|
| REVENUE | | | |
| Indigenous Services Canada (Note 9) | \$ 19,706,870 | \$ 30,900,443 | \$ 24,009,791 |
| Canada Mortgage and Housing Corporation (CMHC) | - | 1,412,532 | 1,315,839 |
| Department of Fisheries and Oceans Canada | - | 2,067,097 | 1,583,600 |
| Health Canada | - | 6,093,629 | 6,635,285 |
| Maliseet Capital Construction | - | 813,359 | 994,410 |
| Maliseet Gas Bar Ltd. | 4,994,754 | 6,579,659 | 5,048,015 |
| Other (Note 23) | 5,141,083 | 13,449,753 | 11,425,318 |
| Province of New Brunswick | 685,000 | 2,639,296 | 1,938,022 |
| Tobique High Stakes V.T. | 5,636,322 | 9,509,622 | 6,562,695 |
| Tobique Truck Stop | 1,611,075 | 1,469,378 | 1,544,773 |
| Net income from government business enterprises | 1,419,308 | 204,897 | 351,810 |
| | <u>39,194,412</u> | <u>75,139,665</u> | <u>61,409,558</u> |
| EXPENSES | | | |
| Band administration | 1,155,537 | 1,276,369 | 4,021,397 |
| CMHC | - | 482,523 | 434,719 |
| Capital | 3,167,757 | 5,226,360 | 3,880,458 |
| Education | 7,398,664 | 7,693,303 | 7,319,928 |
| Health | - | 7,302,790 | 5,337,010 |
| Maliseet Capital Construction | - | 429,919 | 266,124 |
| Maliseet Gas Bar Ltd. | 4,792,817 | 6,441,064 | 5,100,521 |
| Own source (Note 24) | 5,315,261 | 14,018,404 | 10,847,261 |
| Social assistance | 7,984,911 | 9,029,973 | 6,392,172 |
| Tobique High Stakes V.T. | 5,595,441 | 9,522,395 | 6,487,789 |
| Tobique Truck Stop | 1,049,786 | 1,994,483 | 2,058,166 |
| | <u>36,460,174</u> | <u>63,417,583</u> | <u>52,145,545</u> |
| EXCESS OF REVENUE OVER EXPENSES | <u>\$ 2,734,238</u> | <u>\$ 11,722,082</u> | <u>\$ 9,264,013</u> |

MALISEET NATION AT TOBIQUE
Consolidated Statement of Cash Flows
Year Ended March 31, 2023

| | 2023 | 2022 |
|--|----------------------|----------------------|
| OPERATING ACTIVITIES | | |
| Excess of revenue over expenses | \$ 11,722,082 | \$ 9,264,013 |
| Items not affecting cash: | | |
| Amortization | 3,628,211 | 3,053,124 |
| Disposal of tangible capital assets | 57,126 | - |
| | <u>15,407,419</u> | <u>12,317,137</u> |
| Changes in non-cash working capital: | | |
| Accounts receivable | (4,438,447) | 744,982 |
| Inventory | (6,024) | 9,942 |
| Accounts payable | (1,875,440) | 1,262,395 |
| Deferred revenue | (1,855,352) | 3,637,651 |
| Prepaid expenses | 37,520 | (37,725) |
| | <u>(8,137,743)</u> | <u>5,617,245</u> |
| | <u>7,269,676</u> | <u>17,934,382</u> |
| INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (8,618,300) | (8,801,661) |
| Trust funds held by federal governments | (1,127) | (689) |
| Investment in government business enterprise | 1,025,477 | (933,942) |
| Due from related parties | 514,976 | (3,266) |
| Change in replacement reserve | 60,286 | 59,523 |
| | <u>(7,018,688)</u> | <u>(9,680,035)</u> |
| FINANCING ACTIVITIES | | |
| Line of credit | (444,356) | (417,387) |
| Proceeds from long term debt | - | 1,699,385 |
| Repayment of long term debt | (1,887,100) | (890,033) |
| | <u>(2,331,456)</u> | <u>391,965</u> |
| INCREASE (DECREASE) IN CASH | <u>(2,080,468)</u> | <u>8,646,312</u> |
| CASH - BEGINNING OF YEAR | <u>17,152,152</u> | <u>8,507,061</u> |
| CASH - END OF YEAR | <u>\$ 15,071,684</u> | <u>\$ 17,153,373</u> |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

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 CPA Canada.

Reporting entity

The Maliseet Nation at Tobique reporting entity includes the Maliseet Nation at Tobique First Nation government and all related entities that are controlled by the First Nation.

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.

Use of estimates

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
- determination of allowances for doubtful receivables

(continues)

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

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

Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Financial Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only the Maliseet Nation at Tobique's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the Maliseet Nation at Tobique.

