

**MADAWASKA MALISEET  
FIRST NATION NEW BRUNSWICK**

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**FINANCIAL STATEMENTS  
MARCH 31, 2023**

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## Management's report

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### Management's responsibility for the financial statements

The accompanying financial statements of Madawaska Maliseet First Nation New Brunswick are the responsibility of management and have been approved by the Council.

The 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 Chartered Professional Accountants of 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 financial statements.

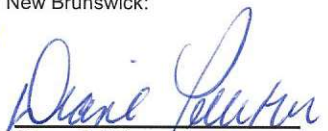
The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the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

The external auditor, **Raymond Chabot Grant Thornton LLP**, conduct an independent examination, in accordance with Canadian auditing standards, and express its opinion on the financial statements. The external auditor have full and free access to financial management of Madawaska Maliseet First Nation New Brunswick and meet when required.

On behalf of Madawaska Maliseet First Nation New Brunswick:



Patricia Bernard  
Chief



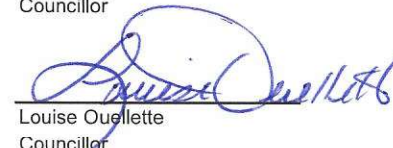
Diane Pelletier  
Councillor



Donna Wallace Bourgeault  
Councillor



Alex Bernard  
Councillor



Louise Ouellette  
Councillor

Edmundston, NB

## **Independent auditor's report**

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To the Chief, Councillors and Band members of  
Madawaska Maliseet First Nation New Brunswick

### **Qualified opinion**

We have audited the financial statements of Madawaska Maliseet First Nation New Brunswick (hereafter "the Organization"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets (net debt) and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies, and the schedules.

In our opinion, except for the effects of the matter described in the "Basis for qualified opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization, which include all related businesses under the Band council authority, as at March 31, 2023, and the results of its operations, the change in its net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for qualified opinion**

Canadian public accounting standards require that the Organization compares its actual with its budgeted results by presenting, in the statements of operations and in change in net financial assets (net debt), its budgeted results and changes in net assets (net debt). These disclosures should reflect the budgeted amounts as they were originally planned and that were approved by the appropriate bodies within the Organization, without any changes to reflect subsequent actions and decisions by the entity. While the Organization presents budgeted results in its financial statements, those figures were not prepared in accordance with Canadian public accounting standards. Our opinion on the financial statements for the year ended March 31, 2022 was qualified because of the effects of this departure from Canadian public sector accounting standards.

The financial statement include an investment in a private corporation, "BeeHigh Vital Elements Inc.", recognized at cost. The Organization has determined that, for this investment, there were indications of impairment resulting in a significant adverse in the expected timing or amount of future cash flows. However, it has not determined whether a reduction in the carrying amount of the investment should be recognized. The effects of this departure on the financial statements for the year ended March 31, 2023 and 2022 have not been determined. Our opinion on the financial statements for the year ended March 31, 2022 was qualified because of the effects of this departure from Canadian public sector accounting standards.

The Organization accounts for leases on leased housing as operating leases rather than finance leases, a departure from Canadian public sector accounting standards. The impact of this departure on the financial statements for the year ended March 31, 2023 and 2022 has not been determined. Our opinion on the financial statements for the year ended March 31, 2022 was qualified because of the effects of this departure from Canadian public sector accounting standards.

