

**ANNAPOLIS VALLEY FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

Annapolis Valley First Nation
Consolidated Financial Statements
For the year ended March 31, 2025

CONTENTS

	PAGE
Independent Auditor's Report	2 - 4
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9 - 28

Independent Auditor's Report

To the Members of Annapolis Valley First Nation

Qualified Opinion

We have audited the consolidated financial statements of Annapolis Valley First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations, consolidated statement of change in net financial assets, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2025 and its consolidated results of operations, its consolidated statement of changes in net financial assets and its consolidated statement of cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Effective April 1, 2022, the First Nation was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retroactive application method, the asset retirement obligation on transition is to be recorded using assumptions as of April 1, 2022. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. As of the audit report date, management has not completed its assessment of the First Nation's tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this department from Canadian public sector accounting standards on expenses and annual surplus for the years ended March 31, 2025 and 2024, tangible capital assets and the asset retirement obligation as at March 31, 2025 and 2024, and accumulated surplus as at April 1 and March 31 for both the 2025 and 2024 years.

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

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

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



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

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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



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

Chartered Professional Accountants

Halifax, Nova Scotia
July 29, 2025

**ANNAPOLIS VALLEY FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025**

	2025	2024
FINANCIAL ASSETS		
Cash (Note 2)	\$ 6,466,143	\$ 5,039,767
Restricted cash (Note 2)	1,997,728	177,169
Restricted cash - funds held in trust (Note 4)	3,120,306	3,014,291
Temporary investments (Note 5)	79,861	5,578,991
Grants receivable (Note 6)	2,085,507	1,262,744
Accounts receivable	957,873	390,335
Inventory	449,630	389,318
Investment in Indigenous Gaming Partners Inc.	80,000	-
Investment in Pure Casino Gaming Limited Partnership (Note 17)	34,100,160	-
	<u>49,337,208</u>	<u>15,852,615</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 8)	624,801	456,673
Deferred revenue (Note 10)	6,047,518	8,985,177
Long-term debt (Note 11)	41,698,262	5,794,743
	<u>48,370,581</u>	<u>15,236,593</u>
NET FINANCIAL ASSETS	<u>966,627</u>	<u>616,022</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 12)	19,793,163	14,598,392
Intangibles	925,000	925,000
Prepays	108,281	29,932
	<u>20,826,444</u>	<u>15,553,324</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$21,793,071</u>	<u>\$ 16,169,346</u>

Economic Dependence (Note 15)
Contingencies (Note 16)
Subsequent Event (Note 19)

APPROVED ON BEHALF OF ANNAPOLIS VALLEY FIRST NATION:



Chief



Councillor



Councillor

Councillor

**ANNAPOLIS VALLEY FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2025**

	Budget	2025	2024
REVENUE			
Indigenous Services Canada (Note 20)	\$ 6,236,546	\$ 3,123,172	\$ 2,352,461
Canada Mortgage and Housing Corporation (Note 20)	-	4,126,049	1,783,330
Confederacy of Mainland Mi'kmaq	60,501	438	97,950
Department of Fisheries and Oceans (Note 20)	-	-	310,500
Province of Nova Scotia (Note 20)	-	25,990	72,393
KMKNO	-	-	54,909
Mi'kmaq Employment Training Secretariat	111,517	116,060	234,252
Mi'kmaw Kina'matnewey	1,276,834	601,381	465,636
Rent - Social Housing	-	90,254	85,814
Investment income (Note 17)	-	633,911	-
Amounts earned and held in trust by federal government (Note 3)	-	860	844
Other (Note 18)	93,340	9,259,953	8,535,250
	7,778,738	17,978,068	13,993,339
EXPENSES			
Band administration	726,939	973,027	1,121,544
Commercial buildings	-	5,605	5,845
Community health	574,574	566,442	609,765
Courses and summer students	121,709	121,709	108,982
Economic development	29,507	1,438	70,450
Education	377,710	595,034	465,637
Operations, capital & maintenance	197,125	454,401	174,017
Other (Note 18)	-	8,832,168	8,106,117
Proceeds of land claim settlement paid to members (Note 4)	-	-	38,917
Social housing	152,668	494,108	410,449
Social services	53,669	310,411	320,488
	2,233,901	12,354,343	11,432,211
NET SURPLUS FROM OPERATIONS	5,544,837	5,623,725	2,561,128
ANNUAL SURPLUS	5,544,837	5,623,725	2,561,128
ACCUMULATED SURPLUS - beginning of year	16,169,346	16,169,346	17,122,634
CHANGE IN STATUS OF GOVERNMENT BUSINESS ENTERPRISE	-	-	(3,514,416)
ACCUMULATED SURPLUS - end of year (Note 13)	\$ 21,714,183	\$21,793,071	\$ 16,169,346

The accompanying notes are an integral part of these consolidated financial statements.

