



HAZLITT STEEVES HARRIS DUNN LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
CHARTERED ACCOUNTANTS

Consolidated Financial Statements of

AAMJIWNAANG FIRST NATION

March 31, 2014



HAZLITT STEEVES HARRIS DUNN LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Band Council of Aamjiwnaang First Nation

We have audited the accompanying consolidated financial statements of **Aamjiwnaang 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 audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Aamjiwnaang 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
July 21, 2014

AAMJIWNAANG FIRST NATION

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AAMJIWNAANG FIRST NATION

Consolidated Statement of Revenue and Expenditure

For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
REVENUE			
Deferred revenue, beginning of year	\$ 50,000	\$ 256,297	\$ 585,410
Aboriginal Affairs and Northern Development Grant	-	341,913	341,235
Flexible transfer payments	1,999,104	1,618,111	1,423,973
Contribution	-	741,614	395,978
Health Canada	913,419	996,615	992,838
Canadian Mortgage and Housing Corporation ("CMHC")	287,100	262,900	241,765
Other federal funding	-	25,000	30,884
Province of Ontario	824,313	1,019,015	1,051,305
Southern First Nations Secretariat	441,900	444,508	441,900
Ontario First Nations Limited Partnership	750,000	1,028,146	1,033,479
Union of Ontario Indians	96,959	107,660	110,460
Stepping Stones	1,239,263	1,219,234	1,231,385
Band contribution	-	2,675,820	2,757,877
Grand Bend Wind Project	-	6,868	160,000
Lease and management fee revenue	2,762,680	2,799,623	2,825,822
Rental income	597,422	651,885	612,596
Catering	-	12,094	11,720
Internal transfer	-	-	4,276
Interest income	325,000	525,211	497,497
Program administration	249,675	275,217	266,294
User fees	60,000	85,904	88,880
Wage subsidy	12,397	75,717	99,390
Other revenue	171,650	491,932	249,067
Transfer from Revenue Trust Fund	-	732,875	600,000
Deferred revenue, end of year	-	(619,831)	(256,297)
	10,780,882	15,774,328	15,797,734
EXPENDITURE			
Community Services - Schedule 1	6,372,020	6,850,529	6,624,537
Economic development - Schedule 2	751,943	1,125,361	1,029,820
Housing - Schedule 3	1,014,888	4,245,832	1,489,225
General - Schedule 4	2,644,763	6,247,474	6,588,989
	10,783,614	18,469,196	15,732,571
Excess of revenue over expenditure (expenditure over revenue) from operations before capitalization of tangible capital assets and net earnings from government enterprises	(2,732)	(2,694,868)	65,163
Capitalization of tangible capital assets	-	2,931,230	445,814
Net loss from government enterprises	-	-	(95,483)
EXCESS OF REVENUE OVER EXPENDITURE	\$ (2,732)	\$ 236,362	\$ 415,494

AAMJIWNAANG FIRST NATION

Consolidated Statement of Changes in Members' Equity


For the year ended March 31, 2014

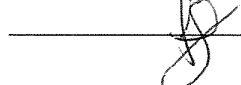
	Operating	Housing Projects	Internally Restricted	Externally Restricted	2014 Total	2013 Total
	(Note 2)	(Note 2)	(Note 2)	(Notes 2 and 13)		
Balance, beginning of year	\$ 21,901,842	\$ 3,420	\$ 9,372,374	\$ 5,990,249	\$ 37,267,885	\$ 36,846,171
Excess of revenue over expenditure (expenditure over revenue)	418,841	242,526	-	(425,005)	236,362	415,494
Allocation from operating to internally restricted funds	(296,569)	-	296,569	-	-	-
Expenditure from internally restricted funds	665,756	-	(665,756)	-	-	-
Allocation of CMHC operating surplus	-	(43,237)	-	43,237	-	-
Increase (decrease) in replacement reserve funds	-	-	-	(13,399)	(13,399)	6,220
BALANCE, END OF YEAR	\$ 22,689,870	\$ 202,709	\$ 9,003,187	\$ 5,595,082	\$ 37,490,848	\$ 37,267,885

AAMJIWNAANG FIRST NATION
Consolidated Statement of Financial Position
As at March 31, 2014

