

Micmacs of Gesgapegiag Band
Consolidated Financial Statements
March 31, 2015



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Management's Report

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of Micmacs of Gesgapegiag Band are the responsibility of management and have been approved by the Council Members.

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 CPA - Canada and as such include amounts that are the best estimates and judgments of management.

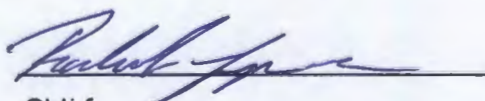
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

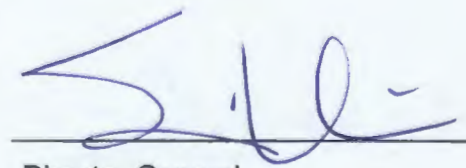
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

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, Raymond Chabot Grant Thornton 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 Micmacs of Gesgapegiag Band and meet when required.

On behalf of Micmacs of Gesgapegiag Band :


Chief


Director General

July 20, 2015



Independent Auditor's Report

Raymond Chabot Grant Thornton
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To the Directors of
Micmacs of Gesgapegiag Band

We have audited the accompanying consolidated financial statements of Micmacs of Gesgapegiag Band, which comprise the statement of consolidated financial position as at March 31, 2015 and the consolidated statements of operations, accumulated deficit, changes in net debt, cash flows, operations and accumulated surplus (deficit) by program and schedule of salaries, honoraria, travel expenses and other remuneration 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.

Auditor's 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 auditor's 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 auditor considers internal control relevant to the entity'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 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 consolidated financial statements.

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

Basis for qualified opinion

The Organization presents a \$5,591,980 deferred contributions related to tangible capital assets in liabilities that should have been presented in revenues, which constitutes a departure from Canadian public sector accounting standards. This situation also caused us to express a qualified opinion on the financial statements for the year ended March 31, 2014. If the deferred contributions related to tangible capital assets had been presented in revenues, revenues and excess (deficiency) of revenues over expenses would have been decreased by \$24,618 in 2015 and \$723,478 in 2014, accumulated surplus (deficit) would have increased by \$5,591,980 in 2015 and \$5,616,598 in 2014 and liabilities would have been reduced by the same amount.

Also, Micmacs of Gesgapegiag Band interest in Mi'gmawei Mawiomis Resources L.P., a limited partnership accounted at cost, is carried at \$100 on the statement of financial position as at March 31, 2015, and Micmacs of Gesgapegiag Band share of Mi'gmawei Mawiomis Resources L.P.'s net income is not included in Micmacs of Gesgapegiag Band's income for the year then ended in accordance with the modified equity method, as required by Canadian public sector accounting standards. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of Micmacs of Gesgapegiag Band's investment in Mi'gmawei Mawiomis Resources L.P. as at March 31, 2015 and Micmacs of Gesgapegiag Band's share of Mi'gmawei Mawiomis Resources L.P.'s net income for the year because we were denied access to the financial information, management, and the auditors of Mi'gmawei Mawiomis Resources L.P. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified opinion

In our opinion, except for the effects of the matters described in the Basis for qualified opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Micmacs of Gesgapegiag Band as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about the Organization's ability to continue as a going concern.

*Raymond Charles Grant Thornton LLP*¹

New Richmond
July 20, 2015

¹ CPA auditor, CA public accountancy permit no. A113171

Micmacs of Gesgapegiag Band

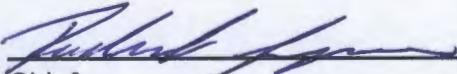
Consolidated Financial Position

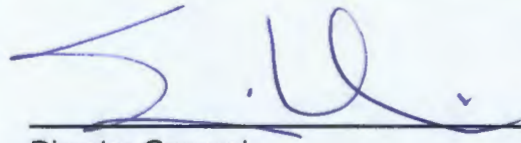
March 31, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
FINANCIAL ASSETS		
Term deposits	14,006	13,844
Accounts receivables (Note 4)	1,493,412	491,785
Due from government and other government organizations (Note 5)	2,544,827	2,098,811
Investments (Note 6)	101	100
Restricted Cash - Replacement Reserve Fund (Note 7)	1,046	1,142
	<u>4,053,392</u>	<u>2,605,682</u>
LIABILITIES		
Bank overdraft	1,004,024	1,128,502
Accounts payables and accrued liabilities (Note 10)	3,450,651	3,779,044
Deferred revenues (Note 11)	953,461	194,934
Current portion of long-term debt	2,012,006	3,451,189
Deferred contributions related to tangible capital assets (Note 12)	5,591,980	5,616,598
Long-term debt (Note 13)	4,941,210	4,268,945
Share capital (Note 14)	180,000	
Reserve funds		
Replacement reserve (Note 7)	239,627	194,367
Operating reserve (Note 15)	194,017	154,333
	<u>18,566,976</u>	<u>18,787,912</u>
NET DEBT	<u>(14,513,584)</u>	<u>(16,182,230)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	25,593	
Tangible capital assets (Note 8)	14,401,184	15,544,551
	<u>14,426,777</u>	<u>15,544,551</u>
ACCUMULATED DEFICIT	<u>(86,807)</u>	<u>(637,679)</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