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

### **Responsibilities of management and those charged with governance for the financial statements**

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

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

*Raymond Chabot Grant Thornton LLP*

Chartered Professional Accountant

Edmundston, NB

## STATEMENT OF OPERATIONS

For the year ended March 31,	Budget	2023	2022
	\$ (unaudited)	\$	\$
<b>Revenues</b>			
Federal government transfers for operating (note 23)	2 782 385	3 705 262	4 089 961
Federal government transfers for capital (note 23)	256 130	357 330	1 107 224
Provincial government transfers for operating (note 23)	340 157	259 115	298 743
Provincial government transfers for capital (note 23)	-	-	12 596
Forestry royalties	75 000	77 199	74 308
Other revenues and non-government subsidies	165 000	244 331	142 247
Revenues earned and held in Trust by federal government (note 4)	187 950	214 696	138 186
Interest earned	1 280 000	1 319 410	644 213
Commercial and residential rent	203 575	222 250	208 375
Provincial tax rebates (End of Provincial agreement on January 31, 2023)	13 000 000	15 433 255	13 393 994
Video lottery terminal and Gaming agreement	2 000 000	2 471 020	1 334 410
Band-owned businesses: Annual operating surplus (pages 45, 46 & 47)	982 400	1 218 956	1 615 134
	<b>21 272 597</b>	<b>25 522 823</b>	<b>23 059 391</b>
<b>Expenses (note 22)</b>			
Band government (page 26)	1 398 492	1 956 084	1 358 690
Community infrastructure & public works (pages 26 & 32)	731 500	834 212	905 102
<b>Education</b>			
• Elementary, Secondary & Post secondary (page 27)	1 594 000	1 495 874	1 591 292
<b>Social services</b>			
• Income assistance & assisted living (page 28)	302 800	309 505	296 995
<b>Economic Development and Employment programs</b>			
• Incentive program for job creation / new businesses (tenants) (page 29)	-	-	37 795
• First Nation and Inuit students summer work experience (page 29)	32 400	77 822	28 593
• Business Plan Development / Planning, MTSA (page 30)	-	-	26 006
• Aboriginal Skills and Employment Training Strategy program (page 34)	88 000	87 475	86 754
<b>Lands &amp; trust (page 28)</b>	58 900	62 479	56 321
<b>Environmental site assessment and Land Management (pages 29 &amp; 34)</b>	331 110	378 710	371 440
<b>Prevention projects (page 30)</b>	35 000	31 061	32 702
<b>COVID - Response (page 31 &amp; 33)</b>	-	1 087 467	124 054
<b>Child and family services / Daycare (page 43)</b>	476 500	487 437	373 536
<b>Housing</b>			
• Non-subsidized housing expenses (page 35)	711 200	550 439	834 689
• Subsidized expenses under CMHC & RRAP programs (page 36)	74 900	77 850	167 749
<b>Specific and special claims (page 35)</b>	100 000	155 290	88 720
<b>Cultural education, Indian studies &amp; Education Initiative (page 35)</b>	33 000	9 058	41 891
<b>Health services</b>			
• Non-subsidized health expenses (page 35)	200 000	222 989	194 836
• Subsidized expenses under Health Canada programs (page 37)	695 054	734 475	564 381
<b>Fisheries and oceans (page 44)</b>	55 800	51 286	57 479
<b>Loss (gain) on disposal of tangible capital assets</b>	-	(56 138)	18 964
<b>Loss on a Investment in a private corporation</b>	-	1 000 000	-
<b>Amortization (note 12)</b>	2 315 825	2 232 253	2 126 906
	<b>9 234 481</b>	<b>11 785 627</b>	<b>9 384 896</b>
<b>Annual surplus before treaty credit and extraordinary item (note 24)</b>	12 038 116	13 737 196	13 674 495
<b>Treaty credit paid to band members</b>	(6 500 000)	(6 649 000)	(6 490 000)
<b>Other items (note 21)</b>	(75 000 000)	(72 831 511)	96 455 793
<b>Annual surplus (deficit)</b>	(69 461 884)	(65 743 315)	103 640 289
<b>Accumulated surplus, beginning of year</b>	160 113 087	160 113 087	56 472 798
<b>Accumulated surplus, end of year (note 13 &amp; page 5)</b>	90 651 203	94 369 773	160 113 087

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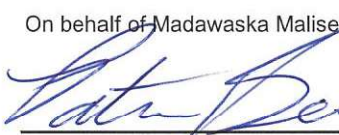



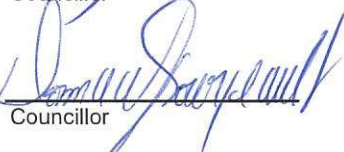
The accompanying notes are an integral part of the financial statements.

## STATEMENT OF FINANCIAL POSITION

As at March 31,	2023	2022
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents		
Unrestricted cash	41 625 985	109 208 882
Reserve fund, Land code (note 4 a))	1 449 221	1 276 525
Reserve fund, Section 95 Housing (note 4 b))	179 251	154 064
Accounts receivable		
Governments and other governments organizations (note 5 a))	18 171 554	13 539 298
Trade, accrued interests and others (note 5 b))	1 056 652	770 511
Inventory for resale (note 6)	659 200	547 857
Investment in a private Corporation, «BeeHigh Vital Elements Inc.», at cost a) & b)	-	1 000 000
a) 2,857,143 common shares representing 15,78% of ownership		
b) Licensed producer of medical marijuana		
	63 141 863	126 497 137
<b>Financial liabilities</b>		
Accounts payable		
Governments and other governments organizations (note 8 a))	283 373	171 644
Trade, accrued liabilities and others (note 8 b))	5 297 087	4 388 689
Deferred revenues (note 9)	5 042 895	1 985 890
Long-term debt (note 10)	723 312	820 688
	11 346 667	7 366 911
<b>Net financial assets</b> (page 6)	51 795 197	119 130 226
<b>Non-financial assets</b>		
Tangible capital assets (note 12)	42 208 055	40 651 078
Prepaid expenses (note 11)	366 519	331 782
	42 574 574	40 982 860
<b>Accumulated surplus</b> (page 4 & note 13)	94 369 773	160 113 087

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

On behalf of Madawaska Maliseet First Nation:

 _____ Chief	 _____ Councillor	 _____ Councillor
 _____ Councillor	 _____ Councillor	

## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended March 31,	2023	2022
	\$	\$
<b>Annual surplus (deficit)</b>	<b>(65 743 315)</b>	<b>103 640 289</b>
<b>Changes in non-financial assets</b>		
Tangible capital assets		
Acquisition of tangible capital assets (note 12)	(3 798 092)	(6 937 325)
Disposal of tangible capital assets	65 000	-
Loss (gain) on disposal of tangible assets	(56 138)	18 964
Amortization of tangible capital assets (note 12)	2 232 253	2 126 906
Other non-financial assets		
Recognition of prepaid expenses	(34 737)	(72 778)
<b>Net increase in non-financial assets</b>	<b>(1 591 714)</b>	<b>(4 864 233)</b>
<b>Change in net financial assets</b>	<b>(67 335 029)</b>	<b>98 776 056</b>
<b>Net financial assets, beginning of year</b>	<b>119 130 225</b>	<b>20 354 169</b>
<b>Net financial assets, end of year (page 5)</b>	<b>51 795 197</b>	<b>119 130 225</b>