**ANNAPOLIS VALLEY FIRST NATION
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2025**

	Budget	2025	2024
ANNUAL SURPLUS	\$ 5,544,837	\$ 5,623,725	\$ 2,561,128
Acquisition of tangible capital assets	-	(5,887,459)	(3,645,275)
Amortization of tangible capital assets	-	692,688	676,703
Change in status of government business enterprises tangible capital assets	-	-	(1,922,743)
Change in status of government business enterprises investment	-	-	(3,514,416)
	-	(5,194,771)	(8,405,731)
Additions to prepaid expense	-	(78,349)	-
DECREASE IN NET FINANCIAL ASSETS	5,544,837	350,605	(5,844,603)
NET FINANCIAL ASSETS - beginning of year	616,022	616,022	6,460,625
NET FINANCIAL ASSETS - end of year	\$ 6,160,859	\$ 966,627	\$ 616,022

The accompanying notes are an integral part of these consolidated financial statements.

**ANNAPOLIS VALLEY FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025**

	2025	2024
CASH FLOWS FROM:		
OPERATING ACTIVITIES		
Annual surplus	\$ 5,623,725	\$ 2,561,128
Items in earnings not involving cash		
Amortization of tangible capital assets (Note 12)	692,688	676,703
Change in status of government business enterprise	-	263,684
	<u>6,316,413</u>	<u>3,501,515</u>
Net changes in working capital balances		
Grants receivable	(822,763)	(243,436)
Accounts receivable	(567,538)	43,895
Inventory	(60,312)	(221,219)
Accounts payable and accrued liabilities	168,128	286,019
Deferred revenue	(2,937,659)	5,805,993
Prepaid expenses	(78,349)	-
	<u>2,017,920</u>	<u>9,172,767</u>
CAPITAL ACTIVITIES		
Transfer of tangible capital assets	-	(1,922,743)
Acquisition of tangible capital assets (Note 12)	(5,887,459)	(3,645,275)
	<u>(5,887,459)</u>	<u>(5,568,018)</u>
INVESTING ACTIVITIES		
Decrease (increase) in temporary investments	5,388,250	(5,613,888)
Repayments from government business enterprise	-	1,976,303
	<u>5,388,250</u>	<u>(3,637,585)</u>
FINANCING ACTIVITIES		
Repayments of long-term debt	(35,987,135)	(210,659)
Advances of long-term debt	35,894,800	177,459
DECREASE IN CASH DURING THE YEAR	1,426,376	(66,036)
CASH - beginning of year	5,039,767	5,105,803
CASH - end of year (Note 2)	\$ 6,466,143	\$ 5,039,767

The accompanying notes are an integral part of these consolidated financial statements.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Nature of Operations

Annapolis Valley First Nation (the “First Nation”) operates under the authority of the Indian Act.

The mandate of the First Nation is to provide services to band members and the community. These services are grouped into the following key areas: Band Administration, Social Services, Community Health, Education, Capital, Operations, and Maintenance, Other Projects, Gaming Commission, and Community Fisheries.

The First Nation is exempt from income taxes under the Income Tax Act.

(b) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

(c) Reporting Entity

The reporting entity includes the First Nation and all entities that are controlled by the First Nation.

The reporting entity includes the following segments:

- Band Administration
- Social Services
- Community Health
- Education
- Capital, Operations and Maintenance
- Gaming Commission
- Commercial Fisheries

All controlled entities are consolidated in the First Nation’s financial statements according to the First Nation’s percentage ownership, except for entities that meet the definition of a government business enterprise or a business partnership, which are included in the financial statements on a modified equity basis. Accounting policies of consolidated and proportionally consolidated entities are conformed to those of the First Nation and inter-organizational balances and transactions are eliminated upon consolidation.

Entities fully consolidated in the First Nation’s financial statements include:

	<u>% ownership</u>
2501745 Nova Scotia Limited	100%
AVFN Development Group GP Ltd.	100%
AVFN Forestry Group Limited Partnership	100%
WFL Holdings Limited	
(100% shareholder of Webster Farms Limited)	100%
Webster Farms Limited	100%
AVFN Entertainment Limited Partnership	100%
AVFN Entertainment Group GP Limited	100%

Under the modified equity method of accounting, only the First Nation’s investment in the entity and the First Nation’s portion of the entity’s net income and other changes in equity are recorded. No adjustment is made for accounting policies of the entity that are different from those of the First Nation and inter-organizational balances and transactions are not eliminated.