On behalf of the Board,


Chief


Director General

Micmacs of Gesgapegiag Band

Consolidated Operations

Year ended March 31, 2015

	Unaudited budget	2015	2014
	\$	\$	\$
Revenues			
<i>Federal government transfers</i>			
AANDC Grant	392,640	392,834	408,190
AANDC Fixed Contribution	3,022,107	4,421,588	3,237,412
AANDC Set Contribution	1,634,530	2,267,052	2,345,828
AANDC Contribution receivable (payable)		(67,492)	(222,353)
Correction of receivable, deferred revenues and unexpended funding of prior years		(107,345)	(102,022)
First Nations Education Council	509,651	471,946	523,312
Department of Fisheries and Oceans	155,700	661,138	321,210
Canada Mortgage and Housing Corporation	197,516	168,689	261,396
Health Canada	2,239,361	2,278,057	1,717,602
Solicitor General of Canada	242,082	241,345	255,555
Revenue Canada		32,053	90,927
Canadian Heritage	56,149	56,149	
Aboriginal Business Development Program		183,000	
<i>Provincial government transfers</i>			
First Nations Human Resources Development Commission of Quebec	379,132	378,017	379,655
Secretariat aux Affaires Autochtones	116,000	307,474	116,162
Ministre de la Sécurité publique	274,998	275,735	288,852
First Nations of Quebec and Labrador Health and Social Services Commission	154,330	135,196	72,424
Ministre de l'Économie, de l'Innovation et des Exportations		101,149	
Emploi Québec			19,244
Ministre des Ressources naturelles et de la faune du Québec	1,114,651	1,059,651	1,100,681
<i>Other</i>			
Contribution from Micmacs Housing Corporation	27,328	16,393	19,677
Welfare injection	111,251	199,002	178,650
Gesgapegiag Human Resource Development Commission	89,488	291,882	214,757
Other revenue	298,080	460,507	501,251
Administration revenues	91,000	25,113	24,093
Shrimp and crab sales	4,143,608	4,769,802	3,388,851
Wood sales	639,100	596,297	710,746
Rexforêt	300,000	298,297	335,563
Firewood sales		11,103	
Excavation sales		39,249	9,440
Reimbursement	427,986	426,838	382,693
Rental revenue	566,347	517,576	563,562
Interest revenue		436	1,341
Community services	21,480	23,940	21,510

Micmacs of Gesgapegiag Band

Consolidated Operations

Year ended March 31, 2015

	Unaudited budget	2015	2014
	\$	\$	\$
Cascapedia Society, Cascapedia Club and Club Micmac	350,000	306,000	350,000
Deferred contribution related to tangible capital assets	(100,000)	(801,609)	(100,000)
Amortization of deferred contributions related to tangible capital assets		849,057	846,551
Deferred revenue from previous years	176,886	194,934	185,396
Less: Deferred revenue		(953,461)	(194,934)
	<u>17,631,401</u>	<u>20,527,592</u>	<u>18,253,222</u>
Expenses			
Salaries and fringe benefits	6,177,302	7,015,363	6,840,995
Travel	304,808	339,683	272,718
Professional fees	248,607	235,205	271,563
Publicity and promotion	10,474	8,433	12,404
Material and equipment rental	71,529	68,226	80,996
Training and development	51,352	52,624	61,020
Honoraria	1,217,373	1,241,458	1,200,798
Contracted services	2,222,286	2,764,608	2,182,228
Membership fees	7,700	7,700	8,250
Materials and supplies	1,142,805	678,982	490,950
Office supplies and expenses	67,132	61,874	41,422
Repair and maintenance	316,251	709,754	613,864
Energy	740,156	669,518	684,850
Telecommunications	88,502	121,110	123,974
Insurance	162,135	206,756	201,653
Recovery plan	34,000		
Interest and bank charges	106,546	104,259	149,061
Interest on long-term debt	588,768	286,379	328,515
Doubtful accounts	139,979	210,479	138,889
Administration charges	29,564	30,338	26,031
Room and board	5,427	4,335	11,775
Business contributions	25,000	591	1,942
Contributions to community activities	57,000	33,914	15,888
Band contributions	275,514	412,043	280,400
Program aids	16,077	4,722	16,729
Medical fees	19,100	6,636	8,157
Tuition fees	125,600	857,584	709,215
Cultural activities	25,927	4,059	5,607
Special education	183,899		9,122
Other	293,862	203,282	147,415
Basic needs	742,000	661,397	774,221
Special needs	5,000	10,196	13,501
Purchase of equipment		1,170	1,693
Welfare injection	14,544	198,678	181,650
Penalty and interest on source deductions		933	29,137

Micmacs of Gesgapegiag Band
Consolidated Operations
 Year ended March 31, 2015

	Unaudited budget	2015	2014
	\$	\$	\$
Incentive grants and graduation expenses		800	499
Registration fees	238,529	200,963	229,525
Living allowance	358,759	258,157	319,963
Placements	466,764	726,200	534,609
Annual contribution - replacement reserve	48,500	45,260	45,260
Expenses capitalized to tangible capital assets		(128,609)	
Amortization of tangible capital assets		1,621,976	1,649,921
	<u>16,628,771</u>	<u>19,937,036</u>	<u>18,716,410</u>
Excess (deficiency) of revenues over expenses	<u>1,002,630</u>	<u>590,556</u>	<u>(463,188)</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band

Consolidated Accumulated Deficit

Year ended March 31, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
Balance, beginning of year		
As previously reported	(637,679)	(328,623)
Adjustment to prior years (Note 17)	<u>(39,684)</u>	<u>154,132</u>
As restated	(677,363)	(174,491)
Excess (deficiency) of revenues over expenses	<u>590,556</u>	<u>(463,188)</u>
Balance, end of year	<u><u>(86,807)</u></u>	<u><u>(637,679)</u></u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band
Consolidated Changes in Net Debt
 Year ended March 31, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
Excess (deficiency) of revenues over expenses	590,556	(463,188)
Adjustment to prior years (Note 17)	<u>(39,684)</u>	<u>154,132</u>
	<u>550,872</u>	<u>(309,056)</u>
Tangible capital assets		
Acquisition of tangible capital assets	(478,609)	(33,777)
Amortization of tangible capital assets of tangible capital assets	<u>1,621,976</u>	<u>1,649,921</u>
Total tangible capital assets	<u>1,694,239</u>	<u>1,307,088</u>
Use (acquisition) of prepaid expenses	<u>(25,593)</u>	<u>91,829</u>
Changes in net debt	1,668,646	1,398,917
Net debt, beginning of year	<u>(16,182,230)</u>	<u>(17,581,147)</u>
Net debt, end of year	<u>(14,513,584)</u>	<u>(16,182,230)</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band