Organizations consolidated in the Maliseet Nation at Tobique's financial statements include:

- Band administration programs
- CMHC
- Capital programs
- Education programs
- Health programs
- Maliseet Gas Bar Ltd.
- Own source programs
- Social assistance programs
- Tobique High Stakes V.T.
- Tobique Truck Stop (710331 N.B. Inc.)
- Maliseet Capital Construction

The consolidated statements also include an investment in the John W. Jamer Ltd., Tribal ReLeaf, Victoria Motel Co. Ltd., Wocawson Energy LP and Burchill Wind LP (note 11) using the modified equity method.

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.

(continues)

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

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

Inventories for resale

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

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.

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.

Income taxes

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

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).

(continues)

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

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.

Adoption of new standards

The First Nation has prospectively adopted the following standards from April 1, 2022: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3450 Financial Instruments and PS 3280 Asset Retirement Obligations. The adoption of these new standards did not have a material impact on the consolidated financial statements.

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents is comprised of the following:

| | <u>2023</u> | <u>2022</u> |
|----------------------------|-----------------------------|-----------------------------|
| Restricted | | |
| CMHC - Operating reserve | \$ 150,575 | \$ 147,620 |
| CMHC - Replacement reserve | 346,739 | 340,316 |
| Economic development funds | 5,876,141 | 2,376,000 |
| FNFA reserve | <u>744,571</u> | <u>705,619</u> |
| Subtotal | 7,118,026 | 3,569,555 |
| Unrestricted | | |
| Operating | <u>7,953,658</u> | <u>13,583,818</u> |
| | <u>\$ 15,071,684</u> | <u>\$ 17,153,373</u> |

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

| | <u>2023</u> | <u>2022</u> |
|------------------------------------|-----------------------------|----------------------------|
| Due from members: | | |
| Due from others: | | |
| Indigenous Services Canada | \$ 6,526,287 | \$ 4,217,672 |
| Department of Fisheries and Oceans | 1,754,034 | 211,860 |
| Province of New Brunswick | 128,129 | 417,007 |
| Other | <u>2,978,407</u> | <u>2,101,871</u> |
| | <u>\$ 11,386,857</u> | <u>\$ 6,948,410</u> |

5. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

| | <u>March 31, 2022</u> | <u>Additions</u> | <u>Withdrawals</u> | <u>March 31, 2023</u> |
|---------|-------------------------|------------------------|--------------------|-------------------------|
| Revenue | \$ 31,064 | \$ 1,127 | \$ - | \$ 32,191 |
| Capital | 5,425 | - | - | 5,425 |
| | <u>\$ 36,489</u> | <u>\$ 1,127</u> | <u>\$ -</u> | <u>\$ 37,616</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, 2023

6. PREPAID EXPENSES

| | <u>2023</u> | <u>2022</u> |
|---------------|-------------------|-------------------|
| Insurance | \$ 21,025 | \$ 42,025 |
| Payroll | - | 34,391 |
| Program costs | 103,090 | - |
| Deposits | 76,125 | 10,000 |
| Other | 7,838 | 159,182 |
| | <u>\$ 208,078</u> | <u>\$ 245,598</u> |

7. ACCOUNTS PAYABLE

| | <u>2023</u> | <u>2022</u> |
|------------------------|---------------------|---------------------|
| Suppliers and accruals | \$ 2,790,536 | \$ 2,837,194 |
| HST | 1,675,466 | 1,456,514 |
| Payroll deductions | 2,925,055 | 4,966,685 |
| Accrued interest | 9,311 | 8,637 |
| | <u>\$ 7,400,368</u> | <u>\$ 9,269,030</u> |

8. DEFERRED REVENUE

| | <u>2023</u> | <u>2022</u> |
|-------------------------------|----------------------|----------------------|
| Indigenous Services Canada | \$ 8,212,404 | \$ 11,102,864 |
| Health Canada | 5,092,859 | 3,730,518 |
| CMHC Rapid Housing Initiative | - | 1,195,971 |
| Other | 1,341,314 | 472,576 |
| | <u>\$ 14,646,577</u> | <u>\$ 16,501,929</u> |

9. RECONCILIATION OF INDIGENOUS SERVICES CANADA (ISC) FUNDING

| | <u>2023</u> | <u>2022</u> |
|---|----------------------|----------------------|
| ISC Funding per Consolidated Financial Statements | \$ 30,900,443 | \$ 24,009,791 |
| Add: Current year deferred revenue | 8,212,404 | 11,102,864 |
| Less: Tuition agreement deficit recovery | (543,886) | (622,770) |
| Less: Prior year deferred revenue | (11,102,864) | (9,232,073) |
| Plus: Health Canada programs | 7,455,971 | 8,423,469 |
| | <u>\$ 34,922,068</u> | <u>\$ 33,681,281</u> |
| Funding per ISC revenue confirmation | | |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

10. LINE OF CREDIT

The First Nation has a \$25,348,000 line of credit with FNFA of which \$12,660,040 (2022 - \$13,026,676) was used as at March 31, 2023. Advances on the credit line bear interest at 4.45%. The line of credit is secured by a first claim on the First Nations' other revenues.

