

**WOODSTOCK FIRST NATION**

**CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2022**

WOODSTOCK FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

Page

Management's Responsibility for Financial Reporting

Independent Auditor's Report

Financial Statements

Consolidated Statement of Financial Position	1
Consolidated Statement of Change in Net Debt	2
Consolidated Statement of Operations and Accumulated Surplus	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5

Consolidated Schedules of Operations by Program

Consolidated Summary Schedule of Operations by Program	19
General Administration - Schedule #1	20
Health - Schedule #2	21
Operations & Maintenance - Schedule #3	22
Capital - Schedule #4	23
Education - Schedule #5	24
Fisheries - Schedule #6	25
Economic Development - Schedule #7	26
Social Assistance - Schedule #8	27
Child and Family Services - Schedule #9	28
Forestry - Schedule #10	29

Mandatory reporting requirements

Schedule of government transfers	17
Schedule of segment disclosure	30
Schedule of Health Canada funding and expenditures	31
Schedule of ISC funding and expenditures	32

WOODSTOCK FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2022

Page

Consolidated Schedules of Operations by Program, continued

Review engagement report	33
Schedule of salaries, honoraria and travel expenses paid to elected officials	34

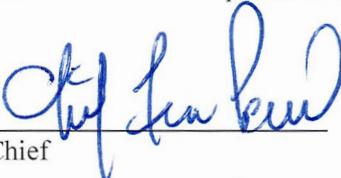
WOODSTOCK FIRST NATION  
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING  
MARCH 31, 2022

The accompanying consolidated financial statements are the responsibility of management. The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and necessarily include estimates which are based on management's best judgements.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

Lenehan McCain & Associates, an independent firm of accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

  
Chief

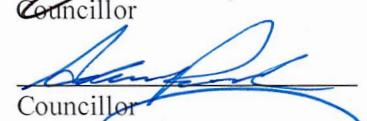
Feb 7/2023.  
Date

Dawn M. Paul  
Councillor

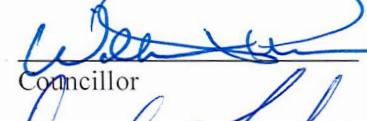
Feb. 07, 2023  
Date

  
Councillor

Feb. 07, 2023  
Date

  
Councillor

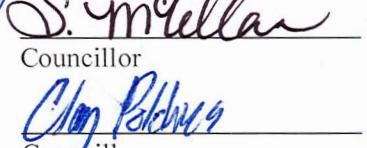
FEB 07, 2023  
Date

  
Councillor

Feb 07, 2023  
Date

  
Councillor

Feb. 7/23  
Date

  
Councillor

Feb 7/23  
Date

Councillor

Date

Councillor

Date



## Independent Auditor's Report

To the Council and Members of  
Woodstock First Nation

### *Opinion*

We have audited the consolidated financial statements of Woodstock First Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, change 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 consolidated financial position of the the First Nation as at March 31, 2022, and its consolidated results of operations and its consolidated 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 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Matter*

The consolidated financial statements of the Woodstock First Nation for the year ended March 31, 2021 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on September 20, 2021.

This audit was conducted for the purpose of forming an opinion on the basic financial statements of the First Nation taken as a whole. The supplementary information included on the schedules on pages 20 - 29 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

### *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 the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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

## Independent Auditor's Report, continued

### *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 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 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 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 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.
- ♦ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

*Luhn McCuin + Associates*  
Chartered Professional Accountants

Woodstock, New Brunswick  
January 19, 2023

WOODSTOCK FIRST NATION  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2022

