

**WOODSTOCK FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2018**

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# WOODSTOCK FIRST NATION

MARCH 31, 2018

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Woodstock First Nation are the responsibility of management and have been approved by the Chief and Council.

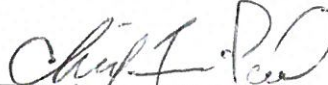
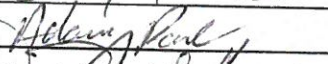


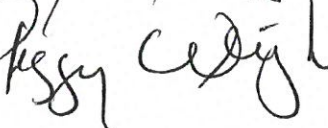
These consolidated financial statements have been prepared by management in accordance with the Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada and as such include amounts that are the best estimates and judgements of management.

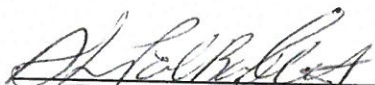
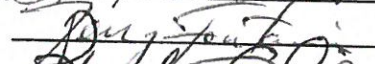
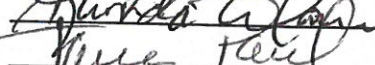

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The First Nation 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 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 & Co., 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 Woodstock First Nations and meet when required.

  
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Chief  
  
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Councilor  
  
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Councilor  
  
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Councilor  
  
Peggy Wright

  
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Councilor  
  
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\_\_\_\_\_  
Councilor



## INDEPENDENT AUDITOR'S REPORT

To the Chief, Councilors, and Community Members of the Woodstock First Nation,

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

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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 Woodstock First Nation as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Teed Saunders Doyle*

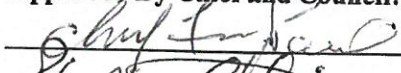



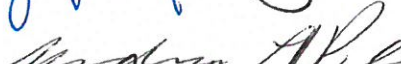
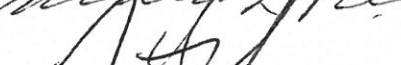
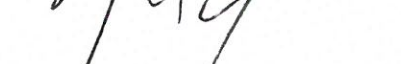

Fredericton, New Brunswick  
November 16, 2018

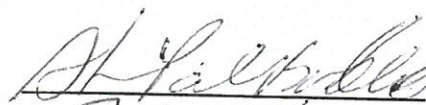

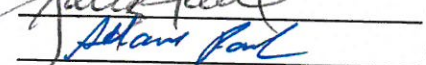


CHARTERED PROFESSIONAL ACCOUNTANTS

**WOODSTOCK FIRST NATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (note 3)	\$ 713,515	\$ 832,134
Accounts receivable (note 4)	645,406	708,759
Due from government and government organizations (note 5)	3,258,922	2,126,386
Trust funds held by federal government (note 6)	3,399	3,326
Inventories for resale (note 7)	<u>775,762</u>	<u>686,612</u>
<b>Total financial assets</b>	<u>\$ 5,397,004</u>	<u>\$ 4,357,217</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (note 10)	\$ 2,598,770	\$ 1,601,145
Due to government and government organizations (note 11)	-	79,401
Contribution funding repayable to Indigenous Services Canada (note 12)	141,171	278,485
Deferred revenue (note 13)	1,243,029	-
Long term debt (note 14)	<u>4,611,228</u>	<u>5,692,049</u>
<b>Total liabilities</b>	<u>\$ 8,594,198</u>	<u>\$ 7,651,080</u>
<b>NET DEBT</b>	<u>\$(3,197,194)</u>	<u>\$(3,293,863)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 8)	\$19,637,648	\$15,728,983
Prepaid expenses (note 16)	<u>544,972</u>	<u>556,828</u>
<b>Total non-financial assets</b>	<u>\$20,182,620</u>	<u>\$16,285,811</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$16,985,426</u>	<u>\$12,991,948</u>

**Approved By Chief and Council:**

 Chief  
 Councilor  
 Councilor  
 Councilor  
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 Councilor