The First Nation also has an agreement with BMO for three credit facilities:

Facility #1 is authorized for \$1,110,000, is interest bearing at 3.16% and will be used to finance renovations and re-fixturing of gas bar & convenience store. \$832,768 (2022 - \$870,766) is owing at year end.

Facility #2 is authorized for \$650,000, is interest bearing at prime plus 1.5% and will be used to payout temporary financing of gas bar equipment. \$520,000 (2022 - \$559,722) is owing at year end.

Facility #3 is authorized for \$250,000, is interest bearing at prime plus 1.5% and can be accessed for operating financing.

11. LONG TERM DEBT

| | <u>2023</u> | <u>2022</u> |
|--|--------------|--------------|
| Indigenous Services Canada loan bearing interest at 6.09% per annum, repayable in monthly blended payments of \$34,000. The loan matures on July 1, 2025 and is secured by a general security agreement. | \$ 1,028,445 | \$ 1,354,179 |
| Scotiabank loan bearing interest at prime plus 1% per annum, repayable in monthly blended payments of \$1,667. The loan was repaid during the year. | - | 14,983 |
| Indigenous Services Canada loan bearing interest at 0% per annum, repayable in monthly blended payments of \$11,200. The loan matures with repaid and is secured by a general security agreement. | 2,829,059 | 2,829,059 |
| CMHC mortgage bearing interest at 1.13% per annum, repayable in monthly blended payments of \$2,339. The loan matures on June 1, 2026 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 462,749 | 485,459 |
| CMHC mortgage bearing interest at 1.01% per annum, repayable in monthly blended payments of \$2,378. The loan matures on August 1, 2026 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 357,906 | 382,695 |
| CMHC loan bearing interest at 0.69% per annum, repayable in monthly blended payments of \$3,052. The loan matures on June 1, 2025 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 325,972 | 359,503 |
| CMHC mortgage bearing interest at 2.61% per annum, repayable in monthly blended payments of \$2,579. The loan matures on December 1, 2023 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 419,093 | 438,879 |

(continues)

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

11 LONG TERM DEBT *(continued)*

| | 2023 | 2022 |
|---|------------------|-------------|
| Peace Hills Trust loan bearing interest at 8% per annum, repayable in monthly blended payments of \$872. The loan matures on December 16, 2024 and is secured by a vehicle. | 17,933 | 26,582 |
| Peace Hills Trust loan bearing interest at 6% per annum, with interest only payments commencing 30 days after funds are advanced. The loan was repaid during the year. | - | 800,000 |
| Peace Hills Trust loan bearing interest at 3.95% per annum, repayable in monthly blended payments of \$632. The loan was repaid during the year. | - | 29,430 |
| BMO - CEBA interest-free loan with no principal repayments, (with \$10,000 forgiven if \$30,000 repaid by January 18, 2024 or convert to a 5% monthly interest-only term loan on January 18, 2024 with \$40,000 principal repayment to be repaid in full by December 31, 2026). | 40,000 | 40,000 |
| Peace Hills Trust loan bearing interest at 3.95% per annum, repayable in monthly blended payments of \$2,140. The loan was repaid during the year. | - | 14,145 |
| Peace Hills Trust loan bearing interest at 3.95% per annum, repayable in monthly blended payments of \$1,319. The loan was repaid during the year. | - | 8,797 |
| CMHC loan bearing interest at 1.12% per annum, repayable in monthly blended payments of \$1,483. The loan matures on July 1, 2026 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 58,194 | 75,235 |
| Peace Hills Trust mortgage bearing interest at 3.95% per annum, repayable in monthly blended payments of \$3,521. The loan matures on August 1, 2024 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 239,694 | 272,001 |
| CMHC mortgage bearing interest at 0.76% per annum, repayable in monthly blended payments of \$1,978. The loan matures on December 1, 2025 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 118,401 | 141,142 |
| CMHC mortgage bearing interest at 3.29% per annum, repayable in monthly blended payments of \$385. The loan matures on April 1, 2027 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 17,634 | 21,681 |
| Peace Hills Trust loan bearing interest at prime plus 3.95% per annum, repayable in monthly blended payments of \$45,000. The loan matures on March 31, 2028 and is secured by a general security agreement. | 2,440,127 | 2,846,143 |

(continues)