	2022	2021
<b>Financial Assets</b>		
Cash (Note 2)	\$ 8,889,835	\$ -
Restricted cash (Note 2)	510,922	510,922
Accounts receivable (Note 3)	1,352,419	1,491,347
Due from government and government organizations (Note 4)	12,386,331	2,283,777
Federal trust funds (Note 5)	3,643	3,574
Inventory (Note 6)	829,548	904,997
	<u>23,972,698</u>	<u>5,194,617</u>
<b>Liabilities</b>		
Bank indebtedness	-	1,187,871
Accounts payable (Note 7)	2,470,399	1,914,209
Contribution funding repayable to ISC (Note 8)	31,087	171,087
Deferred revenue (Note 9)	14,641,043	240,735
Long-term debt (Note 10)	8,984,743	8,931,697
	<u>26,127,272</u>	<u>12,445,599</u>
<b>Net debt</b>	<u>(2,154,574)</u>	<u>(7,250,982)</u>
<b>Non-financial Assets</b>		
Tangible capital assets (Note 12)	36,609,208	36,496,010
Prepaid expenses (Note 13)	1,154,746	929,295
	<u>37,763,954</u>	<u>37,425,305</u>
<b>Accumulated Surplus</b>	<u>\$ 35,609,380</u>	<u>\$ 30,174,323</u>

Approved on behalf of the Woodstock First Nation

*Chief*  
*David L. Paul*, Chief  
*Dawn M. Paul*, Councillor  
*D. Palacios*, Councillor  
*J. St. L.*, Councillor  
*D. Steen Paul*, Councillor

*Councillor*  
*G. St. L.*, Councillor  
*J. St. L.*, Councillor  
*S. McCallum*, Councillor  
*C. Pollio*, Councillor

WOODSTOCK FIRST NATION  
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT  
FOR THE YEAR ENDED MARCH 31, 2022

	2022 Budget	2022 Actual	2021
<b>Surplus</b>	<b>\$ 1,079,594</b>	<b>\$ 5,435,057</b>	<b>\$ 2,869,329</b>
Acquisition of tangible capital assets	-	(2,557,375)	(6,541,272)
Amortization of tangible capital assets	2,300,000	2,431,176	2,239,618
NBV disposal of capital asset	-	13,000	-
	2,300,000	(113,198)	(4,301,654)
Acquisition of prepaid asset	(225,451)	(225,451)	(132,430)
Increase (decrease) in net financial assets	3,154,143	5,096,408	(1,564,755)
Net debt at beginning of year	(7,250,982)	(7,250,982)	(5,686,227)
<b>Net debt at end of year</b>	<b>\$ (4,096,839)</b>	<b>\$ (2,154,574)</b>	<b>\$ (7,250,982)</b>

The accompanying notes are an integral part of the financial statements

WOODSTOCK FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
FOR THE YEAR ENDED MARCH 31, 2022

	2022 Budget	2022 Actual	2021 Actual
<b>Revenue</b>			
Federal Government:			
Indigenous Services Canada	\$ 5,829,600	\$ 22,623,984	\$ 6,593,604
Health Canada	1,250,000	1,569,796	1,087,261
Service Canada	375,000	812,729	363,576
Department of Fisheries and Ocean	250,000	461,570	247,384
Canada Mortgage and Housing Corporation	105,000	106,505	107,743
Economic Activities	45,875,000	50,881,232	35,143,313
Provincial Government	3,350,000	4,103,414	2,379,774
Rental Income	188,500	215,980	64,875
Royalties	120,000	121,126	134,378
Other Revenue	45,000	93,499	51,180
Deferred revenue, opening	-	240,735	1,773,909
Deferred revenue, closing	-	(14,641,043)	(240,735)
	<b>57,388,100</b>	<b>66,589,527</b>	<b>47,706,262</b>
<b>Expenditures</b>			
General Administration	4,685,000	4,768,561	4,262,440
Health	1,352,000	1,258,006	1,055,375
Operations & Maintenance	1,196,806	1,284,156	1,011,805
Capital	905,000	1,158,152	1,577,413
Education	2,193,000	2,531,155	2,068,870
Fisheries	1,805,500	2,158,603	1,547,466
Economic Development	38,550,000	42,618,804	28,107,003
Social Assistance	1,196,000	942,234	842,166
Child and Family Services	1,382,700	1,428,260	1,441,113
Forestry	622,500	614,863	683,661
	<b>53,888,506</b>	<b>58,762,794</b>	<b>42,597,312</b>
<b>Surplus before other expense</b>	<b>3,379,594</b>	<b>7,826,733</b>	<b>5,108,947</b>
<b>Other expense</b>			
Amortization	(2,300,000)	(2,431,176)	(2,239,618)
Gain on asset disposal	-	39,500	-
	<b>(2,300,000)</b>	<b>(2,391,676)</b>	<b>(2,239,618)</b>
<b>Surplus</b>	<b>1,079,594</b>	<b>5,435,057</b>	<b>2,869,329</b>
<b>Accumulated surplus at beginning of year</b>	<b>30,174,323</b>	<b>30,174,323</b>	<b>27,304,994</b>
<b>Accumulated surplus at end of year</b>	<b>\$ 31,253,917</b>	<b>\$ 35,609,380</b>	<b>\$ 30,174,323</b>

