

Consolidated Financial Statements of

# **WAGMATCOOK FIRST NATION**

Year ended March 31, 2015

# WAGMATCOOK FIRST NATION

## Consolidated Financial Statements

Year ended March 31, 2015

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## MANAGEMENT'S REPORT

### **Management's Responsibility for the Financial Statements**

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

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

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

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, MGM & Associates, Chartered Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Wagmatcook First Nation and meet when required.

On behalf of Wagmatcook First Nation:



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Allan MacNeil  
Finance Manager



**MGM & Associates**  
**Chartered Accountants**  
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15 Dorchester Street Suite 500  
PO Box 1  
Sydney NS B1P 6G9

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## INDEPENDENT AUDITORS' REPORT

To the Members of  
Wagmatcook First Nation

We have audited the accompanying consolidated financial statements of Wagmatcook First Nation which comprise the consolidated statement of financial position as at March 31, 2015 and the consolidated statements of operations, change in net debt 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 generally accepted accounting principles, 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.

### **Auditors' 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 auditors' 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 auditors consider 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 financial statements present fairly, in all material respects, the financial position of Wagmatcook First Nation as at March 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Sydney, Canada

July 20, 2015

# WAGMATCOOK FIRST NATION

## Consolidated Statement of Financial Position

March 31, 2015, with comparative figures for 2014

	2015	2014
<b>FINANCIAL ASSETS</b>		
Cash (note 2)	\$ 221,276	\$ 175,972
Investments (note 3)	193,864	942,967
Accounts receivable (note 4)	256,630	768,086
Inventories for resale (note 5)	191,706	194,550
Due from federal government (note 6)	745,571	1,593,612
Due from provincial government (note 7)	136,176	127,857
Trust funds – Aboriginal Affairs and Northern Development Canada (note 9)	110,061	50,977
Investment in government business enterprise (note 8)	–	61,528
	1,855,284	3,915,549
<b>FINANCIAL LIABILITIES</b>		
Cheques issued in excess of funds on deposit (note 2)	1,455,500	1,667,437
Operating loans (note 10)	1,978,243	2,876,664
Accounts payable and accrued liabilities (note 11)	1,818,615	2,204,581
Deferred revenue (note 12)	602,508	488,162
Long-term debt (note 13)	3,096,992	3,034,998
	8,951,858	10,271,842
<b>NET DEBT</b>	<b>(7,096,574)</b>	<b>(6,356,293)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 14)	39,514,169	39,271,131
Inventories held for use and prepaid expenses	167,343	129,624
	39,681,512	39,400,755
<b>ACCUMULATED SURPLUS</b>	<b>\$ 32,584,938</b>	<b>\$ 33,044,462</b>

Contingencies (note 21)

See accompanying notes to consolidated financial statements.

On behalf of Wagmatcook Band Council:

Cliff Henry  
Greene Piero  
Sharon Peet  
Angela Piero

Kim Denny

# WAGMATCOOK FIRST NATION

## Consolidated Statement of Operations

Year ended March 31, 2015, with comparative figures for 2014

		2015	2014
	Budget	Actual	Actual
	(unaudited)		
<b>REVENUES</b>			
Federal Government			
Aboriginal Affairs and Northern			
Development Canada	\$ 3,886,606	\$ 4,112,821	\$ 4,441,437
Mikmaw Kina'matnewey	2,611,414	2,836,553	2,938,025
Health Canada	1,248,269	1,401,340	1,140,809
Fisheries and Oceans Canada	171,000	541,000	605,891
Human Resources and Social			
Development Canada	253,000	282,013	334,789
Canada Mortgage and Housing Corporation	105,744	116,278	127,491
Enterprise Cape Breton Corporation	—	—	1,492,524
Aboriginal Business Canada	—	—	150,000
Environment Canada	—	—	23,520
Other governments	130,000	193,638	130,239
Economic activities	10,709,553	10,913,340	10,666,698
Interest, rent and other	529,012	314,450	199,156
	19,644,598	20,711,433	22,250,579
<b>EXPENSES</b>			
Governance	1,540,336	1,551,240	1,552,053
Economic and employment development	355,290	355,372	349,681
Operations and maintenance	746,260	1,226,068	1,238,943
Social development	2,463,723	2,456,594	2,306,890
Education	2,589,702	3,298,599	2,797,270
Capital	255,069	135,551	703
Housing	606,749	500,397	562,927
Health program	1,155,938	1,273,767	1,195,544
Fisheries – treaty	188,874	185,683	179,855
Fisheries – commercial	2,175,295	2,432,833	2,161,593
Wagmatcook Gas Bar	3,773,533	3,727,377	3,820,749
Daycare	272,500	300,183	278,977
Gaming	526,000	442,534	445,634
Enterprise, Heritage and Community			
Complex	1,360,172	1,479,203	1,468,867
Tobacco	1,634,807	1,866,944	1,687,350
	19,644,248	21,232,345	20,047,036
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 350	\$ (520,912)	\$ 2,203,543

See accompanying notes to consolidated financial statements.

# WAGMATCOOK FIRST NATION

Consolidated Statement of Change in Fund Balances

Year ended March 31, 2015, with comparative figures for 2014

		Operating	Capital	Trust	Housing Replacement	Equipment Replacement	Sewer Equity	Total	2015	2014
<b>BALANCE, BEGINNING OF YEAR</b>	\$	4,446	\$32,418,768	\$ 50,977	\$ 298,631	\$ 200,000	\$ 71,640	\$33,044,462	\$30,985,019	
Excess (deficiency) of revenues over expenses		(167,278)	(383,274)	—	—	—	29,640	(520,912)	2,203,543	
External contribution	—	—	52,000	—	—	—	—	52,000	—	
Current year allocations	(178,451)	—	—	103,451	75,000	—	—	—	104,640	
Withdrawals	75,000	—	—	—	(75,000)	—	—	—	(250,000)	
Interest earned	—	—	7,084	2,304	—	—	9,388	1,260	—	
<b>BALANCE, END OF YEAR</b>	\$	(266,283)	\$32,035,494	\$ 110,061	\$ 404,386	\$ 200,000	\$ 101,280	\$32,584,938	\$33,044,462	

