



HAZLITT STEEVES HARRIS DUNN LLP

CHARTERED PROFESSIONAL ACCOUNTANTS  
CHARTERED ACCOUNTANTS

*Consolidated Financial Statements of*

**WALPOLE ISLAND FIRST NATION**

*March 31, 2014*

## Independent Auditor's Report

### To the Band Council of Walpole Island First Nation

We have audited the accompanying consolidated financial statements of **Walpole Island First Nation** which comprise the consolidated statement of financial position as at March 31, 2014 and the consolidated statement of revenue and expenditure, changes in members' equity, change in net financial assets and cash flows 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 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

- Continued

*Opinion*

In our opinion, these consolidated financial statements financial statements present fairly, in all material respects, the financial position of Walpole Island First Nation as at March 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*HARRITT STEEVES HARRIS DUNN LLP*

Chartered Professional Accountants, Chartered Accountants  
Licensed Public Accountants  
October 8, 2014

# WALPOLE ISLAND FIRST NATION

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# WALPOLE ISLAND FIRST NATION

## Consolidated Statement of Revenue and Expenditure

For the year ended March 31, 2014

|  | 2014<br>Budget    | 2014<br>Actual    | 2013<br>Actual<br>(restated) |
|--|-------------------|-------------------|------------------------------|
| <b>REVENUE</b>   |                   |                   |                              |
| Deferred revenue, beginning of year                                | \$ 62,073         | \$ 974,252        | \$ 1,274,450                 |
| Aboriginal Affairs and Northern Development<br>Canada ("AANDC")    |                   |                   |                              |
| Grant  | 775,697           | 757,951           | 768,672                      |
| Fixed contribution   | 7,177,111         | 6,920,256         | 7,045,585                    |
| Set contribution   | 2,917,950         | 3,749,391         | 4,020,795                    |
| Health Canada  | 2,663,772         | 2,477,822         | 2,457,074                    |
| Canadian Mortgage and Housing<br>Corporation ("CMHC")              | -                 | 2,126             | 75,966                       |
| Human Resources and Skills Development Canada                      | 1,119,551         | 2,200,413         | 2,180,413                    |
| Other federal funding  | -                 | 513,053           | 310,287                      |
| Province of Ontario  | 8,290,787         | 9,198,038         | 8,590,001                    |
| Independent First Nations  | -                 | 74,545            | 85,100                       |
| Band contribution  | 1,659,306         | 2,462,053         | 1,503,669                    |
| Lease and rent revenue   | -                 | 942,998           | 984,833                      |
| Program administration   | -                 | 468,580           | 427,358                      |
| Interest income  | 200               | 133,565           | 30,470                       |
| User fees  | 633,224           | 540,078           | 618,583                      |
| Other recoveries   | -                 | -                 | 264,835                      |
| Other revenue  | 1,022,262         | 1,869,860         | 1,370,735                    |
| Deferred revenue, end of year                                      | -                 | (1,106,511)       | (974,252)                    |
|  | <b>26,321,933</b> | <b>32,178,470</b> | <b>31,034,574</b>            |
| <b>EXPENDITURE</b>   |                   |                   |                              |
| Governance and administration - Schedule 1                         | 1,440,275         | 1,662,748         | 1,537,088                    |
| Operations - Schedule 2  | 537,794           | 2,539,463         | 5,379,897                    |
| Public works - Schedule 3  | 1,677,037         | 1,715,226         | 1,706,955                    |
| Education - Schedule 4   | 6,943,417         | 6,634,034         | 6,749,257                    |
| Health - Schedule 5  | 1,999,035         | 2,069,593         | 2,056,060                    |
| Home and community care - Schedule 6                               | 1,165,257         | 1,147,393         | 1,132,385                    |
| Ontario Works - Schedule 7   | 6,605,963         | 6,829,348         | 6,499,325                    |
| Social services - Schedule 8                                       | 1,740,124         | 1,833,270         | 1,868,679                    |
| Economic development - Schedule 9                                  | 210,600           | 586,210           | 803,148                      |
| Housing and Band rentals - Schedule 10                             | 965,687           | 65,648            | 2,269,217                    |
| Heritage and research - Schedule 11                                | 576,471           | 677,192           | 810,430                      |
| Consultation - Schedule 12   | -                 | 672,178           | 351,551                      |
| Protection and fire - Schedule 13                                  | 154,592           | 143,494           | 141,615                      |
| Women's shelter - Schedule 14                                      | 378,088           | 411,050           | 477,432                      |
| Children's centre - Schedule 15                                    | 1,350,456         | 1,372,328         | 1,366,394                    |
| Arena - Schedule 16  | 236,561           | 579,502           | 444,400                      |
| Language - Schedule 17   | 69,470            | 350,423           | 312,183                      |
| Community buildings - Schedule 18                                  | 258,870           | 302,579           | 236,557                      |
| Aboriginal Skill and Employment Training<br>Strategy - Schedule 19 | 1,053,387         | 2,131,127         | 2,206,063                    |
| Amortization   | -                 | 1,577,308         | 1,602,987                    |
|  | <b>27,363,084</b> | <b>33,300,114</b> | <b>37,951,623</b>            |

# WALPOLE ISLAND FIRST NATION

## Consolidated Statement of Revenue and Expenditure - continued

For the year ended March 31, 2014

|  | <b>2014<br/>Budget</b> | <b>2014<br/>Actual</b> | 2013<br>Actual<br>(restated) |
|--|------------------------|------------------------|------------------------------|
| Excess of expenditure over revenue from operations<br>before capitalization of tangible capital assets<br>and net earnings from government enterprises | <b>(1,041,151)</b>     | <b>(1,121,644)</b>     | (6,917,049)                  |
| Capitalization of tangible capital assets  | -                      | <b>433,848</b>         | 777,178                      |
| Earnings from government enterprises   | -                      | <b>473,889</b>         | 1,450,470                    |
| Excess of revenue over expenditure (expenditure<br>over revenue) from operations   | <b>(1,041,151)</b>     | <b>(213,907)</b>       | (4,689,401)                  |
| Excess of revenue over expenditure from<br>Ontario First Nations Limited<br>Partnership ("OFNLP") - Schedule 20  | -                      | <b>94,804</b>          | 799,566                      |
| Excess of revenue over expenditure (expenditure<br>over revenue) from revenue trust<br>fund - Schedule 21  | -                      | <b>262,847</b>         | 346,151                      |
| Excess of revenue over expenditure (expenditure<br>over revenue) from Lower Indian Reserve<br>settlement - Schedule 22                                 | -                      | <b>(408,205)</b>       | 14,392,000                   |
| Long-term lease cancellation expenditure   | -                      | -                      | (1,583,405)                  |
| <b>EXCESS OF REVENUE OVER EXPENDITURE<br/>(EXPENDITURE OVER REVENUE)</b>   | <b>\$ (1,041,151)</b>  | <b>\$ (264,461)</b>    | <b>\$ 9,264,911</b>          |

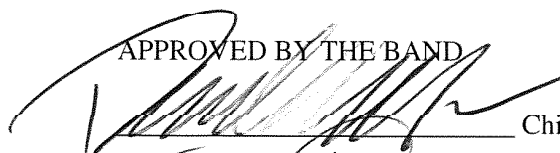
**WALPOLE ISLAND FIRST NATION**  
**Consolidated Statement of Changes in Members' Equity**  
**For the year ended March 31, 2014**

|   | <b>Operating</b>     | <b>Enterprise</b>   | <b>Internally<br/>Restricted</b> | <b>Externally<br/>Restricted</b> | <b>2014<br/>Total</b> | <b>2013<br/>Total</b> |
|---|----------------------|---------------------|----------------------------------|----------------------------------|-----------------------|-----------------------|
|   | (Note 2)             | (Note 2 and 8)      | (Note 2)                         | (Notes 2 and 13)                 |                       | (restated)            |
| Balance, beginning of year  | \$ 30,661,613        | \$ 7,453,564        | \$ 128,666                       | \$ 15,666,165                    | \$ 53,910,008         | \$ 44,037,488         |
| Excess of revenue over expenditure<br>(expenditure over revenue)  | (1,096,001)          | 473,889             | -                                | 357,651                          | (264,461)             | 9,264,911             |
| Allocation from enterprise<br>to operating fund                   | (98,112)             | 98,112              | -                                | -                                | -                     | -                     |
| Allocation from internally restricted to<br>operating fund        | 33,500               | -                   | -33,500                          | -                                | -                     | -                     |
| Allocation from externally restricted to<br>internally restricted | -                    | -                   | 75,000                           | (75,000)                         | -                     | -                     |
| Housing loan additions  | 547,542              | -                   | -                                | -                                | 547,542               | 607,609               |
| <b>BALANCE, END OF YEAR</b>                                       | <b>\$ 30,048,542</b> | <b>\$ 8,025,565</b> | <b>\$ 170,166</b>                | <b>\$ 15,948,816</b>             | <b>\$ 54,193,089</b>  | <b>\$ 53,910,008</b>  |