Consolidated Cash Flows

Year ended March 31, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	590,556	(463,188)
Non-cash items		
Amortization of tangible capital assets	1,621,976	1,649,921
Amortization of deferred contributions related to tangible capital assets	(849,057)	(846,551)
Transfer to the replacement reserve fund for the year	45,260	45,260
Changes in working capital items		
Accounts receivables	(1,001,627)	(112,079)
Due from government and other government organizations	(446,016)	(666,889)
Prepaid expenses	(25,593)	91,829
Accounts payables and accrued liabilities	(328,393)	309,389
Deferred revenues	758,527	9,538
Cash flows from operating activities	<u>365,633</u>	<u>17,230</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets and cash flows from capital activities	<u>(478,609)</u>	<u>(33,777)</u>
INVESTING ACTIVITIES		
Term deposits	(162)	(175)
Investments	(1)	(100)
Restricted cash - Replacement Reserve Fund	96	96
Cash flows from investing activities	<u>(67)</u>	<u>(179)</u>
FINANCING ACTIVITIES		
Net change in bank loans		(5,400)
Deferred contributions related to tangible capital assets	824,439	123,073
Long-term loans	2,203,750	1,409,852
Repayment of long-term debt	(2,970,668)	(1,660,333)
Share issue	180,000	
Cash flows from financing activities	<u>237,521</u>	<u>(132,808)</u>
Increase (decrease) in cash and cash equivalents	124,478	(149,534)
Bank overdraft, beginning of year	<u>(1,128,502)</u>	<u>(978,968)</u>
Bank overdraft, end of year	<u>(1,004,024)</u>	<u>(1,128,502)</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2015

1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The Organization is governed by the council of the Mi'gmaq of Gesgapegiag. It is a not-for-profit Organization under the Income Tax Act.

2 - GOING CONCERN ASSUMPTION

The financial statements are prepared in accordance with Canadian public sector accounting principles in particular the assumption that the Organization is a going concern, meaning it will be able to realize its assets and discharge its liabilities in the normal course of operations.

In light of operating losses incurred in past years and a working capital deficiency, there is significant doubt about the Organization's ability to continue as a going concern. The Organization's ability to realize its assets and discharge its liabilities depends on the continued financial support of Aboriginal Affairs and Northern Development Canada. The Organization's management has adopted an expense rationalization plan to address the situation.

The carrying amounts of assets, liabilities, revenues and expenses presented in the financial statements and the financial position classification have not been adjusted as would be required if the going concern assumption were not appropriate.

3 - SUMMARY OF ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards in the *CPA Canada Public Sector Accounting Handbook*. The Organization has elected not to apply the accounting standard recommendations applicable solely to government not-for-profit organizations in Sections PS 4200 to PS 4270 of the *CPA Canada Public Sector Accounting Handbook*.

Interest in joint venture and limited partnership

The Organization to recognize its interest in the joint venture and limited partnership at the equity method.

Impairment of interest in joint venture

For each of its interest, the Organization assesses, at each year-end date, whether there are any indications of impairment. When there is an indication of impairment, and if the Organization determines that during the year there was significant adverse change in the expected timing or amount of future cash flows from an interest, then it recognizes a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on an interest is recognized in operations in the year the reversal occurs.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
March 31, 2015

3 - SUMMARY OF ACCOUNTING POLICIES (Continued)

The consolidated financial statements also include investments in companies in which the Organization exercises joint control, that is, a 33% interest in Mi'gmawei Mawiomi Business Corporation and a 33% interest in Mi'gmawei Mawiomi Resources L.P., and which are accounted for using the equity method.

Inter-organizational balances and transactions are eliminated upon consolidation, but in order to present the results of operations for each specific departments, transactions amongst departments have not necessarily been eliminated on the individual schedules.

Accounting estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the amounts recorded in the consolidated financial statements, notes to consolidated financial statements and consolidated schedules. These estimates are based on management's best knowledge of current events and actions that the Organization may undertake in the future. Actual results may differ from these estimates.

Revenue recognition

Government transfers

Government transfers are recognized as revenue 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

The Organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other

The Organization recognizes its revenues when persuasive evidence of an arrangement exists, delivery has occurred, that is, the customer has taken possession of the items, the price to the buyer is fixed or determinable and collection is reasonably assured.

Rental income

The Organization records base rents on a straight-line basis over the lease terms. The excess of rents recognized over amounts contractually due pursuant to the underlying leases is included in rent receivable on the balance sheet.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
March 31, 2015

3 - SUMMARY OF ACCOUNTING POLICIES (Continued)

Contributed supplies and services

The Organization may recognize contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

Financial assets and liabilities

Initial measurement

The Organization recognizes a financial asset or a financial liability on the statement of financial position when, and only when, it becomes a party to the contractual provisions of the financial instrument. Unless otherwise stated, financial assets and liabilities are initially measured at cost.

Subsequent measurement

At each reporting date, the Organization measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets).

The Organization determines whether there is any objective evidence of impairment of the financial assets, for both financial assets subsequently measured at amortized cost and financial assets subsequently measured at fair value. Any financial asset impairment is recognized in the statement of operations and, in the case of a financial asset classified to the fair value category, the reversal of any net remeasurements is presented in the statement of remeasurement gains and losses when an impairment is recognized.

Cash and cash equivalents

The Organization's policy is to present in cash and cash equivalents bank balances, including bank overdrafts whose balances fluctuate frequently from being positive to overdrawn, and investments with a maximum maturity of three months from the acquisition date or redeemable at any time without penalty.

Tangible capital assets

By nature, the Organization's tangible capital assets are normally used to provide future services.

Tangible capital assets acquired 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.

For the housing units - Article 95, tangible capital assets are accounted at the cost of acquisition less any subsidies received for the tangible capital assets. C.M.H.C. permits amortization for buildings purchased using loans that it has insured, at a rate equal to the annual reduction of the principal on the loans. No amortization is allocated to other capital elements, but a replacement reserve is maintained for future replacement of tangible capital assets.