# WAGMATCOOK FIRST NATION

## Consolidated Statement of Change in Net Debt

Year ended March 31, 2015, with comparative figures for 2014

	2015	2014
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ (520,912)	\$ 2,203,543
Tangible capital assets		
Net acquisition of tangible capital assets	(1,625,764)	(4,005,171)
Amortization of tangible capital assets	1,373,177	1,259,999
Proceeds on disposal of assets	75,000	—
Gain on sale of assets	(65,451)	—
	<u>(243,038)</u>	<u>(2,745,172)</u>
Other non-financial assets		
Decrease (increase) in inventories held for use and prepaid expenses	(37,719)	32,706
Other		
Interest earned	9,388	1,260
External contributions to restricted funds	52,000	—
Net contributions (withdrawals) from reserves	—	(145,360)
	<u>61,388</u>	<u>(144,100)</u>
<b>INCREASE IN NET DEBT</b>	<b>(740,281)</b>	<b>(653,023)</b>
<b>NET DEBT, BEGINNING OF YEAR</b>	<b>(6,356,293)</b>	<b>(5,703,270)</b>
<b>NET DEBT, END OF YEAR</b>	<b>\$ (7,096,574)</b>	<b>\$ (6,356,293)</b>

See accompanying notes to consolidated financial statements.

# WAGMATCOOK FIRST NATION

## Consolidated Statement of Cash Flows

Year ended March 31, 2015, with comparative figures for 2014

	2015	2014
Cash provided by (used in)		
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	\$ (520,912)	\$ 2,203,543
Items not involving cash		
Add amortization of tangible capital assets	1,373,177	1,259,999
Gain on disposal of vessel	(65,451)	–
Allocation from equipment reserve	–	(145,360)
	786,814	3,318,182
Change in non-cash items		
Decrease (increase) in accounts receivable	511,456	(15,631)
Decrease (increase) in inventories for resale	2,844	(40,146)
Decrease (increase) in due from federal government	848,041	(979,245)
Increase in due from provincial government	(8,319)	(14,437)
Decrease (increase) in inventories held for use and prepaid expenses	(37,719)	32,706
Decrease in accounts payable and accrued liabilities	(385,966)	(1,295,628)
Increase in deferred revenue	114,346	170,263
	1,044,683	(2,142,118)
<b>FINANCING ACTIVITIES</b>		
Proceeds (repayments) of bank loans	(898,421)	2,876,664
Issuance of long-term debt	315,212	78,039
Principal payments on long-term debt	(253,218)	(376,308)
	(836,427)	2,578,395
<b>INVESTING ACTIVITIES</b>		
Additions to tangible capital assets	(1,625,764)	(4,005,171)
Decrease in investments	749,103	39,942
Increase in trust funds	61,388	1,260
Proceeds on disposal of assets	75,000	–
Decrease in investment in government business enterprise	61,528	45,355
	(678,745)	(3,918,614)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	316,325	(164,155)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	(1,440,488)	(1,276,333)
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><b>\$ (1,124,163)</b></u>	<u><b>\$ (1,440,488)</b></u>
<b>Cash and cash equivalents are comprised of the following</b>		
Cash	\$ 221,276	\$ 175,972
Trust funds – Aboriginal Affairs and Northern Development Canada	110,061	50,977
Cheques issued in excess of funds on deposit	(1,455,500)	(1,667,437)
	<u><b>\$ (1,124,163)</b></u>	<u><b>\$ (1,440,488)</b></u>

See accompanying notes to consolidated financial statements.

# WAGMATCOOK FIRST NATION

## Notes to Consolidated Financial Statements

Year ended March 31, 2015

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### NATURE OF OPERATIONS

Wagmatcook First Nation Council is comprised of a Chief and six councilors under the Indian Act of Canada. The Council is accountable to the local Mi'kmaq community members for the delivery of programs and services, management of all financial resources and planning to support future community-based self-government.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

#### (b) Reporting entity

The Wagmatcook First Nation reporting entity includes Wagmatcook First Nation government and all related entities which are accountable to the First Nation.

#### (c) Principles of consolidation

These consolidated financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

Wagmatcook First Nation Operating and Capital Funds  
Wagmatcook First Nation Trust Funds  
Wagmatcook Enterprise, Heritage and Community Complex  
Wagmatcook Education Authority Limited

The First Nation has a sub interest in Nova Ice Production Limited and accounts for it on a modified equity basis.

#### (d) Fund accounting

The resources and operations of the First Nation are comprised of the operating and capital funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. Supporting schedules to the consolidated financial statements are included to show the financial activities and change in the balance of each fund.

#### (e) Asset classification

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

# WAGMATCOOK FIRST NATION

## Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

#### (g) Inventories for resale

Inventory of goods available for resale, is recorded at the lower of cost and net realizable value.

#### (h) Tangible capital assets

Tangible capital assets acquired since 1987 are reported in the statement of financial position at cost net of accumulated amortization. All tangible capital assets acquired prior to 1987 have been written off. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

Asset	Basis	Rate
Buildings	Straight-line	40 years
Equipment	Straight-line	5-10 years
Roads	Straight-line	50 years
Lagoons and water systems	Straight-line	40 years
Fishing vessels	Straight-line	15 years
Fishing licences	N/A	Not amortized
Wharf	Straight-line	40 years

A full year's amortization is taken in the year of acquisition.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Wagmatcook First Nation's 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.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (i) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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

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

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

### (j) Financial instruments

#### **Measurement of financial instrument**

The First Nation initially measures its financial assets and financial liabilities at fair value and subsequently measures its financial assets and financial liabilities as follows:

Financial instrument	Measurement basis
Cash/cheques issued in excess of funds on deposit	Fair value
Investments	Fair value
Receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Bank loans	Amortized cost
Long-term debt	Amortized cost

Transaction costs related to financial assets are expensed as incurred.