The accompanying notes are an integral part of the financial statements

WOODSTOCK FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
<b>Cash flows from Operating activities</b>		
Surplus	\$ 5,435,057	\$ 2,869,329
Items not affecting cash		
Amortization expense	2,431,176	2,239,618
Gain on disposal of asset	(39,500)	-
	7,826,733	5,108,947
Change in non-cash operating working capital		
Accounts receivable	138,928	(1,001,732)
A/R Gov't and Gov't organizations	(10,102,554)	2,440,318
Inventory	75,449	(59,289)
Prepaid expenses	(225,451)	(132,430)
Accounts payable	556,121	(39,573)
Deferred Revenue	14,400,308	(1,533,174)
Contribution funding repayable to ISC	(140,000)	(26,135)
	12,529,534	4,756,932
<b>Capital activities</b>		
Acquisition of tangible capital assets	(2,557,375)	(6,541,273)
Proceeds on disposal of tangible capital assets	52,500	-
	(2,504,875)	(6,541,273)
<b>Financing activities</b>		
Proceeds from long term debt	600,000	575,735
Repayment of long term debt	(546,953)	(814,571)
	53,047	(238,836)
<b>Increase in cash and cash equivalents</b>	<b>10,077,706</b>	<b>(2,023,177)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>(676,949)</b>	<b>1,346,228</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 9,400,757</b>	<b>\$ (676,949)</b>
<b>Represented by</b>		
Cash	\$ 8,889,835	\$ -
Cash	-	(1,187,871)
Restricted cash	510,922	510,922
	\$ 9,400,757	\$ (676,949)

The accompanying notes are an integral part of the financial statements

## WOODSTOCK FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

#### **1. Basis of Presentation and Significant Accounting Policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

##### **(a) 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 and three retail fuel operations.

##### **(b) 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.

This method combines the accounts of distinct organizations. It requires uniform accounting policies for the organizations. Inter-organizational balances and transactions are eliminated under this method. This method reports the organizations as if they were one organization.

Under the modified equity method of accounting, only Woodstock First Nation'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 Woodstock First Nation.

Programs consolidated in Woodstock First Nation's financial statements include:

1. General Administration
2. Health
3. Operations and Maintenance
4. Capital
5. Education
6. Fisheries
7. Social Assistance
8. Forestry

Organizations accounted for on a modified equity basis include:

9. Woodstock First Nation Economic Development Corp.

---

**WOODSTOCK FIRST NATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2022**

**1. Basis of Presentation and Significant Accounting Policies, continued**

**(c) Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to 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 inventory of supplies.

**(d) 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.

**(e) Accounts Receivable**

Accounts receivable arise from trade receivables, loan and advances, and funding partner organizations. 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.

**(f) Inventory**

Inventory is recorded at the lower of cost and net realizable value. Cost is determined on the FIFO basis. Net realizable value is the estimated selling price in the normal course of business.