**WALPOLE ISLAND FIRST NATION**  
**Consolidated Statement of Financial Position**  
As at March 31, 2014

|   | <u>2014</u>          | <u>2013</u><br>(restated) |
|---|----------------------|---------------------------|
| <b>FINANCIAL ASSETS</b>                 |                      |                           |
| Cash                                    | \$ 16,691,563        | \$ 1,411,934              |
| Trust funds in Ottawa (Note 4)          | 9,436,557            | 9,173,710                 |
| Restricted assets (Note 5)              | 6,682,425            | 6,621,121                 |
| Accounts receivable (Note 6)            | 1,536,855            | 30,151,865                |
| Loans to Band members (Note 7)          | 3,093,507            | 2,405,009                 |
| Investment in related parties (Note 8)  | 8,025,565            | 7,453,564                 |
|   | <u>45,466,472</u>    | <u>57,217,203</u>         |
| <b>LIABILITIES</b>                      |                      |                           |
| Accounts payable and accrued charges    | 4,896,428            | 17,419,342                |
| Payable to funding sources              | 211,863              | 48,483                    |
| Due to restricted assets (Note 5)       | 3,772,104            | 4,100,304                 |
| Deferred revenue (Note 9)               | 1,135,722            | 1,003,461                 |
| Rental deposits                         | 6,750                | 9,050                     |
| Housing commitments                     | 289,034              | 299,956                   |
| Long-term debt (Note 10)                | 2,096,852            | 2,609,617                 |
|   | <u>12,408,753</u>    | <u>25,490,213</u>         |
| <b>NET FINANCIAL ASSETS</b>             | <u>33,057,719</u>    | <u>31,726,990</u>         |
| <b>CONTINGENT LIABILITIES (NOTE 11)</b> |                      |                           |
| <b>NON-FINANCIAL ASSETS</b>             |                      |                           |
| Tangible capital assets (Note 12)       | 20,948,544           | 22,092,004                |
| Inventory                               | 621                  | 621                       |
| Prepaid assets                          | 186,205              | 90,393                    |
|   | <u>21,135,370</u>    | <u>22,183,018</u>         |
| <b>MEMBERS' EQUITY</b>                  | <u>\$ 54,193,089</u> | <u>\$ 53,910,008</u>      |

APPROVED BY THE BAND

 Chief of Band

 Director of Operations



# WALPOLE ISLAND FIRST NATION

## Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2014

|  | <u>2014</u>          | <u>2013</u><br>(restated) |
|--|----------------------|---------------------------|
| ANNUAL SURPLUS (DEFICIT)   |                      |                           |
| Excess of revenue over expenditure<br>(expenditure over revenue) | \$ (264,461)         | \$ 9,264,911              |
| Housing loan additions   | 547,542              | 607,609                   |
|  | <u>283,081</u>       | 9,872,520                 |
| Acquisition of tangible capital assets                           | (433,848)            | (777,175)                 |
| Amortization of tangible capital assets                          | 1,577,308            | 1,602,987                 |
|  | <u>1,426,541</u>     | 10,698,332                |
| Acquisition of prepaid assets                                    | (186,205)            | (90,393)                  |
| Utilization of prepaid assets                                    | 90,393               | 135,724                   |
|  | <u>(95,812)</u>      | 45,331                    |
| NET CHANGE IN NET FINANCIAL ASSETS                               | 1,330,729            | 10,743,663                |
| Net financial assets, beginning of year                          | 31,726,990           | 20,983,327                |
| NET FINANCIAL ASSETS, END OF YEAR                                | <u>\$ 33,057,719</u> | <u>\$ 31,726,990</u>      |

# WALPOLE ISLAND FIRST NATION

## Consolidated Statement of Cash Flows

As at March 31, 2014

|  | <u>2014</u>          | <u>2013</u><br>(restated) |
|--|----------------------|---------------------------|
| <b>OPERATING ACTIVITIES</b>                                      |                      |                           |
| Excess of revenue over expenditure<br>(expenditure over revenue) | \$ (264,461)         | \$ 9,264,911              |
| Items not affecting cash   |                      |                           |
| Housing loan additions   | 547,542              | 607,609                   |
| Amortization   | 1,577,308            | 1,602,987                 |
|  | <b>1,860,389</b>     | <b>11,475,507</b>         |
| Changes in non-cash working capital items                        |                      |                           |
| Accounts receivable  | 28,615,010           | (28,401,273)              |
| Accounts payable   | (12,522,914)         | 15,282,062                |
| Payable to funding sources                                       | 163,380              | (585,666)                 |
| Deferred revenue   | 132,261              | (300,983)                 |
| Rental deposits  | (2,300)              | 123                       |
| Housing commitments  | (10,922)             | 67,608                    |
| Prepaid expenses   | (95,812)             | 45,331                    |
|  | <b>18,139,092</b>    | <b>(2,417,291)</b>        |
| <b>FINANCING ACTIVITIES</b>                                      |                      |                           |
| Repayment of long-term debt                                      | (512,765)            | (141,371)                 |
| Repayment of due to restricted assets                            | (328,200)            | (934,043)                 |
|  | <b>(840,965)</b>     | <b>(1,075,414)</b>        |
| <b>INVESTING ACTIVITIES</b>                                      |                      |                           |
| (Increase) decrease in restricted assets                         | (324,151)            | (1,145,716)               |
| (Increase) decrease in enterprise fund                           | (572,001)            | 1,707,406                 |
| Net decrease in housing loans                                    | (688,498)            | 1,020,613                 |
| Purchase of tangible capital assets                              | (433,848)            | (777,178)                 |
|  | <b>(2,018,498)</b>   | <b>805,125</b>            |
| <b>NET CHANGE IN CASH POSITION</b>                               | <b>15,279,629</b>    | <b>(2,687,580)</b>        |
| Cash position, beginning of year                                 | 1,411,934            | 4,099,514                 |
| <b>CASH POSITION, END OF YEAR</b>                                | <b>\$ 16,691,563</b> | <b>\$ 1,411,934</b>       |

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

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### 1. PURPOSE OF THE ORGANIZATION

The Walpole Island First Nation is located in Walpole Island, Ontario. The elected government consists of a Chief and twelve members of Council. The organization manages and administers all political, social and economic programs of this First Nation.

### 2. ACCOUNTING POLICIES

#### *Basis of presentation*

These financial statements have been prepared in accordance with Canadian public sector accounting standards for government entities as defined in the CICA Public Sector Accounting Handbook, as well as the Year-end Reporting Handbook for First Nations and include the following significant accounting policies. The Walpole Island First Nation reporting entity includes the Walpole Island First Nation. These financial statements include the assets, liabilities, results of operations and cash flows for the following funds:

#### *Operating*

The operating fund reports the general activities of the First Nation administration.

#### *Enterprise*

The enterprise fund reports the activities of the various investments in government business enterprises. These government business enterprises include wholly owns subsidiaries Three Fires Development Corporation, Tahgahoning Enterprises Inc., and Walpole Algonac Ferry Ltd. and significantly influenced investments Walpole Island First Nation Pharmacy Ltd. and 2361901 Ontario Corp.

#### *Internally restricted*

The internally restricted fund reports the designated assets, as established by The First Nation's council, which require a Band Council motion to release any portion of these funds for expenditure.

#### *Externally restricted*

The externally restricted fund reports the activities and assets of all externally restricted assets, including the Trust funds in Ottawa and Ontario First Nations Limited Partnership funds.

#### *Revenue recognition*

Government grants and subsidies are recorded as earned according to the provisions of the project. Any unearned portion is recorded as deferred revenue.

Lease revenue is recognized when it is due in accordance with the respective agreements. Any unearned portion is recorded as deferred revenue.

Rent revenue and user fees are recognized on the date the service is provided to the individual.

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

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### 2. ACCOUNTING POLICIES - continued

#### *Loans to members*

Funding received for the purpose of building and renovating houses is recorded as revenue of a specific program. The commitment of the funds to a particular First Nation member for the purchase of approved housing is recorded as an expenditure of the program and as a commitment to that First Nation member. Commitments outstanding at the end of the year are reported as liabilities.

Agreements exist between the Council and the members regarding the terms of repayment of various expenditures. The portion of the expenditures determined to be repayable are recorded as loans due from the members on the Consolidated Statement of Financial Position as well as an increase to the operating fund.