#### **Impairment**

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in income. A previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (k) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingencies and the reported amounts of revenues and expenditures in the consolidated financial statements and accompanying notes. Items requiring the use of significant estimates include the valuation of receivables, inventories, capital assets and intangible assets. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

## 2. CASH AND CASH EQUIVALENTS

	2015	2014
Externally restricted Replacement	\$ 221,276	\$ 175,972
Cheques issued in excess of funds on deposit	\$ 1,455,500	\$ 1,667,437
Trust funds – Aboriginal Affairs and Northern Development Canada	\$ 110,061	\$ 50,977

## 3. INVESTMENTS

	2015	2014
TD – Guaranteed Investment Certificate, maturing December, 2015	\$ 162,617	\$ 161,406
TD – Guaranteed Investment Certificate, maturing December, 2015	31,247	31,013
TD – Guaranteed Investment Certificate, maturing during year	–	16,226
TD – Guaranteed Investment Certificate, maturing during year	–	113,745
TD – Guaranteed Investment Certificate, maturing during year	–	133,715
TD – Guaranteed Investment Certificate, maturing during year	–	322,268
TD – Guaranteed Investment Certificate, maturing during year	–	161,396
TD – Guaranteed Investment Certificate, matured during year	–	3,198
	<hr/> \$ 193,864	<hr/> \$ 942,967

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 4. ACCOUNTS RECEIVABLE

	2015	2014
Employees	\$ 239,993	\$ 241,497
Members	139,408	139,108
Ultramar fuel rebate and credit	30,038	72,486
Lottery retailers	32,996	32,996
Accrued interest	608	1,991
Other	191,705	244,229
Nova Scotia Community College	—	374,497
	634,748	1,106,804
Allowance for doubtful accounts	(378,118)	(338,718)
	<hr/> \$ 256,630	<hr/> \$ 768,086

## 5. INVENTORIES FOR RESALE

	2015	2014
Gas bar	\$ 112,914	\$ 115,841
Gift shop	35,835	40,103
Tobacco shop	24,579	23,965
Cleanwave Restaurant	18,378	14,641
	<hr/> \$ 191,706	<hr/> \$ 194,550

## 6. DUE FROM FEDERAL GOVERNMENT

	2015	2014
Aboriginal Affairs and Northern Development Canada	\$ 404,251	\$ 679,264
Human Resources and Social Development Canada	141,007	28,407
Fisheries and Oceans Canada	117,100	242,389
Canada Mortgage and Housing Corporation	49,798	41,125
Health Canada	26,165	—
Mi'kmaq Kina'matnewey	7,250	202,943
Enterprise Cape Breton Corporation	—	249,484
Aboriginal Business Canada	—	150,000
	<hr/> \$ 745,571	<hr/> \$ 1,593,612

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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## 7. DUE FROM PROVINCIAL GOVERNMENT

	2015	2014
Nova Scotia Gaming Commission	\$ 128,432	\$ 126,091
Province of Nova Scotia	7,744	1,766
	<hr/> <u>\$ 136,176</u>	<hr/> <u>\$ 127,857</u>

## 8. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

The commercial government business enterprises that are included in the First Nation reporting entity, as described in note 1c) to these financial statements includes:

- Nova Ice Production Limited

Wagmatcook First Nation has accounted for the investment in Nova Ice Productions Limited on a modified equity basis.

## 9. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

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

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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## 10. OPERATING LOANS

The operating loans are secured by a general borrowing resolution, collateral mortgages on land owned by Wagmatcook First Nation and assignment of term deposits and credit balances registered in the name of Wagmatcook Band Council in the amount of \$193,864.

	2015	2014
TD Bank		
Demand loan repayable in monthly installments of \$17,959 plus interest at prime plus 1.25%	\$ 826,132	\$ 1,041,644
Demand loan repayable in monthly installments of \$11,283 plus interest at prime plus 1.25%	677,000	-
Demand loan with no fixed terms of repayment with interest charged at prime plus 1.25%	160,000	930,000
Demand loan with no fixed terms of repayment with interest charged at prime plus 1.25%	161,111	511,111
Demand loan with no fixed terms of repayment with interest charged at prime plus 1.25%	154,000	-
Repaid during the year	-	393,909
	<hr/> \$ 1,978,243	<hr/> \$ 2,876,664

Principal payments required in each of the next five years are as follows:

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2016	\$ 350,904
2017	350,904
2018	350,904
2019	315,004
2020	135,416

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015	2014
Trade payables	\$ 1,243,085	\$ 1,544,393
Accrued salaries and employee benefits payable	199,915	205,887
Government remittances payable	154,853	146,621
Other accrued liabilities	135,805	99,332
Harmonized sales tax payable	64,210	177,409
Province of Nova Scotia	20,747	30,939
	<b>\$ 1,818,615</b>	<b>\$ 2,204,581</b>

## 12. DEFERRED REVENUE

	Balance March 31, 2014	Funding received 2015	Revenue recognized 2015	Balance March 31, 2015
Federal government				
Health Canada				
Health Services Integration Fund	\$ 239,000	\$ 348,991	\$ 180,000	\$ 407,991
Canada Mortgage and Housing Corporation				
RRAP	19,378	-	19,378	-
Community Infrastructure				
Wastewater – lagoon	161,903	-	-	161,903
	420,281	348,991	199,378	569,894
Mi'kmaq Kina'matnewey				
School equipment	37,750	-	37,750	-
Provincial government				
Province of Nova Scotia				
Breastfeeding	12,000	-	12,000	-
Mental health	12,000	-	12,000	-
	24,000	-	24,000	-
Other	6,131	31,209	4,726	32,614
	<b>\$ 488,162</b>	<b>\$ 380,200</b>	<b>\$ 265,854</b>	<b>\$ 602,508</b>