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



## STATEMENT OF CASH FLOWS

For the year ended March 31,	2023	2022
	\$	\$
<b>Operating activities</b>		
Annual surplus (deficit)	(65 743 315)	103 640 289
Items not affecting cash		
Amortization of tangible capital assets	2 232 253	2 126 906
Loss (gain) on disposal of tangible capital assets	(56 138)	18 964
Loss on a Investment in a private corporation	1 000 000	
Change in non-cash charges to operations		
Increase in accounts receivable	(4 918 397)	(5 214 114)
Increase in inventories for resale	(111 343)	(42 224)
Increase in prepaid expenses	(34 737)	(72 778)
Increase (decrease) in accounts payable and accrued liabilities	1 020 127	(160 970)
Increase in deferred revenues	3 057 005	947 935
Cash provided by (applied to) operating activities (a)	(63 554 545)	101 244 008
<b>Capital activities</b>		
Acquisitions of tangible capital assets	(3 798 092)	(6 937 325)
Disposal of tangible capital assets	65 000	-
Cash provided by (applied to) capital transactions	(3 733 092)	(6 937 325)
<b>Financing activities</b>		
Debt repayment	(97 376)	(99 365)
Cash provided by (applied to) financing activities	(97 376)	(99 365)
<b>Investing activities</b>		
Decrease in restricted cash and cash equivalents	(197 883)	(93 824)
Cash provided by (applied to) investing activities	(197 883)	(93 824)
Net increase (decrease) in unrestricted cash	(67 582 896)	94 113 495
Unrestricted cash, beginning of year	109 208 882	15 095 387
Unrestricted cash, end of year	41 625 985	109 208 882
Unrestricted cash	41 625 985	109 208 882

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

(a) Interest received during the year amounted to 1 319 410 \$ (644 213 \$ for the year ended March 31, 2022).

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

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**1. Governing statutes and nature of operations**

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Madawaska Maliseet First Nation New Brunswick is regulated under Indian Law without being incorporated. Such as a local government, the activities are governed by a Council which is composed of a Chief and two councillors with a goal to administrate the equity of the First Nation with the best interest of the community.

Health services is operated within Madawaska Maliseet First Nation operations. Its objective is to provide adequate health care to the community.

Section 95 Housing Project is operated within Madawaska Maliseet First Nation operations. Its objective is to provide adequate housing to low income families.

Most of the revenues are generated from government funding, tax rebates, gaming agreement, sales of tobacco, gas and general merchandises and rental income.

**2. Summary of significant accounting policies**

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**Basis of accounting**

These 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 CPA Canada.

**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 and prepaid expenses.

**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.

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

**2. Summary of significant accounting policies [... continuation]****Revenue Recognition** [... continuation]

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.

Commercial and residential rent are recognized in the period in which the transactions or events occurred that gave rise to the revenues. Commercial and residential rent are recorded on an accrual basis.

Investment transactions are recognized at the transaction date and the resulting revenues are recognized in earnings using the accrual basis of accounting. Interest income is recognized on a time proportion basis whereas dividend income is recognized when the Company's right to receive payment is established. Revenues from investment funds are recognized upon distribution. Changes in fair value are recognized when they occur. Gains or losses on the disposal of investments measured at cost are determined using the average cost method.

**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.

**Inventories for resale**

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value. The cost is determined as per the «first in first out» (FIFO) method.

**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 Madawaska Maliseet First Nation New Brunswick incremental cost of borrowing.

Amortization is provided annually at rates calculated to write off the assets over their useful lives using the declining balance method as follows:

Paving & land improvements	5%	Fishing traps & gear	20%
Buildings, improvements & fishing facilities on-shore	5%	Material & equipment	20%
Housing	5%	Signs	20%
Residential lots	5%	Vehicles	30%
Roads & commercial lots	5%	Computers & softwares	30%
Sidewalks	5%	Amusement park	20%
Water systems & underground networks	5%	Household appliances	20%
Fishing vessels	10%	Security system	20%

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

**2. Summary of significant accounting policies [... continuation]****Tangible capital assets** [... continuation]

Tangible capital assets are written down when conditions indicate that they no longer contribute to Madawaska Maliseet First Nation New Brunswick'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 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.

**Investment**

The Organization recognizes its portfolio investment in a private Corporation at cost.

**Employee benefit obligations**

Madawaska Maliseet First Nation provides defined contribution plan for its employees. The First Nation contributes an amount equal to the employee's contribution up to a maximum of 9.0% which contributions are directed to the member's contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan.

**Measurement uncertainty**

In preparing the financial statements for the government of Madawaska Maliseet First Nation, the Council is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. These estimates are based on Council's best knowledge of current events and actions that Madawaska Maliseet First Nation may undertake in the future. Actual results could differ from these estimates.