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

11 LONG TERM DEBT *(continued)*

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|----------------------|
| CMHC mortgage bearing interest at 3.29% per annum, repayable in monthly blended payments of \$1,085. The loan matures on August 1, 2027 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 53,469 | 64,767 |
| Peace Hills Trust loan bearing interest at 3.95% per annum, repayable in monthly blended payments of \$6,170. The loan matures on March 31, 2028 and is secured by a general security agreement. | 332,859 | 393,226 |
| CMHC loan bearing interest at 0.62% per annum, repayable in monthly blended payments of \$1,384. The loan matures on December 1, 2020 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 15,654 | 31,212 |
| CMHC loan bearing interest at 1.04% per annum, repayable in monthly blended payments of \$1,480. The loan matures on October 1, 2021 and is secured by a Ministerial Guarantee and first mortgage on buildings. | 38,622 | 53,792 |
| | <u>\$ 8,795,811</u> | <u>\$ 10,682,910</u> |

Principal repayment terms are approximately:

| | |
|------------|---------------------|
| 2024 | \$ 1,642,570 |
| 2025 | 1,421,724 |
| 2026 | 1,393,124 |
| 2027 | 1,450,665 |
| 2028 | 730,669 |
| Thereafter | 2,157,059 |
| | <u>\$ 8,795,811</u> |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

12. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| <u>John W. Jamer Ltd.</u> | | |
| Balance, beginning of year | \$ 1,094,465 | \$ 1,034,752 |
| Current year equity (deficit) pick-up | <u>(141,569)</u> | <u>59,713</u> |
| | <u>952,896</u> | <u>1,094,465</u> |
| <u>Wocawson Energy LP & GP</u> | | |
| Balance, beginning of year | 4,311,804 | 4,302,597 |
| Current year equity pick-up | 297,963 | 284,199 |
| Current year income distributions | <u>(1,230,375)</u> | <u>(274,992)</u> |
| | <u>3,379,392</u> | <u>4,311,804</u> |
| <u>Tribal ReLeaf</u> | | |
| Balance, beginning of year | (350,367) | (371,582) |
| Current year equity pickup | <u>350,367</u> | <u>21,215</u> |
| | <u>-</u> | <u>(350,367)</u> |
| <u>Victoria Motel Co. Ltd.</u> | | |
| Balance, beginning of year | 848,948 | - |
| Purchase price | - | 857,124 |
| Current year equity (deficit) pickup | <u>293,028</u> | <u>(8,176)</u> |
| | <u>1,141,976</u> | <u>848,948</u> |
| <u>Burchill Wind LP</u> | | |
| Balance, beginning of year | (5,140) | - |
| Current year equity (deficit) pickup | <u>(594,891)</u> | <u>(5,140)</u> |
| | <u>(600,031)</u> | <u>(5,140)</u> |
| | <u>\$ 4,874,233</u> | <u>\$ 5,899,710</u> |

13. BUDGETED FIGURES

Budget figures have been provided for comparison purpose and are unaudited.

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

14. EXPENSES BY OBJECT

| | 2023 | 2022 |
|-------------------------------|----------------------|----------------------|
| Amortization | \$ 3,628,211 | \$ 3,053,124 |
| Bad debt | 4,350 | - |
| Consulting fees | 3,006,096 | 600,047 |
| Cost of goods sold | 13,456,694 | 9,582,532 |
| Distributions to Band members | 637,159 | 805,875 |
| Insurance | 469,236 | 446,951 |
| Interest and bank charges | 273,862 | 483,843 |
| Interest on long term debt | 630,235 | 684,246 |
| Office | 1,475,050 | 690,078 |
| Other | 8,279,339 | 6,587,011 |
| Professional fees | 3,589,489 | 1,779,645 |
| Repairs and maintenance | 669,619 | 555,974 |
| Salaries and wages | 14,740,187 | 14,033,113 |
| Social assistance | 5,235,676 | 6,300,379 |
| Supplies | 1,418,223 | 1,494,389 |
| Travel and vehicle | 802,728 | 452,514 |
| Tuition and allowances | 4,320,860 | 3,874,544 |
| Utilities, fuel and telephone | 780,569 | 721,280 |
| | <u>\$ 63,417,583</u> | <u>\$ 52,145,545</u> |

15. CASH - CMHC REPLACEMENT RESERVE

Under the terms of the funding agreements with CMHC, the Replacement Reserve is to be credited with an annual allocation of \$60,286 along with accumulated interest which must be held in a separate bank account and/or invested in accounts or instruments insured by the 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. Expenditures are charged to accumulated interest first and then to principal.

| | 2023 | 2022 |
|----------------------------|-------------------|-------------------|
| Balance, beginning of year | \$ 399,771 | \$ 340,248 |
| Contributions | 60,286 | 59,523 |
| Balance, end of year | <u>\$ 460,057</u> | <u>\$ 399,771</u> |

As at March 31, 2023 the replacement reserve was underfunded by \$113,317 (2022 - \$59,455).