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 13. LONG-TERM DEBT

	2015	2014
<b>Social Housing</b>		
Royal Bank		
Mortgage repayable in monthly instalments of \$1,100 including interest at 2.29% over a 2 year term ending August 1, 2016	\$ 8,727	\$ 21,570
TD Bank		
Mortgage repayable in monthly instalments of \$955 including interest at 4.04% over a 5 year term ending March, 2017	68,438	76,973
Mortgage repayable in monthly instalments of \$679 including interest at 4.04% over a 5 year term ending April 1, 2017	74,973	80,006
Mortgage repayable in monthly instalments of \$921 including interest at 3.00% over a 5 year term ending December 1, 2017	76,394	85,029
Mortgage repayable in monthly instalments of \$409 including interest at 2.99% over a 5 year term ending February 1, 2018	34,880	38,685
Mortgage repayable in monthly instalments of \$735 including interest at 2.99% over a 5 year term ending March 1, 2018	95,070	100,975
Mortgage repayable in monthly instalments of \$1,597 including interest at 2.79% over a 5 year term ending April 1, 2018	268,430	279,977
Mortgage repayable in monthly instalments of \$531 including interest at 2.79% over a 5 year term ending April 1, 2018	89,428	93,274
Mortgage repayable in monthly instalments of \$532 including interest at 2.79% over a 5 year term ending April 1, 2018	89,314	93,156
Mortgage repayable in monthly instalments of \$681 including interest at 2.99% over a 5 year term ending July 1, 2019	66,494	72,485

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 13. LONG-TERM DEBT (CONTINUED)

	2015	2014
Carry forward	\$ 872,148	\$ 942,130
TD Bank (continued)		
Mortgage repayable in monthly instalments of \$729 including interest at 3.04% over a 5 year term ending December 1, 2019	33,564	41,001
Mortgage repayable in monthly instalments of \$2,088 including interest at 3.75% over a 5 year term ending April 1, 2016	134,608	154,255
Mortgage repayable in monthly instalments of \$554 including interest at 3.85% over a 5 year term ending May 1, 2016	60,501	64,754
Mortgage repayable in monthly instalments of \$778 including interest at 3.75% over a 5 year term ending January 1, 2016	106,767	112,025
Mortgage repayable in monthly instalments of \$1,166 including interest at 3.60% over a 5 year term ending August 1, 2016	173,558	181,197
CMHC		
Mortgage payable in monthly instalments of \$689 including interest at 1.82% over a 5 year term ending September 1, 2019	135,805	141,320
Mortgage payable in monthly instalments of \$524 including interest at 2.97% over a 5 year term ending April 1, 2016	98,353	101,688
Mortgage payable in monthly instalments of \$461 including interest at 2.65% over a 5 year term ending April 1, 2016	89,563	92,701
Mortgage payable in monthly instalments of \$472 including interest at 1.65% over a 5 year term ending September 1, 2016	102,561	106,506
Mortgage repayable in monthly instalments of \$412 including interest at 1.65% over a 5 year term ending June 1, 2017	33,792	38,145

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 13. LONG-TERM DEBT (CONTINUED)

	2015	2014
Carry forward	\$ 1,841,220	\$ 1,975,722
CMHC (continued)		
Mortgage payable in monthly instalments of \$474 including interest at 1.69% over a 5 year term ending February 1, 2018	108,156	111,992
Mortgage payable in monthly instalments of \$693 including interest at 1.69% over a 5 year term ending February 1, 2018	158,127	163,503
Mortgage payable in monthly instalments of \$474 including interest at 1.69% over a 5 year term ending February 1, 2018	108,156	111,992
Mortgage payable in monthly instalments of \$1,110 including interest at 1.67% over a 5 year term ending January 1, 2020	270,713	—
Mortgage payable in monthly instalments of \$473 including interest at 1.67% over a 5 year term ending January 1, 2020	115,466	—
Mortgage advance on assets in progress	—	74,539
Social housing	2,601,838	2,437,748
<b>Capital Fund</b>		
TD Bank		
Mortgage repayable in monthly instalments of \$1,184 including interest at 2.99% over a 5 year term ending August 1, 2019	116,607	126,823
Nova Scotia Fisheries and Aquaculture Loan Board Vessel loan repayable in semi-annual principal payments of \$34,920 plus interest at 6.5% maturing 2020	378,547	448,387
Repaid during the year	—	14,406
Repaid during the year	—	7,634
Capital fund	495,154	597,250
	<hr/> \$ 3,096,992	<hr/> \$ 3,034,998

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 13. LONG-TERM DEBT (CONTINUED)

Principal payments required in each of the next five years are as follows:

2016	\$ 241,600
2017	237,700
2018	242,500
2019	247,500
2020	243,700

## 14. TANGIBLE CAPITAL ASSETS

	Cost					Closing Balance
	Opening Balance	Additions	Disposals	Transfer of assets		
Land	\$ 15,391	\$ —	\$ —	\$ —	\$ —	\$ 15,391
Buildings						
Heritage and Cultural Centre	3,225,178	—	—	—	—	3,225,178
First Nation housing	2,068,500	—	—	—	—	2,068,500
Wharf and buildings	1,745,633	—	—	—	—	1,745,633
Other buildings	101,168	—	—	—	—	101,168
Gas Bar	1,618,665	—	—	—	—	1,618,665
Health Centre	1,900,028	197,617	—	—	—	2,097,645
New school	8,814,848	—	—	—	—	8,814,848
NSCC Learning Centre	—	363,299	—	2,830,172	—	3,193,471
Equipment						
Heritage and Cultural Centre	819,596	—	—	—	—	819,596
Fire equipment	249,543	—	—	—	—	249,543
Fishing vessels	2,137,222	—	(143,243)	—	—	1,993,979
Fishing equipment	60,317	—	—	—	—	60,317
Health Centre	54,334	—	—	—	—	54,334
School equipment and buses	210,428	5,958	—	—	—	216,386
Other						
Lagoon and water systems	10,701,180	—	—	—	—	10,701,180
Fishing licence	3,099,500	—	—	—	—	3,099,500
Wharf	2,764,350	—	—	—	—	2,764,350
Fire hydrants, roads	707,612	—	—	—	—	707,612
Social housing						
Land	145,200	—	—	—	—	145,200
Housing	5,838,549	464,911	—	241,421	—	6,544,881
Equipment	108,270	—	—	—	—	108,270
Work in progress	3,071,593	593,979	—	(3,071,593)	—	593,979
<b>Total</b>	<b>\$ 49,457,105</b>	<b>\$ 1,625,764</b>	<b>\$ (143,243)</b>	<b>\$ —</b>	<b>\$ 50,939,626</b>	

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 14. TANGIBLE CAPITAL ASSETS (CONTINUED)