**Financial instruments**

The financial instruments consist of cash, accounts receivable & payable and mortgages. Unless otherwise noted, it is the management opinion that the organization is not exposed to significant interest and credit risks arising from these financial instruments and not at all exposed to currency exchange risk. The fair value of the short-term financial instruments approximates their carrying values, unless otherwise noted. Furthermore, the fair value of the mortgages is not readily obtainable. However, the overall interests rates bearing on the mortgages are representative of the actual market rates and, therefore, the fair value of the mortgages approximates its carrying value.

<b>3. Interest on long-term debt</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Interest on long-term debt	13 667	12 649

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

**4. Reserve funds: Land code and Section 95 housing**

The Ottawa Trust Accounts 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 and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

	Budget	2023	2022
	\$	\$	\$
<b>a) Reserve fund, Land code</b>			
Balance, beginning of year	1 276 525	1 276 525	1 138 339
Deposits			
Head lease lot ( <i>Grey Rock</i> )	128 600	139 666	76 247
Twin Rivers Pipeline Right of Way	14 950	14 947	14 947
NB Power transmission line	6 900	6 900	6 900
Interest earned	45 500	53 183	6 654
Conservation Council Inc.	-	-	67 439
Withdrawals			
Funeral assistance ( <i>7,000 \$ per deceased</i> )	(28 000)	(42 000)	(14 000)
Housing assistance ( <i>8,000 \$ per unit</i> )	(8 000)	-	(20 000)
	159 950	172 696	138 186
Balance, end of year	1 436 475	1 449 221	1 276 525

**b) Reserve funds, Section 95 housing**

Under the terms of the agreement with CMHC, the **replacement reserve** account is to be credited for an amount of \$ 1,000 annually for each unit. These funds, along with accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then to principal.

	Pre-1997	Post-1996	2023	2022
	\$	\$	\$	\$
<b>Replacement Reserve, beginning of year</b>	<b>10 966</b>	<b>139 527</b>	<b>150 493</b>	<b>194 855</b>
Annual allotment	380	23 000	23 380	23 647
Interest earned	118	1 689	1 807	230
Withdrawals for housing repairs	-	-	-	(68 239)
<b>Replacement Reserve, end of year</b>	<b>11 464</b>	<b>164 216</b>	<b>175 680</b>	<b>150 493</b>

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

**b) Reserve funds, Section 95 housing [...continuation]**

Under the terms of the agreement with CMHC, a portion of accumulated surplus is to be retained in an **operating reserve** fund. These funds, along with accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC. The funds in the account may only be used to fund any future deficit. Withdrawals are credited to interest first and then to principal.

	2023	2022
	\$	\$
<b>Operating Reserve</b> , beginning of year	2 571	2 571
Contribution (withdrawal)	-	-
<b>Operating Reserve (including interests)</b> , end of year	2 571	2 571

Under the terms of the agreement with CMHC, excess federal assistance payments received must be retained in a **subsidy reserve** up to a maximum of \$ 500 per unit, plus interest. The reserve is to be comprised of monies deposited in a separate bank account and/or invested only 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 this account may only be used to meet future subsidy requirements of income-tested occupants over and above the maximum federal assistance. Withdrawals are credited to interest first and then to principal. When the fund has attained the maximum of \$ 500 per unit, up to 10% of the excess assistance during a year may be transferred to the other projects owned by the borrower requiring additional assistance if they are within the same municipality or are assisted under the same program.

	2023	2022
	\$	\$
<b>Subsidy Surplus Reserve</b> , beginning of year	1 000	1 000
Contributions (withdrawal)	-	-
<b>Subsidy Surplus Reserve</b> , end of year	1 000	1 000
<b>Total reserve fund</b>	179 251	154 064

**5. Accounts receivable**

	2023	2022
	\$	\$
<b>a) Governments and other governments organizations</b>		
Aboriginal Affairs and Northern Development Canada	2 392 284	520 500
Health Canada	-	174 630
CMHC, RRAP, HASI & Retrofit	-	294 755
Fisheries and Oceans Canada	219 256	120 000
Province of New Brunswick	15 560 014	12 429 413
	18 171 554	13 539 298
<b>b) Trade, accrued interests and others</b>		
Trade and others	880 434	696 417
Accrued interests revenues	176 218	74 094
	1 056 652	770 511

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

6. Inventory for resale	2023	2022
	\$	\$
Tobacco	443 243	407 808
General merchandise	120 201	40 677
Gas, fuel and diesel	65 904	67 550
Loto	29 852	31 822
	659 200	547 857
7. Line of credit		
Authorized line of credit of 500,000 \$, Royal Bank of Canada, bearing interest at prime plus 0.7 % (7.4 %; 3.4 % at March 31, 2022) per annum payable monthly, secured by general security.		
8. Accounts payable	2023	2022
	\$	\$
a) Governments and other governments organizations		
Harmonized Sales Tax	275 498	166 112
Payroll remittances	7 875	5 532
	283 373	171 644
b) Trade, accrued interests and others		
Trade and accruals	5 280 745	4 370 641
Salaries	16 342	18 048
	5 297 087	4 388 689
9. Unexpended funding / Deferred revenues	2023	2022
	\$	\$
Indigenous Services Canada		
Water systems (page 31)	2 101 941	-
Housing (page 31)	853 122	485 000
FNLM operational support (page 29)	827 558	550 913
Child and Family Well-being projects		
Healthcare (page 30)	389 274	137 018
Daycare (page 42)	-	133 824
Other mitigation (pages 30, 32 & 33)	160 839	131 065
Road and bridges (page 32)	200 000	-
Total Indigenous Services Canada (note 23)	4 532 734	1 437 820
Health Canada		
Operational funding (note 23)	-	298 384
Canadian Heritage Indigenous Languages and Cultures Program	139 695	-
Regional Development Corporation (note 23)	24 473	90 156
Trade and others	345 993	159 530
	5 042 895	1 985 890

