

July 29, 2014

VIA COURIER

Aboriginal Affairs and Northern Development Canada
British Columbia Region
600 – 1138 Melville St.
Vancouver, BC V6E 4S3

Attention: Vern Bob

Dear Sir:

RE: Qualicum First Nation

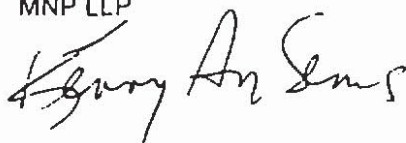
Please find enclosed the following.

- Audited financial statements for the year ended March 31, 2014,
- Unaudited Schedules of Revenue and Expenses for the year ended March 31, 2014;
- Schedules of Remuneration and Expenses.

If you have any questions, please do not hesitate to contact our office.

Yours very truly,

MNP LLP



Kenny Ansems, CA, CAFM
Provincial Director, Aboriginal Services, BC and Yukon

KA/tm
Encl

2014 JUL 30 AM 10:57

Qualicum First Nation
Consolidated Financial Statements
March 31, 2014

Qualicum First Nation
Contents
For the year ended March 31, 2014

Page

Management's Responsibility

Independent Auditors' Report

Consolidated Financial Statements

Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Surplus	2
Consolidated Statement of Change in Net Financial Assets	3
Consolidated Statement of Cash Flows	4

Notes to the Consolidated Financial Statements	5
---	---

Schedules

Schedule 1 - Consolidated Schedule of Tangible Capital Assets	14
Schedule 2 - Schedule of Consolidated Expenses by Object	16
Schedule 3 - Schedule of Revenue, Expenses and Surplus (Deficit) - Unaudited	17
Schedule 4 - Administration	18
Schedule 5 - Capital Projects	19
Schedule 6 - Community	20
Schedule 7 - Community Infrastructure	21
Schedule 8 - Economic Development	22
Schedule 9 - Education	23
Schedule 10 - Health	24
Schedule 11 - Housing	25
Schedule 12 - Social Services	26

Management's Responsibility

To the Chief and Council of Qualicum First Nation:

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

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Qualicum First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Council and management to discuss their audit findings.

July 29, 2014



Administrator

Independent Auditors' Report

To the Members of Qualicum First Nation:

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the 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 statement.

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

We were unable to observe sufficient evidence of the review and approval of Qualicum First Nation's budget. Therefore, we were unable to determine whether adjustments to budgeted operations or budgeted changes in net assets might be necessary to present these figures as originally planned in the financial statements.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly in all material respects the financial position of Qualicum First Nation as at March 31, 2014 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Nanaimo, British Columbia

July 29, 2014

MNP LLP
Chartered Accountants

Qualicum First Nation
Consolidated Statement of Financial Position
As at March 31, 2014

	2014	2013
Financial assets		
Cash (Note 4)	1,043,936	833,448
Accounts receivable (Note 5)	32,750	53,839
Inventory for resale	5,815	9,384
Funds held in trust (Note 6)	30,222	3,495
Total of financial assets	1,112,723	900,166
Liabilities		
Accounts payable and accruals	60,264	61,830
Deferred revenue (Note 7)	108,442	58,178
Demand term loan (Note 8)	206,896	246,878
Damage deposits	3,015	2,865
Capital lease obligation (Note 10)	2,561	6,210
Total liabilities	381,178	375,861
Net financial assets	731,545	524,205
Contingencies (Note 11)		
Non-financial assets		
Tangible capital assets (Schedule 1)	2,200,489	2,144,335
Inventories of supplies	-	1,831
Prepaid expenses	18,386	18,554
Total non-financial assets	2,218,875	2,164,720
Accumulated surplus (Note 12)	2,950,420	2,688,925

Approved by Chief and Council

Patricia Goody Chief

Dana Kennedy Councillor

The accompanying notes are an integral part of these financial statements

Qualicum First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2014

	<i>Schedule</i>	<i>2014 Budget (unaudited)</i>	<i>2014</i>	<i>2013</i>
Revenue				
Aboriginal Affairs and Northern Development Canada (Note 13)		315,376	348,464	385,365
Health Canada		346,121	339,013	187,720
Fisheries and Oceans Canada		260,000	65,000	65,000
Province of British Columbia		35,000	35,000	35,000
Canada Mortgage and Housing Corporation		-	-	25,047
Campsite		215,000	219,619	222,221
Cigarette sales		65,000	71,059	81,285
Rental income		69,535	68,535	60,341
IMAWG		200,000	74,580	-
Daycare		-	4,020	27,094
Fish revenue		50,000	59,631	41,818
Coast Salish Employment and Training Society		39,031	39,531	49,031
First Nation Education Steering Committee		11,077	13,698	10,861
New Relationship Trust		20,000	20,000	-
Interest income		9,350	10,808	8,995
Other revenue		47,516	25,794	22,109
		1,683,006	1,394,752	1,221,887
Expenses				
Administration	4	582,894	335,725	234,283
Capital projects	5	-	652	50,929
Community	6	300,979	334,107	356,821
Community infrastructure	7	43,500	39,076	55,458
Economic Development	8	1,837	10,000	9,160
Education	9	60,250	49,212	47,084
Health	10	241,998	208,507	180,608
Housing	11	26,200	82,164	109,849
Social Services	12	73,998	60,339	99,471
		1,331,656	1,119,782	1,143,663
Surplus before transfers and other items		351,350	274,970	78,224
Loss on disposal of tangible capital assets		-	(13,475)	(23,583)
Surplus		351,350	261,495	54,641
Accumulated surplus, beginning of year		2,688,925	2,688,925	2,634,284
Accumulated surplus, end of year		3,040,275	2,950,420	2,688,925