	Accumulated amortization				Net book value	
	Opening Balance	Amortization	Disposals, write-offs and other adjustments	Closing Balance	Total 2015	Total 2014
<b>Tangible assets</b>						
Land	\$	–	\$	–	\$	15,391
						\$ 15,391
<b>Buildings</b>						
Heritage and Cultural						
Centre	1,055,374	80,628	–	1,136,002	2,089,176	2,169,804
First Nation housing	1,025,264	51,714	–	1,076,978	991,522	1,043,236
Wharf and buildings	476,480	43,640	–	520,120	1,225,513	1,269,153
Other buildings	25,446	2,529	–	27,975	73,193	75,722
Gas Bar	392,316	40,466	–	432,782	1,185,883	1,226,349
Health Centre	399,936	52,439	–	452,375	1,645,270	1,500,092
New school	452,863	220,371	–	673,234	8,141,614	8,361,985
NSCC Learning Centre	–	79,836	–	79,836	3,113,635	–
<b>Equipment</b>						
Heritage and Cultural						
Centre	702,618	38,992	–	741,610	77,986	116,978
Fire equipment	149,725	24,954	–	174,679	74,864	99,818
Fishing vessels	1,540,663	144,599	(133,694)	1,551,568	442,411	596,559
Fishing equipment	60,317	–	–	60,317	–	–
Health Centre	16,299	5,433	–	21,732	32,602	38,035
School equipment and buses	42,086	85,662	–	127,748	88,638	168,342
<b>Other</b>						
Lagoon and water systems	1,478,287	267,530	–	1,745,817	8,955,363	9,222,893
Fishing licence	–	–	–	–	3,099,500	3,099,500
Wharf	900,161	69,109	–	969,270	1,795,080	1,864,189
Fire hydrants, roads	110,130	14,153	–	124,283	583,329	597,482
<b>Social housing</b>						
Land	–	–	–	–	145,200	145,200
Housing	1,293,826	148,570	–	1,442,396	5,102,485	4,544,723
Equipment	64,183	2,552	–	66,735	41,535	44,087
Work in progress	–	–	–	–	593,979	3,071,593
<b>Total</b>	<b>\$10,185,974</b>	<b>\$ 1,373,177</b>	<b>\$(133,694)</b>	<b>\$11,425,457</b>	<b>\$ 39,514,169</b>	<b>\$ 39,271,131</b>

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 15. GOVERNMENT TRANSFERS

	2015			2014		
	Operating	Capital	Total	Operating	Capital	Total
<b>Federal government transfers</b>						
Aboriginal Affairs and Northern Development Canada	\$ 3,885,916	\$ 226,905	\$ 4,112,821	\$ 3,941,437	\$ 500,000	\$ 4,441,437
Mi'kmaq Kina'matnewey	2,836,553	—	2,836,553	2,858,025	80,000	2,938,025
Health Canada	1,205,526	195,814	1,401,340	1,140,809	—	1,140,809
Fisheries and Oceans Canada	171,000	370,000	541,000	300,491	305,400	605,891
Human Resources and Social Development Canada	282,013	—	282,013	334,789	—	334,789
Canada Mortgage and Housing Corporation	116,278	—	116,278	127,491	—	127,491
Enterprise Cape Breton Corporation	—	—	—	—	1,492,524	1,492,524
Aboriginal Business Canada	—	—	—	—	150,000	150,000
Environment Canada	—	—	—	23,520	—	23,520
Total	8,497,286	792,719	9,290,005	8,726,562	2,527,924	11,254,486
<b>Provincial government transfers</b>						
	193,638	—	193,638	130,239	—	130,239
	\$ 8,690,924	\$ 792,719	\$ 9,483,643	\$ 8,856,801	\$ 2,527,924	\$ 11,384,725

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 16. SEGMENT DISCLOSURE

	Band Government		Economic Development		Operations and Maintenance	
	Budget 2015	Actual 2015	Budget 2015	Actual 2015	Budget 2015	Actual 2015
<b>REVENUES</b>						
Federal government operating transfers	\$ 490,000	\$ 503,593	\$ 489,679	\$ 346,973	\$ 316,762	\$ 369,943
Federal government capital transfers	—	—	—	—	30,000	—
Provincial government operating transfers	—	—	—	—	—	—
Mik'nahd K'na'matnewey	—	—	—	—	—	—
Economic activities	—	—	—	—	4,000	—
Other revenue	242,000	267,680	308,917	—	—	—
	732,000	771,273	798,596	346,973	350,762	369,943
					525,000	586,004
						550,152
<b>EXPENSES</b>						
Salaries and benefits	927,336	932,891	890,449	43,290	93,268	135,903
Debt servicing	180,000	56,245	70,966	—	—	—
Other expenses	433,000	482,907	511,441	312,000	262,104	213,778
	1,540,336	1,472,043	1,472,856	355,290	355,372	349,681
					746,260	793,283
						812,578
Balance before amortization and other	(808,336)	(700,770)	(674,260)	(8,317)	(4,610)	20,262
Amortization	—	(79,197)	(79,197)	—	—	(221,260)
Consolidation revenue entries	120,000	(180,000)	(180,000)	(43,000)	82,339	82,339
Consolidation expense entries	—	—	—	—	—	—
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (688,336)</b>	<b>\$ (959,967)</b>	<b>\$ (933,457)</b>	<b>\$ (51,317)</b>	<b>\$ 77,729</b>	<b>\$ 102,601</b>
					\$ (221,260)	\$ (640,064)
						\$ (688,791)