**WOODSTOCK FIRST NATION**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

	<u>2018</u> <u>Budget</u>	<u>2018</u> <u>Actual</u>	<u>2017</u> <u>Actual</u>
<b>Revenue</b>			
Federal Government:			
Indigenous Services Canada (note 17)	\$ 4,038,460	\$ 7,586,407	\$ 4,803,789
Health Canada	672,643	728,663	720,856
Human Resources and Social Development Canada	429,409	434,896	430,546
Canada Mortgage and Housing Corporation	99,930	93,793	187,494
Department of Fisheries and Oceans Canada	307,617	193,742	301,417
Provincial government	1,380,402	3,059,518	2,321,786
Interest, rent and sundry	145,024	1,022,841	551,104
Deferred revenue	-	(1,243,029)	275,914
Economic Activities	<u>31,310,214</u>	<u>43,901,242</u>	<u>38,640,820</u>
<b>Total Revenue</b>	<u>38,383,699</u>	<u>55,778,073</u>	<u>48,233,726</u>
<b>Expenses</b>			
General Administration	2,692,133	4,052,824	3,564,250
Health	660,674	716,954	749,151
Operations and Maintenance	774,538	1,058,323	1,011,713
Capital	398,221	1,444,421	771,718
Education	1,761,586	2,344,402	2,117,570
Fisheries	1,874,353	1,662,086	2,132,478
Economic Development	24,998,617	38,585,709	32,226,942
Social Assistance	698,615	759,957	695,734
Child and Family Services	801,384	862,089	959,273
Forestry	<u>234,032</u>	<u>297,830</u>	<u>232,740</u>
<b>Total Expenses</b>	<u>34,894,153</u>	<u>51,784,595</u>	<u>44,461,569</u>
<b>Annual Surplus</b>	3,489,546	3,993,478	3,772,157
<b>Accumulated Surplus - Beginning of Year</b>	<u>12,991,948</u>	<u>12,991,948</u>	<u>9,219,791</u>
<b>Accumulated Surplus - End of Year</b>	<u>\$ 16,481,494</u>	<u>\$ 16,985,426</u>	<u>\$ 12,991,948</u>

**WOODSTOCK FIRST NATION**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT**  
**FOR THE YEAR ENDED MARCH 31, 2018**

	<u>2018</u> <u>Budget</u>	<u>2018</u> <u>Actual</u>	<u>2017</u> <u>Actual</u>
<b>Annual Surplus</b>	\$ <u>3,489,546</u>	\$ <u>3,993,478</u>	\$ <u>3,772,157</u>
<b>Changes in Non-Financial Assets</b>			
Acquisition of tangible capital assets	-	(4,913,946)	(2,271,817)
Disposition of tangible capital assets	-	21,000	-
Amortization of capital assets	-	1,005,281	974,245
Gain on disposal of tangible capital asset	-	(21,000)	-
Decrease (increase) in prepaid expenses	<u>-</u>	<u>11,856</u>	<u>(45,950)</u>
	<u>-</u>	<u>(3,896,809)</u>	<u>(1,343,522)</u>
<b>(Increase) Decrease In Net Debt</b>	3,489,546	96,669	2,428,635
<b>Net Debt - Beginning Of Year</b>	<u>(3,293,863)</u>	<u>(3,293,863)</u>	<u>(5,722,498)</u>
<b>Net Debt - End Of Year</b>	\$ <u>195,683</u>	\$ <u>(3,197,194)</u>	\$ <u>(3,293,863)</u>