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

10. Long-term debt	2023	2022
	\$	\$
Mortgage (Pre-97 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 283 \$, including principal and interest at 1.83 %, maturing in December 2024, secured by the Minister of Indian and Northern Affairs.	4 752	8 034
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 374 \$, including principal and interest at 1.3 %, maturing in March 2026, secured by the Minister of Indian and Northern Affairs.	13 189	17 473
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 371 \$, including principal and interest at 1.83 %, maturing in December 2024, secured by the Minister of Indian and Northern Affairs.	7 662	11 932
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 375 \$, including principal and interest at 1.5 %, maturing in January 2027, secured by the Minister of Indian and Northern Affairs.	16 757	20 972
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 375 \$, including principal and interest at 1.5 %, maturing in January 2027, secured by the Minister of Indian and Northern Affairs.	16 757	20 972
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 375 \$, including principal and interest at 1.5 %, maturing in January 2027, secured by the Minister of Indian and Northern Affairs.	16 757	20 972
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 375 \$, including principal and interest at 1.5 %, maturing in January 2027, secured by the Minister of Indian and Northern Affairs.	16 757	20 972
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 379 \$, including principal and interest at 1.5 %, maturing in January 2027, secured by the Minister of Indian and Northern Affairs.	16 920	21 177
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 292 \$, including principal and interest at 0.71 %, maturing in March 2035, secured by the Minister of Indian and Northern Affairs.	40 234	43 435



## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

10. Long-term debt [...continuation]	2023	2023
	\$	\$
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 381 \$, including principal and interest at 1.57 %, maturing in June 2033, secured by the Minister of Indian and Northern Affairs.	43 294	47 158
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 402 \$, including principal and interest at 1.22 %, maturing in July 2035, secured by the Minister of Indian and Northern Affairs.	55 154	59 274
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 395 \$, including principal and interest at 1.22 %, maturing in July 2035, secured by the Minister of Indian and Northern Affairs.	54 199	58 248
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 297 \$, including principal and interest at 1.57 %, maturing in June 2036, secured by the Minister of Indian and Northern Affairs.	42 687	45 564
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 1,214 \$, including principal and interest at 3.09 %, maturing in January 2028, secured by the Minister of Indian and Northern Affairs.	66 478	79 290
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 406 \$, including principal and interest at 3.09 %, maturing in January 2028, secured by the Minister of Indian and Northern Affairs.	22 240	26 526
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 416 \$, including principal and interest at 1.86 %, maturing in August 2036, secured by the Minister of Indian and Northern Affairs.	59 518	63 108
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 418 \$, including principal and interest at 1.86 %, maturing in September 2036, secured by the Minister of Indian and Northern Affairs.	60 129	63 730
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 440 \$, including principal and interest at 3.09 %, maturing in February 2037, secured by the Minister of Indian and Northern Affairs.	62 479	66 210
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 404 \$, including principal and interest at 2.14 %, maturing in November 2023, secured by the Minister of Indian and Northern Affairs.	3 188	7 909

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

10. Long-term debt [...continuation]	2023	2022
	\$	\$
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 390 \$, including principal and interest at 0.68 %, maturing in March 2029, secured by the Minister of Indian and Northern Affairs.	27 540	32 022
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 409 \$, including principal and interest at 0.65 %, maturing in March 2024, secured by the Minister of Indian and Northern Affairs.	5 300	10 160
Mortgage (Post-96 projects), Canada Mortgage and Housing Corporation, repayable in monthly instalments of 394 \$, including principal and interest at 0.68 %, maturing in February 2039, secured by the Minister of Indian and Northern Affairs.	71 321	75 550
	<b>723 312</b>	<b>820 688</b>

The aggregate amount of payments required over the next five years on the above indebtedness is as follows:

2024 - 95 910 \$      2025 - 86 928 \$      2026 - 83 496 \$      2027 - 76 974 \$      2028 - 56 506 \$

11. Prepaid expenses	2023	2022
	\$	\$
Insurance	79 292	64 144
Fire protection services	52 949	51 805
Others	20 280	33 053
Tuition fees	213 998	182 780
	<b>366 519</b>	<b>331 782</b>