The replacement reserve account is funded through an annual allocation, as opposed to allocation of surplus.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2015

3 - SUMMARY OF ACCOUNTING POLICIES (Continued)

Amortization

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives according to the following periods:

	<u>Periods</u>
Buildings	20 years
Sanitation system	20 years
Automotive equipment	5 years
Material and equipment	5 years
Roads	20 years

Contributions related to tangible capital assets are deferred and gradually amortized to earnings on the same basis as the related tangible capital assets.

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.

Write-down

When conditions indicate that a tangible capital asset no longer contributes to the Organization's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net carrying amount, the cost of the tangible capital asset is reduced to reflect the decline in value. Any write-down of tangible capital assets is accounted for as expenses in the statement of operations and any write-downs are not subsequently reversed.

Trust funds

The Organization's Trust funds are included in these financial statements only to the extent they have been received from the Organization's revenue trust fund. The amounts on deposit with the Government of Canada are audited by the Auditor General of Canada.

Adjustment to prior years

Adjustments affecting prior years, usually resulting from the Regional Audit Review Committee are recorded in the consolidated statement of operations under Correction of receivable, deferred revenues and unexpended funding of prior years. Adjustments affecting prior years, resulting from C.M.H.C., are recorded in the consolidated accumulated deficit statement.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2015

4 - ACCOUNTS RECEIVABLES

	2015	2014
	\$	\$
Accounts receivables	296,035	321,196
Rents receivable	1,846,488	1,710,017
Advances	1,228,499	58,302
Indirect taxes receivable	53,028	122,429
	<u>3,424,050</u>	<u>2,211,944</u>
Doubtful accounts	1,930,638	1,720,159
	<u>1,493,412</u>	<u>491,785</u>

5 - DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	2015	2014
	\$	\$
Federal government		
AANDC	683,357	55,543
Health Canada	34,346	71,523
C.M.H.C.	21,623	43,979
Department of Fisheries and Oceans	380,772	107,622
Canadian Heritage	5,615	
First Nations Education Council	25,756	78,865
Solicitor General of Canada	241,345	17,050
Provincial Government		
First Nations of Quebec and Labrador Health and Social Services Commission	16,784	38,052
First Nations Human Resources Development Commission of Quebec	69,903	83,482
Ministre de l'Économie, de l'Innovation et des Exportations	101,149	
Ministre des Ressources naturelle et de la faune du Québec	416,664	1,004,235
Secretariat aux Affaires Autochtones	211,348	143,372
Ministre de la Sécurité publique	15,445	294
Finance Quebec		1,402
Ministre de la Culture	3,000	3,000
Other government organizations	317,720	450,392
	<u>2,544,827</u>	<u>2,098,811</u>

6 - INVESTMENTS

	2015	2014
	\$	\$
Mi'gmawei Mawiomi Resources L.P., government business partnership		
Capital	100	100
Mi'gmawei Mawiomi Business Corporation Inc., joint venture		
1 common share	1	
	<u>101</u>	<u>100</u>

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7 - REPLACEMENT RESERVE FUND

(a) Pre-1997 Program

Under the agreement with Canada Mortgage and Housing Corporation (C.M.H.C.), an amount must be credited to the replacement reserve. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by C.M.H.C. from time to time. Any use of the funds from the account must be approved by C.M.H.C.

(b) Post-1996 Program

Under the agreement with Canada Mortgage and Housing Corporation (C.M.H.C.), an amount set forth in Appendix B of the operating agreement must be credited to the replacement reserve. The annual amount may be increased by the First Nation. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by C.M.H.C. from time to time.

At the year end, the replacement reserve included the following elements:

	<u>2015</u>	<u>2014</u>
	\$	\$
Restricted cash		
Restricted Cash - Replacement Reserve Fund	<u>1,046</u>	<u>1,142</u>
	<u>2015</u>	<u>2014</u>
	\$	\$
Reserve fund		
Balance, beginning of year	194,367	343,647
Adjustment due to matured units		(25,908)
Adjustment to replacement reserve		(168,632)
Adjusted balance, beginning of year	<u>194,367</u>	<u>149,107</u>
Annual contribution - replacement reserve	<u>45,260</u>	<u>45,260</u>
Balance, end of year	<u>239,627</u>	<u>194,367</u>

No amount was transferred to the replacement reserve fund in 2015.

As at March 31, 2015, the Organization does not respect the obligation to hold these funds in a separate bank account.

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8 - TANGIBLE CAPITAL ASSETS

	2015		2014
	Cost	Accumulated amortization	Net carrying amount
	\$	\$	\$
Land	133,592		133,592
Buildings	21,000,576	9,567,960	11,920,857
Sanitation system	7,372,856	5,949,183	1,792,313
Automotive equipment	3,020,325	2,224,713	1,141,364
Material and equipment	982,212	879,086	13,740
Roads	602,391	89,826	542,685
	33,111,952	18,710,768	15,544,551

9 - BANK LOANS

The bank loans, for which the authorized amounts are \$100,000 and \$1,150,000, bear interest at prime rate (2.85%) and prime rate plus 1.75% (4.60%) respectively, are secured by the accounts receivable and a mortgage on amounts receivable from Health Canada and are renegotiable annually.