**WOODSTOCK FIRST NATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>Cash Provided By (Required For):</b>		
<b>Operating Activities</b>		
Excess revenue over expenditures	\$ 3,993,478	\$ 3,772,157
Gain on disposal of tangible capital asset	(21,000)	-
Amortization	<u>1,005,281</u>	<u>974,245</u>
	4,977,759	4,746,402
Changes in non-cash operating working capital items (note 18)	<u>877,462</u>	<u>(754,538)</u>
	<u>5,855,221</u>	<u>3,991,864</u>
<b>Investing Activities</b>		
Capital expenditures	(4,913,948)	(2,271,816)
Proceeds from sales of assets	<u>21,000</u>	<u>-</u>
	<u>(4,892,948)</u>	<u>(2,271,816)</u>
<b>Financing Activities</b>		
Proceeds from long term debt	541,058	138,697
Repayment of long term debt	<u>(1,621,877)</u>	<u>(1,204,262)</u>
	<u>(1,080,819)</u>	<u>(1,065,565)</u>
<b>Increase (Decrease) In Cash</b>	(118,546)	654,483
<b>Cash Position at Beginning of Year</b>	<u>835,460</u>	<u>180,977</u>
<b>Cash Position at End of Year</b>	<u>\$ 716,914</u>	<u>\$ 835,460</u>
<b>Components of cash:</b>		
Cash and cash equivalents (note 3)	\$ 713,515	\$ 832,134
Operating line of credit	-	-
Funds held in trust	<u>3,399</u>	<u>3,326</u>
	<u>\$ 716,914</u>	<u>\$ 835,460</u>



**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**1. Description of Entity**

The Woodstock First Nation operates a First Nations Band in Woodstock, New Brunswick for the benefit of its members.

**2. Significant Accounting Policies**

**Basis Of Accounting**

These 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 Chartered Professional Accountants Canada.

**Reporting Entity**

The Woodstock First Nation reporting entity includes the Woodstock First Nation government, the Woodstock First Nation Economic Development Corporation, and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. The Woodstock First Nation Economic Development Corporation includes the Eagle's Nest Gaming Palace and two convenience store/gas bar operations.

**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.

Organizations consolidated in the Woodstock First Nation's financial statements include:

- General Administration
- Health Program
- Operations And Maintenance
- Capital Program
- Education Program
- Fisheries Program
- Economic Development
- Social Assistance Program
- Forestry Program

**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**2. Significant Accounting Policies (continued)**

**Asset Classification**

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

**Cash and Cash Equivalents**

The Woodstock First Nation considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash or cash equivalents.

**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 by management based on an assessment of the circumstances influencing the collectibility of amount, and by using historical loss experience. Amounts deemed uncollectible 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.

**Inventory**

Inventories are stated at the lower of cost and net realizable value. Cost includes the costs to purchase, and other costs directly attributable to the inventories. Cost is determined using the first in, first out method. Net realizable value represents the amount that may be realized from the sale of an inventory item under normal business conditions. When inventories are sold, the carrying amount of those inventories are recognized as an expense in the period in which the related revenue is recognized. The amount of any writedown of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the loss or writedown occurs. The amount of reversal of any writedowns, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

**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.

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.



**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**2. Significant Accounting Policies (continued)**

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

Buildings	4%
Fishing Vessels	20%
Wastewater treatment plant	5%
Well upgrades	10%
Equipment	20%
Vehicles	30%
Furniture and fixtures	30%
School Bus	30%
Boat equipment	20%

**Employee Future Benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries, sick leave, annual vacation leave, and defined contributions to employee benefit plans when it is probable that settlement will be required and they are capable of being measured reliably.

**Net Debt**

The First Nation's 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.

**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.

**Expense Recognition**

Expenses are recorded on the accrual basis as they are incurred and measurable based on receipt of goods or services and obligations to pay.



**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**2. Significant Accounting Policies (continued)**

**Foreign Currency Translation**

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Revenues and expenses denominated in foreign currencies are translated using the average exchange rate for the year.

**Income Taxes**

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

**Measurement Uncertainty**

In preparing the financial statements for the government of Woodstock First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

Significant estimates pertaining to these financial statements include the following:

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

**Financial Instruments**

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 and Cash Equivalents**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Woodstock First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Apartment Replacement and Subsidy Fund.