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

## 12. Tangible capital assets

Cost	2022	Acquisitions	Disposals	2023
	\$	\$	\$	\$
<b>Administration and municipal-type services</b>				
Land	848 535			848 535
Paving & land improvements	3 979 746			3 979 746
Buildings & improvements	13 600 766	2 284 965		15 885 731
Fishing facilities on-shore	277 813			277 813
Housing	333 436			333 436
Residential lots	4 857 377	858 826		5 716 203
Roads & commercial lots	2 726 715			2 726 715
Sidewalks	1 480 295			1 480 295
Water systems & underground networks	1 233 145			1 233 145
Fishing vessels	1 021 597			1 021 597
Fishing traps & gear	337 863	49 594		387 457
Material, equipment & signs	830 744	140 562	119 000	852 306
Vehicles	466 687	170 335		637 022
Computers & softwares	103 887			103 887
<b>Daycare</b>				
Building, paving & land improvements	1 707 092			1 707 092
Equipment, learning material & amusement park	147 283	3 869		151 152
<b>Health Services</b>				
Building, paving & land improvements	53 554	198 621		252 175
Equipment	99 192	8 795		107 987
Computers & softwares	4 958			4 958
<b>Section 95</b>				
Land	5 000			5 000
Paving & land improvements	1 465			1 465
Housing	2 657 330			2 657 330
Household appliances	57 689			57 689
<b>Smoke Signal</b>				
Leasehold improvements	223 416			223 416
Material, equipment & signs	24 183	6 167		30 350
Computers & softwares	4 466			4 466
<b>St. John Valley Gas Bar</b>				
Land	112 905			112 905
Building	846 514			846 514
Paving & land improvements	113 400			113 400
Material, equipment & signs	232 711	8 669		241 380
Computers & softwares	3 410			3 410
Security system	19 422			19 422
<b>Madawaska Maliseet Economic Development Corp.</b>				
Land improvements, roads, underground network	14 357 261			14 357 261
Building	71 100			71 100
Strip mall	6 794 400			6 794 400
Vehicles, material & equipment	189 875	67 689		257 564
Signs	918 665			918 665
	60 743 896	3 798 092	119 000	64 422 988

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## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

## 12. Tangible capital assets [...continuation]

Accumulated amortization	2022	Amortization	Disposals	2023
	\$	\$	\$	\$
<b>Administration and municipal-type services</b>				
Paving & land improvements	545 445	536 762		1 082 207
Buildings & improvements	4 152 597	201 795		4 354 392
Fishing facilities on-shore	92 834	9 249		102 083
Housing	127 131	10 315		137 446
Residential lots	1 037 876	104 659		1 142 535
Roads & commercial lots	982 813	73 496		1 056 309
Sidewalks	498 433	49 093		547 526
Water systems & underground networks	709 456	26 185		735 641
Fishing vessels	595 803	42 579		638 382
Fishing traps & gear	258 789	20 774		279 563
Material, equipment & signs	588 890	61 541	109 140	541 291
Vehicles	389 262	48 777		438 039
Computers & softwares	87 133	5 026		92 159
<b>Daycare</b>				
Building, paving & land improvements	159 032	77 200		236 232
Equipment, learning material & amusement park	87 834	13 086		100 920
<b>Health Services</b>				
Building, paving & land improvements	29 518	6 168		35 686
Equipment, learning material & amusement park	89 444	2 829		92 273
Computers & softwares	3 013	583		3 596
<b>Section 95</b>				
Paving & land improvements	810	26		836
Housing	1 292 990	68 808		1 361 798
Household appliances	51 757	1 095		52 852
<b>Smoke Signal</b>				
Leasehold improvements	46 602	8 840		55 442
Material, equipment & signs	14 278	3 982	558	17 702
<b>St. John Valley Gas Bar</b>				
Building	494 995	17 378		512 373
Paving & land improvements	65 401	2 400		67 801
Material, equipment & signs	137 032	20 795		157 827
Computers & softwares	3 133	83		3 216
Security system	18 389	207		18 596
<b>Madawaska Maliseet Economic Development Corp.</b>				
Land improvements, roads, underground network	5 062 055	471 491		5 533 546
Strip mall	1 892 333	245 103		2 137 436
Vehicles, material & equipment	90 903	15 475		106 378
Signs	486 837	86 453	440	572 850
	20 092 818	2 232 253	110 138	22 214 933
<b>Unamortized balance</b>	40 651 078			42 208 055

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

13. Accumulated surplus	2023	2022
	\$	\$
Accumulated surplus consists of:		
Restricted cash (notes 4 a) & b))	1 628 472	1 430 589
Invested in tangible capital assets (note 14)	41 484 743	39 830 390
Unrestricted surplus (note 15)	51 256 560	118 852 108
	94 369 773	160 113 087
14. Invested in tangible capital assets	2023	2022
	\$	\$
Tangible capital assets (note 12)	42 208 055	40 651 078
Loans related to investment in tangible capital assets		
Long-term debt (note 10)	(723 312)	(820 688)
Invested in tangible capital assets	41 484 743	39 830 390
15. Unrestricted surplus	2023	2022
	\$	\$
Unrestricted surplus, beginning of year	118 852 109	20 196 464
Annual surplus (page 4)	(65 743 315)	103 640 289
Annual surplus invested in tangible capital assets	(1 654 353)	(4 890 820)
Annual surplus invested in restricted cash	(197 883)	(93 824)
Unrestricted surplus, end of year	51 256 560	118 852 109

## 16. Contingencies

**Bank guarantee**

The Madawaska Maliseet First Nation is contingently liable for mortgage loans for a total amount of 723,312 \$ as at March 31, 2023, for Band members which is secured by a promissory note co-signed by the Madawaska Maliseet First Nation and the Minister of Aboriginal Affairs and Northern Development Canada. In the opinion of management, it is unlikely that this guarantee will be exercised and, accordingly, no liability has been recorded in the financial statements in this respect.