10 - ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

	2015	2014
	\$	\$
Trade accounts	3,282,787	3,517,855
Salaries payable	97,463	79,679
Government remittances	28,535	138,244
Accrued interest	41,866	43,266
	3,450,651	3,779,044

11 - DEFERRED REVENUES

	2015	2014
	\$	\$
Federal government		
NPD1 02383 CFS Maintenance - Enhanced Prevention-Foster Home	351,882	
Other		
08627 Renovations and/or Additions QL33	181,120	181,120
10003 National Native Alcohol and Drug Abuse Program NNADAP	406,030	
61020 Canadian Heritage Education Grant	14,429	
Gesgapegiag Human Resource Development Commission		13,814
	953,461	194,934

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12 - DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

	2015	2014
	\$	\$
Balance, beginning of year	5,616,598	6,340,076
AANDC		
NTM8 08748 Roads and Bridges QD88	100,000	100,000
NTME 08754 Contributions - Equipment QD88	32,144	
Aboriginal Business Development Program (60005)	183,000	
Secr�tariat aux Affaires Autochtones (60005)	183,000	
Department of Fisheries and Oceans (60005)	303,465	
Canada Mortgage and Housing Corporation	22,830	15,219
Investment tax credit		7,854
Amortization	(849,057)	(846,551)
Balance, end of year	<u>5,591,980</u>	<u>5,616,598</u>

13 - LONG-TERM DEBT

	2015	2014
	\$	\$
Caisse Desjardins, prime rate plus 3% (5.85%), secured by MAPAQ, payable by semi-annual instalments of \$36,353, capital and interest, maturing in December 2022	458,000	
Loan, without interest, payable on demand	170,000	
Bank of Montreal, 4.89%, secured by 4 housing units and by AANDC, payable in monthly instalments of \$2,240, capital and interest, maturing in June 2033 but renegotiable in May 2019	325,096	336,580
Bank of Montreal, 7.2%, reimbursed during the year		109,177
Bank of Montreal, prime rate plus 4% (6.85%), payable in monthly instalments of \$1,111, plus interest, maturing in February 2020	65,556	78,889
Bank of Montreal, 6%, payable in monthly instalments of \$2,277, capital and interest, maturing in December 2018 but renegotiable in December 2015	209,033	223,353
Bank of Montreal, 4.89%, secured by 1 quadruplex and by AANDC, payable in monthly instalments of \$1,652, capital and interest, maturing in July 2033 but renegotiable in July 2018	241,638	249,837
Bank of Montreal, 4.99%, secured by duplexes and by AANDC, payable in monthly instalments of \$3,594, capital and interest, maturing in October 2033 but renegotiable in November 2019	524,404	540,488
Bank of Montreal, 5.35%, payable in monthly instalments of \$1,263, capital and interest, maturing in February 2017	27,765	41,046

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13 - LONG-TERM DEBT (Continued)

	<u>2015</u>	<u>2014</u>
	\$	\$
Laurentian Bank, 3.79%, secured by a building with a net carrying amount of \$27,192, payable in monthly instalments of \$243, capital and interest, maturing in February 2027 but renegotiable in August 2017	27,979	29,798
Laurentian Bank, 5.14%, secured by a building with a net carrying amount of \$21,450, payable in monthly instalments of \$292, capital and interest, maturing in April 2033 but renegotiable in August 2018	41,175	42,526
Bank of Montreal, prime rate plus 4% (6.85%), payable in monthly instalments of \$2,517, plus interest, maturing in November 2015	20,213	50,318
Bank of Montreal, prime rate plus 2% (4.85%), reimbursed during the year		73,334
Bank of Montreal, prime rate plus 4% (6.85%), payable by annual instalments of \$100,000, plus interest, maturing in March 2020	550,000	650,000
Bank of Montreal, prime rate plus 4% (6.85%), payable in monthly instalments of \$4,050, plus interest, maturing in December 2015	36,450	85,050
Laurentian Bank, 4.29%, secured by a building with a net carrying amount of \$54,105, payable in monthly instalments of \$467, capital and interest, maturing in October 2031 but renegotiable in July 2016	57,241	60,529
Bank of Montreal, prime rate plus 4% (6.85%), payable in monthly instalments of \$544, plus interest, maturing in January 2017	11,963	18,488
SOCCA bridge loan, 7.5%, payable in variable instalments, maturing in April 2015	94,137	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,110 yearly, maturing in March 2027	137,018	148,128
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,720 yearly, maturing in March 2027	144,542	156,261
Bank of Montreal, prime rate plus 4% (6.85%), payable in monthly instalments of \$1,039, plus interest, maturing in February 2017	23,887	36,349
Bank of Montreal, prime rate plus 4% (6.85%), payable in monthly instalments of \$1,333, plus interest, maturing in January 2017	29,333	45,333
Bank of Montreal, 5.35%, payable in monthly instalments of \$3,150, plus interest, maturing in February 2024 but renegotiable in February 2017	337,015	374,812

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Notes to Consolidated Financial Statements
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13 - LONG-TERM DEBT (Continued)

	<u>2015</u> \$	<u>2014</u> \$
Bank of Montreal, prime rate plus 4% (6.85%), payable in monthly instalments of \$1,036, plus interest, maturing in May 2019	50,750	63,179
Bank of Montreal, 4.27%, payable in semi-annual instalments of \$15,919, capital and interest, maturing in August 2018	102,409	125,933
Bank of Montreal, prime rate plus 4% (6.85%), payable on demand, maturing in May 2015	364,209	1,041,250
Mortgage loan, secured by automotive equipment with a net carrying amount of \$486,428 as at March 31, 2015, prime rate plus 2.5% (5.35%), payable in monthly instalments of \$4,635, plus interest, maturing in July 2020	430,710	486,335
Project # 7, Laurentian Bank, mortgage, original amount of \$321,114, secured by 6 housing units and by AANDC, 4.89%, payable in monthly instalments of \$2,400, capital and interest, maturing in August 2016	35,663	62,171
Project # 8, National Bank of Canada, mortgage, original amount of \$267,830, secured by 5 housing units and by AANDC, 3.09%, payable in monthly instalments of \$1,810, capital and interest, maturing in March 2018	62,141	80,527
Project # 9, Laurentian Bank, mortgage, original amount of \$230,850, secured by 5 housing units and by AANDC, 7.2%, payable in monthly instalments of \$2,222, capital and interest, maturing in June 2016 but renegotiable in October 2015	14,664	33,313
Project # 10, Caisse populaire, mortgage, original amount of \$104,800, secured by 2 housing units and by the C.M.H.C., 4.213%, payable in monthly instalments of \$634, capital and interest, maturing in September 2022 but renegotiable in September 2018	48,823	54,250
Project # 11, Bank of Montreal, mortgage, authorized amount of \$141,910, secured by 3 housing units and by AANDC, 4.89%, payable in monthly instalments of \$888, capital and interest, maturing in December 2022 but renegotiable in December 2018	69,040	76,212
Project # 12, C.M.H.C., mortgage (19-072-495/001), authorized amount of \$70,000, secured by 2 housing units and 1 duplex, 1.92%, payable in monthly instalments of \$317, capital and interest, maturing in March 2024 but renegotiable in April 2019	31,423	34,594