**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**3. Cash and Cash Equivalents (continued)**

Cash is comprised of the following

	<u>2018</u>	<u>2017</u>
Externally restricted		
Capital Improvements	\$ <u>609,927</u>	\$ <u>609,927</u>
Internally restricted		
Capital Planning	<u>-</u>	<u>5,229</u>
Unrestricted		
Operating	<u>103,588</u>	<u>216,978</u>
<b>Total Cash</b>	<b>\$ <u>713,515</u></b>	<b>\$ <u>832,134</u></b>

**4. Accounts Receivable**

	<u>2018</u>	<u>2017</u>
Loans	\$ 82,451	\$ 216,357
Less: allowance for doubtful accounts	<u>(82,451)</u>	<u>(130,307)</u>
	-	86,050
Wolastoquey Tribal Council	-	10,338
Forestry advances to subcontractors	4,941	80,224
Other amounts owing (net of allowance for doubtful accounts)	<u>640,465</u>	<u>532,147</u>
	<b>\$ <u>645,406</u></b>	<b>\$ <u>708,759</u></b>

**5 Due from Government and Government Organizations**

Indigenous Services Canada	1,088,637	354,198
Health Canada	-	48,124
Province of New Brunswick - Department of Finance	1,806,916	1,443,681
Department of Fisheries and Oceans	119,659	280,383
Province of New Brunswick - Department of Natural Resources	<u>243,710</u>	<u>-</u>
	<b>\$ <u>3,258,922</u></b>	<b>\$ <u>2,126,386</u></b>

**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**6. Trust Funds Held by Federal Government**

Trust fund accounts arise from moneys 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.

	<u>Opening Balance</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Closing Balance</u>	<u>2018</u>	<u>2017</u>
Revenue	\$ 3,146	\$ 73	\$ -	\$ 3,219	\$ 3,219	\$ 3,146
Capital	\$ 180	\$ -	\$ -	\$ 180	<u>180</u>	<u>180</u>
<b>Fund Total</b>					<u>\$ 3,399</u>	<u>\$ 3,326</u>

**7. Inventories for Resale**

	<u>2018</u>	<u>2017</u>
Maliseet Fuels I	\$ 201,977	\$ 156,596
Maliseet Fuels II	325,783	240,718
Cardlock	217,844	248,451
Eagle's Nest	<u>30,158</u>	<u>40,847</u>
<b>Total Inventories For Resale</b>	<u>\$ 775,762</u>	<u>\$ 686,612</u>



# 8. Tangible Capital Assets

	Cost				Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Disposals	Transfers of Assets	Opening Balance	Amortization	Disposals, Write-offs & Other adj.	Closing Balance	Total 2017
Tangible Capital Assets									
Commercial land	\$ 1,051,631	\$ 2,538,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,590,193
Commercial buildings	5,284,998	725,233	-	-	2,014,928	145,307	-	2,160,235	3,849,995
Residential buildings	7,254,186	1,290,430	-	-	2,612,606	211,472	-	2,824,078	3,270,070
Wastewater treatment plant	1,081,625	-	-	-	683,570	19,903	-	703,473	5,720,538
Fishing vessels	2,068,457	-	-	-	1,936,412	26,409	-	1,962,821	378,152
Vehicles	1,131,175	67,758	-	-	809,149	106,772	-	915,921	105,636
Furniture and fixtures	266,991	15,343	-	-	228,792	9,174	-	237,966	132,045
Computer equipment	51,022	-	-	-	26,372	4,930	-	31,302	283,013
Other equipment	1,726,845	92,676	-	-	1,126,492	129,338	-	1,255,830	44,368
Well Upgrades	3,314,379	93,784	-	-	858,235	250,304	-	1,108,538	19,721
Cardlock	2,696,932	90,160	-	-	200,203	101,672	-	301,875	563,690
Hallibur License	47,500	-	-	-	-	-	-	-	2,299,625
Lobster license	250,000	-	-	-	-	-	-	-	2,456,144
									2,496,730
Total	\$ 26,225,741	\$ 4,913,947	\$ -	\$ -	\$ 10,496,758	\$ 1,005,281	\$ -	\$ 11,502,039	\$ 19,637,648
									\$ 15,728,983

**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**9. Operating Line of Credit**

As at March 31, 2018 The First Nation had an operating line of credit in the amount of \$600,000 of which \$nil (2017 - \$nil) was outstanding at that date. The outstanding portion of the line of credit bears interest at the bank's prime rate plus 1.5% per annum, payable monthly.