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

16. TANGIBLE CAPITAL ASSETS

| | Cost | | | | | Accumulated Amortization | | | | Net Book Value | |
|--------------------------------|-----------------------|---------------------|------------------|---------------------|-----------------------|--------------------------|---------------------|------------------------------------|----------------------|----------------------|----------------------|
| | Opening Balance | Additions | Disposals | Transfers of Assets | Closing Balance | Opening Balance | Amortization | Disposals, Write-offs & Other adj. | Closing Balance | 2023 | 2022 |
| Tangible Capital Assets | | | | | | | | | | | |
| Commercial Land | \$ 3,040,000 | \$ - | \$ - | \$ - | \$ 3,040,000 | \$ - | \$ - | \$ - | \$ - | \$ 3,040,000 | \$ 3,040,000 |
| Commercial buildings | 38,531,443 | 217,818 | - | - | 38,749,261 | 13,290,664 | 1,055,274 | - | 14,345,938 | 24,403,323 | 25,240,779 |
| Residential land | 156,456 | 2,000 | - | - | 158,456 | - | - | - | - | 158,456 | 156,456 |
| Residential buildings | 29,576,475 | 1,830,240 | - | 1,186,595 | 32,593,310 | 11,761,616 | 712,603 | - | 12,474,219 | 20,119,091 | 17,814,859 |
| Boats | 1,826,254 | - | - | - | 1,826,254 | 431,986 | 209,140 | - | 641,126 | 1,185,128 | 1,394,268 |
| Vehicles | 2,171,687 | 521,772 | 67,207 | - | 2,626,252 | 1,369,900 | 308,031 | (10,081) | 1,667,850 | 958,402 | 801,787 |
| Shoreline erosion | 6,801,272 | 293,315 | - | - | 7,094,587 | 1,271,024 | 173,698 | - | 1,444,722 | 5,649,865 | 5,530,248 |
| Computer equipment | 91,768 | - | - | - | 91,768 | 89,117 | 1,458 | - | 90,575 | 1,193 | 2,651 |
| Other equipment | 4,770,281 | 568,877 | - | - | 5,339,158 | 3,199,406 | 376,000 | - | 3,575,406 | 1,763,752 | 1,570,875 |
| Roads | 10,209,198 | 137,000 | - | - | 10,346,198 | 2,527,229 | 321,925 | - | 2,849,154 | 7,497,044 | 7,681,969 |
| Infrastructure | 5,503,615 | 4,868,278 | - | 6,042,814 | 16,414,707 | 3,517,008 | 470,082 | - | 3,987,090 | 12,427,617 | 1,986,607 |
| Assets under construction | 7,325,409 | 179,000 | - | (7,229,409) | 275,000 | - | - | - | - | 275,000 | 7,325,409 |
| Total | \$ 110,003,858 | \$ 8,618,300 | \$ 67,207 | \$ - | \$ 118,554,951 | \$ 37,457,950 | \$ 3,628,211 | \$ (10,081) | \$ 41,076,080 | \$ 77,478,871 | \$ 72,545,908 |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

17. GOVERNMENT TRANSFERS

| | Operating | Capital | 2023 |
|---|---------------|--------------|---------------|
| Indigenous Services Canada | \$ 23,077,438 | \$ 7,823,005 | \$ 30,900,443 |
| Health Canada | 6,093,629 | - | 6,093,629 |
| Canada Mortgage and Housing Corporation | 1,412,532 | - | 1,412,532 |
| Department of Fisheries and Oceans Canada | 2,067,097 | - | 2,067,097 |
| Federal government transfers | 32,650,696 | 7,823,005 | 40,473,701 |
| Provincial government transfers | 2,639,296 | - | 2,639,296 |
| Total government transfers | \$ 35,289,992 | \$ 7,823,005 | \$ 43,112,997 |

| | Operating | Capital | 2022 |
|---|---------------|--------------|---------------|
| Indigenous Services Canada | \$ 19,462,671 | \$ 4,547,120 | \$ 24,009,791 |
| Health Canada | 6,635,285 | - | 6,635,285 |
| Canada Mortgage and Housing Corporation | 1,315,839 | - | 1,315,839 |
| Department of Fisheries and Oceans Canada | 1,583,600 | - | 1,583,600 |
| Federal government transfers | 28,997,395 | 4,547,120 | 33,544,515 |
| Provincial government transfers | 1,938,022 | - | 1,938,022 |
| Total government transfers | \$ 30,935,417 | \$ 4,547,120 | \$ 35,482,537 |

18. 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.

19. INVESTMENTS HELD IN TRUST

During fiscal year ended March 31, 2017 the First Nation settled an outstanding land claim with the Federal Government of Canada. A portion of the claim has been set aside in an economic development trust managed by a third party trustee for the benefit of the band and its members. Through an extensive approval process the trustee has the ability to approve the release of the trust funds to the First Nation for economic development projects that benefit the band and its members.