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Notes to Consolidated Financial Statements
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13 - LONG-TERM DEBT (Continued)

	<u>2015</u> \$	<u>2014</u> \$
Project # 13, C.M.H.C., mortgage (19-072-495/002), authorized amount of \$87,500, secured by 3 housing units and 1 duplex, 2.69%, payable in monthly instalments of \$430, capital and interest, maturing in May 2025 but renegotiable in August 2015	45,894	49,771
Project # 14, C.M.H.C., mortgage (19-072-495/003), authorized amount of \$129,000, secured by 4 housing units, 2.65%, payable in monthly instalments of \$631, capital and interest, maturing in April 2026 but renegotiable in April 2016	72,699	78,273
Project # 15, C.M.H.C., mortgage (19-072-495/004), authorized amount of \$187,395, secured by 5 housing units, 1.67%, payable in monthly instalments of \$867, capital and interest, maturing in April 2027 but renegotiable in April 2017	113,803	122,236
Project # 16, C.M.H.C., mortgage (19-072-495/005), authorized amount of \$92,538, secured by 3 housing units, 1.62%, payable in monthly instalments of \$412, capital and interest, maturing in February 2028 but renegotiable in March 2018	57,605	61,583
Project # 17, C.M.H.C., mortgage (19-072-495/006), authorized amount of \$62,000, secured by 2 duplexes, 2.76%, payable in monthly instalments of \$289, capital and interest, maturing in June 2030 but renegotiable in June 2015	43,243	45,496
Project # 17, C.M.H.C., mortgage (19-072-495/007), authorized amount of \$65,000, secured by 2 duplexes, 2.76%, payable in monthly instalments of \$303, capital and interest, maturing in June 2030 but renegotiable in June 2015	45,336	47,698
Project # 18, C.M.H.C., mortgage (19-072-495/008), authorized amount of \$253,800, secured by a sixplex, 2.63%, payable in monthly instalments of \$1,225, capital and interest, maturing in June 2030 but renegotiable in June 2016	184,646	194,373
Project # 19, C.M.H.C., mortgage (19-072-495/009), authorized amount of \$172,000, secured by 2 duplexes, 1.65%, payable in monthly instalments of \$731, capital and interest, maturing in April 2032 but renegotiable in June 2017	130,582	137,149
Project # 20, C.M.H.C., mortgage (19-072-495/010), authorized amount of \$104,000, secured by 1 quadruplex, 1.67%, payable in monthly instalments of \$441, capital and interest, maturing in May 2033 but renegotiable in June 2018	82,872	86,747

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Notes to Consolidated Financial Statements
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13 - LONG-TERM DEBT (Continued)

	<u>2015</u>	<u>2014</u>
	\$	\$
Project # 21, C.M.H.C., mortgage (19-072-495/011), authorized amount of \$120,600, secured by 1 duplex, 1.82%, payable in monthly instalments of \$542, capital and interest, maturing in September 2032 but renegotiable in September 2019	97,406	101,931
Project # 22, C.M.H.C., mortgage (19-072-495/012), authorized amount of \$189,500, secured by 1 quadruplex, 2.4%, payable in monthly instalments of \$839, capital and interest, maturing in October 2035 but renegotiable in October 2015	163,007	169,108
Project # 23, C.M.H.C., mortgage (19-072-495/013), authorized amount of \$1,200,000, secured by 10 housing units, 1.67%, payable in monthly instalments of \$4,892, capital and interest, maturing in March 2037 but renegotiable in April 2017	1,080,228	1,120,592
Project # 24, C.M.H.C., mortgage (19-072-495/014), authorized amount of \$104,000, secured by 1 housing unit, 1.67%, payable in monthly instalments of \$424, capital and interest, maturing in March 2037 but renegotiable in April 2017	93,618	97,117
	<u>6,953,216</u>	<u>7,720,134</u>
Current portion	<u>2,012,006</u>	<u>3,451,189</u>
	<u>4,941,210</u>	<u>4,268,945</u>

The estimated instalments on long-term debt for the next five years are \$2,012,006 in 2016, \$764,102 in 2017, \$374,313 in 2018, \$527,995 in 2019 and \$307,769 in 2020.

14 - SHARE CAPITAL

As at March 31, 2015, the issued shares in 9309-0942 Quebec Inc. are detailed as follows :

Unlimited number of shares

Class "D" shares, 0.5% monthly non-cumulative dividend calculated on the redemption price, retractable at the fair value of the consideration received on issuance

	<u>2015</u>	<u>2014</u>
	\$	\$
180,000 class "D" shares	<u>180,000</u>	<u></u>

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15 - OPERATING RESERVE (Post-1996 Program)

Once all costs and expenses are paid, particularly the allocation to the replacement reserve, the First Nation keeps all excess income in an operating reserve. The First Nation agrees to keep the funds and accrued interest in the operating fund in a separate bank account or to invest it only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as agreed by common consent by the First Nation and Canada Mortgage and Housing Corporation. The housing project's operating reserve is to be used only for the operating expenses of housing projects that made undertakings as part of the 1997 On-reserve Housing Program. The reserve may be used to cover deficits from previous years. Withdrawals are first applied to interest, then to the principal. At the end of the fiscal year, the operating reserve included the following elements:

	<u>2015</u>	<u>2014</u>
	\$	\$
Reserve fund		
Balance, beginning of year	154,333	113,925
Corrections requested by C.M.H.C.	<u>39,684</u>	<u>40,408</u>
Balance, end of year	<u>194,017</u>	<u>154,333</u>

As at March 31, 2015 the Organization does not respect the obligation to hold these funds in a separate bank account.