#### *Government business enterprises*

Investments in government business enterprises are adjusted to reflect the cumulative retained earnings of the government business enterprises using the modified equity method. The modified equity method was applied using the wholly owned subsidiaries and significantly influenced investments balance sheets as at March 31, 2014 and April 31, 2013 respectively and the statements of earnings and retained earnings for the year then ended.

#### *Tangible capital assets*

Tangible capital assets have been recorded at cost and amortized over their useful lives. Amortization is computed using the following annual rates and methods:

|                          |               |               |
|--------------------------|---------------|---------------|
| Buildings and structures | 20 – 40 years | straight-line |
| Infrastructure           | 10 – 25 years | straight-line |
| Vehicles                 | 5 years       | straight-line |
| Equipment                | 10 years      | straight-line |
| Computer hardware        | 3 years       | straight-line |

#### *Management estimates*

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenditure during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known.

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

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### 3. FINANCIAL INSTRUMENTS

The First Nation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include interest rate risk and credit risk.

#### *Interest rate risk*

The First Nation manages its interest rate risk by having fixed interest rates on the long-term debt.

#### *Credit risk*

Credit risk arises from the potential that a tenant or borrower will be unable to pay an amount owing to the First Nation. The First Nation monitors its accounts receivable and loan to members regularly and establishes allowances for doubtful accounts as needed.

#### *Fair value*

The fair value of cash, trust funds in Ottawa, restricted assets, accounts receivable, accounts payable and accrued charges, payable to funding sources and housing commitments are approximately equal to their carrying values due to their short-term maturity.

The fair value of the loans to Band members and long-term debt under current financing arrangements are approximately equal to its carrying value.

### 4. TRUST FUNDS IN OTTAWA

|                    | <u>2014</u>         | <u>2013</u>         |
|--------------------|---------------------|---------------------|
| Revenue trust fund | \$ 8,598,859        | \$ 8,336,012        |
| Capital trust fund | 837,698             | 837,698             |
|                    | <u>\$ 9,436,557</u> | <u>\$ 9,173,710</u> |

### 5. RESTRICTED ASSETS

The externally restricted assets represent the assets of the Ontario First Nations Limited Partnership fund. The internally restricted assets represent the balance of the internally restricted fund created by Band Council.

#### Externally restricted

|                         |                  |                  |
|-------------------------|------------------|------------------|
| Cash                    | \$ 2,910,321     | \$ 2,520,817     |
| Due from operating fund | 3,601,938        | 3,971,638        |
|                         | <u>6,512,259</u> | <u>6,492,455</u> |

#### Internally restricted

|                         |                     |                     |
|-------------------------|---------------------|---------------------|
| Due from operating fund | 170,166             | 128,666             |
|                         | <u>\$ 6,682,425</u> | <u>\$ 6,621,121</u> |

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

### 6. ACCOUNTS RECEIVABLE

|                                      | <u>2014</u>         | <u>2013</u>          |
|--------------------------------------|---------------------|----------------------|
| Federal Government                   | \$ 588,282          | \$ 29,132,284        |
| Provincial Government programs       | 383,238             | 591,567              |
| Other program receivables            | 535,887             | 323,793              |
| Other receivables – net of allowance | 24,884              | 101,775              |
| GST recoverable                      | 4,564               | 2,446                |
|                                      | <u>\$ 1,536,855</u> | <u>\$ 30,151,865</u> |

### 7. LOANS TO BAND MEMBERS

|                                    |                     |                     |
|------------------------------------|---------------------|---------------------|
| Housing loans                      | \$ 6,908,948        | \$ 6,976,434        |
| Less: allowance for doubtful loans | 3,815,441           | 4,571,425           |
|                                    | <u>\$ 3,093,507</u> | <u>\$ 2,405,009</u> |

Housing loans are interest free. An allowance for doubtful accounts has been created to allow for loans which may not ultimately be collectible.

### 8. INVESTMENT IN RELATED PARTIES

The investment in related parties, represents advances to and shares in corporations wholly owned or controlled by the Band. The advances to these corporations are non-interest bearing, unsecured and are due on demand.

|                                       | <u>2014</u>         | <u>2013</u>         |
|---------------------------------------|---------------------|---------------------|
|                                       |                     | (restated)          |
| Advances to (from)                    |                     |                     |
| Three Fires Development Corporation   | \$ 2,315,107        | \$ 2,217,042        |
| Tahgahoning Enterprises Inc.          | 1,641,719           | 1,641,672           |
| Walpole Algonac Ferry Ltd.            | (1,000)             | (1,000)             |
| Giiwedín Noodin FN Energy Corporation | (1)                 | (1)                 |
|                                       | <u>3,955,825</u>    | <u>3,857,713</u>    |
| Equity                                |                     |                     |
| Tahgahoning Enterprises Inc.          | 4,069,739           | 3,595,850           |
| Giiwedín Noodin FN Energy Corporation | 1                   | 1                   |
|                                       | <u>4,069,740</u>    | <u>3,595,851</u>    |
|                                       | <u>\$ 8,025,565</u> | <u>\$ 7,453,564</u> |

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

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### 8. INVESTMENT IN RELATED PARTIES - continued

Financial statements for each of the Band controlled corporations have been prepared for the year ended March 31, 2014 except for Walpole Island First Nation Pharmacy Ltd. which has been prepared for the year ended April 30, 2013. These financial statements may provide additional information as to the financial affairs and resources of these government business enterprises to the users of these financial statements.

The investment in Giiwedín Noodin FN Energy Corporation is a corporate partnership with Aamjiwnaang First Nation. Each First Nation owns 50% of the shares of the corporation. The purpose of Giiwedín Noodin FN Energy Corporation is to hold partnership units of Grand Bend Wind Limited Partnership which was formed to operate a wind energy project. The investment in Giiwedín Noodin FN Energy Corporation is accounted for using the proportionate consolidation method.

Giiwedín Noodin FN Energy Corporation did not have any operating results as of March 31, 2014.

### 9. DEFERRED REVENUE

|  | <u>2014</u>         | <u>2013</u>         |
|--|---------------------|---------------------|
| Aboriginal Affairs & Northern Development Canada | \$ 584,764          | \$ 645,571          |
| Health Canada                                    | -                   | 14,164              |
| Human Resources and Skills Development Canada    | 237,917             | 163,233             |
| Canadian Heritage                                | 31,644              | 8,542               |
| Environment Canada                               | -                   | 1,428               |
| Province of Ontario                              | 77,352              | 43,632              |
| Other funding sources                            | 178,335             | 101,181             |
| Leases   | 25,710              | 25,710              |
|  | <u>\$ 1,135,722</u> | <u>\$ 1,003,461</u> |

### 10. LONG-TERM DEBT

|   |                     |                     |
|---|---------------------|---------------------|
| 0% promissory note due April 2013   | \$ -                | \$ 369,967          |
| 0% promissory note due March 2015   | 97,240              | 97,240              |
| 3.55% mortgage, repayable in blended monthly instalments of \$18,293, due March 2015, secured by a building | 1,999,612           | 2,142,410           |
|   | <u>\$ 2,096,852</u> | <u>\$ 2,609,617</u> |

Principal amounts due in the next year is as follows:

|             |                     |
|-------------|---------------------|
| <u>2015</u> | <u>\$ 2,096,852</u> |
|-------------|---------------------|

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

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### 11. CONTINGENT LIABILITIES

- (a) Various claims have been filed against the First Nation for wrong dismissals. It is in Chief and Council's opinion that these claims are unfounded and the claims will be vigorously defended by the First Nation. The outcome and the amount of losses, if any, are not determinable at this time and accordingly, no provision for losses has been made in these financial statements.
- (b) The First Nation has been named defendant in a legal action alleging breach of contract. The damages sought in this legal action amount to \$950,000. The First Nation has filed a counterclaim of \$111,500 for breach of contract against the plaintiff. It is Chief and Council's opinion that this claim is unfounded and the claim will be vigorously defended by the First Nation. The outcome and the amount of losses, if any, are not determinable at this time and accordingly, no provision for losses have been made in these financial statements.
- (c) The First Nation has been named defendant in a legal action alleging breach of contract. The damages sought in this legal action amount to \$1,050,000. The First Nation has filed a counterclaim of \$654,000 for breach of contract against the plaintiff. It is Chief and Council's opinion that this claim is unfounded and the claim will be vigorously defended by the First Nation. The outcome and the amount of losses, if any, are not determinable at this time and accordingly, no provision for losses have been made in these financial statements.
- (d) As of March 31, 2014, it has been alleged that Walpole Island First Nation is in breach of a contract. There has not been a claim filed against Walpole Island First Nation in regards to this allegation and it is Chief and Council's opinion that these claims are unfounded and the claims will be vigorously defended by the First Nation. The outcome and the amount of losses, if any, are not determinable at this time and accordingly, no provision for losses have been made in these financial statements.