**10. Accounts Payable and Accrued Liabilities**

	<u>2018</u>	<u>2017</u>
Trade payables	\$ 2,546,943	\$ 978,862
Accrued salaries and employee benefits payable	51,827	111,662
Other accrued liabilities	-	510,621
Total Accounts Payable and Accrued Liabilities	<u>\$ 2,598,770</u>	<u>\$ 1,601,145</u>

**11. Due to Government and Government Organizations**

Health Canada	-	30,652
Canada Mortgage and Housing Corporation	-	-
Province of New Brunswick - Department of Finance	-	-
Solicitor General of Canada	-	48,749
Total	<u>\$ -</u>	<u>\$ 79,401</u>

**12. Contribution Funding Repayable**

	<u>2018</u>	<u>2017</u>
Indigenous Services Canada		
Maintenance - Foster Homes - NPD1	\$ 113,418	\$ 190,732
Debt Management - 96	27,753	87,753
Total Contribution Funding repayable	<u>\$ 141,171</u>	<u>\$ 278,485</u>

**13. Deferred Revenue**

	<u>Opening Balance</u>	<u>Funding Received</u>	<u>Revenue Recognized</u>	<u>Closing Balance</u>	<u>2018</u>	<u>2017</u>
<b>Indigenous Services Canada</b>						
Water > 1.5M	\$ -	\$ 2,007,028	\$ 1,199,999	\$ 807,029	\$ 807,029	\$ -
Waste Water <1.5M	\$ -	\$ 436,000	\$ -	\$ 436,000	\$ 436,000	\$ -
					<u>\$ 1,243,029</u>	<u>\$ -</u>



**WOODSTOCK FIRST NATION**  
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**FOR THE YEAR ENDED MARCH 31, 2018**

**14. Long-Term Debt**

	<u>2018</u>	<u>2017</u>
Mortgage payable to Canadian Imperial Bank of Commerce in monthly installments of \$51,389 plus interest at prime plus 1.5%, due March 2020.	\$ 1,233,334	\$ 1,850,000
Loan payable to Canadian Imperial Bank of Canada in monthly installments of \$33,333 plus interest at prime plus at 1.5%, due May 2021.	1,246,667	1,646,667
Mortgage payable to Canadian Imperial Bank of Commerce in monthly installments of \$3,417 plus interest at prime plus 1.5%, due November 2027.	396,333	-
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$345 including interest at 1.05%, due April 2020.	81,594	84,864
Loan payable to Canadian Imperial Bank of Canada in monthly installments of \$642 plus interest at prime plus 1.5%, due November 2019.	12,837	20,539
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$602 including interest at 1.05%, due January 2020.	13,108	20,152
Loan payable to Scotiabank in monthly installments of \$904 interest interest 6.59%, secured by vehicle, due January 2, 2022.	36,664	-
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$253 including interest at 2.39%, due February 2023.	14,098	16,831
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$292 including interest at 2.35%, due September 2018.	17,836	20,890
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$252 including interest at 2.11%, due December 2018.	2,246	5,188
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$264 including interest at 1.39%, due June 2020.	21,124	23,978
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$276 including interest at 1.11%, due April 2021.	25,107	28,125
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$259 including interest at 1.84%, due September 2022.	27,109	29,707
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$234 including interest at 1.92%, due April 2019.	28,074	30,326
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$242 including interest at 1.92%, due April 2019.	29,031	31,360
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$247 including interest at 1.83%, due December 2019.	31,166	33,542
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$232 including interest at 1.39%, due June 2020.	31,154	33,489