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 16. SEGMENT DISCLOSURE

	Social Development			Education			Capital		
	Budget 2015	Actual 2015	Actual 2014	Budget 2015	Actual 2015	Actual 2014	Budget 2015	Actual 2015	Actual 2014
<b>REVENUES</b>									
Federal government operating transfers	\$ 2,545,932	\$ 2,548,291	\$ 2,545,932	\$ 10,840	\$ 10,840	\$ 10,840	\$ 220,861	\$ 90,100	\$ 2,342,524
Federal government capital transfers	—	—	—	—	—	—	—	—	—
Provincial government operating transfers	—	—	—	—	—	—	—	—	—
Mikhnadq Kina'matnewey	—	—	—	2,611,414	2,836,553	2,858,025	—	—	—
Economic activities	—	—	—	10,000	—	13,941	—	198,843	453,172
Other revenue	—	—	—	61,000	38,804	18,826	—	—	—
	2,545,932	2,548,291	2,545,932	2,693,254	2,886,197	2,981,632	220,861	288,943	2,795,696
<b>EXPENSES</b>									
Salaries and benefits	98,681	203,937	185,473	1,759,747	1,999,560	1,747,563	—	82,174	213,803
Debt servicing	—	—	—	179,588	79,289	72,695	—	—	—
Other expenses	2,385,042	2,272,657	2,219,311	670,367	853,881	910,185	255,069	442,634	3,251,870
	2,483,723	2,476,594	2,404,784	2,609,702	2,932,730	2,730,443	255,069	524,808	3,465,673
Balance before amortization and other	62,209	71,697	141,148	83,552	(46,533)	251,189	(34,208)	(235,865)	(669,977)
Amortization	—	—	—	—	(385,869)	(262,457)	—	—	—
Consolidation revenue entries	(187,209)	73,205	—	43,000	—	—	—	46,481	—
Consolidation expense entries	20,000	20,000	97,894	20,000	20,000	195,630	—	389,257	3,464,970
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ (105,000)	\$ 164,902	\$ 239,042	\$ 146,552	\$ (412,402)	\$ 184,362	\$ (34,208)	\$ 199,873	\$ 2,794,993

WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31 2015

## 16. SEGMENT DISCLOSURE

	Health		Budget 2015		Housing		Budget 2015		Other	
	Budget 2015	Actual 2015	Actual 2014	Budget 2015	Actual 2015	Actual 2014	Budget 2015	Actual 2015	Actual 2014	Actual 2013
<b>REVENUES</b>										
Federal government operating transfers	\$ 1,200,000	\$ 1,235,526	\$ 1,170,809	\$ 105,744	\$ 116,278	\$ 348,352	\$ 219,269	\$ 171,000	\$ 300,491	
Federal government capital transfers	—	195,814	—	—	226,905	—	—	370,000	105,400	
Provincial government operating transfers	—	38,000	—	—	—	—	130,000	125,638	130,239	
Mi'kmaq Kina'matnewey	—	—	—	—	—	—	—	—	—	
Economic activities	—	14,775	—	—	—	—	10,699,553	10,808,061	10,310,662	
Other revenue	—	—	—	329,000	73,205	79,440	77,012	118,280	101,128	
	1,200,000	1,484,115	1,170,809	434,744	416,388	427,792	11,125,534	11,592,979	10,947,920	
<b>EXPENSES</b>										
Salaries and benefits	530,938	579,016	515,383	64,388	92,022	83,801	1,164,830	2,041,583	1,988,191	
Debt servicing	—	—	—	226,441	72,194	75,927	165,766	44,269	40,693	
Other expenses	645,000	870,741	647,229	335,920	336,181	423,199	8,830,585	8,114,196	8,053,243	
	1,175,938	1,449,757	1,162,612	626,749	500,397	582,927	10,161,181	10,200,048	10,082,127	
Balance before amortization and other	24,062	34,358	8,197	(192,005)	(84,009)	(155,135)	964,653	1,392,931	865,793	
Amortization	—	(57,872)	(52,932)	—	—	—	—	(417,434)	(439,048)	
Consolidation revenue entries	86,209	—	—	(170,000)	(73,205)	(77,894)	(29,000)	(162,339)	(162,339)	
Consolidation expense entries	20,000	233,862	20,000	20,000	—	20,000	230,000	182,725	478,150	
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 130,271	\$ 210,348	\$ (24,735)	\$ (342,005)	\$ (157,214)	\$ (213,029)	\$ 1,165,653	\$ 995,883	\$ 742,556	

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

## 16. SEGMENT DISCLOSURE

	Total before Adjustments			Consolidation Adjustments			Consolidation Total			
	Budget 2015	Actual 2015	Actual 2014	Budget 2015	Actual 2015	Actual 2014	Budget 2015	Actual 2015	Actual 2014	
<b>REVENUES</b>										
Federal government operating transfers	\$ 5,443,758	\$ 5,578,394	\$ 5,786,198	\$ 2,527,924	\$ 2,527,924	\$ 82,339	\$ 5,443,758	\$ 5,660,733	\$ 5,868,537	
Federal government capital transfers	220,861	792,719	130,239	—	—	—	220,861	792,719	2,527,924	
Provincial government operating transfers	130,000	193,638	2,856,025	—	—	—	130,000	193,638	130,239	
Mi'kmaq Kina'matnewey	2,611,414	2,836,553	10,777,775	—	—	—	2,611,414	2,836,553	2,858,025	
Economic activities	10,709,553	11,025,679	508,311	(180,000)	(112,339)	(111,077)	10,709,553	10,913,340	10,666,698	
Other revenue	709,012	497,969	20,924,952	22,588,472	(180,000)	(213,519)	(309,155)	529,012	314,450	199,156
	19,824,598	20,924,952					(337,893)	19,644,598	20,711,433	22,250,579
<b>EXPENSES</b>										
Salaries and benefits	4,685,470	6,161,670	5,875,708	—	—	—	4,685,470	6,161,670	5,875,708	
Debt servicing	751,795	251,997	260,281	—	—	—	751,795	251,997	260,281	
Other expenses	14,516,983	14,291,345	16,927,692	(310,000)	(845,844)	(4,276,644)	14,206,983	13,445,591	12,651,048	
	19,954,248	20,705,012	23,063,681	(310,000)	(845,844)	(4,276,644)	19,644,248	19,859,168	18,787,037	
Balance before amortization and other	(129,650)	219,940	(475,209)	130,000	632,325	3,938,751	350	852,265	3,463,542	
Amortization	—	(1,373,177)	(1,259,999)	—	—	—	—	—	—	
Consolidation revenue entries	(180,000)	(213,519)	(337,893)	180,000	213,519	337,893	(1,373,177)	(1,259,999)	(1,259,999)	
Consolidation expense entries	310,000	845,844	4,276,644	(310,000)	(845,844)	(4,276,644)	—	—	—	
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 350</b>	<b>\$ (520,912)</b>	<b>\$ 2,203,543</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 350</b>	<b>\$ (520,912)</b>	<b>\$ 2,203,543</b>	

# WAGMATCOOK FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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## 17. EXPENSES BY OBJECT

The following is a summary of expenses by object.