	<u>2014</u>	<u>2013</u>
FINANCIAL ASSETS		
Cash	\$ 5,344,503	\$ 5,214,829
Trust funds in Ottawa (Note 4)	5,270,069	5,546,409
Restricted assets (Note 5)	9,664,494	10,031,736
Accounts receivable (Note 6)	2,096,873	1,215,121
Loans to Band members (Note 7)	1,315,624	1,503,124
Investment in related parties (Note 8)	4,900,395	4,914,520
	28,591,958	28,425,739
LIABILITIES		
Accounts payable and accrued charges	1,803,248	1,735,824
Deferred revenue (Note 9)	1,391,746	1,522,720
Construction advance (Note 10)	2,337,129	-
Long-term debt (Note 11)	3,335,174	3,776,303
	8,867,297	7,034,847
CONTINGENT LIABILITIES (Note 12)		
NET FINANCIAL ASSETS	19,724,661	21,390,892
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	17,641,833	15,678,241
Prepaid assets	124,354	198,752
	17,766,187	15,876,993
MEMBERS' EQUITY	\$ 37,490,848	\$ 37,267,885

APPROVED BY THE BAND

 Chief of Band

 Band Administrator

AAMJIWNAANG FIRST NATION

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
ANNUAL SURPLUS		
Excess of revenue over expenditures	\$ 236,362	\$ 415,494
Increase (decrease) in the replacement reserve funds	(13,399)	6,220
	<u>222,963</u>	<u>421,714</u>
Acquisition of tangible capital assets	(2,931,230)	(843,550)
Amortization of tangible capital assets	959,886	860,806
Disposal of tangible capital assets	7,752	-
	<u>(1,740,629)</u>	<u>438,970</u>
Acquisition of prepaid assets	(124,354)	(198,752)
Utilization of prepaid assets	198,752	230,408
	<u>74,398</u>	<u>31,656</u>
NET CHANGE IN NET FINANCIAL ASSETS	(1,666,231)	470,626
Net financial assets, beginning of year	<u>21,390,892</u>	<u>20,920,266</u>
NET FINANCIAL ASSETS, END OF YEAR	\$ 19,724,661	\$ 21,390,892

AAMJIWNAANG FIRST NATION
Consolidated Statement of Cash Flows
As at March 31, 2014

	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES		
Excess of revenue over expenditure	\$ 236,362	\$ 415,494
Items not affecting cash		
Amortization	959,886	860,806
Expenditure from internally restricted fund	665,756	559,453
Gain on disposal of assets	7,752	-
Net decrease (increase) in trust funds in Ottawa	276,340	(1,499)
	2,146,096	1,834,254
Changes in non-cash working capital items		
Accounts receivable	(881,752)	657,682
Prepaid expenses	74,398	31,656
Accounts payable	67,424	7,218
Deferred revenue	(130,974)	230,544
	1,275,192	2,761,354
FINANCING ACTIVITIES		
Proceeds from long-term debt	428,499	413,069
Proceeds from construction advance	2,337,129	-
Repayment of long-term debt	(869,628)	(982,794)
	1,896,000	(569,725)
INVESTING ACTIVITIES		
Investment in restricted assets	(311,913)	(195,550)
Net decrease in housing loans	187,500	298,753
Repayments from related parties	14,125	104,108
Purchase of tangible capital assets	(2,931,230)	(843,550)
	(3,041,518)	(636,239)
NET CHANGE IN CASH POSITION	129,674	1,555,390
Cash position, beginning of year	5,214,829	3,659,439
CASH POSITION, END OF YEAR	\$ 5,344,503	\$ 5,214,829

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

1. PURPOSE OF THE ORGANIZATION

The Aamjiwnaang First Nation is located in Sarnia, Ontario. The elected government consists of a Chief and nine 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 local 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 Aamjiwnaang First Nation reporting entity includes the Aamjiwnaang First Nation Band. 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.

Housing projects

The housing projects fund reports the activities of the various housing projects that are administered by the First Nation. These include Canada Mortgage and Housing Corporation ("CMHC") assisted housing projects.

Internally restricted

The internally restricted fund reports the designated assets, as established by Band 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 the CMHC operating surplus and replacement reserve 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.

Rental revenue and interest on loans is recognized when it is due in accordance with the respective agreements.

Investment income earned is recognized as revenue of the appropriate fund on an accrual basis.

