

Alexander First Nation

Consolidated Financial Statements

March 31, 2014

Alexander First Nation

Consolidated Financial Statements

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Alexander First Nation

Management's Responsibility for Financial Reporting

March 31, 2014

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

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.

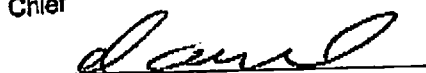
Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated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

The external auditors, Crowe MacKay LLP, 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 Alexander First Nation and meet when required.

On behalf of Alexander First Nation:


Chief

July 28/14
Date


Tribal administrator

July 28/14
Date

Independent Auditors' Report

To the Members of Alexander First Nation

We have audited the accompanying consolidated financial statements of Alexander First Nation, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the First Nation's preparation and fair presentation of the consolidated 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 First Nation'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 consolidated 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, the consolidated financial statements present fairly, in all material respects, the financial position of Alexander First Nation as at March 31, 2014, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Edmonton, Canada
July 29, 2014**

Crowe MacKay LLP
Chartered Accountants

Alexander First Nation

Consolidated Statement of Financial Position

March 31	2014	2013
Financial Assets		
Cash (Note 2)	\$ 735,846	\$ 1,097,338
Accounts receivable (Note 3)	671,892	1,324,512
Band funds in trust (Note 5)	6,209,552	477,895
Alexander First Nation 1905 Land Surrender Claim Trust (Note 6)	46,033,426	45,148,833
	53,650,716	48,048,578
Liabilities		
Operating loan (Note 7)	295,000	295,000
Accounts payable and accrued liabilities (Note 8)	1,589,156	1,585,006
Deferred revenue (Note 9)	689,458	754,524
Alexander First Nation 1905 Land Surrender Claim Trust liabilities (Note 6)	3,407,000	3,726,256
Long-term debt (Note 10)	8,299,934	8,365,457
	14,280,548	14,726,243
Net financial assets	39,370,168	33,322,335
Non-financial Assets		
Capital assets (Note 11)	25,359,385	26,228,283
Prepaid expenses	-	19,287
	25,359,385	26,247,570
Accumulated Surplus (Note 12)	\$ 64,729,553	\$ 59,569,905

Contingent liabilities (Note 13)

Approved on behalf of the Alexander First Nation

 Chief

 Tribal administrator

Alexander First Nation**Consolidated Statement of Operations and Accumulated Surplus**

For the year ended March 31	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC	\$ 9,265,806	\$ 9,396,697	\$ 10,021,252
Health Canada	2,615,715	2,745,638	2,545,369
HRD funds	-	163,902	169,076
CMHC	544,681	514,823	426,113
Capital Health	353,409	353,408	353,351
Resource revenue	-	9,628,133	552,230
Other income	6,977,659	7,480,761	9,057,728
	19,757,270	30,283,362	23,125,119
Expenses (Note 16)			
Band Government	6,384,427	8,039,559	6,382,364
Public Works	2,332,046	2,083,200	1,477,940
Health	3,682,251	3,796,935	3,599,757
Economic Development	557,900	2,526,238	4,229,736
Housing	581,088	257,618	257,785
Community Services	5,919,594	6,004,339	5,877,729
Land Claims	347,500	637,779	777,761
Amortization	1,536,935	1,778,046	1,731,198
	21,341,741	25,123,714	24,334,270
Excess (deficiency) of revenue over expenses	(1,584,471)	5,159,648	(1,209,151)
Accumulated surplus, beginning of year	59,569,905	59,569,905	60,779,056
Accumulated surplus, end of year	\$ 57,985,434	\$ 64,729,553	\$ 59,569,905

Alexander First Nation**Consolidated Statement of Change in Net Financial Assets**