16 - SUBSIDY FROM THE CANADA MORTGAGE AND HOUSING CORPORATION

The Organization receives a subsidy under a program administered by the Canada Mortgage and Housing Corporation (C.M.H.C.) under the terms of section 95 of the National Housing Act. This subsidy is tied to compliance with the conditions set forth in the agreement signed by the Organization and C.M.H.C.

17 - ADJUSTMENT TO PRIOR YEARS

After the review of the financial statements for the year ended March 31, 2014 by the Organization, the following adjustments were required:

	<u>2015</u>	<u>2014</u>
	\$	\$
Micmacs Housing Corporation		
Corrections requested by C.M.H.C.	39,684	40,408
Adjustment due to matured units		(25,908)
Adjustment to replacement reserve		<u>(168,632)</u>
	<u>39,684</u>	<u>(154,132)</u>

18 - CONTINGENCY

As at March 31, 2015, the Organization is contingently liable as endorser in long-term debts for members of the community for the amount of \$1,044,052 (\$1,185,377 in 2014).

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Notes to Consolidated Financial Statements

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19 - RELATED PARTY TRANSACTIONS

During the year, the Organization has entered into contracted services with elected officials for the purchase of wholesale lobster for an amount of \$494,746. These transactions were measured at the exchange amount.

20 - ECONOMIC DEPENDENCE

The Organization receives 34% (32% in 2014) of its revenues from Aboriginal Affairs and Northern Development Canada (AANDC).

21 - FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Organization is exposed to various financial risks resulting from its operating, investing and financing activities. The Organization's management manages financial risks.

During the year, there were no changes to the financial instrument risk management policies, procedures and practices. The means used by the Organization to manage each of the financial risks are described in the following paragraphs.

Financial risks

The Organization's main financial risk exposure and its financial risk management policies are as follows.

Credit risk

The Organization is exposed to credit risk regarding the financial assets recognized in the statement of financial position. The Organization has determined that the financial assets with more credit risk exposure are contributions receivable, accounts receivables, rents receivables and advances since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

Contributions receivable, accounts receivables, rents receivables and advances balances are managed and analysed on an ongoing basis.

The carrying amount on the statement of financial position of the Organization's financial assets exposed to credit risk represents the maximum amount exposed to credit risk. The following table summarizes the Organization's credit risk exposure:

	2015	2014
	\$	\$
Term deposits	14,006	13,844
Contributions receivable	2,767,708	2,098,811
Accounts receivables	146,436	242,089
Rents receivables	65,449	68,965
Advances	1,228,499	58,302
	4,222,098	2,482,011

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21 - FINANCIAL INSTRUMENTS (Continued)

The Organization's management considers that all the above financial assets that are not impaired or past due are of good credit quality.

None of the Organization's financial assets is secured by a collateral instrument or other form of credit enhancement.

The carrying amount of impaired accounts receivable totals \$1,930,638 as at March 31, 2015 (\$1,720,159 as at March 31, 2014).

Market risk

The Organization's financial instruments expose it to market risk, in particular interest rate risk:

– Interest rate risk:

The Organization is exposed to interest rate risk with respect to financial assets and liabilities bearing fixed and variable interest rates.

The term deposits and some long-term debts bear interest at a fixed rate and the Organization is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

Other long-term debts and bank loans bear interest at a variable rate and the Organization is, therefore, exposed to the cash flow risks resulting from interest rate fluctuations.

The Organization does not use derivative financial instruments to reduce its interest rate risk exposure.

A reasonably possible increase or decrease in interest rates of 1% (1% as at March 31, 2014) would not have a significant impact on the the Organization's deficiency of revenues over expenses and net remeasurement gains for the year.

Liquidity risk

The Organization's liquidity risk represents the risk that the Organization could encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized in the statement of financial position.

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalents and to ensure that the Organization has financing sources for a sufficient authorized amount. The Organization establishes budget and cash estimates to ensure it has the necessary funds to fulfil its obligations.

As at March 31, 2015, the Organization's contractual maturities for financial liabilities (including any interest payments) are as follows:

	Less than 6 months	6 months to 1 year	1 to 5 years	More than 5 years
	\$	\$	\$	\$
Accounts payables and accrued liabilities	3,673,532			
Long-term debt	1,039,188	972,818	3,770,940	1,170,270
	<u>4,712,720</u>	<u>972,818</u>	<u>3,770,940</u>	<u>1,170,270</u>

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Notes to Consolidated Financial Statements
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21 - FINANCIAL INSTRUMENTS (Continued)

Carrying amount of financial assets and liabilities by category

The carrying amount of the Organization's financial assets that are measured at amortized cost totals \$4,222,098 (\$2,482,011 as at March 31, 2014).

The Organization's financial liabilities, totalling \$11,559,356 (\$12,489,436 as at March 31, 2014), have all been classified as financial instruments measured at amortized cost.

22 - COMMITMENT

The Organization has entered into long-term lease agreements expiring in September 2017 and March 2018 for the rental of equipments which call for minimum lease payments of \$81,840.

Minimum lease payments for the next three years are \$28,851 in 2016 and 2017 and \$24,138 in 2018.

23 - TRUST FUNDS HELD BY AANDC

	March 31, 2014	Addition 2015	Withdrawals 2015	March 31, 2015
	\$	\$	\$	\$
Revenue	38,958	1,121		40,079
Capital	647			647
	<u>39,605</u>	<u>1,121</u>		<u>40,726</u>

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.