Entities accounted for on a modified equity basis include:

- Indigenous Gaming Partners Inc. - general partner for Pure Casino Gaming Limited Partnership (20% ownership)

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Trusts Under Administration

Trusts under administration by the Government of Canada are included in these financial statements (Note 2).

(e) Pension Plan

The First Nation has a defined contribution plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount based on a set percentage of salary.

(f) Cash

Cash consists of cash on hand, bank balances, unrestricted operating and housing cash, and externally restricted replacement reserve cash and funds held in trust.

(g) Temporary Investments

Temporary investments are recorded at cost, unless the market value of temporary investments has declined below cost, in which case they are written down to market value.

(h) Tangible Capital Assets

Tangible capital assets are valued at acquisition cost and amortized over their useful life using the straight line method for the following number of years:

Band Owned CMHC Housing	25 years
Band Owned Housing	25 years
Commercial Buildings	40 years
Computer Equipment	4 years
Land Improvements	30 years
Fishing Vessels	5 years
Roadways	5 years
Underground Networks	50 years
Vehicles & Equipment	5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the First Nations' ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Intangible Assets

Purchased intangibles are initially recorded at cost.

Intangible assets with an indefinite life, which includes the First Nation's fishing licenses, are not amortized. They are tested for impairment when events or circumstances indicate that the value of the future economic benefits associated with the intangible assets are less than their carrying value. When an impairment exists, an impairment loss is recognized in the consolidated statement of operations.

(j) Inventory

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value using the first-in first-out costing method.

(k) Revenue Recognition

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Revenues are recognized in the period in which the transactions or events occur that give rise to the revenues. All revenues are recorded on an accrual basis.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to goods or services are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service is performed.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments

Cash and cash equivalents and equity instruments quoted on an active market are measured at fair value. Accounts receivable, equity instruments not quoted in an active market, accounts payable, and long term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reporting in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

(m) Non-Financial Assets

Non-financial assets are used to provide the First Nation's services in future periods. These assets do not normally provide resources to discharge the liabilities of the First Nation unless they are sold. The First Nation's non-financial assets include tangible capital assets, intangibles and prepaids.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

2. CASH

	2025	2024
Unrestricted		
Operating	\$ 1,942,394	\$ 4,139,805
Housing	4,523,749	899,962
	\$ 6,466,143	\$ 5,039,767
Restricted		
First Nation Finance Authority (Note 17)	\$ 1,815,695	\$ -
CMHC Replacement Reserve (Note 14)	155,551	151,547
Trust funds held by Federal Government (Note 3)	26,482	25,622
	\$ 1,997,728	\$ 177,169

Under the terms of the First Nation's financing arrangement with First Nation Finance Authority ("FNFA"), 5% of the debenture related to investment in Pure Casino LP was withheld in a debt reserve fund to cover any default payments.

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

The First Nation is required to have trust funds held by the Federal Government in a separate bank account. These funds increase annually by the interest earned and can be withdrawn for their intended purposes if requested.

3. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	March 31, 2024	Additions 2025	Withdrawals 2025	March 31, 2025
Revenue	\$ 19,975	\$ 860	\$ -	\$ 20,835
Capital	5,647	-	-	5,647
	\$ 25,622	\$ 860	\$ -	\$ 26,482

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

4. RESTRICTED CASH - FUNDS HELD IN TRUST

Funds held in trust represent proceeds from a land claim settlement which was ratified on May 20, 2021 and are held in trust for band members and includes accrued interest.

5. TEMPORARY INVESTMENTS

	2025	2024
Guaranteed Investment Certificate ("GIC") maturing on:		
April 14, 2025 at a rate of 2.25%	\$ 51,832	\$ 51,579
February 24, 2025 at a rate of 2.25%	16,818	16,447
March 22, 2025 at a rate of 2.25%	11,211	10,965
Matured during the fiscal year	-	3,000,000
Matured during the fiscal year	-	2,500,000
	<u>\$ 79,861</u>	<u>\$ 5,578,991</u>

6. GRANTS RECEIVABLE

	2025	2024
Atlantic Policy Congress	\$ 15,412	\$ -
Indigenous Services Canada	1,880,750	1,074,468
Canadian Mortgage and Housing Corporation	42,203	3,267
Mi'kmaw Kina'matnewey	78,477	78,965
Mi'kmaq Employment Training Secretariat	56,665	40,544
Confederacy of Mainland Mi'kmaq	-	27,500
Mi'kmaw Conservation Group	12,000	12,000
Municipality of the County of Kings	-	26,000
	<u>\$ 2,085,507</u>	<u>\$ 1,262,744</u>

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

7. BANK INDEBTEDNESS

The First Nation has the following operating loans:

An operating loan, secured by a Band Council Resolution, has a borrowing facility available of \$200,000 bearing interest at a rate of prime plus 0.70%. As at March 31, 2025, the balance of this borrowing facility was \$nil (2024 - \$nil).