	2015	2014
Salaries and wages	\$ 6,161,670	\$ 5,875,708
Staff development	194,062	155,522
Supplies and services	1,238,407	1,223,299
Interest	251,997	265,132
Cost of sales for economic activities	6,645,593	6,437,268
Professional services	175,122	226,633
Rental expenditures	33,958	31,236
Fees and contract services	1,121,430	961,085
Other	4,036,929	3,611,154
Amortization	1,373,177	1,259,999
	\$ 21,232,345	\$ 20,047,036

## 18. RETIREMENT PLAN

Wagmatcook First Nation provides a voluntary defined contribution RPP and a group RRSP for eligible employees. As part of this plan, the Wagmatcook First Nation matches employee contributions to the specified limit. The employer's portion for the years ended March 31, 2015 and 2014 was \$103,890 and \$100,730 respectively.

## 19. ECONOMIC DEPENDENCE

The Wagmatcook First Nation receives a major portion of its revenues pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada and Health Canada. The continued operation of the First Nation is dependent on the continuation of this funding arrangement.

## 20. COMPARATIVE FIGURES

Certain 2014 comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

# **WAGMATCOOK FIRST NATION**

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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## **21. CONTINGENCIES**

The Wagmatcook 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.

## **22. FINANCIAL INSTRUMENTS**

The First Nation is exposed to various risks through its financial instruments and includes the following significant risks at March 31, 2015.

### **Credit risk**

The First Nation's credit risk results from trade accounts receivable and receivables from other levels of government.

The First Nation extends credit to members and also receives rebates from various sources. When required, the First Nation records an allowance for doubtful accounts for items where collection is no longer assured.

Amounts owing from other levels of government are based on funding agreements and subject to review by the applicable government body.

The First Nation is not exposed to significant concentration risk.

### **Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The First Nation's interest rate risk arises from long-term borrowings at a fixed rate that creates fair value interest rate risk. Changes in market interest rates cause the fair value of long-term debt with fixed interest rates to fluctuate but do not affect the statement of operations, as the First Nation's debt is carried at amortized cost and the carrying value does not change as interest rates change.

### **Liquidity risk**

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation manages this risk through preparing budgets and by monitoring forecasted and actual cash flows.

The First Nation's future obligations with respect to debt repayments are disclosed in notes 10 and 13.

# **WAGMATCOOK FIRST NATION**

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2015

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## **23. BUDGETED FIGURES**

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Chief and Council.

# WAGMATCOOK FIRST NATION

## Schedule A – Schedule of Operating Fund

Year ended March 31, 2015, with comparative figures for 2014  
(Unaudited)

		2015	2014
		Budget	Actual
<b>REVENUES</b>			
Transfers from Federal Government			
Aboriginal Affairs and Northern Development			
Canada (schedule A-18)	\$ 3,886,606	\$ 4,112,821	\$ 4,441,437
Mi'kmaw Kina'matnewey	2,611,414	2,836,553	2,938,025
Health Canada	1,248,269	1,205,526	1,140,809
Fisheries and Oceans Canada	171,000	171,000	605,891
Human Resources and Social Development			
Canada	253,000	199,674	252,450
Canada Housing and Mortgage Corporation	105,744	116,278	127,491
Enterprise Cape Breton Corporation	–	–	1,492,524
Aboriginal Business Canada	–	–	150,000
Environment Canada	–	–	23,520
Other governments	130,000	149,135	130,239
Economic activities	10,709,553	11,025,679	10,777,775
Interest, rent and sundry	709,012	497,969	508,311
	19,824,598	20,314,635	22,588,472
<b>EXPENSES</b>			
Governance	1,540,336	1,472,043	1,472,856
Economic and employment development	355,290	355,372	492,330
Operations and maintenance	746,260	793,263	812,578
Social development	2,483,723	2,476,594	2,262,135
Education	2,609,702	2,932,730	2,730,443
Capital	255,069	155,551	3,465,673
Housing	466,749	500,397	582,927
Health program	1,175,938	1,252,140	1,162,612
Fisheries – treaty	188,874	188,408	303,005
Fisheries – commercial	2,059,529	2,195,485	2,077,631
Wagmatcook Gas Bar	3,793,533	3,706,911	3,800,283
Daycare	272,500	300,183	278,977
Gaming	546,000	542,534	545,634
Enterprise, Heritage and Community Complex	1,380,172	1,379,583	1,369,247
Tobacco	1,654,807	1,886,944	1,707,350
	19,528,482	20,138,138	23,063,681
Net revenues (expenses) before the following	296,116	176,497	(475,209)
Financing and transfers			
Term loan principal instalments	(295,766)	(253,218)	(376,308)
Transfer from (to) replacement reserve fund	–	–	175,000
Transfer from (to) capital fund	–	(60,917)	377,000
Transfer to sewer reserve fund		(29,640)	
Net financing and transfers	(295,766)	(343,775)	175,692
<b>ANNUAL DEFICIT</b>	\$ 350	\$ (167,278)	\$ (299,517)

# WAGMATCOOK FIRST NATION

## Schedule B – Schedule of Capital Fund

Year ended March 31, 2015, with comparative figures for 2014  
(Unaudited)

	2015	2014
<b>REVENUES</b>		
Capital grants	\$ 610,317	\$ 2,990,572
Gain on disposal of assets	65,451	–
	<u>675,768</u>	<u>2,990,572</u>
<b>EXPENSES</b>		
Governance	79,197	79,197
Operations and maintenance	432,805	426,365
Education	385,869	262,457
Health program	57,872	52,932
Fisheries – commercial	257,348	278,962
Wagmatcook Gas Bar	40,466	40,466
Enterprise, Heritage and Community Complex	119,620	119,620
	<u>1,373,177</u>	<u>1,259,999</u>
Net revenues (expenditures) before the following	(697,409)	1,730,573
<b>Financing and transfers</b>		
Transfer from operating fund	60,917	146,178
Transfer from replacement reserve fund	–	250,000
Debenture and term loan principal installments	253,218	376,309
Net financing and transfers	<u>314,135</u>	<u>772,487</u>
<b>ANNUAL SURPLUS</b>	<b>\$ (383,274)</b>	<b>\$ 2,503,060</b>