### 12. TANGIBLE CAPITAL ASSETS

|                           | 2014                 |                          |                      | 2013                      |
|---------------------------|----------------------|--------------------------|----------------------|---------------------------|
|                           | Cost                 | Accumulated Amortization | Net Book Value       | Net Book Value (restated) |
| Land                      | \$ 6,600             | \$ -                     | \$ 6,600             | \$ 6,600                  |
| Buildings and structures  | 16,650,378           | 6,972,824                | 9,677,554            | 9,373,357                 |
| Infrastructure            | 15,006,684           | 4,566,113                | 10,440,571           | 11,334,346                |
| Vehicles                  | 2,343,909            | 2,229,819                | 114,090              | 186,457                   |
| Equipment                 | 2,214,109            | 1,777,804                | 436,305              | 589,418                   |
| Computers hardware        | 1,166,876            | 1,115,152                | 51,724               | 15,544                    |
| Assets under construction | 221,700              | -                        | 221,700              | 586,282                   |
|                           | <b>\$ 37,610,256</b> | <b>\$ 16,661,712</b>     | <b>\$ 20,948,544</b> | <b>\$ 22,092,004</b>      |



# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

### 13. EXTERNALLY RESTRICTED MEMBERS' EQUITY

|                    | <b>Balance,<br/>Beginning<br/>of Year</b> | <b>Additions,<br/>Allocations,<br/>Interest</b> | <b>Transfers,<br/>Adjustments,<br/>Expenditure</b> | <b>Balance,<br/>End<br/>of Year</b> |
|--------------------|---|---|--|-------------------------------------|
| Revenue trust fund | \$ 8,336,012                              | \$ 262,847                                      | \$ -   | \$ 8,598,859                        |
| Capital trust fund | 837,698                                   | -   | -  | 837,698                             |
| OFNLP fund         | 6,492,455                                 | 1,727,495                                       | 1,707,691  | 6,512,259                           |
|                    | <b>\$ 15,666,165</b>                      | <b>\$ 1,990,342</b>                             | <b>\$ 1,707,691</b>                                | <b>\$ 15,948,816</b>                |

### 14. CLASSIFICATION OF EXPENDITURE BY OBJECT

The consolidated statement of revenue and expenditure presents the expenditure by function; the following classifies the same expenditure by object.

|   | <b>2014</b>  | <b>2013<br/>(restated)</b> |
|---|--------------|----------------------------|
| Amortization                                    | \$ 1,577,308 | \$ 1,602,987               |
| Bad debts (recovered)                           | (466,221)    | 4,676,219                  |
| Band contributions to programs                  | 1,268,623    | 1,057,118                  |
| Consolidated revenue fund                       |              |                            |
| Administration                                  | 112,330      | 71,621                     |
| Childcare                                       | 240,249      | 240,249                    |
| Core services                                   | 42,438       | 47,716                     |
| Labour market programs                          | 421,469      | 469,833                    |
| Partnership development                         | 47,554       | 50,430                     |
| Construction and renovations                    | 741,615      | 1,042,883                  |
| Consulting and management fees                  | 641,930      | 566,464                    |
| Education services and allowances               | 3,064,671    | 3,176,607                  |
| Employment insurance fund                       |              |                            |
| Administration                                  | 80,254       | 51,207                     |
| Core services                                   | 26,999       | 19,040                     |
| Labour market programs                          | 59,129       | 150,275                    |
| Partnership development                         | 19,842       | 24,827                     |
| Equipment                                       | 364,435      | 311,822                    |
| General office and supplies                     | 496,603      | 438,493                    |
| Grants, donations and incentives                | 79,609       | 103,977                    |
| Honoraria                                       | 236,479      | 224,011                    |
| Insurance                                       | 224,848      | 201,272                    |
| Interest and bank charges                       | 115,053      | 112,592                    |
| Lower Indian Reserve disbursement expenditures  | 171,206      | -                          |
| Lower Indian Reserve disbursement               | 236,999      | 13,608,000                 |
| Materials, supplies and outside purchases       | 2,374,864    | 2,585,084                  |
| Miscellaneous                                   | 942          | 12,742                     |
| Oneida Nations of the Thames funding allocation | 1,080,863    | 1,080,865                  |

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

### 14. CLASSIFICATION OF EXPENDITURE BY OBJECT - continued

|   | <u>2014</u>          | <u>2013</u><br>(restated) |
|---|----------------------|---------------------------|
| Professional fees   | 402,030              | 488,721                   |
| Program resources   | 1,632,691            | 934,052                   |
| Recovery of surplus from funding sources  | 388,139              | 266,047                   |
| Rent and utilities  | 833,594              | 641,252                   |
| Repairs and maintenance   | 597,305              | 527,900                   |
| Social assistance benefits  | 4,986,233            | 4,886,961                 |
| Telephone   | 258,588              | 410,733                   |
| Training and professional development   | 828,854              | 865,991                   |
| Transportation  | 539,612              | 535,363                   |
| Travel  | 436,803              | 366,092                   |
| Wages and benefits  | 11,103,543           | 10,580,338                |
| Vehicle   | 73,527               | 63,891                    |
| <hr/>   |                      |                           |
| Total expenditure by object including tangible capital assets, OFNLP, revenue trust fund and Lower Indian Reserve expenditure | 35,341,010           | 52,493,675                |
| OFNLP   | (1,632,691)          | (934,052)                 |
| Lower Indian Reserve  | (408,205)            | (13,608,000)              |
| Total operating expenditures by object  | <u>\$ 33,300,114</u> | <u>\$ 37,951,623</u>      |

Total operating expenditure by object includes tangible capital assets of \$433,848 (2013 - \$777,178) which have been capitalized.

### 15. PRIOR PERIOD ADJUSTMENTS

The financial statements for the years ended March 31, 2013 and prior have been restated to adjust for the following:

§ the capitalization of certain tangible capital assets obtained prior to 1998 that had previously been recorded as an expenditure by the First Nation.

§ correcting the previously recorded deficits from related party investments.

As a result of the prior period adjustment, the tangible capital assets of \$19,325,254 as at March 31, 2013 has been restated as \$22,092,004; investment in related parties of \$5,878,051 has been restated to \$7,453,564; amortization of \$1,415,510 has been restated to \$1,602,987; earnings from government enterprises of \$477,090 has been restated to \$1,450,470; excess of revenue over expenditure of \$8,479,008 has been restated to \$9,264,911; enterprise equity of \$5,878,051 has been restated to \$7,453,564; operating equity of \$27,894,863 has been restated to \$30,661,613 and total members' equity of \$49,567,745 has been restated to \$53,910,008.

# WALPOLE ISLAND FIRST NATION

## Notes to the Financial Statements

For the year ended March 31, 2014

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### 15. PRIOR PERIOD ADJUSTMENTS - continued

The effect on members' equity is as follows:

|  | <u>2013</u>          | <u>2012</u>          |
|--|----------------------|----------------------|
| Members' equity, beginning of the year   |                      |                      |
| As previously reported   | \$ 49,567,745        | \$40,481,128         |
| Prior period adjustments   |                      |                      |
| Capitalization of tangible capital assets prior to 1998<br>net of amortization | 2,766,749            | 2,954,226            |
| Elimination of deficits from related party investments                         | 1,575,514            | 602,134              |
| As restated  | <u>\$ 53,910,008</u> | <u>\$ 44,037,488</u> |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Governance and administration

For the year ended March 31, 2014

**Schedule 1**

|  | <u>2014</u>      | <u>2013</u>      |
|--|------------------|------------------|
| Revenue  |                  |                  |
| Aboriginal Affairs and Northern Development Canada                         |                  |                  |
| Grant  | \$ 757,951       | \$ 768,672       |
| Fixed contribution   | 90,982           | 92,726           |
| Set contribution   | 244,900          | 260,500          |
| Band contribution  | 547,553          | 483,554          |
| Other revenue  | 27,194           | 35,952           |
|  | <b>1,668,580</b> | <b>1,641,404</b> |
| Expenditure  |                  |                  |
| Equipment  | 14,953           | -                |
| General office and supplies  | 44,460           | 62,170           |
| Honoraria  | 188,275          | 182,306          |
| Insurance  | 3,200            | 5,763            |
| Interest and bank charges  | 26,867           | 31,487           |
| Material, supplies and outside purchases                                   | 20,390           | 9,502            |
| Professional services  | 174,809          | 180,196          |
| Recovery of surplus by funding sources                                     | (7,743)          | -                |
| Rent and utilities   | 673              | 605              |
| Repairs and maintenance  | -                | 3,557            |
| Telephone  | 46,115           | 42,497           |
| Training and professional development                                      | 15,348           | 10,650           |
| Travel   | 66,682           | 55,014           |
| Wages and benefits (AANDC set contribution \$244,900;<br>2013 - \$260,500) | 1,068,719        | 953,341          |
|  | <b>1,662,748</b> | <b>1,537,088</b> |
| Excess of revenue over expenditure   | \$ 5,832         | \$ 104,316       |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