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

2. ACCOUNTING POLICIES - continued

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 balance sheets as at December 31, 2013 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 infrastructure	4% diminishing-balance
Furniture and equipment	20% diminishing balance
Vehicles and machinery	30% diminishing-balance
Computers	55% diminishing balance

The CMHC housing projects are amortized in accordance with the agreements which require annual amortization to equal the principal repayment of the associated long-term debt to acquire the property.

Marketable securities

Investments are recorded at cost.

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.

3. FINANCIAL INSTRUMENTS

Interest rate risk

The Band 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 Band. The Band monitors its accounts receivable regularly and establishes allowances for doubtful accounts as needed.

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

3. FINANCIAL INSTRUMENTS - continued

Fair value

The fair value of cash, trust funds in Ottawa, restricted assets, accounts receivable, due from related parties and accounts payable and accrued charges is 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 is approximately equal to its carrying value.

4. TRUST FUNDS IN OTTAWA

	<u>2014</u>	<u>2013</u>
Revenue trust fund	\$ 3,463,656	\$ 3,739,996
Capital trust fund	1,806,413	1,806,413
	<u>\$ 5,270,069</u>	<u>\$ 5,546,409</u>

5. RESTRICTED ASSETS

The externally restricted assets represent the assets of the operating surplus and replacement reserves for the CMHC housing projects. The internally restricted assets represent the balance of the internally restricted fund created by Band Council.

Externally restricted

Cash	\$ 544,386	\$ 269,906
Due from (to) operating account – replacement reserve	(38,258)	3,382
Due from operating account – operating reserve	155,179	386,075
	<u>661,307</u>	<u>659,363</u>

Internally restricted

Cash	3,987,384	3,293,254
Short-term deposits	1,000,000	2,076,036
Marketable securities		
(market value - \$4,023,182; 2013 - \$4,062,662)	4,015,803	4,003,083
	<u>\$ 9,664,494</u>	<u>\$ 10,031,736</u>

AAMJIWNAANG 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	\$ 589,645	\$ 198,580
Provincial Government programs	43,468	21,505
Other funders		
Indigenous Education Coalition	16,735	14,350
Meals on Wheels London	7,472	120
Mnaasged Child & Family Services	17,975	7,728
Southern First Nations Secretariat	44,452	242,055
Stepping Stones	43,728	6,331
Union of Ontario Indians	18,371	3,790
Rent – net of allowance	352,999	353,885
Lease receivables	664,008	81,821
Employee advances	66,174	72,954
Miscellaneous	77,132	27,531
Northland Power Inc.	30,000	125,664
NextEra Energy Canada	71,693	-
Accrued interest	53,021	58,807
	<u>\$ 2,096,873</u>	<u>\$ 1,215,121</u>

7. LOANS TO BAND MEMBERS

Loans		
Housing	\$ 2,596,686	\$ 2,656,244
Special	13,928	13,928
	<u>2,610,614</u>	<u>2,670,172</u>
Less: allowance for doubtful loans	1,294,990	1,167,048
	<u>\$ 1,315,624</u>	<u>\$ 1,503,124</u>

Housing loans bear interest at various rates from 2.5% to 6.25%. An allowance for doubtful accounts has been created to allow for loans which may not ultimately be collectible. Interest on the special loans has not been recorded as these loans may not ultimately be collectible.

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

8. INVESTMENT IN RELATED PARTIES

The investment in related parties, represents advances to and shares in corporations wholly owned and 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>
Advances to (from)		
Chippewa Industrial Developments Ltd.	\$ 4,922,748	\$ 4,936,874
Giiwedin Noodin FN Energy Corporation	-	(1)
Ojibwe Legends Trading Company Ltd.	-	-
Ojibwe Filters and Industrial Supplies Ltd.	2,140	2,140
	<u>4,924,888</u>	<u>4,939,013</u>
Shares		
Giiwedin Noodin FN Energy Corporation	1	1
Ojibwe Legends Trading Company Ltd.	1	1
Chippewa Industrial Developments Ltd.	(24,495)	(24,495)
	<u>\$ 4,900,395</u>	<u>\$ 4,914,520</u>

The shares in Chippewa Industrial Developments Ltd. Ojibwe Legends Trading Company Ltd. and Ojibwe Filters and Industrial Supplies Ltd. owned and controlled by the Band are considered investments in government business enterprises and are accounted for using the modified equity method as indicated in Note 2. Financial statements for each of the Band controlled corporations have been prepared for the year ended December 31, 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 Giiwedin Noodin FN Energy Corporation is a corporate partnership with Walpole Island First Nation. Each First Nation owns 50% of the shares of the corporation. The purpose of Giiwedin 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 Giiwedin Noodin FN Energy Corporation is accounted for using the proportionate consolidation method.