# WAGMATCOOK FIRST NATION

## Schedule C – Statement of Moveable Asset Reserve

### Health Canada First Nations and Inuit Health Funding

Year ended March 31, 2015, with comparative figures for 2014  
(Unaudited)

	2015	2014
Balance, beginning of year	\$ –	\$ –
Amount provided in agreement for Moveable Asset Reserve		
Annual contribution	4,535	4,430
Total funding available	4,535	4,430
Expenditures	4,535	4,430
Balance, end of year	\$ –	\$ –

# WAGMATCOOK FIRST NATION

## Schedule D – Schedule of Education

Year ended March 31, 2015, with comparative figures for 2014  
(Unaudited)

	2015	2014
	Budget	Actual
<b>REVENUES</b>		
Aboriginal Affairs and Northern Development		
Canada		
Culture education	\$ 10,840	\$ 10,840
Mi'kmaw Kina'matnewey – current allocation	2,611,414	2,425,488
Mi'kmaw Kina'matnewey – special education	–	111,545
Mi'kmaw Kina'matnewey – capital	61,000	96,248
Mi'kmaw Kina'matnewey – other	–	203,272
NSCC	–	–
Interest and other	10,000	38,804
	2,693,254	2,886,197
		2,981,632
<b>EXPENSES</b>		
Administration and Band-operated school		
program	1,362,114	1,640,098
Post-secondary education	336,000	404,011
Operations and maintenance	326,000	392,834
Special education	93,000	111,545
Transportation	83,000	99,610
Learning Centre	69,000	82,804
Interest	179,588	79,289
Sick-time payout	46,000	55,950
Guidance and counseling	40,000	48,589
Rent	15,000	18,000
NSCC – Carpentry	–	–
NSCC – Electrical	–	–
Culture and Education	–	–
Transfer to capital	60,000	–
	2,609,702	2,932,730
		2,730,443
Net revenues (expenses) before the following	83,552	(46,533)
Financing and transfers		
Transfer from Economic Development	43,000	–
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 126,552</b>	<b>\$ (46,533)</b>
		<b>\$ 294,189</b>

# WAGMATCOOK FIRST NATION

## Schedule E – Schedule of Health Program

Year ended March 31, 2015, with comparative figures for 2014  
(Unaudited)

		2015	2014
		Budget	Actual
<b>REVENUES</b>			
Health Canada			
Transitional funding	\$ 900,000	\$ 918,275	\$ 879,894
Set funding	431,000	456,242	505,224
Capital	–	195,814	–
Additional funding (receipt) – addiction services	–	–	(41,590)
Prior year deferral	239,000	239,000	155,870
Year end deferral	(400,000)	(407,991)	(239,000)
Funding recovered	–	–	(119,589)
Aboriginal Affairs and Northern Development Canada			
Protective services	30,000	30,000	30,000
Province of Nova Scotia	–	38,000	–
Other	–	14,775	–
	1,200,000	1,484,115	1,170,809
<b>EXPENSES</b>			
Prenatal Nutrition Program	15,000	21,091	14,805
Mental Health Crisis Management	51,000	31,832	50,575
Brighter Futures	51,000	51,252	24,428
Aboriginal Diabetes Initiative	26,000	26,357	28,693
Community Health Promotion	155,000	149,899	148,606
HIV/AIDS Strategy	2,500	2,800	4,529
Healthy Planning and Management	163,138	102,500	182,117
Moveable Asset Reserve	–	4,649	4,403
Operations and Maintenance	64,000	92,505	65,412
Health Services Integration Fund	180,000	178,691	238,871
Communicable Disease Control	–	–	2,930
Health Board and Health Coordinator	12,000	–	12,738
Aboriginal Head Start	48,300	51,421	48,269
Maternal Child Health	33,900	35,779	38,053
Home and Community Care	145,900	184,587	142,477
Native Alcohol & Drug Abuse Program	83,600	84,002	–
Medical Transportation	78,900	85,595	74,323
Accreditation	52,500	52,853	36,077
Health Information Systems	13,200	13,323	14,148
Aboriginal Health Human Resources Initiative	–	–	1,158
Non-Health Canada expenses	–	83,004	30,000
Capital Health Centre Roof Repair	–	197,617	–
	1,175,938	1,449,757	1,162,612
Net revenues before the following	24,062	34,358	8,197
Financing and transfers			
Transfer from Social	86,209	88,568	86,209
<b>EXCESS REVENUES OVER EXPENSES</b>	<b>\$ 110,271</b>	<b>\$ 122,926</b>	<b>\$ 94,406</b>

# WAGMATCOOK FIRST NATION

## Schedule F – Schedule of Nova Scotia Gaming Agreement

Year ended March 31, 2015, with comparative figures for 2014  
(Unaudited)

		2015	2014
	Budget	Actual	Actual
<b>REVENUES</b>			
Machine revenue gaming	\$ 485,000	\$ 465,538	\$ 486,027
Casino profits	130,000	125,638	130,239
	615,000	591,176	616,266
<b>EXPENSES</b>			
Seniors' contribution	200,000	202,661	200,278
Commissions	93,000	91,685	93,121
Wages and benefits	88,000	91,539	89,181
Security	55,000	50,571	50,090
Management fee	55,000	50,000	50,000
Building rental	30,000	30,000	30,000
Bookkeeping	20,000	20,000	20,000
Telephone and utilities	5,000	6,106	6,414
Insurance	–	903	1,364
Bank charges	–	3	5
Miscellaneous	–	(934)	5,181
	546,000	542,534	545,634
Net revenues before the following	69,000	48,642	70,632
Financing and transfers			
Transfer to Governance	(130,000)	(125,638)	(130,239)
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>			
	\$ (61,000)	\$ (76,996)	\$ (59,607)