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

20. INVESTMENT IN COMMERCIAL ENTERPRISES

The commercial enterprises are included in the First Nation reporting entity, as described in note 2 - Principles of consolidation includes:

Maliseet Gas Bar Ltd. - fully consolidated
Tobique High Stakes V.T. - fully consolidated
Tobique Truck Stop - fully consolidated
John W. Jamer Ltd. - modified equity
Wocawson Energy LP - modified equity (51% ownership)
Victoria Motel Co. Ltd. - modified equity
Burchill Wind LP - modified equity (51% ownership)
Maliseet Capital Construction - fully consolidated
Commerical Forestry Operations - fully consolidated
Commerical Fisheries Operations - fully consolidated

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

| | Maliseet Gas Bar Ltd. 2023 | Tobique High Stakes V.T. 2023 | Tobique Truck Stop 2023 | John W. Jamer Ltd. 2023 |
|---|-------------------------------|----------------------------------|----------------------------|----------------------------|
| ASSETS | | | | |
| Cash | \$ 505,266 | \$ 460,754 | \$ - | \$ - |
| Accounts receivable | 800,534 | 261,787 | 31,126 | 142,707 |
| Inventory | 204,348 | - | 105,144 | 210,054 |
| Tangible capital assets | 1,839,559 | 1,639,573 | 5,685,924 | 277,890 |
| Other assets | 3,494 | - | 3,344 | 5,287 |
| | <u>3,353,201</u> | <u>2,362,114</u> | <u>5,825,538</u> | <u>635,938</u> |
| LIABILITIES | | | | |
| Accounts payable | 1,066,141 | 1,346,306 | 7,909,515 | 196,547 |
| Current portion of long term debt | - | - | - | - |
| Debt facilities | 1,392,768 | - | 63,639 | 169,306 |
| Deferred income | 231,736 | 63,998 | - | - |
| | <u>2,690,645</u> | <u>1,410,304</u> | <u>7,973,154</u> | <u>365,853</u> |
| ACCUMULATED SURPLUS (DEFICIT) | <u>662,556</u> | <u>951,810</u> | <u>(2,153,616)</u> | <u>270,085</u> |
| | <u>\$ 3,353,201</u> | <u>\$ 2,362,114</u> | <u>\$ 5,819,538</u> | <u>\$ 635,938</u> |
| REVENUE | <u>\$ 6,579,659</u> | <u>\$ 9,509,622</u> | <u>\$ 1,469,378</u> | <u>\$ 963,701</u> |
| EXPENSES | | | | |
| Expenses | 6,345,412 | 9,385,339 | 1,662,954 | 1,051,866 |
| Amortization | 89,350 | 195,776 | 177,404 | 47,875 |
| Debt Servicing | 66,301 | 1,280 | 154,124 | 5,528 |
| | <u>6,501,063</u> | <u>9,582,395</u> | <u>1,994,482</u> | <u>1,105,269</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | <u>\$ 78,596</u> | <u>\$ (72,773)</u> | <u>\$ (525,104)</u> | <u>\$ (141,568)</u> |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

20. INVESTMENT IN COMMERCIAL ENTERPRISES *(continued)*

| | Wocawson Energy LP (51%) 2023 | Maliseet Capital Construction 2023 | Victoria Motel Co. Ltd. 2023 | Burchill Wind LP (51%) 2023 |
|---|-------------------------------------|--|---------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash | \$ 746,697 | \$ 203,983 | \$ 351,640 | \$ 6,762,291 |
| Accounts receivable | 417,669 | 569,593 | 32,786 | 1,615,841 |
| Inventory | - | - | 1,401 | - |
| Tangible capital assets | 20,044,324 | 349,606 | 172,846 | 19,014,080 |
| Other assets | 58,033 | - | 23,461 | - |
| | <u>21,266,723</u> | <u>1,123,182</u> | <u>582,134</u> | <u>27,392,212</u> |
| LIABILITIES | | | | |
| Accounts payable | 248,027 | 6,506 | 98,894 | 3,557,587 |
| Current portion of long term debt | 581,574 | - | - | - |
| Debt facilities | 16,542,639 | - | - | - |
| Deferred income | - | - | - | - |
| | <u>17,372,240</u> | <u>6,506</u> | <u>98,894</u> | <u>3,557,587</u> |
| ACCUMULATED SURPLUS (DEFICIT) | <u>3,894,483</u> | <u>1,116,676</u> | <u>483,240</u> | <u>23,809,125</u> |
| | <u>\$ 21,266,723</u> | <u>\$ 1,123,182</u> | <u>\$ 582,134</u> | <u>\$ 27,366,712</u> |
| REVENUE | <u>\$ 2,792,634</u> | <u>\$ 813,359</u> | <u>\$ 775,381</u> | <u>\$ 413,114</u> |
| EXPENSES | | | | |
| Expenses | 645,176 | 389,441 | 519,147 | 17,660 |
| Amortization | 1,111,445 | 40,478 | 17,206 | - |
| Debt Servicing | 734,764 | - | - | 990,345 |
| | <u>2,491,385</u> | <u>429,919</u> | <u>536,353</u> | <u>1,008,005</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | <u>\$ 301,249</u> | <u>\$ 383,440</u> | <u>\$ 239,028</u> | <u>\$ (594,891)</u> |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