An overdraft, secured by a Band Council Resolution, has a borrowing facility available of \$140,000 bearing interest at a rate of prime plus 0.70%. As at March 31, 2025, the balance of this borrowing facility was \$nil (2024 - \$nil).

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Trade payables	\$ 548,784	\$ 589,377
Accrued interest	78,422	2,551
Government remittances payable (recoverable)	(2,405)	(135,255)
	<u>\$ 624,801</u>	<u>\$ 456,673</u>

9. EMPLOYEE BENEFIT OBLIGATIONS

The First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5% of their salary. The First Nation contributes 5% which is directed to the Member's contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the Member's share of the pension plan at the time of the Member's withdrawal from the plan. The First Nation contributed \$45,693 (2024 - \$45,131) during the year for retirement benefits.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

10. DEFERRED REVENUE

	2025	2024
Indigenous Services Canada	\$ 3,109,778	\$ 2,709,231
Government of Canada	20,421	20,000
Province of Nova Scotia	19,533	6,024
Canada Mortgage & Housing Corporation	1,877,953	5,855,410
Give us Wings Projects	6,850	6,850
Confederacy of Mainland Mi'kmaq	77,118	-
MK HPSA After School Program	15,412	-
Ulnooweg	240,000	160,000
Mi'kmaw Kina'matnewey	675,453	224,772
Other	5,000	2,890
	\$ 6,047,518	\$ 8,985,177

11. LONG-TERM DEBT

	2025	2024
Promissory Note Payable - payable to First Nations Finance Authority ("FNFA"), bearing interest at FNFA's prime lending rate and due on demand.	\$ 4,210,600	\$ -
Debenture Payable - Bond Series 2025 Issue #12, payable to First Nations Finance Authority, bearing interest at 4.30% per annum, maturing on June 1, 2035.	31,553,947	-
Prime plus 1.48% loan payable to Royal Bank of Canada, repayable in semi-annual principal payments of \$16,125 plus interest paid monthly. General security agreement in place.	96,750	129,000
Fixed rate 5.95% loan payable to Royal Bank of Canada, secured by a general security agreement, maturing March 2044. Repayable in monthly blended payments of \$19,253.	4,381,901	4,620,607
1.12% mortgage payable to CMHC requires monthly installments of principal and interest of \$294. The loan is secured by a first mortgage over certain buildings with a carrying value of \$4,315 and a ministerial guarantee, Government of Canada. The loan matures in 2026.	4,665	8,119
3.70% mortgage payable to CMHC requires monthly installments of principal and interest of \$310. The loan is secured by a first mortgage over certain buildings with a carrying value of \$10,156 and a ministerial guarantee, Government of Canada. The loan matures in 2027.	9,176	12,502
1.86% mortgage payable to CMHC requires monthly installments of principal and interest of \$281. The loan is secured by a first mortgage over certain buildings with a carrying value of \$15,797 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2024, has been subsequently renewed and matures in 2029.	13,372	16,329

ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

11. LONG-TERM DEBT (continued)

	2025	2024
0.76% mortgage payable to CMHC requires monthly installments of principal and interest of \$290. The loan is secured by a first mortgage over certain buildings with a carrying value of \$30,817 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2025, has been subsequently renewed and matures in 2030.	17,939	21,276
1.12% mortgage payable to CMHC requires monthly installments of principal and interest of \$303. The loan is secured by a first mortgage over certain buildings with a carrying value of \$28,752 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2026 and matures in 2031.	21,104	24,486
2.27% mortgage payable to CMHC requires monthly installments of principal and interest of \$334. The loan is secured by a first mortgage over certain buildings with a carrying value of \$28,585 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2027 and matures in 2032.	25,948	29,333
3.70% mortgage payable to CMHC requires monthly installments of principal and interest of \$363. The loan is secured by a first mortgage over certain buildings with a carrying value of \$29,295 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2027 and matures in 2032.	29,135	32,369
2.14% mortgage payable to CMHC requires monthly installments of principal and interest of \$820. The loan is secured by a first mortgage over certain buildings with a carrying value of \$71,812 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2024 and matures in 2034.	80,142	87,571
2.52% mortgage payable to CMHC requires monthly installments of principal and interest of \$349. The loan is secured by a first mortgage over certain buildings with a carrying value of \$35,626 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2023 and matures in 2033.	32,694	35,718