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

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

9. DEFERRED REVENUE

	<u>2014</u>	<u>2013</u>
Aboriginal Affairs & Northern Development Canada		
Public Works	\$ 39,500	\$ -
Minor Capital	61,550	25,010
Youth Entrepreneur Project	531	531
Client Base CRF	9,989	14,339
Client Base Career Counselling	12,280	12,563
Client Base Federal Child Care Initiative	4,649	-
Community Development CCP	30,231	-
Employment Based E.I.	56,505	4,492
First Nation Student Success	4,094	1,453
Grand Bend wind project	177,568	46,375
Health Promotion	-	315
Health Promotion - disability	41	1,007
Hydro workers program	20,648	-
Literacy program	25,536	45,000
Meals on Wheels	-	581
Medical Transportation	20,418	11,146
Social Assistance	-	1,675
Family Violence	7,704	7,704
Home and Community Care	-	2,950
Environment – Talford Creek	-	23,433
Environment – miscellaneous projects	148,587	57,719
Leases	771,915	1,266,427
	<u>\$ 1,391,746</u>	<u>\$ 1,522,720</u>

10. CONSTRUCTION ADVANCES

Subsequent to the year-end, the First Nation converted its construction advance into two mortgages issued by the Canadian Mortgage and Housing Corporation. The first mortgage commencing April 1, 2014 in the amount of \$1,380,000 bears interest at 1.92%, repayment in monthly instalments of \$5,790. The second mortgage commencing August 1, 2014 in the amount of \$1,325,000 bears interest at 1.92% repayment in monthly instalments of \$5,560.

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

11. LONG-TERM DEBT

	<u>2014</u>	<u>2013</u>
Housing Projects Loans		
3.41%, repayable in blended monthly instalments of \$8,283, due September, 2013	\$ -	\$ 470,465
2.76%, repayable in blended monthly instalments of \$6,052, due June, 2015	401,402	462,097
2.56%, repayable in blended monthly instalments of \$4,027, due December, 2015	299,377	339,519
2.56%, repayable in blended monthly instalments of \$4,668, due December, 2015	339,140	385,866
2.63%, repayable in blended monthly instalments of \$2,343, due June, 2016	61,360	87,492
2.63%, repayable in blended monthly instalments of \$6,765, due June, 2016	730,086	781,213
1.64%, repayable in blended monthly instalments of \$6,032, due February, 2017	460,158	516,046
1.67%, repayable in blended monthly instalments of \$3,917, due March, 2017	313,326	349,241
1.65%, repayable in blended monthly instalments of \$3,735, due June, 2017	345,571	384,364
2.35%, repayable in blended monthly instalments of \$8,084, due May, 2018	384,754	-
	\$ 3,335,174	\$ 3,776,303

Principal amounts due in the next five years are as follows:

2015	\$ 452,164
2016	1,196,168
2017	1,148,298
2018	522,791
2019	15,753
	\$ 3,335,174

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

12. CONTINGENT LIABILITIES

- (a) The First Nation is contingently liable as guarantor of five bank loans for Band members to a maximum of \$441,974. As at March 31, 2014, the amount of the loans outstanding was \$434,854. The property the loans were used to purchase will be forfeited to the Band if the Band is required to repay the loans and is not reimbursed in full.
- (b) The First Nation has been named defendant in a legal action by the Canadian National Railway Company alleging that they are entitled to damages with respect to interference with the CN St. Clair River Industrial Spur Line. Neither the possible outcome nor the amount of possible settlement can be foreseen. No provision has been made in the financial statements for possible losses. Such losses could be material.
- (c) The First Nation has entered into an agreement with the Ministry of Energy and Infrastructure ("Ministry") with regards to obtaining government funding for the construction of the Community Centre addition. Under the terms of the agreement, the Ministry will contribute 50% of eligible costs up to a maximum of \$2,000,000. Under the agreement, the First Nation is required to operate the Community Centre for a minimum of six years after the completion of the addition. If the Community Centre is disposed of before the end of the sixth year the First Nation is required to repay the following:
 - i) Within two years after addition completion – 100% of the final grant;
 - ii) Between two and six years after addition completion – 55% of the final grant.

AAMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

13. TANGIBLE CAPITAL ASSETS

	2014			2013
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Housing projects				
Land	\$ 40,437	\$ -	\$ 40,437	\$ 40,437
Buildings	11,615,991	4,833,883	6,782,108	5,563,596
Assets under construction	1,659,642	-	1,659,642	456,521
	13,316,070	4,833,883	8,482,187	6,060,554
Operating fund				
Land	103,774	-	103,774	103,774
Buildings	10,714,033	2,823,156	7,890,877	8,219,663
Infrastructure	1,139,352	461,493	677,859	706,103
Vehicles and machinery	737,769	635,348	102,421	153,991
Office furniture and equipment	1,471,466	1,114,642	356,824	372,176
Computers	266,084	238,193	27,891	61,980
	14,432,478	5,272,832	9,159,646	9,617,687
	\$ 27,748,548	\$ 10,106,715	\$ 17,641,833	\$ 15,678,241

14. EXTERNALLY RESTRICTED MEMBERS' EQUITY

	Balance, Beginning of Year	Additions, Allocations, Interest	Transfers, Adjustments, Expenditure	Balance, End of Year
Revenue trust fund	\$ 3,592,665	\$ 307,870	\$ 732,875	\$ 3,167,660
Capital trust fund	1,806,413	-	-	1,806,413
Replacement reserve funds	205,096	70,100	83,499	191,697
CMHC – operating surplus	386,075	43,237	-	429,312
	\$ 5,990,249	\$ 421,207	\$ 816,374	\$ 5,595,082

As required by CMHC, the accumulated operating surplus from Phase 8 and 9 of the housing projects was allocated to a restricted fund.

AMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

15. PENSION PLAN

It is mandatory that, after three months, all permanent employees of the Band who work at least 25 hours per week become members of a private pension plan that is a defined contribution plan. The employee has the option to contribute either 5% or 8.2% which is matched by the Band. Contributions to the plan made during the year by the Band on behalf of its employees amounted to \$203,318 (2013 - \$191,040) and are included in salaries and benefits in expenditure.

16. 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.

	<u>2014</u>	<u>2013</u>
Allocation to reserves	\$ 70,100	\$ 70,100
Amortization	959,886	860,806
Bad debts	239,688	426,919
Band contributions to programs	2,675,822	2,757,878
Bank charges and interest	12,726	10,463
Career counseling	-	16,503
Catering	11,894	11,720
Cemetery and funerals	70,927	105,411
Childcare initiative	94,448	119,133
Construction and renovations	2,863,949	48,367
Consultants	906,733	417,889
Distribution to members	735,842	547,975
Donations	36,582	45,250
Elections costs	-	10,580
Employee benefits	666,395	654,863
Employment training programs		
CRF	243,885	362,958
EI	54,147	106,507
Equipment	91,362	353,853
Fire protection	72,824	71,960
Garbage collection	60,467	58,300
Honoraria		
Community	70,060	47,173
Council	163,531	183,692
Staff	25,144	16,744
Infrastructure services	19,918	19,197
Insurance	111,917	101,779
Medical travel	52,182	65,418
Mortgage interest	82,431	97,081
Office administration	191,107	208,518
Ontario Works employment related expenses	124,605	82,448
Pipeline lease payments	369,513	288,618
Police protection	108,589	107,514

AMJIWNAANG FIRST NATION

Notes to the Financial Statements

For the year ended March 31, 2014

16. CLASSIFICATION OF EXPENDITURE BY OBJECT – continued

	<u>2014</u>	<u>2013</u>
Professional services	172,949	98,676
Program administration	273,933	239,448
Program resources	675,100	757,827
Recovery of surplus from funding sources	-	5,684
Repairs and maintenance		
Buildings	203,882	652,959
Vehicles and equipment	61,775	115,274
Repairs and renovations – RRAP loans	47,777	15,804
Salary and wages	3,577,467	3,406,982
Sports fees	38,471	28,407
Social assistance benefits	869,410	902,324
Student transportation	176,372	160,946
Subsidy repayable	-	20,398
Training and professional development	72,450	76,471
Transfer to Band funds	732,875	600,000
Travel		
Community	18,868	17,657
Council	63,707	81,246
Staff	79,443	81,365
Utilities	218,043	195,486
Total expenditures by object	\$ 18,469,196	\$ 15,732,571

Total expenditure by object includes tangible capital assets of \$2,931,230 (2013 - \$445,814) which have been capitalized.