### Operations

For the year ended March 31, 2014

### Schedule 2

|   | <u>2014</u>       | <u>2013</u>           |
|---|-------------------|-----------------------|
| Revenue   |                   |                       |
| Deferred revenue, beginning of year   | \$ 30,918         | \$ 2,829              |
| Aboriginal Affairs and Northern Development Canada  |                   |                       |
| Fixed contribution  | 183,669           | 210,613               |
| Set contribution  | 2,000             | 1,900                 |
| Other federal funding   | 95,325            | 162,536               |
| Band contribution   | 1,094,791         | 234,282               |
| Lease revenue   | 718,583           | 774,050               |
| Program administration  | 456,890           | 415,697               |
| Interest income   | 128,168           | 24,952                |
| User fees   | 100,824           | 92,163                |
| Other recoveries  | -                 | 264,835               |
| Other revenue   | 277,380           | 259,467               |
| Deferred revenue, end of year   | (20,688)          | (30,918)              |
|   | <b>3,067,860</b>  | <b>2,412,406</b>      |
| Expenditure   |                   |                       |
| Bad debts   | 108,368           | 3,294,524             |
| Band contributions to programs  | 1,268,623         | 1,057,118             |
| Consulting and management fees  | 111,586           | 57,592                |
| Equipment   | 66,232            | -                     |
| General office and supplies   | 178,879           | 36,518                |
| Insurance   | 6,428             | 6,270                 |
| Interest and bank charges   | 87,949            | 78,735                |
| Material, supplies and outside purchases  | 104,879           | 233,680               |
| Miscellaneous   | 942               | 10,242                |
| Professional fees   | 67,375            | 8,390                 |
| Rent and utilities  | 26,922            | 5,167                 |
| Repair and maintenance  | 4,196             | 650                   |
| Telephone   | 56,373            | 223,727               |
| Training and professional development   | 4,026             | 3,578                 |
| Travel  | 31,576            | 44,414                |
| Wages and benefits (AANDC set contribution \$2,000;<br>2013 - \$1,900)  | 405,513           | 316,724               |
| Vehicle   | 9,596             | 2,568                 |
|   | <b>2,539,463</b>  | <b>5,379,897</b>      |
| Excess of revenue over expenditure (expenditure over revenue)<br>before capitalization of tangible capital assets | <b>528,397</b>    | <b>(2,967,491)</b>    |
| Capitalization of tangible capital assets   | <b>66,232</b>     | <b>-</b>              |
| Excess of revenue over expenditure (expenditure over revenue)   | <b>\$ 594,629</b> | <b>\$ (2,967,491)</b> |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

### Public works

For the year ended March 31, 2014

### Schedule 3

|   | <u>2014</u>        | <u>2013</u>       |
|---|--------------------|-------------------|
| Revenue   |                    |                   |
| Deferred revenue, beginning of year   | \$ 122,354         | \$ 221,394        |
| Aboriginal Affairs and Northern Development Canada  |                    |                   |
| Fixed contribution  | 1,121,828          | 1,050,997         |
| Set contribution  | 98,047             | 97,383            |
| Other federal funding   | -                  | 1,150             |
| Province of Ontario   | 208,794            | 208,794           |
| Band contribution   | 25,372             | 20,628            |
| User fees   | 154,002            | 173,204           |
| Other revenue   | 86,481             | 72,575            |
| Deferred revenue, end of year   | (190,219)          | (122,354)         |
|   | <b>1,626,659</b>   | <b>1,723,771</b>  |
| Expenditure   |                    |                   |
| Bad debts   | 33,065             | 22,225            |
| Equipment (AANDC set contribution \$NIL; 2013 - \$505,418)  | 124,552            | 176,990           |
| General office and supplies (AANDC set contribution \$61;<br>2013 - \$NIL)  | 12,484             | 15,736            |
| Honoraria   | 1,650              | 1,350             |
| Insurance   | 87,129             | 87,916            |
| Materials, supplies and outside purchases<br>(AANDC set contribution \$10,700; 2013 - \$55,338)                   | 301,981            | 326,103           |
| Recovery of surplus by funding sources  | 5,000              | -                 |
| Rent and utilities (AANDC set contribution \$13,548;<br>2013 - \$9,384)   | 199,035            | 159,752           |
| Repairs and maintenance (AANDC set contribution \$182;<br>2013 - \$6,939)   | 380,733            | 349,561           |
| Telephone   | 29,559             | 28,216            |
| Training and professional development (AANDC set contribution<br>\$666; 2013 - \$NIL)                             | 5,638              | 6,587             |
| Travel  | 562                | 476               |
| Wages and benefits (AANDC set contribution \$72,890;<br>2013 - \$25,722)  | 513,516            | 515,148           |
| Vehicle   | 20,322             | 16,895            |
|   | <b>1,715,226</b>   | <b>1,706,955</b>  |
| Excess of revenue over expenditure (expenditure over revenue)<br>before capitalization of tangible capital assets | <b>(88,567)</b>    | 16,816            |
| Capitalization of tangible capital assets   | <b>71,759</b>      | 162,463           |
| Excess of revenue over expenditure (expenditure over revenue)   | <b>\$ (16,808)</b> | <b>\$ 179,279</b> |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

### Education

For the year ended March 31, 2014

### Schedule 4

|  | 2014             | 2013             |
|--|------------------|------------------|
| Revenue  |                  |                  |
| Deferred revenue, beginning of year  | \$ 255,643       | \$ 22,021        |
| Aboriginal Affairs and Northern Development Canada   |                  |                  |
| Fixed contribution   | 4,095,681        | 4,178,405        |
| Set contribution   | 2,250,892        | 2,291,592        |
| Province of Ontario  | -                | 13,200           |
| Band contribution  | 143,580          | 9,631            |
| Interest income  | -                | 408              |
| Other revenue  | 233,026          | 168,996          |
| Deferred revenue, end of year  | (362,455)        | (255,643)        |
|  | <b>6,616,367</b> | <b>6,428,610</b> |
| Expenditure  |                  |                  |
| Bad debts recovered  | -                | (2,924)          |
| Consulting and management fees (AANDC set contribution \$13,030; 2013 - \$NIL)                 | 13,030           | 1,158            |
| Education services and allowances (AANDC set contribution \$1,343,053; 2013 - \$1,495,300)     | 2,987,479        | 3,078,098        |
| Equipment (AANDC set contribution \$7,307; 2013 - \$6,410)                                     | 61,410           | 29,772           |
| General office and supplies  | 21,318           | 22,260           |
| Honoraria  | 38,000           | 34,500           |
| Insurance (AANDC set contribution \$NIL; 2013 - \$10,791)                                      | 24,523           | 20,910           |
| Interest and bank charges  | -                | 1,527            |
| Materials, supplies and outside purchases (AANDC set contribution \$181,859; 2013 - \$163,411) | 238,153          | 297,837          |
| Professional fees (AANDC set contribution \$NIL; 2013 - \$12,000)                              | -                | 12,000           |
| Recovery of surplus by funding sources   | 106,714          | 64,288           |
| Rent and utilities   | 98,215           | 78,338           |
| Repairs and maintenance  | 27,881           | 22,961           |
| Telephone  | 14,555           | 18,635           |
| Training and professional development (AANDC set contribution \$6,600; 2013 - \$14,510)        | 74,631           | 90,344           |
| Transportation (AANDC set contribution \$3,380; 2013 - \$4,310)                                | 396,850          | 395,847          |
| Travel (AANDC set contribution \$706; 2013 - \$NIL)  | 13,752           | 17,641           |
| Wages and benefits (AANDC set contribution \$600,810; 2013 - \$584,739)                        | 2,517,523        | 2,566,065        |
|  | <b>6,634,034</b> | <b>6,749,257</b> |
| Excess of expenditure over revenue before capitalization of tangible capital assets            | (17,667)         | (320,647)        |
| Capitalization of tangible capital assets  | -                | 30,665           |
| Excess of expenditure over revenue   | \$ (17,667)      | \$ (289,982)     |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