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

11. LONG-TERM DEBT (continued)

	<u>2025</u>	<u>2024</u>
0.71% mortgage payable to CMHC requires monthly installments of principal and interest of \$302. The loan is secured by a first mortgage over certain buildings with a carrying value of \$52,069 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2025 and matures in 2034.	34,188	37,563
3.04% mortgage payable to CMHC requires monthly installments of principal and interest of \$795. The loan is secured by a first mortgage over certain buildings with a carrying value of \$148,867 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2027 and matures in 2042.	128,421	134,019
3.81% mortgage payable to CMHC requires monthly installments of principal and interest of \$703. The loan is secured by a first mortgage over certain buildings with a carrying value of \$98,000 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2028 and matures in 2043.	110,365	114,575
1.01% mortgage payable to CMHC requires monthly installments of principal and interest of \$454. The loan is secured by a first mortgage over certain buildings with a carrying value of \$185,013 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2026 and matures in 2046.	104,903	109,273
3.24% mortgage payable to CMHC requires monthly installments of principal and interest of \$1,003. The loan is secured by a first mortgage over certain buildings with a carrying value of \$199,116 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2028 and matures in 2038.	126,675	134,533
4.49% mortgage payable to CMHC requires monthly installments of principal and interest of \$1,353. The loan is secured by a first mortgage over certain buildings with a carrying value of \$211,463 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2027 and matures in 2042.	165,889	174,609
3.18% mortgage payable to CMHC requires monthly installments of principal and interest of \$999. The loan is secured by a first mortgage over certain buildings with a carrying value of \$212,996 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2028 and matures in 2038.	143,384	-

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

11. LONG-TERM DEBT (continued)

	<u>2025</u>	<u>2024</u>
3.18% mortgage payable to CMHC requires monthly installments of principal and interest of \$1,347. The loan is secured by a first mortgage over certain buildings with a carrying value of \$324,268 and a ministerial guarantee, Government of Canada. The loan has a renewal date of 2030 and matures in 2040.	193,417	-
Fixed rate 4% loan payable to Ulnooweg Development Group Inc., secured by the solar project, maturing November 2031, repayable in monthly blended payments of \$926.	64,522	72,861
Fixed rate 4% loan payable to Ulnooweg Development Group Inc., secured by the solar project, maturing November 2084, repayable in monthly blended payments of \$926.	149,125	-
	<u>\$41,698,262</u>	<u>\$ 5,794,743</u>

Approximate principal payments for the next five years are as follows:

2026	\$ 1,506,376
2027	\$ 1,513,928
2028	\$ 1,522,254
2029	\$ 1,499,481
2030	\$ 5,708,666

	<u>2025</u>	<u>2024</u>
Interest expense on long-term debt	<u>\$ 958,947</u>	<u>\$ 329,807</u>

The First Nation has agreed to the following security agreement in place with the Royal Bank of Canada:

Guarantee and postponement of claim in the amount of \$5,300,000, supported by:

- a) a general security agreement constituting a first ranking security interest in all personal property of Webster Farms Limited;
- b) a collateral mortgage constituting a first fixed charge in the amount of \$4,100,000 on the lands and improvements located at 5989 Highway #1, Cambridge, King's County, Nova Scotia;
- c) Certificate of insurance evidencing fire and other perils coverage on the property located at 5989 Highway #1, Cambridge, King's County, Nova Scotia, showing the Bank as first rank mortgage.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

12. TANGIBLE CAPITAL ASSETS

	Cost					Accumulated Amortization				Net Book Value	
	Opening Balance	Additions	Disposals	Change in Status of GBE (Note 2)	Closing Balance	Opening Balance	Amort.	Change in Status of GBE (Note 2)	Closing Balance	2025	2024
Band owned CMHC Housing	\$ 5,239,915	\$ 4,485,604	\$ -	\$ -	\$ 9,725,519	\$ 2,178,303	\$ 151,864	\$ -	\$ 2,330,167	\$ 7,395,352	\$ 3,061,612
Band Owned Housing	3,062,294	588,881	-	-	3,651,175	1,449,107	162,151	-	1,611,258	2,039,917	1,613,187
Commercial Buildings	3,646,137	14,270	-	-	3,660,407	1,784,425	60,848	-	1,845,273	1,815,134	1,861,712
Computer Equipment	168,561	15,111	-	-	183,672	126,501	21,561	-	148,062	35,610	42,060
Land Improvements	507,321	721,950	-	-	1,229,271	125,364	32,955	-	158,319	1,070,952	381,957
Land	3,778,080	-	-	-	3,778,080	-	-	-	-	3,778,080	3,778,080
Fishing Vessels	2,157,302	801	-	-	2,158,103	1,801,852	121,755	-	1,923,607	234,496	355,450
Roadways	807,923	-	-	-	807,923	240,993	731	-	241,724	566,199	566,930
Underground Networks	1,175,135	4,110	-	-	1,179,245	292,478	50,078	-	342,556	836,689	882,657
Vehicles & Equipment	7,166,733	56,732	-	-	7,223,465	5,111,986	90,745	-	5,202,731	2,020,734	2,054,747
	22,469,486	1,401,855	-	-	23,871,341	10,932,706	540,824	-	11,473,530	12,397,811	11,536,780
	\$ 27,709,401	\$ 5,887,459	\$ -	\$ -	\$ 33,596,860	\$ 13,111,009	\$ 692,688	\$ -	\$ 13,803,697	\$ 19,793,163	\$ 14,598,392