17. COMMITMENTS

The First Nation has entered into a long-term student transportation arrangement at a rate of \$854 per day of service provided for a maximum of 188 days per year. If transportation service is cancelled for a scheduled day, the daily rate will be discounted by 12% for that day.

18. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform to the presentation of the current year.

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

Community Services

For the year ended March 31, 2014

Schedule 1

	<u>2014</u>	<u>2013</u>
Revenue		
Deferred revenue, beginning of year	\$ 152,983	\$ 83,234
Aboriginal Affairs and Northern Development Canada		
Flexible transfer payment	841,926	782,987
Contribution	295,141	267,275
Health Canada	996,615	992,838
Other federal funding	25,000	25,000
Province of Ontario	1,019,015	1,051,305
Union of Ontario Indians	107,660	110,460
Stepping Stones	1,219,234	1,231,385
Band contribution	1,565,766	1,708,388
Rental income	71,842	62,171
Catering	12,094	11,720
Internal transfers	-	4,276
User fees	85,904	88,880
Wage subsidy	58,087	99,390
Other revenue	431,561	221,318
Deferred revenue, end of year	(266,528)	(152,983)
	6,616,300	6,587,644
Expenditure		
Amortization	225,788	118,884
Catering	11,894	11,720
Cemetery and funerals	70,927	105,411
Consultants	318,773	159,299
Donations	27,600	36,800
Employee benefits	434,503	453,951
Equipment	84,468	100,341
Fire protection	72,824	71,960
Garbage collection	59,867	58,300
Honoraria		
Community	56,827	37,660
Staff	11,445	7,795
Infrastructure services	19,918	19,197
Insurance	44,728	42,488
Medical travel	52,182	65,418
Office administration	70,100	79,842
Ontario Works employment related expenses	124,605	82,448
Police protection	108,589	107,514
Professional services	64,373	23,430
Program administration	150,404	136,722
Program resources	603,071	671,458
Recovery of surplus from funding sources	-	5,684
Repairs and maintenance		
Buildings	51,272	141,524
Vehicles and equipment	55,257	96,929
Salary and wages	2,793,054	2,653,009

AAMJIWNAANG FIRST NATION
Schedule of Revenue and Expenditure

Community Services

For the year ended March 31, 2014

Schedule 1 - continued

	<u>2014</u>	<u>2013</u>
Sports fees	35,057	28,407
Social assistance benefits	869,410	902,324
Student transportation	176,372	160,946
Training and professional development	59,204	60,357
Travel		
Community	5,855	2,043
Council	-	48
Staff	54,651	63,004
Utilities	137,511	119,624
	6,850,529	6,624,537
Excess of expenditure over revenue before capitalization of tangible capital assets	(234,229)	(36,893)
Capitalization of tangible capital assets	65,668	59,986
Excess of revenue over expenditure (expenditure over revenue)	\$ (168,561)	\$ 23,093

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

Economic Development

For the year ended March 31, 2014

Schedule 2

	<u>2014</u>	<u>2013</u>
Revenue		
Deferred revenue, beginning of year	\$ 78,301	\$ 155,493
Aboriginal Affairs and Northern Development Canada		
Flexible transfer payment	295,900	155,900
Contribution	394,373	69,503
Other federal funding	-	5,884
Southern First Nations Secretariat	444,508	441,900
Band contribution	196,103	107,341
Grand Bend wind project	6,868	160,000
Other revenue	1,061	12,100
Deferred revenue, end of year	(291,753)	(78,301)
	1,125,361	1,029,820
Expenditure		
Career counselling	-	16,503
Childcare initiative	94,448	119,133
Consultants	488,844	146,147
Employee benefits	27,040	32,644
Employee training programs		
CRF	243,885	362,958
EI	54,147	106,507
Equipment	-	85
Honoraria		
Community	6,500	3,885
Staff	2,610	2,714
Office administration	6,449	4,186
Program administration	61,800	41,090
Program resources	5,721	8,556
Salary and wages	119,658	173,416
Travel		
Community	110	-
Staff	14,149	11,996
	1,125,361	1,029,820
Excess of expenditure over revenue before capitalization of tangible capital assets	-	-
Capitalization of tangible capital assets	-	11,019
Excess of revenue over expenditure	\$ -	\$ 11,019