For the year ended March 31	2014 Budget	2014 Actual	2013 Actual
Excess (deficiency) of revenue over expenses	\$ (1,584,471)	\$ 5,159,648	\$ (1,209,151)
Acquisition of tangible capital assets	-	(909,148)	(312,184)
Amortization of tangible capital assets	1,778,046	1,778,046	1,731,198
Disposal of tangible capital assets	-	-	42,750
	1,778,046	868,898	1,461,764
Use (acquisition) of prepaid asset	-	19,287	(19,285)
Increase in net financial assets	193,575	6,047,833	233,328
Net financial assets, beginning of year	33,322,335	33,322,335	33,089,007
Net financial assets, end of year	\$ 33,515,910	\$ 39,370,168	\$ 33,322,335

Alexander First Nation**Consolidated Statement of Cash Flow**

For the year ended March 31, 2014	2014	2013
Cash flows from		
Operating activities		
Excess (deficiency) of revenue over expenses	\$ 5,159,648	\$ (1,209,151)
Items not affecting cash		
Amortization	1,778,048	1,731,198
	6,937,696	522,047
Change in non-cash operating working capital		
Accounts receivable	652,620	(399,028)
Prepaid expenses	19,287	(19,286)
Accounts payable and accrued liabilities	4,150	(20,499)
Deferred revenue	(65,066)	560,934
Trust liabilities	(319,256)	(174,616)
	7,229,431	469,552
Capital activities		
Disposition of capital assets	-	42,750
Purchase of capital assets	(909,150)	(312,183)
	(909,150)	(269,433)
Financing activities		
Repayment of long-term debt	(566,187)	(611,698)
Long-term debt issued	500,664	240,780
Note payable	-	(4,010,000)
	(65,523)	(4,380,918)
Investing activities		
Alexander First Nation 1905 Land Claim Settlement Trust	(884,593)	374,638
Band funds in trust	(5,731,657)	898,318
Long-term investments	-	4,012,000
	(6,616,250)	5,284,956
Increase (decrease) in cash and cash equivalents	(361,492)	1,104,157
Cash and cash equivalents, beginning of year	802,338	(301,819)
Cash and cash equivalents, end of year	\$ 440,846	\$ 802,338
Represented by		
Cash	\$ 735,846	\$ 1,097,338
Operating loan	(295,000)	(295,000)
	\$ 440,846	\$ 802,338

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

1. Basis of Presentation and Significant Accounting Policies

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

(a) Reporting entity principles of financial reporting

The Alexander First Nation reporting entity includes the Alexander First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the Alexander First Nation.

(b) Revenue recognition

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

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

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

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

Income from investments is recorded on the accrual basis.

(c) Investments

Investments in trust funds are carried at cost.

Investments are written down where there has been a loss in value that is other than a temporary decline.

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

1. Basis of Presentation and Significant Accounting Policies (continued)

(d) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Alexander First Nation's incremental cost of borrowing.

Amortization is provided on the straight-line basis over the estimated useful life of the asset as follows:

Buildings	20 years straight line
Automotive equipment	3 years straight line
Furniture and equipment	5 years straight line
Equipment	5 years straight line
Infrastructure	20 years straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Alexander 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.

(e) Cash

Cash and cash equivalents include cash on hand and balances in bank accounts, net of bank overdrafts.

(f) Financial instruments

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

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

1. Basis of Presentation and Significant Accounting Policies (continued)

(g) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Oil and gas royalties and surface right payments relating to oil and gas exploration and development activities are administered directly by the Government of Canada ("Canada") under the provision of the Indian Oil and Gas Act. The Nation records receipts based on current available information supplied by Canada. Royalty payments from oil and gas producers are subject to periodic review. Adjustments are recorded by the Nation in the period that the information becomes available.