### Health

For the year ended March 31, 2014

### Schedule 5

|  | <u>2014</u>      | <u>2013</u>      |
|--|------------------|------------------|
| Revenue  |                  |                  |
| Deferred revenue, beginning of year  | \$ 41,506        | \$ 59,274        |
| Health Canada  | 1,808,386        | 1,807,677        |
| Province of Ontario  | 97,137           | 97,137           |
| Independent First Nations  | 74,545           | 85,100           |
| Other revenue  | 78,246           | 44,180           |
| Deferred revenue, end of year  | (52,895)         | (41,506)         |
|  | <u>2,046,925</u> | <u>2,051,862</u> |
| Expenditure  |                  |                  |
| Consulting and management fees   | 138,603          | 156,672          |
| General office and supplies  | 57,970           | 56,119           |
| Insurance  | 4,439            | 3,286            |
| Materials, supplies and outside purchases  | 252,926          | 253,768          |
| Recovery of surplus by funding sources   | 95,900           | 80,648           |
| Rent and utilities   | 16,375           | 12,782           |
| Repairs and maintenance  | 4,715            | 2,742            |
| Telephone  | 12,173           | 11,732           |
| Training and professional development  | 342,686          | 339,219          |
| Transportation   | 134,684          | 129,348          |
| Travel   | 40,695           | 33,687           |
| Wages and benefits   | 968,427          | 976,057          |
|  | <u>2,069,593</u> | <u>2,056,060</u> |
| Excess of expenditure over revenue before capitalization<br>of tangible capital assets | (22,668)         | (4,198)          |
| Capitalization of tangible capital assets  | -                | 5,849            |
| Excess of revenue over expenditure (expenditure over revenue)                          | \$ (22,668)      | \$ 1,651         |



# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Home and community care

For the year ended March 31, 2014

**Schedule 6**

|  | <u>2014</u>      | <u>2013</u>      |
|--|------------------|------------------|
| Revenue  |                  |                  |
| Aboriginal Affairs and Northern Development Canada                       |                  |                  |
| Set contribution   | \$ 80,000        | \$ 82,800        |
| Health Canada  | 532,861          | 518,863          |
| Province of Ontario  | 474,383          | 490,089          |
| Other revenue  | 49,750           | 38,237           |
|  | <b>1,136,994</b> | <b>1,129,989</b> |
| Expenditure  |                  |                  |
| Consulting and management fees   | 52,377           | 44,925           |
| General office and supplies  | 16,139           | 25,382           |
| Insurance  | 4,047            | 4,027            |
| Materials, supplies and outside purchases                                | 68,650           | 58,699           |
| Recovery of surplus by funding sources                                   | 40,960           | 32,219           |
| Rent and utilities   | 19,300           | 15,700           |
| Telephone  | 5,202            | 6,552            |
| Training and professional development                                    | 37,708           | 38,545           |
| Travel   | 10,652           | 17,313           |
| Wages and benefits (AANDC set contribution \$59,338;<br>2013 - \$66,211) | 877,382          | 874,324          |
| Vehicle  | 14,976           | 14,699           |
|  | <b>1,147,393</b> | <b>1,132,385</b> |
| Excess of expenditure over revenue                                       | \$ (10,399)      | \$ (2,396)       |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Ontario Works

For the year ended March 31, 2014

Schedule 7

|   | <u>2014</u>      | <u>2013</u>      |
|---|------------------|------------------|
| Revenue   |                  |                  |
| Deferred revenue, beginning of year   | \$ -             | \$ 126,205       |
| Aboriginal Affairs and Northern Development Canada  |                  |                  |
| Fixed contribution  | 515,676          | 509,000          |
| Set contribution  | 926,252          | 1,151,047        |
| Province of Ontario   | 5,377,229        | 4,811,538        |
|   | <b>6,819,157</b> | <b>6,597,790</b> |
| Expenditure   |                  |                  |
| Consulting and management fees  | 87,837           | 87,837           |
| Equipment   | 2,483            | 3,146            |
| General office and supplies   | 64,910           | 55,256           |
| Grants, donations and incentives (AANDC set contribution \$5,843;<br>2013 - \$11,446)           | 79,609           | 103,977          |
| Insurance   | 259              | 808              |
| Materials, supplies and outside purchases (AANDC set contribution<br>\$41,078; 2013 - \$67,722) | 377,037          | 269,666          |
| Recovery of surplus by funding sources  | 114,022          | 65,193           |
| Rent and utilities  | 15,000           | 16,265           |
| Repairs and maintenance   | -                | 1,397            |
| Social assistance benefits (AANDC set contribution \$819,469;<br>2013 - \$1,015,519)            | 4,986,233        | 4,886,961        |
| Telephone   | 32,170           | 10,942           |
| Training and professional development (AANDC set contribution<br>\$19,061; 2013 - \$19,855)     | 249,085          | 263,904          |
| Travel (AANDC set contribution \$9,861; 2013 - \$9,353)   | 90,104           | 77,173           |
| Wages and benefits  | 730,599          | 656,800          |
|   | <b>6,829,348</b> | <b>6,499,325</b> |
| Excess of revenue over expenditure (expenditure over revenue)                                   | \$ (10,191)      | \$ 98,465        |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Social services

For the year ended March 31, 2014

**Schedule 8**

|   | <u>2014</u>      | <u>2013</u>      |
|---|------------------|------------------|
| Revenue   |                  |                  |
| Deferred revenue, beginning of year                           | \$ 20,511        | \$ 24,593        |
| Aboriginal Affairs and Northern Development Canada            |                  |                  |
| Fixed contribution  | 32,200           | 32,224           |
| Health Canada   | 136,575          | 130,534          |
| Other federal funding   | 2,500            | 2,500            |
| Province of Ontario   | 1,488,769        | 1,427,165        |
| Band contribution   | 98,763           | 124,448          |
| Other revenue   | 62,912           | 124,028          |
| Deferred revenue, end of year                                 | (8,464)          | (20,511)         |
|   | <u>1,833,766</u> | <u>1,844,981</u> |
| Expenditure   |                  |                  |
| Consulting and management fees                                | 82,762           | 83,158           |
| Equipment   | 15,192           | 19,260           |
| General office and supplies                                   | 21,811           | 22,464           |
| Insurance   | 6,200            | 9,707            |
| Materials, supplies and outside purchases                     | 178,451          | 170,559          |
| Professional fees   | 59,936           | 76,557           |
| Recovery of surplus by funding sources                        | 6,093            | 2,791            |
| Rent and utilities  | 43,633           | 34,682           |
| Repairs and maintenance                                       | 22,084           | 1,975            |
| Telephone   | 17,518           | 17,128           |
| Training and professional development                         | 37,497           | 35,122           |
| Transportation  | 8,064            | 9,887            |
| Travel  | 48,350           | 47,959           |
| Wages and benefits  | 1,269,005        | 1,325,986        |
| Vehicle   | 16,674           | 11,444           |
|   | <u>1,833,270</u> | <u>1,868,679</u> |
| Excess of revenue over expenditure (expenditure over revenue) |                  |                  |
| before capitalization of tangible capital assets              | 496              | (23,698)         |
| Capitalization of tangible capital assets                     | -                | 5,980            |
| Excess of revenue over expenditure (expenditure over revenue) | \$ 496           | \$ (17,718)      |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Economic development

For the year ended March 31, 2014

**Schedule 9**

|  | <u>2014</u>    | <u>2013</u>    |
|--|----------------|----------------|
| Revenue  |                |                |
| Deferred revenue, beginning of year  | \$ 242,575     | \$ 560,845     |
| Aboriginal Affairs and Northern Development Canada                                     |                |                |
| Fixed contribution   | 211,444        | 286,707        |
| Set contribution   | 83,100         | 71,373         |
| Band contribution  | -              | 65,000         |
| Other revenue  | 106,095        | 59,253         |
| Deferred revenue, end of year  | (64,737)       | (242,575)      |
|  | <u>578,477</u> | <u>800,603</u> |
| Expenditure  |                |                |
| Construction and renovations   | 222,062        | 395,603        |
| General office and supplies  | 18,638         | 14,282         |
| Honoraria  | 3,000          | 2,150          |
| Insurance  | -              | 209            |
| Materials, supplies and outside purchases  | 29,854         | 147,696        |
| Miscellaneous  | -              | 2,500          |
| Recovery of surplus by funding sources   | -              | 13,588         |
| Rent and utilities   | 8,462          | 8,451          |
| Repairs and maintenance  | 2,176          | 1,215          |
| Telephone  | 8,170          | 7,473          |
| Training and professional development (AANDC set contribution<br>\$NIL; 2013 - \$206)  | 269            | 3,767          |
| Travel   | 12,148         | 6,577          |
| Wages and benefits (AANDC set contribution \$83,100;<br>2013 - \$70,490)               | 281,431        | 199,637        |
|  | <u>586,210</u> | <u>803,148</u> |
| Excess of expenditure over revenue before capitalization of<br>tangible capital assets | (7,733)        | (2,545)        |
| Capitalization of tangible capital assets  | 230,081        | 493,131        |
| Excess of revenue over expenditure   | \$ 222,348     | \$ 490,586     |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Housing and Band rentals