20. INVESTMENT IN COMMERCIAL ENTERPRISES (continued)

| | Commercial Forestry Operations 2023 | Commercial Fisheries Operations 2023 | Total 2023 | 2022 |
|---|---|--|---------------|---------------|
| ASSETS | | | | |
| Cash | \$ - | \$ - | \$ 9,030,631 | \$ 23,032,226 |
| Accounts receivable | - | - | 3,872,043 | 3,637,314 |
| Inventory | - | - | 520,947 | 493,807 |
| Tangible capital assets | - | 1,755,485 | 50,779,287 | 47,054,150 |
| Other assets | - | - | 93,619 | 96,570 |
| | - | 1,755,485 | 64,296,527 | 74,314,067 |
| LIABILITIES | | | | |
| Accounts payable | - | - | 14,429,523 | 16,576,243 |
| Current portion of long term debt | - | - | 581,574 | 563,019 |
| Debt facilities | - | - | 18,168,352 | 25,163,821 |
| Deferred income | - | - | 295,734 | 109,514 |
| | - | - | 33,475,183 | 42,412,597 |
| ACCUMULATED SURPLUS (DEFICIT) | - | 1,755,485 | 30,789,843 | 31,901,470 |
| | \$ - | \$ 1,755,485 | \$ 64,265,027 | \$ 74,314,067 |
| REVENUE | \$ 2,897,337 | \$ 2,603,843 | \$ 28,818,028 | \$ 22,826,608 |
| EXPENSES | | | | |
| Expenses | 1,875,092 | 1,009,193 | 22,901,280 | 18,005,908 |
| Amortization | - | 232,055 | 1,911,589 | 1,774,247 |
| Debt Servicing | - | - | 1,952,342 | 1,046,897 |
| | 1,875,092 | 1,241,248 | 26,765,211 | 20,827,052 |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | \$ 1,022,245 | \$ 1,362,595 | \$ 2,052,817 | \$ 1,999,556 |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

21. DUE FROM RELATED PARTIES

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|-------------------|-------------------|
| Due from John W. Jamer Ltd. | \$ 161,961 | \$ 161,960 |
| Due from Tribal ReLeaf | - | 456,867 |
| Due (to) from Victoria Motel Co. Ltd. | <u>(26,173)</u> | <u>23,937</u> |
| | <u>\$ 135,788</u> | <u>\$ 642,764</u> |

Advances to and from related parties are non-interest bearing and have no set repayment terms. Maliseet Nation at Tobique is the parent of John W. Jamer Ltd., Tribal ReLeaf and Victoria Motel Co. Ltd.

22. COMPARATIVE FIGURES

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

23. OTHER REVENUE

| | <u>2023</u> | <u>2022</u> |
|----------------------------|----------------------|----------------------|
| Commercial fisheries | \$ 2,603,843 | \$ 1,780,074 |
| Commercial forestry | 2,169,675 | 1,855,903 |
| Interest | 230,841 | 3,759 |
| Mawiw Council Incorporated | 1,520,604 | 1,765,064 |
| NB Power | 69,807 | 251,864 |
| Other | 2,422,989 | 1,541,710 |
| CRA interest forgiveness | 2,086,063 | - |
| Program funding | 1,867,327 | 3,414,093 |
| Administration fees | 108,000 | 101,000 |
| Rental | 370,604 | 461,851 |
| Trust funds | <u>-</u> | <u>250,000</u> |
| | <u>\$ 13,449,753</u> | <u>\$ 11,425,318</u> |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

24. OWN SOURCE EXPENSES

| | 2023 | 2022 |
|-----------------------------|----------------------|----------------------|
| Amortization | \$ 629,282 | \$ 405,190 |
| Bad debts | - | 5,955 |
| Contract work | 929,055 | 230,579 |
| Council expenses | 131,637 | 13,678 |
| Distribution to members | 432,980 | 800,875 |
| Donations | 66,512 | 57,512 |
| Education and training | 94,523 | 145,370 |
| Elder's support | 501,582 | - |
| Insurance | 176,632 | 352,367 |
| Interest and bank charges | 22,417 | 16,474 |
| Interest on debt facilities | 369,155 | 353,143 |
| Office and administration | 980,612 | 494,977 |
| Property taxes | 548,981 | - |
| Other | 922,322 | 297,033 |
| Professional fees | 1,306,700 | 792,163 |
| Repairs and maintenance | 142,605 | 177,254 |
| Salaries and wages | 4,478,842 | 4,841,401 |
| Supplies and materials | 153,161 | 119,300 |
| Travel | 190,310 | 95,146 |
| Utilities | 309,620 | 147,311 |
| Wood subcontracted | 1,631,476 | 1,501,533 |
| | <u>\$ 14,018,404</u> | <u>\$ 10,847,261</u> |