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

Housing

For the year ended March 31, 2014

Schedule 3

	2014	2013
Revenue		
Deferred revenue, beginning of year	\$ -	\$ 15,944
Aboriginal Affairs and Northern Development Canada		
Flexible transfer payment	322,550	-
Canadian Mortgage and Housing Corporation	262,900	241,765
Band contribution	40,300	68,193
Rental income	580,043	550,425
Interest income	112,406	125,186
Program administration	57,000	61,636
Wage subsidy	17,630	-
	1,392,829	1,063,149
Expenditure		
Allocation to replacement reserves	70,100	70,100
Amortization	441,130	428,263
Bad debts	239,688	407,747
Band contribution to program	40,300	68,193
Construction and renovation	2,862,762	-
Employee benefits	20,312	17,724
Equipment	3,009	3,037
Honoraria		
Community	5,310	3,465
Staff	2,610	1,440
Insurance	43,897	38,296
Mortgage interest	82,431	97,081
Office administration	11,272	5,595
Professional services	8,651	3,100
Program administration	57,000	57,000
Program resources	2,820	3,583
Repairs and maintenance		
Buildings	106,634	108,046
Vehicles and equipment	1,392	339
Repairs and renovations - RRAP loans	47,777	15,804
Salary and wages	134,165	79,727
Subsidy repayable	-	20,398
Training and professional development	1,874	591
Travel		
Staff	2,107	1,557
Utilities	60,591	58,139
	4,245,832	1,489,225
Excess of expenditure over revenue before capitalization of tangible capital assets	(2,853,003)	(426,076)
Capitalization of tangible capital assets	2,862,762	-
Excess of revenue over expenditure (expenditure over revenue)	\$ 9,759	\$ (426,076)

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

General

For the year ended March 31, 2014

Schedule 4

	2014	2013
Revenue		
Deferred revenue, beginning of year	\$ 25,013	\$ 330,739
Aboriginal Affairs and Northern Development Canada		
Grant	341,913	341,235
Flexible transfer payment	157,735	485,086
Contribution	52,100	59,200
Ontario First Nations Limited Partnership	1,028,146	1,033,479
Band contribution	873,651	873,955
Lease and management fee revenue	2,799,623	2,825,822
Interest income	412,805	372,311
Program administration	218,217	204,658
Other revenue	59,310	15,649
Transfer from revenue fund	732,875	600,000
Deferred revenue, end of year	(61,550)	(25,013)
	6,639,838	7,117,121
Expenditure		
Amortization	292,968	313,659
Bad debts	-	19,172
Band contribution to programs	2,635,522	2,689,685
Bank charges and interest	12,726	10,443
Construction and renovations	1,187	48,367
Consultants	99,116	112,443
Distribution to members	735,842	547,975
Donations	8,982	8,450
Election costs	-	10,580
Employee benefits	184,540	150,544
Equipment	3,885	250,390
Honoraria		
Community	1,423	2,163
Council	163,531	183,692
Staff	8,479	4,795
Insurance	23,292	20,995
Office administration	103,286	118,915
Pipeline lease payments	369,513	288,618
Professional services	99,925	72,146
Program administration	4,729	4,636
Program resources	63,488	74,230
Repairs and maintenance		
Buildings	45,976	403,389
Vehicles and equipment	5,126	18,006
Salary and wages	530,590	500,830
Sports fees	3,414	-
Training and professional development	11,372	15,523
Transfer to Band funds	732,875	600,000

AAMJIWNAANG FIRST NATION
Schedule of Revenue and Expenditure
General

For the year ended March 31, 2014

Schedule 4 - continued

	<u>2014</u>	<u>2013</u>
Travel		
Community	12,903	15,614
Council	63,707	81,198
Staff	8,536	4,808
Utilities	20,541	17,723
	6,247,474	6,588,989
Excess of revenue over expenditure before capitalization of tangible capital assets	392,364	528,132
Capitalization of tangible capital assets	2,800	374,809
Excess of revenue over expenditure	\$ 395,164	\$ 902,941