For the year ended March 31, 2014

**Schedule 10**

|   | <u>2014</u>    | <u>2013</u>      |
|---|----------------|------------------|
| Revenue   |                |                  |
| Deferred revenue, beginning of year                           | \$ -           | \$ 5,557         |
| Aboriginal Affairs and Northern Development                   |                |                  |
| Fixed contribution  | 380,557        | 383,255          |
| Canadian Mortgage and Housing Corporation ("CMHC")            | 2,126          | 2,816            |
| Lease and rent revenue  | 84,112         | 80,917           |
| Program administration  | 11,690         | 11,661           |
| User fees   | 1,819          | 3,911            |
|   | <b>480,304</b> | <b>488,117</b>   |
| Expenditure   |                |                  |
| Bad debts (recovery)  | (713,455)      | 1,361,700        |
| Construction and renovations                                  | 519,553        | 647,280          |
| Equipment   | 2,603          | -                |
| General office and supplies                                   | 1,076          | 4,856            |
| Honoraria   | 1,975          | 2,630            |
| Insurance   | 9,172          | 4,991            |
| Interest and bank charges                                     | 237            | 36               |
| Materials, supplies and outside purchases                     | 9,279          | 19,117           |
| Rent and utilities  | 49,903         | 34,381           |
| Repairs and maintenance                                       | 38,972         | 56,887           |
| Telephone   | 2,605          | 2,498            |
| Training and professional development                         | 120            | 890              |
| Travel  | 3,824          | 2,020            |
| Wages and benefits  | 139,784        | 131,931          |
|   | <b>65,648</b>  | <b>2,269,217</b> |
| Excess of revenue over expenditure (expenditure over revenue) | \$ 414,656     | \$ (1,781,100)   |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Heritage and research

For the year ended March 31, 2014

**Schedule 11**

|   | <u>2014</u>    | <u>2013</u>    |
|---|----------------|----------------|
| Revenue   |                |                |
| Deferred revenue, beginning of year   | \$ 50,373      | \$ 19,369      |
| Aboriginal Affairs and Northern Development   |                |                |
| Fixed contribution  | 1,371          | 2,276          |
| Set contribution  | 64,200         | 64,200         |
| Other federal funding   | 374,090        | 140,640        |
| Province of Ontario   | 38,680         | 70,000         |
| Band contribution   | 46,000         | 109,810        |
| Other revenue   | 109,226        | 90,213         |
| Deferred revenue, end of year   | (80,893)       | (50,373)       |
|   | <b>603,047</b> | <b>446,135</b> |
| Expenditure   |                |                |
| Bad debts   | 30,829         | -              |
| Consultants and management fees   | 5,682          | -              |
| Equipment   | 67,967         | 3,194          |
| General office and supplies (AANDC set contribution \$704;<br>2013 - \$NIL)                     | 16,362         | 81,953         |
| Honoraria   | 3,225          | 825            |
| Insurance   | 284            | 533            |
| Materials, supplies and outside purchases (AANDC set<br>contribution \$41,064; 2013 - \$40,755) | 301,005        | 329,776        |
| Professional fees (AANDC set contribution \$15,985;<br>2013 - \$23,445)                         | 34,822         | 188,430        |
| Recovery of surplus by funding sources  | 3,797          | -              |
| Rent and utilities  | 3,900          | 4,607          |
| Repairs and maintenance   | 15,427         | 650            |
| Telephone   | 5,716          | 3,049          |
| Training and professional development (AANDC set contribution<br>\$1,276; 2013 - \$NIL)         | 15,404         | 11,854         |
| Travel (AANDC set contribution \$736; 2013 - \$NIL)   | 21,245         | 13,558         |
| Wages and benefits (AANDC set contribution \$4,435;<br>2013 - \$NIL)                            | 151,527        | 172,001        |
|   | <b>677,192</b> | <b>810,430</b> |
| Excess of expenditure over revenue before capitalization<br>of tangible capital assets          | (74,145)       | (364,295)      |
| Capitalization of tangible capital assets   | 65,776         | 5,940          |
| Excess of expenditure over revenue  | \$ (8,369)     | \$ (358,355)   |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

### Consultation

For the year ended March 31, 2014

### Schedule 12

|   | <u>2014</u>    | <u>2013</u>    |
|---|----------------|----------------|
| Revenue   |                |                |
| Deferred revenue, beginning of year                           | \$ 30,000      | \$ 30,000      |
| Aboriginal Affairs and Northern Development                   |                |                |
| Fixed contribution  | 1,506          | 1,583          |
| Other federal funding   | 5,510          | -              |
| Province of Ontario   | 154,465        | 137,111        |
| Other revenue   | 527,788        | 178,257        |
| Deferred revenue, end of year                                 | (46,228)       | (30,000)       |
|   | <b>673,041</b> | <b>316,951</b> |
| Expenditure   |                |                |
| General office and supplies                                   | 7,136          | 4,201          |
| Honoraria   | 354            | 250            |
| Materials, supplies and outside purchases                     | 148,460        | 112,595        |
| Professional fees   | 65,088         | 23,148         |
| Telephone   | 1,915          | 3,896          |
| Training and professional development                         | 8,001          | 11,331         |
| Travel  | 68,530         | 21,358         |
| Wages and benefits  | 372,694        | 174,772        |
|   | <b>672,178</b> | <b>351,551</b> |
| Excess of revenue over expenditure (expenditure over revenue) | \$ 863         | \$ (34,600)    |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Protection and fire

For the year ended March 31, 2014

**Schedule 13**

|   | <u>2014</u>    | <u>2013</u>    |
|---|----------------|----------------|
| Revenue   |                |                |
| Aboriginal Affairs and Northern Development                   |                |                |
| Fixed contribution  | \$ 108,650     | \$ 106,786     |
| Province of Ontario   | 12,298         | 10,239         |
| Band contribution   | 42,900         | 7,000          |
| Other revenue   | 10,200         | -              |
|   | <u>174,048</u> | <u>124,025</u> |
| Expenditure   |                |                |
| Consultants and management fees                               | 179            | 199            |
| General office and supplies                                   | 382            | 595            |
| Insurance   | 18,024         | 20,854         |
| Materials, supplies and outside purchases                     | 18,685         | 12,410         |
| Recovery of surplus by funding sources                        | 3,182          | 1,376          |
| Rent and utilities  | 15,359         | 12,644         |
| Repairs and maintenance                                       | 2,348          | 2,847          |
| Telephone   | 6,113          | 8,584          |
| Training and professional development                         | 1,531          | 1,062          |
| Travel  | 5,414          | 4,415          |
| Wages and benefits  | 65,983         | 71,851         |
| Vehicle   | 6,294          | 4,778          |
|   | <u>143,494</u> | <u>141,615</u> |
| Excess of revenue over expenditure (expenditure over revenue) | \$ 30,554      | \$ (17,590)    |



# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Women's shelter

For the year ended March 31, 2014

### Schedule 14

|   | <u>2014</u>    | <u>2013</u>    |
|---|----------------|----------------|
| Revenue   |                |                |
| Deferred revenue, beginning of year   | \$ 560         | \$ -           |
| Canadian Mortgage and Housing Corporation ("CMHC")                                  | -              | 73,150         |
| Province of Ontario   | 393,358        | 404,842        |
| Deferred revenue, end of year   | -              | (560)          |
|   | <b>393,918</b> | <b>477,432</b> |
| Expenditure   |                |                |
| Consultants and management fees   | 35,071         | 34,964         |
| Equipment   | 8,103          | 79,460         |
| General office and supplies   | 4,682          | 7,115          |
| Insurance   | 2,156          | 2,156          |
| Materials, supplies and outside purchases   | 13,309         | 67,875         |
| Recovery of surplus by funding source   | 560            | -              |
| Rent and utilities  | 15,865         | 15,045         |
| Repairs and maintenance   | 10,295         | 6,096          |
| Telephone   | 9,629          | 14,171         |
| Training and professional development   | 16,370         | 22,863         |
| Transportation  | 14             | 281            |
| Travel  | 1,775          | 5,918          |
| Wages and benefits  | 293,221        | 221,488        |
|   | <b>411,050</b> | <b>477,432</b> |
| Excess of expenditure over revenue before capitalization of tangible capital assets | (17,132)       | -              |
| Capitalization of tangible capital assets   | -              | 73,150         |
| Excess of revenue over expenditure (expenditure over revenue)                       | \$ (17,132)    | \$ 73,150      |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Children's centre