**WOODSTOCK FIRST NATION**  
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**FOR THE YEAR ENDED MARCH 31, 2018**

**14. Long-Term Debt (continued)**

Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$1,049 including interest at 1.87%, due April 2018.	1,048	13,491
Loan payable to Royal Bank of Canada in monthly installments of \$3,539 including interest at 5.31%, due Nov 2016.	-	408,449
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$651 including interest at 1.11%, due April 2021.	95,125	101,845
Loan payable to Ford Credit Canada in monthly installments of \$1,439 including interest at 7.056%, due November 2019.	26,219	41,067
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$968 including interest at 1.31% due December 2021.	146,086	155,722
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$1,392 including interest at 2.39%, due March 2023.	210,510	222,813
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$351 including interest at 2.39%, due March 2023.	53,141	56,247
Loan payable to CNH Capital Canada Ltd. in monthly principal installments of \$1,115, due December 2021.	50,981	64,362
Loan payable to National Leasing Group Inc. in monthly installments of \$3,288 including interest at 5.39%, due January 2021.	103,237	136,233
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$363.29 including interest at 1.48%, due January 2022.	87,547	91,500
Mortgage payable to Canadian Imperial Bank of Commerce in monthly installments of \$471 including interest at 5.05%, due Feb 2028.	41,185	44,814
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$1,102 including interest at 2.35%, due September 2018.	170,308	179,438
Mortgage advance from Canada Mortgage and Housing Corporation.	93,000	-
Mortgage payable to Canada Mortgage and Housing Corporation in monthly installments of \$292 including interest at 1.60%, due April 2020.	7,184	10,554
Mortgage payable to Canada Mortgage and Housing Corporation. in monthly installments of \$1,448 including interest at 2.13%, due October 2022.	<u>278,175</u>	<u>289,856</u>
	<u>\$ 4,611,228</u>	<u>\$ 5,692,049</u>

**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**14. Long-Term Debt (continued)**

Assuming the mortgages are renewed on comparable terms, the principal portion of long term debt expected to become due in each of the next five years is as follows:

2019	\$ 1,241,187
2020	1,232,575
2021	588,808
2022	200,890
2023	<u>137,016</u>
	<u>\$ 3,400,476</u>

Security for Canada Imperial Bank of Commerce loan is as follows:

- Security agreement granting a first security interest in all present and after acquired personal property (to be registered in New Brunswick);
- Letter of direction acknowledged by the Department of Indigenous and Northern Affairs Canada stating that all disbursements under the Flexible Funding Agreement will be forwarded directly to the Bank for deposit to the First Nation's account;
- First Nation Council resolution giving the Bank access to the reserve; and
- Guarantee of claim signed by the Woodstock First Nation Economic Development Corporation. This guarantee to be secured by a security agreement from the guarantor granting a first security interest in all present and after acquired personal property.

**15. Financial Instruments**

Woodstock First Nation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about Woodstock First Nation's risk exposure and concentration as of March 31, 2018.

**Liquidity Risk**

Liquidity Risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Woodstock First Nation is exposed to this risk mainly in respect of its payment of funds for long-term debt, accounts payable, and government remittances payable.

**Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the entity manages exposure through its normal operating and financing activities. Woodstock First Nation is exposed to interest rate risk primarily through floating interest rates on certain bank loans.



**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**16. Prepaid Expenses**

	<u>2018</u>	<u>2017</u>
Insurance	\$ 185,276	\$ 149,466
Tuition	225,909	242,521
Honorariums	110,525	95,302
Living allowances	13,410	17,245
Wages	1,608	4,286
Property tax	-	5,284
Social benefits	-	8,294
Other prepaid expenses	<u>8,244</u>	<u>34,430</u>
<b>Total Prepaid Expenses</b>	<b><u>\$ 544,972</u></b>	<b><u>\$ 556,828</u></b>