---

## WOODSTOCK FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

#### **1. Basis of Presentation and Significant Accounting Policies, continued**

##### **(g) Tangible capital assets**

Tangible capital assets include acquired, constructed, 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.

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

Land improvements	8% Declining balance
Buildings	4% Declining balance
Automotive equipment	30% Declining balance
Computer equipment	55% Declining balance
Furniture and equipment	20% Declining balance
Equipment (including fishing vessels)	20% Declining balance
Wastewater treatment plant	5% Declining balance
Storm Water Project	10% Declining balance
Well Upgrades	10% Declining balance

##### **(h) Net Debt**

The First Nation's financial statements are presented so as to highlight financial assets or net debt as the measurement of financial position. The net assets or 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.

---

## WOODSTOCK FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

#### **1. Basis of Presentation and Significant Accounting Policies, continued**

##### **(i) 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 performed.

##### **(j) 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.

##### **(k) 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.

##### **(l) Measurement uncertainty**

In preparing the consolidated financial statements of Woodstock First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include determination of amortization rates and residual values of tangible capital assets as well as provision for uncollectible accounts receivable. Actual results could differ from these estimates.

##### **(m) Financial instruments**

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

**WOODSTOCK FIRST NATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2022**

**2. 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 certain housing 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 Replacement Reserve Fund. Cash and cash equivalents is comprised of the following:

	2022	2021
Unrestricted Cash		
Operating	\$ 8,889,835	\$ (1,187,871)
Restricted cash		
CMHC replacement reserve	510,922	510,922
	<hr/> <b>\$ 9,400,757</b>	<hr/> <b>\$ (676,949)</b>

**3. Accounts receivable**

	2022	2021
Trade accounts receivable	\$ 1,163,487	\$ 1,340,687
Payroll advances	188,932	150,660
Total	<hr/> <b>\$ 1,352,419</b>	<hr/> <b>\$ 1,491,347</b>

**4. Due from government and government organizations**

	2022	2021
Indigenous Services Canada	\$ 9,452,248	\$ 824,424
Health Canada	14,694	-
Department of Fisheries and Oceans	521,570	247,384
Province of New Brunswick	2,333,727	1,145,833
Government remittances	64,092	66,136
	<hr/> <b>\$ 12,386,331</b>	<hr/> <b>\$ 2,283,777</b>

**WOODSTOCK FIRST NATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

**5. Trust funds held by federal government**

	Opening Balance	Additions	March 31, 2022
Revenue	\$ 3,394	\$ 69	\$ 3,463
Capital	180	-	180
	<hr/>	<hr/>	<hr/>
	\$ 3,574	\$ 69	\$ 3,643

**6. Inventories for Resale**

	2022	2021
Maliseet Fuels 1	\$ 233,945	\$ 284,542
Maliseet Fuels 2	256,788	243,583
Cardlock	202,598	196,142
Eagle's Nest	24,358	27,014
WFN Cannabis	111,859	153,716
	<hr/>	<hr/>
Total Inventories for Resale	\$ 829,548	\$ 904,997

**7. Accounts payable**

	2022	2021
Trade payables	\$ 2,389,638	\$ 1,896,835
Accrued salaries and employee benefits payable	80,761	17,374
	<hr/>	<hr/>
Total	\$ 2,470,399	\$ 1,914,209

**WOODSTOCK FIRST NATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

**8. Contribution funding repayable to ISC**

	2022	2021
Leadership Gov Cap Dev (NG1A)	\$ -	\$ (140,000)
Admin & Support - Estates (NPJ0)	(31,087)	(31,087)
<b>Total Contribution Funding repayable</b>	<b>\$ (31,087)</b>	<b>\$ (171,087)</b>