24 - AANDC FUNDING RECONCILIATION

	2015	2014
	\$	\$
AANDC funding as per financial statements	7,013,982	5,769,077
Minus: Contributions receivable (payable)		
NGBL 01366 Specific and Special Claims Submission		(58,995)
NP56 02267 Indian Studies Support Program Design and Del.		(61,608)
NP85 02305 Basic Needs	(101,666)	(15,949)
NP88 02308 Social Assistance for Employment and Training	21,478	
NP8L 02320 Special Needs	12,696	
NPC6 02398 Foster Care		(85,801)
	<u>(67,492)</u>	<u>(222,353)</u>
AANDC funding as per funding confirmation	<u>7,081,474</u>	<u>5,991,430</u>

25 - COMPARATIVE FIGURES

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

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Notes to Consolidated Financial Statements
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26 - BUDGETED FIGURES

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the board of directors.

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Notes to Consolidated Financial Statements

Year ended March 31, 2015

27 - SEGMENT DISCLOSURES

The Organization provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by department. For each segment separately reported, 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 Accounting Policies as described in Note 3. The segment results for the period are as follows :

	Band government			Education			Social assistance		
	Unaudited Budget			Unaudited Budget			Unaudited Budget		
	2015	2015	2014	2015	2015	2014	2015	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Federal government transfers	939,863	958,551	906,158	2,091,456	2,556,559	2,448,955	1,385,018	2,214,149	1,563,547
Provincial government transfers	654,130	653,752	687,751						
Other revenues	606,596	752,717	804,144		3,356	20,611		(329,324)	56,681
Total Revenues	2,200,589	2,365,020	2,398,053	2,091,456	2,559,915	2,469,566	1,385,018	1,884,825	1,620,228
Expenses									
Salaries and fringe benefits	1,374,939	1,685,351	1,729,560	1,142,709	988,270	1,002,309	241,882	238,802	402,460
Amortization									
Other expenses	779,684	1,108,508	1,083,305	1,043,503	1,451,994	1,320,409	1,255,264	1,596,663	1,494,389
Total expenses	2,154,623	2,793,859	2,812,865	2,186,212	2,440,264	2,322,718	1,497,146	1,835,465	1,896,849
Excess (deficiency) of revenues over expenses	45,966	(428,839)	(414,812)	(94,756)	119,651	146,848	(112,128)	49,360	(276,621)

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Notes to Consolidated Financial Statements
Year ended March 31, 2015

27 - SEGMENT DISCLOSURES (Continued)

	Health			Economic development			Community infrastructure		
	Unaudited Budget			Unaudited Budget			Unaudited Budget		
	2015	2015	2014	2015	2015	2014	2015	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Federal government transfers	2,891,094	2,956,732	2,584,620	102,762	102,762	102,046	686,327	1,197,433	649,124
Provincial government transfers	81,906	68,168					72,424	75,340	72,424
Other revenues	104,177	(270,832)	113,632	11,719	90,772	116,216	397,749	1,118,159	960,296
Total Revenues	3,077,177	2,754,068	2,698,252	114,481	193,534	218,262	1,156,500	2,390,932	1,681,844
Expenses									
Salaries and fringe benefits	1,570,195	1,679,292	1,541,678	33,780	75,609	169,963	159,494	472,748	334,303
Amortization					324,051	143,038		1,117,476	1,151,256
Other expenses	1,019,274	984,034	992,373	267,985	186,127	324,048	771,841	555,102	496,885
Total expenses	2,589,469	2,663,326	2,534,051	301,765	585,787	637,049	931,335	2,145,326	1,982,444
Excess (deficiency) of revenues over expenses	487,708	90,742	164,201	(187,284)	(392,253)	(418,787)	225,165	245,606	(300,600)

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Notes to Consolidated Financial Statements
Year ended March 31, 2015

27 - SEGMENT DISCLOSURES (Continued)

	Fisheries			Natural resources			Social housing		
	Unaudited Budget			Unaudited Budget			Unaudited Budget		
	2015	2015	2014	2015	2015	2014	2015	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Federal government transfers	155,700	844,138	266,210				197,516	168,690	261,395
Provincial government transfers	1,095,651	1,278,813	1,081,843	135,000	80,000	135,000		101,149	
Other revenues	4,561,608	4,531,808	3,924,418	960,400	921,543	1,069,858	500,306	453,157	428,293
Total Revenues	5,812,959	6,654,759	5,272,471	1,095,400	1,001,543	1,204,858	697,822	722,996	689,688
Expenses									
Salaries and fringe benefits	1,088,990	1,173,826	986,789	392,549	412,345	485,938	172,763	289,120	187,995
Amortization								180,449	
Other expenses	3,899,306	4,239,319	3,413,739	701,441	622,681	765,832	713,171	555,269	690,141
Total expenses	4,988,296	5,413,145	4,400,528	1,093,990	1,035,026	1,251,770	885,934	1,024,838	878,136
Excess (deficiency) of revenues over expenses	824,663	1,241,614	871,943	1,410	(33,483)	(46,912)	(188,112)	(301,842)	(188,448)

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2015

27 - SEGMENT DISCLOSURES (Continued)

	Total		
	Unaudited		
	Budget 2015	2015	2014
	\$	\$	\$
Revenues			
Federal government transfers	8,449,736	10,999,014	8,782,055
Provincial government transfers	2,039,111	2,257,222	1,977,018
Other revenues	7,142,554	7,271,356	7,494,149
Total Revenues	<u>17,631,401</u>	<u>20,527,592</u>	<u>18,253,222</u>
Expenses			
Salaries and fringe benefits	6,177,302	7,015,363	6,840,995
Amortization		1,621,976	1,294,294
Other expenses	10,451,469	11,299,697	10,581,121
Total expenses	<u>16,628,771</u>	<u>19,937,036</u>	<u>18,716,410</u>
Excess (deficiency) of revenues over expenses	<u>1,002,630</u>	<u>590,556</u>	<u>(463,188)</u>