**17. Reconciliation of Indigenous Services Canada (ISC) Funding**

	<u>2018</u> <u>Actual</u>	<u>2017</u> <u>Actual</u>
ISC revenue - General administration	\$ 781,916	\$ 557,758
ISC revenue - Operations and maintenance	308,870	223,893
ISC revenue - Capital	3,277,899	940,500
ISC revenue - Education	1,541,627	1,405,242
ISC revenue - Social assistance program	980,940	963,499
ISC revenue - Child and family services	<u>695,155</u>	<u>712,897</u>
<b>Total ISC funding per consolidated financial statements</b>	<b><u>\$ 7,586,407</u></b>	<b><u>\$ 4,803,789</u></b>
<b>Funding per ISC revenue confirmation</b>	<b><u>\$ 7,586,407</u></b>	<b><u>\$ 4,803,789</u></b>

**18. Changes In Non-Cash Operating Working Capital Items**

	<u>2018</u>	<u>2017</u>
Accounts receivable	\$ 63,353	\$ (176,006)
Due from government and government organizations	(1,132,536)	(447,474)
Inventories for resale	(89,150)	(222,977)
Prepaid expenses	11,856	(45,950)
Accounts payable and accrued liabilities	997,625	295,434
Due to government and government organizations	(79,401)	7,616
Deferred revenue	1,243,029	(295,914)
Contribution funding repayable to Indigenous Services Canada	<u>(137,314)</u>	<u>130,733</u>
	<b><u>\$ 877,462</u></b>	<b><u>\$ (754,538)</u></b>



**WOODSTOCK FIRST NATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2018**

**19. Economic Dependence**

The government of Woodstock First Nation receives a major portion of its revenue from Indigenous Services Canada and Health Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

**20. Annual surplus net of capital related revenues and amortization**

	<u>2018</u>	<u>2017</u>
Annual surplus (deficit)	3,993,478	3,772,157
Deduct: Federal government transfers for capital	(1,806,393)	(562,574)
Add: Amortization expense included in annual surplus	<u>1,005,281</u>	<u>974,245</u>
Annual surplus net of capital related revenues and amortization	<u>\$ 3,192,366</u>	<u>\$ 4,183,828</u>

**21. Expenses by Object**

The following is a summary of expenses by object.

	<u>2018</u>	<u>2017</u>
Salaries, wages, honoraria and pension	\$ 4,017,153	\$ 3,968,926
Tuition	1,787,891	1,639,132
Professional services	94,642	86,993
Supplies and services	466,710	301,652
Interest and bank charges	236,455	244,414
Travel and training	597,844	498,966
Insurance & health	224,671	222,981
Telephone and utilities	240,671	258,080
Repairs and maintenance	1,740,482	1,287,613
Social assistance and assisted living	702,610	658,230
Gas bar	38,342,135	31,999,184
Other	2,328,049	2,321,154
Amortization	<u>1,005,282</u>	<u>974,244</u>
	<u>\$ 51,784,595</u>	<u>\$ 44,461,569</u>

## 22. Segment Disclosure

Woodstock First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by department. For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the period are as follows.

	Education		Health		Economic Development		Housing		Community Services	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenues</b>										
Federal Government	\$ 1,541,627	\$ 1,405,242	\$ 728,663	\$ 720,856	\$ -	\$ -	\$ 93,793	\$ 187,494	\$ 2,343,740	\$ 1,440,307
Provincial Government	392,883	345,944	-	-	-	-	-	-	-	-
Economic Activities	-	-	-	-	41,984,364	36,010,876	-	-	-	-
Other Revenue	220,145	211,987	-	-	-	-	36,000	36,000	-	-
<b>Total Revenues</b>	<b>2,154,655</b>	<b>1,963,173</b>	<b>728,663</b>	<b>720,856</b>	<b>41,984,364</b>	<b>36,010,876</b>	<b>129,793</b>	<b>223,494</b>	<b>2,343,740</b>	<b>1,440,307</b>
<b>Expenses</b>										
Salaries and benefits	355,078	289,839	350,388	328,003	2,176,245	1,984,347	131,276	115,712	57,028	50,186
Amortization	2,012	2,875	9,340	9,683	243,574	227,758	433,633	398,861	19,903	20,950
Debt Servicing	-	-	-	-	-	-	93,039	77,876	-	-
Other Expenses	1,987,312	1,824,856	357,226	411,465	36,165,890	30,014,837	879,512	257,145	888,353	862,701
<b>Total Expenses</b>	<b>2,344,402</b>	<b>2,117,570</b>	<b>716,954</b>	<b>749,151</b>	<b>38,585,709</b>	<b>32,226,942</b>	<b>1,537,460</b>	<b>849,594</b>	<b>965,284</b>	<b>933,837</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ (189,747)</b>	<b>\$ (154,397)</b>	<b>\$ 11,709</b>	<b>\$ (28,295)</b>	<b>\$ 3,398,655</b>	<b>\$ 3,783,934</b>	<b>\$ (1,407,667)</b>	<b>\$ (626,100)</b>	<b>\$ 1,378,456</b>	<b>\$ 506,470</b>