**9. Deferred Revenue**

	2022	2021
OSR replacement Covid-19	\$ 5,000,000	\$ -
Health Capital Investment (isolation bunker)	76,135	-
Flood Mitigation	-	235,735
Renovation	-	5,000
FNWWAP-WATER->1.5M	4,459,300	-
Water-Over \$1.5M	4,683,500	-
Comprehensive Community Plan	50,000	-
ICSF Need Base EMAP	36,398	-
Capacity-Innovation	24,027	-
IM/IT Government capacity development	16,200	-
Covid-19 LEDSP	70,784	-
ICSF Dir All EMAP	224,699	-
	<b>\$ 14,641,043</b>	<b>\$ 240,735</b>

**WOODSTOCK FIRST NATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2022**

**10. Long-term debt**

	<b>2022</b>	<b>2021</b>
Canadian Imperial Bank of Commerce Prime plus 1.5% loan, repayable in monthly installments of \$33,333 plus interest, due May 2021.	\$ -	\$ 46,667
Canadian Imperial Bank of Commerce Prime plus 0.5% loan, repayable in monthly installments of \$5,135 plus interest, due February 2045.	1,412,155	1,473,776
Canadian Imperial Bank of Commerce Prime plus 0.5% loan, repayable in monthly installments of \$20,000 plus interest, due August 2046.	5,600,000	5,842,000
Canadian Imperial Bank of Commerce Prime plus 1.5% loan, repayable in monthly installments of \$3,417 plus interest, due November 2027.	232,333	273,333
Canadian Imperial Bank of Commerce 2.82% loan, repayable in monthly installments of \$452 including interest, due February 2028.	29,709	34,436
Canadian Imperial Bank of Commerce Prime plus 0.5% loan, repayable in monthly installments of \$2,000 plus interest, due February 2046.	574,000	-
Canada Mortgage and Housing Corporation Various mortgages at interest rates from 1.05% to 2.68%, repayable in blended monthly installments ranging from \$232 to \$1,448, guaranteed by the Minister of Indigenous Canada. These loans are related to CMHC housing projects and have varying repayment terms and maturity dates.	1,088,842	1,179,472
CNH Capital Canada Ltd. Loan payable in monthly principal installments of \$1,115, due December 2021.	-	10,840
Scotiabank 6.59% loan, repayable in monthly installments of \$904 including interest, due January 2022.	-	8,774
Ford Credit Canada 8.77% lease, repayable in monthly installments of \$1,632 including interest, due Dec 2024.	47,704	62,399
	<b>8,984,743</b>	<b>8,931,697</b>

---

**WOODSTOCK FIRST NATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2022**

**10. Long-term debt, continued**

	2022	2021
Current portion	<u>478,629</u>	<u>517,310</u>
	<b><u>\$ 8,506,114</u></b>	<b><u>\$ 8,414,387</u></b>

Principal portion of long-term debt due within the next five years:

2023	\$ 478,629
2024	476,986
2025	473,892
2026	458,026
2027 and thereafter	<u>7,097,210</u>
	<b><u>\$ 8,984,743</u></b>

**11. Contingent Liabilities**

Woodstock First Nation 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. The likelihood of compliance reviews and any potential findings are not determinable as at the date on the auditor's report.

In the normal course of operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occurs 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 is recorded on the First Nation's financial statements. When the future event and/or ability to estimate involves more uncertainty, the action or claim is considered a contingent liability.

Woodstock First Nation entered into a limited partnership with Wisokolamson Energy LP. The nature of this partnership is constructing, maintaining, and operating a wind power generation facility in Albert County, NB. Woodstock First Nation will receive annually, \$100,000 or 2.4% of the income earned in the previous calendar year, whichever is greater.

As part of this partnership, 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 Woodstock First Nation's financial statements.

As at the independent auditor's report date, no liability or expense is recorded nor anticipated.