Included in tangible capital assets is a public wharf that was transferred from the government with a net book value of \$1.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

13. ACCUMULATED SURPLUS

	2025	2024
Unrestricted surplus	\$18,501,120	\$ 13,100,401
CMHC Replacement Reserve (Note 14)	145,163	139,898
Trust funds held by Federal Government (Note 3)	26,482	25,622
Land claim settlement (Note 2)	3,120,306	2,903,425
	<u>\$21,793,071</u>	<u>\$ 16,169,346</u>

14. CMHC REPLACEMENT RESERVE

	2025	2024
Balance - beginning of year	\$ 139,898	\$ 126,569
Current year allocation	5,265	13,329
Balance - end of year	<u>\$ 145,163</u>	<u>\$ 139,898</u>

The First Nation operates 17 (2024 - 15) CMHC subsidized housing projects. These funds, plus accumulated interest, must be held in a separate bank account and used for future repairs or other expenditures only as approved by CMHC.

As at March 31, 2025, the First Nation has provided funding of reserves as follows:

	Amount of Reserve	Amount Funded
CMHC Replacement Reserve (Note 2)	\$ 145,163	\$ 155,551

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

15. ECONOMIC DEPENDENCE

The First Nation receives its principal source of funding under a funding arrangement with Indigenous Services Canada. The present agreement is for a ten year term ending March 31, 2029. Without the current funding agreement, the First Nation would not be able to provide the majority of its services to band members.

16. CONTINGENCIES

The First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

17. INVESTMENT IN PURE CASINO GAMING LIMITED PARTNERSHIP

On October 17, 2024, the First Nation became the limited partner in AVFN Entertainment Limited Partnership ("AELP"), with AVFN Entertainment Group GP Limited ("AEGL"), a wholly-owned government entity of the First Nation, as the general partner.

The First Nation accounts for its investments in AELP and AEGL as government organizations on a fully consolidated basis.

In November 2024, the First Nation issued a promissory note to the First Nation Finance Authority ("FNFA") for \$35,894,800, that financed the First Nation's capital contribution in AELP. The partnership used the capital contribution to fund its acquisition of 20% of the limited partnership units in Pure Casino Limited Partnership ("Pure"), a portfolio investment to AELP. The promissory note has an interest rate of 5.00% per annum and the principal and accrued interest must be repaid the earlier of (a) five years from the first principal drawdown, (b) the date of completion of the purpose of the borrowing, and (c) the date upon which FNFA issues debt securities to replace the interim long-term financing provided to the First Nation.

In January 2025, a debenture with a principal amount of \$31,684,200 was issued to replace a portion of the promissory note, with an interest rate of 4.30% per annum and a maturity date of June 1, 2035. As a result, the remaining balance on the promissory note became due on demand. Refer to Note 11 - Long Term Debt for more information on the debenture.

Distributions of \$633,911 were received from Pure during the year and recognized as investment income in AELP. Subsequent to year end, a further \$270,000 was distributed to the First Nation.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

18. OTHER REVENUE AND EXPENSES

	<u>2025</u>	<u>2024</u>
Revenue		
Gaming Commission - Gaming	\$ 1,664,125	\$ 1,680,805
Gaming Commission - Smoke Shop	757,173	921,751
Gaming Commission - Gas Bar	2,126,477	1,965,126
Commercial Fisheries	2,095,829	2,039,408
Webster Farms - Farming Revenue	1,260,138	1,392,158
Other revenue	781,211	536,002
Webster Farms - Gain on Land Sale	575,000	-
	<u>\$ 9,259,953</u>	<u>\$ 8,535,250</u>
Expenses		
Cost of goods sold - Smoke Shop	\$ 684,095	\$ 830,364
Cost of goods sold - Gas Bar	2,030,494	1,811,408
Cost of goods sold - Webster Farms	170,990	360,103
Farming Operations - Webster Farms	1,895,367	1,700,653
Other expenses - Gaming	2,385,007	1,766,493
Vessel operations - Commercial Fisheries	1,198,088	1,204,265
Other expenses - Commercial Fisheries	468,127	432,831
	<u>\$ 8,832,168</u>	<u>\$ 8,106,117</u>