2. Cash

	2014	2013
Externally restricted		
Capital replacement reserves	\$ 185,545	\$ 174,757
Internally restricted		
Alexander First Nation 1905 Land Claim Settlement Trust	261,361	216,511
Unrestricted		
Operating	288,940	706,070
	\$ 735,846	\$ 1,097,338

3. Accounts receivable

	2014	2013
Aboriginal Affairs and Northern Development Canada	\$ 189,874	\$ 199,156
First Nation Development Fund	171,685	196,335
Other	361,276	929,021
	722,835	1,324,512
Allowance for doubtful accounts	(50,943)	-
	\$ 671,892	\$ 1,324,512

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

4. Band member receivables

	2014	2013
Band member receivables	\$ 3,712,158	\$ 3,261,094
Allowance for doubtful accounts	(3,712,158)	(3,261,094)
	\$ -	\$ -

5. Restricted cash - Ottawa Trust

	March 31, 2013	Income	Withdrawals and expenses	March 31, 2014
Capital funds held in trust	\$ 422,934	\$ 9,438,540	\$ (4,047,732)	\$ 5,813,742
Revenue funds held in trust	54,961	340,849	-	395,810
	\$ 477,895	\$ 9,779,389	\$ (4,047,732)	\$ 6,209,552

The trust fund accounts held in Ottawa are from monies derived from capital and revenue sources which the Crown considers are described in Section 62 of the Indian Act. These funds are held in trust by the Government of Canada and the Crown treats these funds as primarily governed by Section 64 and 69 of the Indian Act.

These funds are treated by Canada as held in trust in the Consolidated Revenue fund of the Government of Canada. The funds attract interest pursuant to Section 61(2) of the Indian Act.

6. Settlement Trust

The purpose of the Trust is to manage the compensation received under the settlement agreement dated January 29, 2002. The settlement agreement resolves the loss of approximately 9,518 acres of Alexander Indian Reserve No. 134 on December 29, 1905. The agreement was approved by the membership of Alexander on April 5, 2002.

As part of the settlement a \$5,000 per capita distribution was paid from the proceeds. The Trust has an obligation to those members who were minors at the time of the settlement and distributes the per capita distribution plus interest at prime plus 1% when they turn 21 years of age.

The market value of the investments held by the trust at December 31, 2013 was \$51,294,776 (2012: \$45,492,577)

	2014	2013
Equity balance, beginning of year (Note 12)	\$ 41,639,088	\$ 40,852,798
Income earned by the trust	2,074,824	1,388,265
Less: transfers to the Nation	(826,125)	(601,975)
Equity balance, end of year	\$ 42,887,787	\$ 41,639,088

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Notes to Consolidated Financial Statements

March 31, 2014

7. Bank loans

The Nation has operating lines of credit in the amount of \$500,000 bearing interest at prime plus 3.5%.

The loans are secured by a general security agreement and an assignment of receipts.

8. Accounts payable and accrued liabilities

	2014	2013
Trade payables	\$ 1,526,513	\$ 1,580,225
Government remittances	62,643	4,781
	<u>\$ 1,589,156</u>	<u>\$ 1,585,006</u>

9. Deferred revenue

	2014	2013
Health Canada	\$ 33,333	\$ 182,616
Other	656,125	579,908
	<u>\$ 689,458</u>	<u>\$ 762,524</u>

Alexander First Nation**Notes to Consolidated Financial Statements**

March 31, 2014

10. Long-term debt

	2014	2013
Bank demand loan repayable in monthly installments of \$19,500 including interest at 4.81% secured by a capital assets and band guarantee.	\$ 1,239,076	\$ 1,408,648
Bank loan repayable in monthly installments of \$929 including interest at 5.09% secured by a capital asset and band guarantee.	20,397	28,245
Equipment financing loans repayable in monthly installments of \$2,450 including interest at 9.75%, maturing October 2015, secured by capital assets.	40,871	64,993
Alberta Indian Investment Corporation Loan repayable in monthly installments of \$6,077 including interest at 9.25% per annum, secured by a general security agreement and capital assets with a netbook value of \$140,686.	138,774	193,959
Canada Mortgage and Housing Corporation mortgage with payments of \$1,306 per month including interest at 2.40% per annum, maturing July 1, 2025, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	155,474	167,279
Canada Mortgage and Housing Corporation mortgage with payments of \$1,275 per month including interest at 1.67% per annum, maturing February 1, 2027, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	177,658	189,885
Canada Mortgage and Housing Corporation mortgage with payments of \$1,875 per month including interest at 2.65% per annum, maturing April 1, 2031, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	309,270	323,419
Canada Mortgage and Housing Corporation mortgage with payments of \$1,100 per month including interest at 1.64% per annum, maturing January 1, 2032, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	204,019	213,794
Canada Mortgage and Housing Corporation mortgage with payments of \$11,958 per month including interest at 2.11% per annum, maturing November 1, 2028, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	1,809,753	1,907,744