**WOODSTOCK FIRST NATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2022**

**12. Tangible Capital Assets**

	Cost	Additions	Disposals	Accumulated amortization	2022 Net book value
Land	\$ 1,966,462	\$ (44,386)	-	\$ -	\$ 1,922,076
Buildings	28,175,408	1,581,260	-	8,285,958	21,470,710
Automotive equipment	1,739,461	118,380	91,000	1,415,957	350,884
Computer equipment	127,175	31,183	-	137,484	20,874
Furniture & Fixtures	323,774	-	-	279,721	44,053
Equipment	4,739,346	60,080	-	3,946,719	852,707
Wastewater treatment plant	1,081,625	-	-	773,618	308,007
Storm Water project	5,329,295	550,078	-	1,034,845	4,844,528
Well upgrades	3,435,697	-	-	1,907,845	1,527,852
Land improvements (new subdivision)	6,284,899	260,780	-	1,278,161	5,267,518
	<b>\$ 53,203,142</b>	<b>\$ 2,557,375</b>	<b>\$ 91,000</b>	<b>\$ 19,060,308</b>	<b>\$ 36,609,209</b>
	Cost	Additions	Disposals	Accumulated amortization	2021 Net book value
Land	\$ 1,812,504	\$ 153,957	-	\$ -	\$ 1,966,462
Buildings	25,136,666	3,038,742	-	7,374,100	20,801,308
Automotive equipment	1,382,314	357,148	-	1,254,730	484,731
Computer equipment	113,316	13,859	-	116,973	10,202
Furniture & Fixtures	306,624	17,151	-	268,707	55,067
Equipment	4,694,283	45,063	-	3,838,553	900,793
Wastewater treatment plant	1,081,625	-	-	757,407	324,218
Storm Water project	2,413,942	2,915,354	-	527,124	4,802,171
Well upgrades	3,435,697	-	-	1,738,084	1,697,613
Land improvements (new subdivision)	6,284,899	-	-	831,454	5,453,445
	<b>\$ 46,661,870</b>	<b>\$ 6,541,274</b>	<b>\$ -</b>	<b>\$ 16,707,132</b>	<b>\$ 36,496,010</b>

**WOODSTOCK FIRST NATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

**13. Prepaid expenses**

	2022	2021
Insurance	\$ 358,131	\$ 307,654
Tuition	420,819	292,354
Honorariums (Core)	332,500	292,525
Post secondary living allowances	24,190	17,335
Wages	1,365	8,092
Other prepaid expenses	17,741	11,335
	<hr/> <b>\$ 1,154,746</b>	<hr/> <b>\$ 929,295</b>

**14. Expenses by object**

	2022	2021
Wages and benefits	\$ 4,688,677	\$ 4,333,820
Travel and accomodations	90,790	79,956
Training-HRD expenses	513,448	321,153
Repairs, maintenance, renovations	2,870,337	2,997,969
Insurance	360,217	293,242
Interest and bank charges	299,213	290,111
Materials and supplies	471,962	433,331
Professional fees	321,624	304,015
Utilities and telephone	413,860	374,237
Contribution funding repayable	8,260	-
Health expenses	759,208	554,103
Own source revenue expenses (gas bars, cannabis)	42,618,803	28,107,004
Forestry expenses	504,333	565,150
Cultural-community events	286,421	150,478
Resource revenue sharing	499,409	450,012
Miscellaneous and members assistance	182,680	120,942
Elders	91,700	120,225
Social assistance	556,758	634,136
Fisheries expenses	236,509	224,341
Education	2,182,791	1,576,260
Other	390,034	355,853
Emergency measures-Covid 19	223,699	200,213
Economic development wages, travel, supplies, etc.	128,283	110,761
	<hr/> <b>\$ 58,699,016</b>	<hr/> <b>\$ 42,597,312</b>

## WOODSTOCK FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

#### **15. Financial Instruments**

Woodstock First Nation is exposed to various risks through its financial instruments.