**Contribution agreements**

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

## 17. Obligation under pension plan agreement

Madawaska Maliseet First Nation provides defined contribution plan for its employees. The First Nation contributes an amount equal to the employee's contribution up to a maximum of 9.0 % which contributions are directed to the member's contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. Madawaska Maliseet contribution to the pension plan during the year 159,529 \$ (132,757 \$ in 2022).

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

**18. Economic dependence**

The government of Madawaska Maliseet First Nation receives a major portion of its revenue from Aboriginal Affairs and Northern Development Canada, Health Canada, tax rebates and gaming agreement with the province of New Brunswick which represents 88 % of the revenues. The nature and extent of these revenues is of such significance that the First Nation is economically dependent on these source of revenues.

**19. Subsequent Events**

Subsequent to its year-end, four mortgages were renewed at various dates between the year ending March 31, 2023 and the audit report's date. The total renewed Mortgages are totaling 20 902 \$.

<b>20. Non-recurrent item</b>	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Child and Family Services</b>		
Litigation settlement ( <i>Federal government deposit on January 4, 2022</i> )	-	723 508
Additional annual funding as part of litigation settlement ( <i>page 43</i> )	-	(143 944)
Litigation settlement pertaining to period prior to April 1, 2021	-	579 564
<b>21. Other items</b>	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Litigation settlements</b>		
<b>Gaming Control Act (PNB)</b>		
Settlement from Provincial government	2 168 489	-
<b>Land claim litigation</b>		
Settlement from Federal government	-	145 000 000
Distributions paid to:		
Band Members	-	(48 500 000)
Louis Bernard Legacy Trust	(75 000 000)	-
Organization fees ( <i>Louis Bernard Legacy Trust</i> )	-	(44 207)
	(72 831 511)	96 455 793
<b>22. Expenses by object</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Salaries and fringe benefits	3 571 020	3 074 139
Honoraria chief and councillors	110 000	110 000
Pension plan	159 529	132 757
Interest on long-term debt	13 667	12 649
Professional services	428 790	212 639
Water, sewage and electricity	317 296	343 240
Other	4 953 072	3 372 565
Amortization	2 232 253	2 126 906
	11 785 627	9 384 895

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

23. Government transfers	2023			2022		
	Operating	Capital	Total	Operating	Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Federal government transfers</b>						
Indigenous Services Canada	3 228 455	2 429 273	5 657 728	3 523 195	1 441 025	4 964 220
• Unexpended funding (note 9)						
Beginning of year	952 820	485 000	1 437 820	477 847	330 029	807 876
End of year	(1 496 961)	(2 885 773)	(4 382 734)	(952 820)	(485 000)	(1 437 820)
Indigenous Services Canada (net)	2 684 315	28 500	2 712 815	3 048 222	1 286 054	4 334 276
Health Canada	621 513	-	621 513	862 614	-	862 614
• Unexpended funding (note 9)						
Beginning of year	119 554	178 830	298 384	4 200	-	4 200
End of year	-	-	-	(119 554)	(178 830)	(298 384)
Health Canada (net)	741 067	178 830	919 897	747 260	(178 830)	568 430
CMHC, RRAP, HASI & Retrofit	99 166	-	99 166	102 332	-	102 332
Department of Fisheries & Oceans	29 256	150 000	179 256	40 000	-	40 000
Agriculture and Agri-Food Canada	-	-	-	49 940	-	49 940
ASETS program	102 928	-	102 928	102 207	-	102 207
Federal payment	10 000	-	10 000	-	-	-
Department of Canadian Heritage	178 225	-	178 225	-	-	-
End of year	(139 695)	-	(139 695)	-	-	-
	3 705 262	357 330	4 062 592	4 089 961	1 107 224	5 197 185
<b>Provincial government transfers</b>						
Department of Education	143 431	-	143 431	173 330	-	173 330
Aboriginal Strategic Initiatives	50 000	-	50 000	50 000	-	50 000
Regional Development Corporation	-	-	-	-	12 596	12 596
• Unexpended funding (note 9)						
Beginning of year	90 157	-	90 157	165 570	-	165 570
End of year	(24 473)	-	(24 473)	(90 157)	-	(90 157)
	259 115	-	259 115	298 743	12 596	311 339
<b>Total government transfers</b>	<b>3 964 377</b>	<b>357 330</b>	<b>4 321 707</b>	<b>4 388 704</b>	<b>1 119 820</b>	<b>5 508 524</b>
<b>24. Annual surplus before treaty credit and extraordinary items net of capital funding / amortization</b>	<b>2023</b>		<b>2022</b>			
	\$		\$			
Annual surplus before treaty credit and extraordinary item	13 737 196		13 674 495			
Capital related revenues included in annual surplus:						
Federal and provincial government transfers for capital (note 23)	(357 330)		(1 119 820)			
Loss (gain) on disposal of tangible capital assets	(56 138)		18 964			
Amortization expense included in annual surplus	2 232 253		2 126 906			
Annual surplus before treaty credit and extraordinary item net of capital funding / amortization	15 555 981		14 700 545			

## NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

## 25. Segment Disclosure

Madawaska Maliseet First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by services provided. For each segment separately reported, the segment revenue 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 2. The segment results for the period are as follows:

	Health Services			Band Government			Infrastructure & Public Works		
	Budget \$ (unaudited)	2023 \$	2022 \$	Budget \$ (unaudited)	2023 \$	2022 \$	Budget \$ (unaudited)	2023 \$	2022 \$
<b>Revenues</b>									
Federal government operating transfers	838 334	919 897	568 430	243 800	243 823	239 042	76 600	303 344	75 120
Federal government capital transfers	-	-	-	-	-	-	-	-	-
Provincial government operating transfers	-	-	-	-	-	-	-	-	-
Provincial government capital transfers	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	838 334	919 897	568 430	243 800	243 823	239 042	76 600	303 344	75 120
<b>Expenses</b>									
Salaries and fringe benefits	402 830	398 182	394 942	854 300	998 686	829 418	276 000	343 712	299 114
Other expenses	492 224	742 838	364 275	544 192	957 398	529 272	455 500	490 500	605 988
Debit servicing (interest)	-	-	-	-	-	-	-	-	-
Loss on a Investment in a private corporation	-	-	-	-	1 000 000	-	-	-	-
Amortization	4 985	9 580	4 029	-	-	-	162 473	210 315	191 161
<b>Total Expenses</b>	900 039	1 150 600	763 246	1 398 492	2 956 084	1 358 690	893 973	1 044 527	1 096 263
<b>Annual deficit</b>	(61 705)	(230 703)	(194 816)	(1 154 692)	(2 712 261)	(1 119 648)	(817 373)	(741 183)	(1 021 143)



NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

25. Segment Disclosure (...continuation)

	Housing		Education		Social Services	
	Budget \$ (unaudited)	2023 \$	Budget \$ (unaudited)	2023 \$	Budget \$ (unaudited)	2023 \$
<b>Revenues</b>						
Federal government operating transfers	76 600	84 912	102 332	1 202 349	776 573	270 452
Federal government capital transfers	-	-	-	-	-	-
Provincial government operating transfers	-	-	110 000	115 443	107 500	-
Provincial government capital transfers	-	-	-	-	-	-
Other revenues (rent & interests on arrears)	102 600	104 085	105 955	-	-	-
<b>Total Revenues</b>	179 200	188 997	992 400	1 317 792	270 500	265 149
<b>Expenses</b>						
Salaries and fringe benefits	146 500	155 508	143 310	55 035	88 900	91 211
Other expenses	626 600	459 114	846 479	1 570 000	213 900	218 294
Debt servicing (interest)	13 000	13 667	12 649	-	-	-
Loss on disposal of tangible capital assets	-	(56 138)	18 965	-	-	-
Amortization	283 726	184 903	178 347	-	-	-
<b>Total Expenses</b>	1 069 826	757 054	1 199 749	1 504 932	302 800	309 505
<b>Annual deficit</b>	(890 626)	(568 057)	(991 463)	(187 140)	(32 300)	(31 846)

# NOTES TO FINANCIAL STATEMENTS

As at March 31, 2023

## 25. Segment Disclosure (...continuation)

	Other subsidized programs			Provincial tax rebates / VLT / BOB (a)			Total	
	Budget \$ (unaudited)	2023 \$	2022 \$	Budget \$ (unaudited)	2023 \$	2022 \$	Budget \$ (unaudited)	2022 \$
<b>Revenues</b>								
Federal government operating transfers	394 151	680 485	2 063 315	-	-	-	2 782 385	4 089 961
Federal government capital transfers	256 130	357 330	1 107 224	-	-	-	256 130	1 107 224
Provincial government operating transfers	230 157	143 672	191 243	-	-	-	340 157	298 743
Provincial government capital transfers	-	-	12 596	-	-	-	-	12 596
Other revenues	1 808 925	1 973 801	1 101 375	22 275 800	26 304 268	23 401 867	24 187 325	24 609 197
<b>Total Revenues</b>	2 689 363	3 155 287	4 475 754	22 275 800	26 304 268	23 401 867	27 565 997	30 117 721
<b>Expenses</b>								
Salaries and fringe benefits	963 199	797 947	770 648	643 800	730 739	574 484	3 432 529	3 153 453
Other expenses	214 511	1 437 524	512 752	5 649 600	6 450 298	6 483 845	9 766 527	11 131 252
Debt servicing (interest)	-	-	-	-	-	-	13 000	12 649
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	18 965
Loss on a Investment in a private corporation	-	-	-	-	-	-	-	-
Amortization	988 527	955 248	828 504	876 114	872 207	924 865	2 315 825	2 126 906
<b>Total Expenses</b>	2 166 237	3 190 719	2 111 904	7 169 514	8 053 244	7 983 194	15 527 881	16 443 226
<b>Annual surplus before treaty credit allocated to band members and extraordinary item</b>	523 126	(35 431)	2 363 849	15 106 286	18 251 024	15 418 673	12 038 116	13 674 495

(a) VLT: « Video Lottery Terminal»

BOB: « Band-Owned Businesses»