Alexander First Nation**Notes to Consolidated Financial Statements**

March 31, 2014

10. Long-term debt, continued

	2014 \$	2013 \$
Canada Mortgage and Housing Corporation mortgage with payments of \$1,706 per month including interest at 2.84% per annum, maturing March 1, 2030, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	263,251	276,088
Canada Mortgage and Housing Corporation mortgage with payments of \$2,075 per month including interest at 1.92% per annum, maturing March 1, 2029, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	324,411	343,078
Canada Mortgage and Housing Corporation mortgage with payments of \$2,082 per month including interest at 1.92% per annum, maturing March 1, 2029, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	325,599	344,334
Canada Mortgage and Housing Corporation mortgage with payments of \$1,229 per month including interest at 1.62% per annum, maturing March 1, 2028, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	184,624	196,283
Canada Mortgage and Housing Corporation mortgage with payments of \$1,701 per month including interest at 2.04% per annum, maturing March 1, 2034, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	335,322	348,674
Canada Mortgage and Housing Corporation mortgage with payments of \$4,105 per month including interest at 2.87% per annum, maturing November 1, 2029, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	619,650	650,739
Canada Mortgage and Housing Corporation mortgage with payments of \$3,414 per month including interest at 1.80% per annum, maturing October 1, 2036, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	759,820	781,937
Canada Mortgage and Housing Corporation mortgage with payments of \$3,518 per month including interest at 1.80% per annum, maturing May 1, 2037, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	799,555	827,160

Alexander First Nation**Notes to Consolidated Financial Statements**

March 31, 2014

10. Long-term debt, continued

	2014 \$	2013 \$
Canada Mortgage and Housing Corporation mortgage advances with repayment terms to be determined on substantial completion of the project, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on housing units.	496,618	-
Bank loan repayable in monthly installments of \$795 including interest at 5.85% secured by a capital asset and band guarantee.	95,792	99,198
	\$ 8,299,934	\$ 8,365,457

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

2015	\$ 587,725
2016	598,639
2017	542,578
2018	545,192
2019 and thereafter	6,025,800
	\$ 8,299,934

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

11. Tangible Capital Assets

	Cost			Accumulated amortization		
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	2014 net book value
Buildings	\$ 1,509,190	\$ 1,936	-	\$ 1,511,126	\$ 599,193	\$ 82,189
Automotive equipment	1,012,141	75,015	-	1,087,156	816,610	150,001
Furniture and equipment	1,438,332	-	-	1,438,332	1,187,456	82,598
Equipment	943,810	227,349	-	1,171,159	664,246	91,252
Infrastructure	38,981,192	604,847	-	39,586,039	14,388,877	1,372,005
	\$ 43,884,665	\$ 909,147	-	\$ 44,793,812	\$ 17,656,382	\$ 1,778,045
					\$ 19,434,427	\$ 25,359,385

	Cost			Accumulated amortization		
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	2013 Net book value
Buildings	\$ 1,509,190	\$ -	-	\$ 1,509,190	\$ 554,906	\$ 44,287
Automotive equipment	957,141	55,000	-	1,012,141	680,255	136,355
Furniture and equipment	1,455,759	30,075	(47,502)	1,438,332	1,104,858	87,350
Equipment	882,557	61,253	-	943,810	553,778	110,468
Infrastructure	38,815,337	165,855	-	38,981,192	13,036,140	1,362,737
	\$ 13,619,984	\$ 312,183	\$ (47,502)	\$ 13,884,665	\$ 5,929,937	\$ 1,731,197
					\$ 7,656,382	\$ 26,228,283