##### 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.

#### **16. Economic Dependence**

The government of Woodstock First Nation receives a major portion of its revenue from Indigenous Services Canada and a Province of New Brunswick taxation agreement. The nature and extent of these agreements is of such significance that the First Nation is economically dependent on these sources of revenue.

#### **17. Annual surplus net of capital related revenues and amortization**

	2022	2021
Annual surplus (deficit)	\$ 5,435,057	\$ 2,869,329
Deduct: Federal government transfers for capital	(422,905)	(2,287,996)
Add: Amortization expense included in annual surplus	2,431,176	2,239,618
Annual surplus net of capital related revenues and amortization	<u>\$ 7,443,328</u>	<u>\$ 2,820,951</u>

## WOODSTOCK FIRST NATION

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

#### **18. Government Transfers**

	<u>2022</u>		
	<b>Operating</b>	<b>Capital</b>	<b>Total</b>
<b>Federal government transfers (net of deferrals)</b>			
Indigenous Services Canada	\$ 13,434,343	\$ 422,905	\$ 13,857,248
Health Canada	1,569,796	-	1,569,796
Canada Mortgage and Housing Corporation	106,505	-	106,505
Department of Fisheries and Oceans Canada	461,570	-	461,570
Wolastoqey Tribal Council	827,001	-	827,001
First Nation Land Management Resource Centre	124,951	-	124,951
North Shore Mi'kmaq District Council	32,562	-	32,562
<b>Total</b>	<b>16,556,728</b>	<b>422,905</b>	<b>16,979,633</b>
<b>Provincial government transfers</b>	<b>9,881,412</b>	<b>-</b>	<b>9,881,412</b>
	<b>\$ 26,438,140</b>	<b>\$ 422,905</b>	<b>\$ 26,861,045</b>
	<u>2021</u>		
	<b>Operating</b>	<b>Capital</b>	<b>Total</b>
<b>Federal government transfers (net of deferrals)</b>			
Indigenous Services Canada	\$ 4,231,258	\$ 2,287,996	\$ 6,519,254
Health Canada	1,087,261	-	1,087,261
Canada Mortgage and Housing Corporation	107,743	-	107,743
Department of Fisheries and Oceans Canada	247,384	-	247,384
Wolastoqey Tribal Council	397,734	-	397,734
First Nation Land Management Resource Centre	120,953	-	120,953
North Shore Mi'kmaq District Council	33,864	-	33,864
First Nation Education Initiatives	2,533	-	2,533
<b>Total</b>	<b>6,228,730</b>	<b>2,287,996</b>	<b>8,516,726</b>
<b>Provincial government transfers</b>	<b>7,712,110</b>	<b>-</b>	<b>7,712,110</b>
	<b>\$ 13,940,840</b>	<b>\$ 2,287,996</b>	<b>\$ 16,228,836</b>

#### **19. Reclassification of prior year presentation**

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the overall reported results of operations.

---

**WOODSTOCK FIRST NATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

**20. Subsequent events**

1. The outbreak of the COVID-19 virus has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include travel bans, self-imposed quarantine periods, and social and physical distancing, have caused disruptions to businesses locally, nationally and globally. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of this world economic event is unknown and therefore, the impact on Woodstock First Nation, if any, is not determinable.

2. In 2021, the First Nation was advised in writing by the Province of NB that it was providing twelve months notice that the agreement between the two parties related to the collection of provincial tobacco tax, gasoline and motive fuel tax, and the harmonized sales tax is being terminated.

Additionally, the Province expressed its' intent to engage with the First Nation in discussion on a new economic partnership between all NB First Nation Communities and the Government of NB. Further, the Province confirmed its' intention to create dependable and sustainable revenue streams that are fair and equitable.

These tax agreements have created considerable economic benefits to the First Nation such that any alteration to the calculation of benefits derived from the tax agreement would have a material impact to the First Nation's financial resources and various business operations.

As at the independent auditor's report date, there is no agreement to replace the one set to expire in January, 2023. Accordingly, the impact to the Community is expected to be significant.