MALISEET NATION AT TOBIQUE
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

25. 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. The segment results for the period are as follows:

| | Education | | Health | | Economic Development | | Housing | | Community Services | |
|--|---------------------|---------------------|---------------------|-------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|
| | 2023 | 2022 | 2023 | 2021 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| REVENUE | | | | | | | | | | |
| Federal Government | \$ 7,256,185 | \$ 7,080,177 | \$ 6,093,629 | \$ 5,464,011 | \$ - | \$ - | \$ 182,084 | \$ 223,739 | \$ 7,823,005 | \$ 4,800,352 |
| Provincial Government | 329,699 | 231,629 | 2,000 | - | - | 4,950 | - | - | - | 664,072 |
| Economic Activities | - | - | - | - | 18,336,668 | 14,149,893 | - | - | - | - |
| Net income (loss) from government business enterprises | - | - | - | - | 204,897 | 351,810 | - | - | - | - |
| Other Revenue | 25,560 | 113,712 | 1,214,101 | 643,307 | - | - | 307,093 | 236,179 | 384,595 | 381,953 |
| | 7,611,444 | 7,425,518 | 7,309,730 | 6,107,318 | 18,541,565 | 14,506,653 | 489,177 | 459,918 | 8,207,600 | 5,846,377 |
| EXPENSES | | | | | | | | | | |
| Salaries and benefits | 2,377,546 | 2,560,963 | 2,821,584 | 2,471,832 | 2,319,468 | 1,649,975 | - | - | 1,266,961 | 902,409 |
| Amortization | 356,565 | 316,096 | 278,847 | 288,533 | 503,008 | 454,533 | 271,349 | 246,019 | 1,553,105 | 1,306,625 |
| Debt Servicing | - | - | - | - | 221,705 | 288,937 | 39,375 | 42,167 | - | - |
| Other Expenses | 4,959,192 | 4,442,869 | 4,202,359 | 2,576,645 | 15,308,329 | 11,519,155 | 171,800 | 146,533 | 2,406,294 | 1,671,524 |
| | 7,693,303 | 7,319,928 | 7,302,790 | 5,337,010 | 18,352,510 | 13,912,600 | 482,524 | 434,719 | 5,226,360 | 3,880,558 |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | \$ (81,859) | \$ 105,590 | \$ 6,940 | \$ 770,308 | \$ 189,055 | \$ 594,053 | \$ 6,653 | \$ 25,199 | \$ 2,981,240 | \$ 1,965,819 |
| | | | | | | | | | | |
| | Social Services | | Band Government | | Other | | Consolidated Total | | | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | | |
| REVENUE | | | | | | | | | | |
| Federal Government | \$ 14,556,690 | \$ 7,746,943 | \$ 1,264,562 | \$ 4,650,851 | \$ 3,297,546 | \$ 3,578,442 | \$ 40,473,701 | \$ 33,544,515 | | |
| Provincial Government | - | - | - | - | 2,307,597 | 1,037,371 | 2,639,296 | 1,938,022 | | |
| Economic Activities | - | - | - | - | - | - | 18,336,668 | 14,149,893 | | |
| Net income (loss) from government business enterprises | - | - | - | - | - | - | 204,897 | 351,810 | | |
| Other Revenue | - | 550 | - | 86,716 | 11,553,754 | 9,962,901 | 13,485,103 | 11,425,318 | | |
| | 14,556,690 | 7,747,493 | 1,264,562 | 4,737,567 | 17,158,897 | 14,578,714 | 75,139,665 | 61,409,558 | | |
| EXPENSES | | | | | | | | | | |
| Salaries and benefits | 859,791 | 661,606 | 764,791 | 1,148,412 | 4,330,046 | 4,637,916 | 14,740,187 | 14,033,113 | | |
| Amortization | 20,085 | 20,085 | 645,252 | 421,233 | - | - | 3,628,211 | 3,053,124 | | |
| Debt Servicing | - | - | - | - | 369,155 | 353,142 | 630,235 | 684,246 | | |
| Other Expenses | 8,150,098 | 5,710,481 | 495,607 | 2,856,942 | 8,725,271 | 5,450,913 | 44,418,950 | 34,375,062 | | |
| | 9,029,974 | 6,392,172 | 1,905,650 | 4,426,587 | 13,424,472 | 10,441,971 | 63,417,583 | 52,145,545 | | |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | \$ 5,526,716 | \$ 1,355,321 | \$ (641,088) | \$ 310,980 | \$ 3,734,425 | \$ 4,136,743 | \$ 11,722,082 | \$ 9,264,013 | | |