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

12. Accumulated surplus

	2014	2013
Operating Fund	\$ (1,615,782)	\$ (584,660)
Capital Fund	17,059,451	17,862,825
Ottawa Trust Fund	6,209,552	477,895
1905 Land Surrender Claim Trust Fund (Note 6)	42,887,787	41,639,088
MAR Capital Reserve Fund	185,545	174,757
	\$ 64,726,553	\$ 59,569,905

13. Contingent Liabilities

Government contributions related to the programs of Alexander First Nation Entities are subject to conditions regarding the expenditure of funds. The accounting records are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective agencies. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

14. Reserves

Under the terms of the agreements with Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited annually with agreed amounts. These funds, along with accumulated interest, must be held in a separate bank account, and invested in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal.

15. Employment Retirement Plan

The organization has a defined contribution plan for its employees. Participation in the pension plan is available to substantially all employees. Employees may contribute between 3.5% and 7.5% of their gross pay with the organization making a matching contribution to the plan. Any voluntary amounts paid by the employee are not matched. Total employer contributions for 2014 were \$232,909 (2013: \$148,149).

Alexander First Nation**Notes to Consolidated Financial Statements**

March 31, 2014

16. Expenses

For the year ended March 31	2014 Budget	2014 Actual	2013 Actual
Expenses			
Amortization	\$ 1,536,935	\$ 1,778,046	\$ 1,731,198
Other expenses	6,580,480	7,269,597	8,216,008
Program costs	989,816	1,145,027	1,159,342
Repairs and maintenance	1,253,078	1,473,321	708,710
Travel and meetings	1,383,673	2,088,731	1,751,407
Utilities and telephone	694,200	592,728	601,712
Wages and benefits	8,903,559	10,776,264	10,165,893
	\$ 21,341,741	\$ 25,123,714	\$ 24,334,270

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

17. Segmented information

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. The segment revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounts Policies as described in Note 2. The segment results for the period are as follows:

	Band Government			Public Works			Health	
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Actual	2013 Actual
Revenues								
AANDC	2,486,001	2,367,396	2,167,975	1,142,004	1,387,801	1,033,900	437,748	447,046
Resource revenue	-	9,628,133	552,230	-	-	-	-	-
Capital Health	-	-	-	-	-	-	353,408	353,351
Health Canada	-	-	-	-	-	-	2,745,638	2,545,369
Other revenue	3,898,426	768,874	3,706,164	1,190,042	1,138,994	640,562	372,937	319,334
Total revenue	6,384,427	12,764,403	6,426,369	2,332,046	2,526,795	1,674,462	3,909,821	3,665,100
Expenses								
Program costs	-	-	-	6,000	21,358	-	159,719	182,748
Repairs and maintenance	56,000	93,684	103,467	757,988	728,753	121,555	36,690	36,657
Travel and meetings	1,066,000	1,463,597	1,268,635	67,740	76,536	27,675	102,183	108,756
Utilities and telephone	196,000	90,111	141,563	170,000	178,758	177,928	35,000	74,305
Wages and benefits	1,852,998	2,313,356	1,933,070	703,679	700,721	649,512	2,832,224	36,265
Other expenses	3,213,429	4,078,811	2,935,629	626,639	377,074	501,270	701,435	2,686,832
Total expenses	6,384,427	8,039,559	6,382,364	2,332,046	2,083,200	1,477,940	3,796,935	3,599,757
Annual surplus (deficit)	-	4,724,844	44,005	-	443,595	196,522	(56,002)	65,343