19. SUBSEQUENT EVENT

On May 8, 2025, the First Nation received approval for funding from Indigenous Services Canada ("ISC") to support the proposed Annapolis Valley Commercial Development project. Funding approved by ISC for this project totals \$2,880,640 and will be used to cover eligible costs incurred on or after April 14, 2025 in relation to this planned project.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

20. GOVERNMENT TRANSFERS

	Operating	Capital	2025	Operating	Capital	2024
Federal government transfers:						
Indigenous Services Canada	\$ 3,123,172	\$ -	\$ 3,123,172	\$ 2,352,461	\$ -	\$ 2,352,461
Canada Mortgage and Housing Corporation	4,126,049	-	4,126,049	1,783,330	-	1,783,330
Department of Fisheries and Oceans	-	-	-	310,500	-	310,500
	7,249,221	-	7,249,221	4,446,291	-	4,446,291
Province of Nova Scotia	25,990	-	25,990	72,393	-	72,393
Total	\$ 7,275,211	\$ -	\$ 7,275,211	\$ 4,518,684	\$ -	\$ 4,518,684

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

21. SEGMENT DISCLOSURE

The First Nation is a diversified community that provides a wide range of services to its members. For management reporting purposes, the First Nation's operations and activities are organized and reported by program. Programs were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations. The activities can be categorized into segments. The following segments have been identified and as such are separately disclosed.

Band Administration

The administration department oversees the delivery of all government services and the day-to-day operations of the First Nation.

Social Services

The social services department is responsible for administering social assistance payments as well as providing social services to band members.

Community Health

The community health department provides medical services to band members.

Education

The education department provides educational services to band members including primary and secondary schooling, and sponsorship to attend post secondary institutions.

Capital, Operations and Maintenance

The operations, maintenance and capital department provides public services that contribute to community development and sustainability through the provision of operating services such as roads, water and sanitation, fire protection, electrical and community buildings. They are also responsible for all capital asset activities occurring in the First Nation during the year, including housing construction and renovations.

Other Projects

The First Nation provides a wide array of other services, including community fisheries, youth employment projects, economic development, social housing activities, etc.

Gaming Commission

The Annapolis Valley Gaming Commission was set up to enter into an agreement with the Atlantic Lottery Corporation for the operations of video lottery terminals on the First Nation reserve. It also operates a convenience store, gaming facility and gas bar on the reserve.

Commercial Fisheries

Annapolis Valley Commercial Fisheries is an enterprise operated by the First Nation. It operates two lobster vessel and maintains four lobster licences.

2501745 NS Limited

2501745 Nova Scotia Limited was incorporated for the purposes of constructing a gaming facility and bingo hall on reserve lands which is leased to the Annapolis Valley First Nation Gaming Commission.

Webster Farms Limited

Webster Farms Limited is the community's farming operation whose purpose of supporting the local community and enhancing the quality of life of the community.

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

20. SEGMENT DISCLOSURE (continued)

For the year ended March 31, 2025	Band Administration	Social Services	Community Health	Education	Capital, Operations & Maintenance	Other Projects	Gaming Commission	Commercial Fisheries	Webster Farms Limited	Total
Revenue										
Indigenous Services Canada	\$ 339,383	\$ 547,380	\$ 632,051	\$ -	\$ 1,604,358	\$ -	\$ -	\$ -	\$ -	\$ 3,123,172
Investment income - AELP	-	-	-	-	-	-	633,911	-	-	633,911
CMHC	-	-	-	-	-	4,126,049	-	-	-	4,126,049
Confederacy of Mainland Mi'kmaq	-	-	-	-	-	438	-	-	-	438
Funds held in trust	-	-	-	-	-	860	-	-	-	860
Province of Nova Scotia	-	-	-	-	-	25,990	-	-	-	25,990
Mi'kmaq Employment Training Secretariat	-	-	-	-	-	116,060	-	-	-	116,060
Mi'kmaw Kina'matnewey	-	-	-	601,381	-	-	-	-	-	601,381
KMKNO	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	90,254	-	-	-	90,254
Other Revenue	-	-	-	-	-	595,942	4,547,775	2,095,829	2,020,407	9,259,953
	339,383	547,380	632,051	601,381	1,604,358	4,955,593	5,181,686	2,095,829	2,020,407	17,978,068
Salaries and wages	357,686	24,103	359,779	285,546	113,507	-	577,384	742,749	1,195,100	3,655,854
Employee benefits	26,869	-	-	8,847	-	-	55,585	20,038	-	111,339
Supplies and services	-	276,663	48,097	113,063	223,828	-	2,739,298	227,729	141,162	3,769,840
Bank charges and interest	3,503	916	-	-	-	-	18,027	1,699	23,868	48,013
Repairs and maintenance	22,998	-	12,240	-	107,986	539,551	35,389	186,428	14,624	919,216
Professional fees	90,064	-	-	-	-	-	99,145	-	-	189,209
Debt servicing	-	-	-	-	-	39,327	3,698	364,250	-	407,275
Other	160,190	8,729	146,326	309,286	9,080	146,241	948,987	19,445	490,373	2,238,657
Amortization	338,822	-	-	-	-	362,312	117,330	109,482	86,994	1,014,940
	1,000,132	310,411	566,442	716,742	454,401	1,087,431	4,594,843	1,671,820	1,952,121	12,354,343
Total	\$ (660,749)	\$ 236,969	\$ 65,609	\$ (115,361)	\$ 1,149,957	\$ 3,868,162	\$ 586,843	\$ 424,009	\$ 68,286	\$ 5,623,725

ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

21. SEGMENT DISCLOSURE (continued)

For the year ended March 31, 2024	Band Administration	Social Services	Community Health	Education	Capital, Operations & Maintenance	Other Projects	Gaming Commission	Commercial Fisheries	2501745 NS Ltd.	Total
Revenue										
Indigenous Services Canada	\$ 598,585	\$ 693,194	\$ 632,051	\$ -	\$ 428,631	\$ -	\$ -	\$ -	\$ -	\$ 2,352,461
CMHC	-	-	-	-	-	1,783,330	-	-	-	1,783,330
Confederacy of Mainland										
Mi'kmaq	-	-	-	-	-	97,950	-	-	-	97,950
Dept. of Fisheries & Oceans	-	-	-	-	-	-	-	310,500	-	310,500
Province of Nova Scotia	-	-	-	-	-	72,393	-	-	-	72,393
Mi'kmaq Employment Training										
Secretariat	-	-	-	-	-	234,252	-	-	-	234,252
Mi'kmaw Kina'matnewey	-	-	-	465,636	-	-	-	-	-	465,636
KMKNO	-	-	-	-	-	54,909	-	-	-	54,909
Rent	-	-	-	-	-	85,814	-	-	-	85,814
Other revenue	-	-	-	-	-	350,733	4,567,682	2,039,408	1,578,271	8,536,094
	598,585	693,194	632,051	465,636	428,631	2,679,381	4,567,682	2,349,908	1,578,271	13,993,339
Salaries and wages	596,221	6,018	434,696	233,299	83,862	48,025	431,758	780,813	1,032,206	3,646,898
Employee benefits	23,455	-	-	8,013	-	-	67,968	23,301	-	122,737
Supplies and services	-	295,685	52,106	77,236	66,488	3,000	2,666,802	212,773	272,345	3,646,435
Bank charges and interest	7,719	118	-	-	-	-	15,489	3,067	14,804	41,197
Repairs and maintenance	31,123	-	14,121	-	60,539	26,119	64,385	165,912	69,243	431,442
Professional fees	111,532	-	-	-	-	-	49,733	-	-	161,265
Debt servicing	-	-	-	-	-	26,032	3,082	303,775	-	332,889
Other	162,334	18,666	108,842	256,071	6,975	153,803	1,001,423	18,400	577,180	2,303,694
Amortization	248,472	-	-	-	-	139,676	127,627	134,901	94,978	745,654
	1,180,856	320,487	609,765	574,619	217,864	396,655	4,428,267	1,642,942	2,060,756	11,432,211
Total	\$ (582,271)	\$ 372,707	\$ 22,286	\$ (108,983)	\$ 210,767	\$ 2,282,726	\$ 139,415	\$ 706,966	\$ (482,485)	\$ 2,561,128

**ANNAPOLIS VALLEY FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

22. EXPENSES BY OBJECT

The following is a summary of expenses by object.

	<u>2025</u>	<u>2024</u>
Administration	\$ 626,405	\$ 618,315
Amortization	1,014,940	745,654
Assistance to band members	479,794	394,004
Atlantic Lottery Commission	173,736	169,867
Bank charges and interest	527,804	26,394
Debt servicing	431,144	347,693
Employee benefits	111,350	168,678
Insurance	260,502	159,999
Land claim settlement paid to members (Note 5)	-	38,916
Other	(102,269)	52,498
Professional fees	193,381	168,508
Repairs and maintenance	359,051	507,164
Salaries and wages	3,664,725	3,642,517
Supplies and services	4,174,344	3,981,852
Sydney Casino Profit Share	64,600	60,900
Telephone	78,573	76,574
Training, travel and meetings	89,096	101,178
Utilities	207,167	183,547
	<u>\$12,354,343</u>	<u>\$ 11,444,258</u>