22. Segment Disclosure (continued)

	Social Services		Band Government		Other		Inter-segment Eliminations		Consolidated Totals	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenues</b>										
Federal Government	\$ 1,763,059	\$ 1,815,185	\$ 1,150,848	\$ 849,515	\$ 231,385	\$ 325,126	\$ -	\$ -	\$ 7,853,115	\$ 6,743,725
Provincial Government	-	-	2,666,635	1,975,842	-	-	-	-	3,059,518	2,321,786
Economic Activities	-	-	-	-	1,879,235	2,606,236	-	-	43,863,599	38,617,112
Other Revenue	-	-	745,698	303,116	-	-	(36,000)	(36,000)	1,001,843	515,103
<b>Total Revenues</b>	<b>1,763,059</b>	<b>1,815,185</b>	<b>4,563,181</b>	<b>3,128,473</b>	<b>2,110,620</b>	<b>2,931,362</b>	<b>-</b>	<b>(36,000)</b>	<b>55,778,075</b>	<b>48,197,726</b>
<b>Expenses</b>										
Salaries and benefits	555,807	442,680	1,442,510	1,063,237	1,167,034	1,704,920	-	-	6,235,366	5,978,924
Amortization	2,909	3,030	134,108	148,985	159,803	162,102	-	-	1,005,282	974,244
Debt Servicing	-	-	143,416	166,538	-	-	-	-	236,455	244,414
Other Expenses	1,063,330	1,209,297	2,332,792	2,185,490	633,079	498,196	-	-	44,307,494	37,227,987
<b>Total Expenses</b>	<b>1,622,046</b>	<b>1,655,007</b>	<b>4,052,826</b>	<b>3,564,250</b>	<b>1,959,916</b>	<b>2,365,218</b>	<b>-</b>	<b>(36,000)</b>	<b>51,784,597</b>	<b>44,425,569</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ 141,013</b>	<b>\$ 160,178</b>	<b>\$ 510,355</b>	<b>\$ (435,777)</b>	<b>\$ 150,704</b>	<b>\$ 566,144</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,993,478</b>	<b>\$ 3,772,157</b>



## 23. Government Transfers

	2018			2017		
	Operating	Capital	Total	Operating	Capital	Total
<b>Federal Government Transfers</b>						
Indigenous and Northern Affairs Canada	\$ 5,780,014	\$ 1,806,393	\$ 7,586,407	\$ 4,241,215	\$ 562,574	\$ 4,803,789
Health Canada	728,663	-	728,663	720,856	-	720,856
Human Resources and Social Development Canada	434,896	-	434,896	430,546	-	430,546
Canadian Mortgage and Housing Corporation	93,793	-	93,793	187,494	-	187,494
Department of Fisheries and Aquaculture	193,742	-	193,742	301,417	-	301,417
Solicitor General of Canada	-	-	-	-	-	-
<b>Total Federal Government Transfers</b>	7,231,108	1,806,393	9,037,501	5,881,528	562,574	6,444,102
<b>Provincial Government Transfers</b>	3,059,518	-	3,059,518	2,321,786	-	2,321,786
	\$ 10,290,626	\$ 1,806,393	\$ 12,097,019	\$ 8,203,314	\$ 562,574	\$ 8,765,888