For the year ended March 31, 2014

**Schedule 15**

|   | <u>2014</u>      | <u>2013</u>      |
|---|------------------|------------------|
| Revenue                                     |                  |                  |
| Deferred revenue, beginning of year         | \$ 16,579        | \$ 18,581        |
| Aboriginal Affairs and Northern Development |                  |                  |
| Fixed contribution                          | 148,990          | 151,022          |
| Province of Ontario                         | 933,927          | 900,827          |
| User fees                                   | 54,759           | 53,732           |
| Other revenue                               | 259,683          | 260,608          |
| Deferred revenue, end of year               | (41,610)         | (16,579)         |
|   | <b>1,372,328</b> | <b>1,368,191</b> |
| Expenditure                                 |                  |                  |
| Consultants and management fees             | 24,025           | 26,427           |
| General office and supplies                 | 17,298           | 17,123           |
| Insurance                                   | 9,010            | 6,956            |
| Materials, supplies and outside purchases   | 150,244          | 154,341          |
| Recovery of surplus by funding sources      | 15,202           | 5,944            |
| Rent and utilities                          | 22,691           | 20,552           |
| Repairs and maintenance                     | 12,246           | 9,735            |
| Telephone                                   | 5,150            | 6,344            |
| Training and professional development       | 14,085           | 9,702            |
| Travel                                      | 19,120           | 16,268           |
| Wages and benefits                          | 1,078,038        | 1,080,641        |
| Vehicle                                     | 5,219            | 12,361           |
|   | <b>1,372,328</b> | <b>1,366,394</b> |
| Excess of revenue over expenditure          | \$ -             | \$ 1,797         |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Arena

For the year ended March 31, 2014

**Schedule 16**

|   | <u>2014</u>    | <u>2013</u>    |
|---|----------------|----------------|
| Revenue   |                |                |
| Aboriginal Affairs and Northern Development                   |                |                |
| Fixed contribution  | \$ 26,892      | \$ 25,904      |
| Band contribution   | 126,780        | 130,398        |
| Interest income   | -              | 9              |
| User fees   | 228,674        | 295,573        |
| Other revenue   | 460            | 1,277          |
|   | <b>382,806</b> | <b>453,161</b> |
| Expenditure   |                |                |
| Bad debts   | 74,972         | 694            |
| General office and supplies                                   | 11,095         | 8,606          |
| Insurance   | 19,257         | 12,230         |
| Interest and bank charges                                     | -              | 807            |
| Materials, supplies and outside purchases                     | 65,738         | 57,762         |
| Rent and utilities  | 159,168        | 116,265        |
| Repairs and maintenance                                       | 31,280         | 29,990         |
| Telephone   | 3,259          | 3,173          |
| Training and professional development                         | 155            | -              |
| Travel  | 344            | 482            |
| Wages and benefits  | 213,788        | 213,245        |
| Vehicle   | 446            | 1,146          |
|   | <b>579,502</b> | <b>444,400</b> |
| Excess of revenue over expenditure (expenditure over revenue) | \$ (196,696)   | \$ 8,761       |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Language

For the year ended March 31, 2014

**Schedule 17**

|   | <u>2014</u>    | <u>2013</u>    |
|---|----------------|----------------|
| Revenue                                   |                |                |
| Other federal funding                     | \$ 35,628      | \$ 3,461       |
| Province of Ontario                       | 18,998         | 19,059         |
| Band contribution                         | 254,784        | 254,110        |
| Other revenue                             | 41,419         | 37,617         |
| Deferred revenue                          | (406)          | -              |
|   | <b>350,423</b> | <b>314,247</b> |
| Expenditure                               |                |                |
| Consultants and management fees           | 90,778         | 73,532         |
| Education services and allowances         | 77,192         | 98,509         |
| General office and supplies               | 1,963          | 3,857          |
| Insurance                                 | 2,159          | 1,448          |
| Materials, supplies and outside purchases | 30,183         | 13,374         |
| Recovery of surplus by funding sources    | 4,452          | -              |
| Rent and utilities                        | 28,530         | 17,329         |
| Repairs and maintenance                   | 3,317          | 4,111          |
| Telephone                                 | 2,152          | 2,015          |
| Training and professional development     | 6,300          | 16,573         |
| Travel                                    | 2,030          | 1,819          |
| Wages and benefits                        | 101,367        | 79,616         |
|   | <b>350,423</b> | <b>312,183</b> |
| Excess of revenue over expenditure        | \$ -           | \$ 2,064       |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Community buildings

For the year ended March 31, 2014

**Schedule 18**

|   | <u>2014</u>    | <u>2013</u>    |
|---|----------------|----------------|
| Revenue                                     |                |                |
| Aboriginal Affairs and Northern Development |                |                |
| Fixed contribution                          | \$ 810         | \$ 14,087      |
| Band contribution                           | 81,530         | 64,808         |
| Lease and rent revenue                      | 140,303        | 129,866        |
| Other revenue                               | -              | 75             |
|   | <u>222,643</u> | <u>208,836</u> |
| Expenditure                                 |                |                |
| Equipment                                   | 940            | -              |
| Insurance                                   | 28,561         | 13,208         |
| Materials, supplies and outside purchases   | 65,640         | 50,324         |
| Rent and utilities                          | 110,563        | 88,687         |
| Repairs and maintenance                     | 41,635         | 33,526         |
| Telephone                                   | 214            | 101            |
| Wages and benefits                          | 55,026         | 50,711         |
|   | <u>302,579</u> | <u>236,557</u> |
| Excess of expenditure over revenue          | \$ (79,936)    | \$ (27,721)    |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Aboriginal Skills and Employment Training Strategy

For the year ended March 31, 2014

## Schedule 19

|   | <u>2014</u>      | <u>2013</u>      |
|---|------------------|------------------|
| Revenue   |                  |                  |
| Deferred revenue, beginning of year             | \$ 163,233       | \$ 183,782       |
| Human Resources and Skills Development Canada   | 2,200,413        | 2,180,413        |
| Interest income                                 | 5,397            | 5,101            |
| Deferred revenue, end of year                   | (237,916)        | (163,233)        |
|   | <u>2,131,127</u> | <u>2,206,063</u> |
| Expenditure                                     |                  |                  |
| Consolidated revenue fund                       |                  |                  |
| Administration                                  | 112,330          | 71,621           |
| Childcare                                       | 240,249          | 240,249          |
| Core services                                   | 42,438           | 47,716           |
| Labour market programs                          | 421,469          | 469,833          |
| Partnership development                         | 47,554           | 50,430           |
| Employment insurance fund                       |                  |                  |
| Administration                                  | 80,254           | 51,207           |
| Core services                                   | 26,999           | 19,040           |
| Labour market programs                          | 59,129           | 150,275          |
| Partnership development                         | 19,842           | 24,827           |
| Oneida Nations of the Thames funding allocation | 1,080,863        | 1,080,865        |
|   | <u>2,131,127</u> | <u>2,206,063</u> |
| Excess of revenue over expenditure              | \$ -             | \$ -             |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Ontario First Nations Limited Partnership ("OFNLP")

For the year ended March 31, 2014

### Schedule 20

|                                    | <u>2014</u>      | <u>2013</u>      |
|------------------------------------|------------------|------------------|
| Revenue                            |                  |                  |
| Casino revenue                     | \$ 1,705,010     | \$ 1,721,695     |
| Interest income                    | 22,485           | 11,923           |
|                                    | <u>1,727,495</u> | <u>1,733,618</u> |
| Expenditure                        |                  |                  |
| Program expenditures               | <u>1,632,691</u> | <u>934,052</u>   |
| Excess of revenue over expenditure | \$ 94,804        | \$ 799,566       |

# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Revenue trust fund

For the year ended March 31, 2014

### Schedule 21

|                                    | <u>2014</u> | <u>2013</u> |
|------------------------------------|-------------|-------------|
| Interest income                    | \$ 262,847  | \$ 346,151  |
| Expenditure                        |             |             |
| Transfer to band funds             | -           | -           |
| Excess of revenue over expenditure | \$ 262,847  | \$ 346,151  |



# WALPOLE ISLAND FIRST NATION

## Schedule of Revenue and Expenditure

Lower Indian Reserve

For the year ended March 31, 2014

**Schedule 22**

|   | <u>2014</u>    | <u>2013</u>   |
|---|----------------|---------------|
| Revenue   |                |               |
| Lower Indian Reserve settlement                               | \$ -           | \$ 28,000,000 |
| Expenditure   |                |               |
| Lower Indian Reserve expenditures                             | 171,206        | -             |
| Lower Indian Reserve distribution                             | 236,999        | 13,608,000    |
|   | <b>408,205</b> | 13,608,000    |
| Excess of revenue over expenditure (expenditure over revenue) | \$ (408,205)   | \$ 14,392,000 |