Alexander First Nation

Notes to Consolidated Financial Statements

March 31, 2014

17. Segmented information, continued

	Economic Development				Housing		Community Services	
	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2014 Actual	2013 Actual	2014 Budget	2013 Actual
Revenues								
AANDC	91,500	91,500	1,701,700	-	-	-	4,981,053	4,535,969
CMHC	-	-	-	544,681	514,823	426,113	-	-
HRD funds	-	-	-	-	-	-	-	163,902
Other revenue	466,400	2,425,099	2,692,669	36,407	193,855	78,959	947,007	902,057
Total revenue	557,900	2,516,599	4,394,369	581,088	708,678	505,072	5,928,060	5,745,780
Expenses								
Program costs	-	224,765	179,298	-	-	-	824,097	709,997
Repairs and maintenance	-	238,314	62,207	-	-	113,780	402,400	375,913
Travel and meetings	25,500	276,142	298,291	-	-	-	110,250	164,881
Utilities and telephone	-	14,322	14,158	-	-	-	93,200	102,804
Wages and benefits	217,800	1,291,604	1,439,816	-	-	1,148	3,366,358	3,501,835
Other expenses	314,600	481,091	2,235,966	581,088	257,618	142,857	1,123,289	1,148,909
Total expenses	557,900	2,526,238	4,229,736	581,088	257,618	257,785	5,919,594	6,004,339
Annual surplus (deficit)	-	(9,639)	164,633	-	451,060	247,287	8,466	(160)

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17. Segmented information, continued

	Land Claims		Amortization		Consolidated totals	
	2014 Budget	2014 Actual	2014 Budget	2014 Actual	2014 Budget	2014 Actual
Revenues						
AANDC	127,500	173,942	-	-	9,265,806	9,396,697
CMHC	-	-	-	-	544,681	514,823
Resource revenue	-	-	-	-	-	9,628,133
HRD funds	-	-	-	-	-	552,230
Capital Health	-	-	-	-	353,409	163,902
Health Canada	-	-	-	-	353,408	353,351
Other revenue	220,000	1,678,945	-	-	2,615,715	2,745,638
					6,977,659	7,480,761
Total revenue	347,500	1,852,887	-	-	19,757,270	30,283,362
						23,125,119
Expenses						
Amortization	-	-	1,536,935	1,731,198	1,536,935	1,778,046
Program costs	-	24,471	-	-	989,816	1,145,027
Repairs and maintenance	-	-	-	-	1,253,078	1,473,321
Travel and meetings	12,000	24,268	-	-	1,383,673	2,088,731
Utilities and telephone	200,000	163,464	-	-	694,200	592,728
Wages and benefits	115,500	136,554	-	-	8,903,559	10,776,264
Other expenses	20,000	289,022	-	-	6,580,480	7,269,597
						8,216,008
Total expenses	347,500	637,779	1,536,935	1,778,046	21,341,741	25,123,714
						24,334,270
Annual surplus (deficit)	-	1,215,108	(1,536,935)	(1,778,046)	(1,584,471)	5,159,648
						(1,209,151)

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Notes to Consolidated Financial Statements

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18. Comparative Amounts

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current year.

19. Budget Information

The unaudited budget data presented in these consolidated financial statements is based upon the 2014 operating budget approved by Council.

Amortization was not contemplated on development of the budget and has been recognized at the amount expensed for the current year.

20. Financial Instruments

The First Nation's financial instruments consist of cash, accounts receivable, band member receivables, bank indebtedness, accounts payable, and long-term debt. Unless otherwise noted, the carrying value of its financial instruments approximates fair value.

It is management's opinion that the First Nation is not exposed to significant currency risks from its financial instruments. The First nation is exposed to credit risk with respect to band member receivables and trade and other receivables. Credit risk arises from the possibility that the band members and other entities may be unable to fulfil their obligations. The large number of members and other entities together with the credit worthiness of government funding minimizes credit risk. The First Nation minimizes this risk by monitoring cash flows and the terms and conditions negotiated with trade creditors and lenders. The First Nation is subject to interest rate risk arising primarily from fluctuations in rates on lines of credit and long term debt.