The accompanying notes are an integral part of these financial statements

Qualicum First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2014

	<i>2014 Budget (Unaudited)</i>	<i>2014</i>	<i>2013</i>
Annual operating surplus	151,686	261,495	54,641
Purchases of tangible capital assets	-	(190,340)	(86,649)
Amortization of tangible capital assets	-	120,707	118,897
(Gain) loss on sale of tangible capital assets	-	13,475	23,583
Proceeds on disposal of tangible capital assets	-	-	20,760
Use of prepaid expenses	-	172	7,819
Use of supply inventory	-	1,831	-
Increase in net financial assets	151,686	207,340	139,051
Net financial assets, beginning of year	524,205	524,205	385,154
Net financial assets, end of year	675,891	731,545	524,205

The accompanying notes are an integral part of these financial statements

Qualicum First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

	2014	2013
Cash provided by (used for) the following activities		
Operating activities		
Surplus	261,495	54,641
Non-cash items		
Amortization	120,707	118,897
Loss on disposal of tangible capital assets	13,475	23,583
Changes in working capital accounts		
Accounts receivable	21,089	8,893
Accounts payable and accruals	(1,566)	(27,167)
Deferred revenue	50,264	25,195
Damage deposits	150	125
Inventory for resale	3,569	1,680
Inventory of supplies	1,831	-
Prepaid expenses	172	7,819
	471,186	213,666
Financing activities		
Change in amount of revolving credit facility	-	(55,000)
Repayment of current portion of capital lease obligation	(3,649)	(3,360)
Repayment of demand term loan	(39,982)	(37,716)
	(43,631)	(96,076)
Capital activities		
Purchases of tangible capital assets	(190,340)	(86,649)
Proceeds on disposal of tangible capital assets	-	20,760
Increase in funds held in trust	(26,727)	(347)
	(217,067)	(66,236)
Increase in cash resources	210,488	51,354
Cash, beginning of year	833,448	782,094
Cash, end of year	1,043,936	833,448
Supplementary cash flow information		
Interest paid	14,921	15,777

The accompanying notes are an integral part of these financial statements

Qualicum First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

1. Operations

Qualicum First Nation (the "First Nation") is located in the province of British Columbia, and provides various services to its members. Qualicum First Nation includes the First Nation's members and government.

2. Change in accounting policy

During the year the First Nation changed its accounting policy in regards to how inter-segmental wages were recorded. Previously wages were recorded under the Administration segment, and a separate administration expense (recovery) allocation was done between segments. The current year has directly reported wages in each segment, thus no administration expense (recovery) is shown. The change in accounting policy has been applied retrospectively and prior period figures have been reclassified to conform with the current year presentation.

3. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and includes the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity. Trusts administered on behalf of third parties by Qualicum First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenues and expenses of the following entities and departments:

- Operating fund
- Capital fund
- Ottawa trust fund
- Settlement fund
- Subdivision reserve fund

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Qualicum First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

3. Significant accounting policies (Continued from previous page)

Tangible capital assets

Tangible capital assets exceeding \$5,000 are recorded at cost less accumulated amortization. Contributed tangible capital assets are recorded at their fair market value at the time of acquisition. Amortization is provided on a declining balance basis over the estimated useful life of the assets. In the year of acquisition amortization is taken at one-half of the rates. See below for amortization rates of specific asset categories.

Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on the declining balance basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Amortization

The First Nation's graveyard and fish carving are not subject to amortization as their estimated useful lives are indefinite. Amortization is not taken on construction-in-progress or assets which have been acquired but not put into use. Aside from the above, the First Nation amortizes its assets as follows:

	Method	Rate
Buildings and improvements	declining balance	4 - 5 %
Vehicle and equipment	declining balance	7 - 30 %
Band housing	declining balance	4 - 20 %
Computer hardware and software	declining balance	45 %
Roads and streets	declining balance	8 %
Water, sanitary and storm	declining balance	4 - 10 %

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Net financial assets

The First Nation's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets is comprised of two components, non-financial assets and accumulated surplus.

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 normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets, inventories of supplies and prepaid expenses.

3. **Significant accounting policies** *(Continued from previous page)*

Revenue recognition

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

ii) **Aboriginal Affairs and Northern Development Canada ("AANDC")**

AANDC revenue is recognized as it becomes receivable under the terms of the "Comprehensive Funding Arrangement". Funding is based on an annual budget which is agreed to by the parties and consists of fixed contribution payments and set contribution payments. In the case of the fixed contribution payments, the First Nation is permitted to use surpluses at its own discretion provided the terms and conditions of the agreement are met but must take responsibility for any deficits. In the case of the set contribution payments, any surpluses must be returned to AANDC and deficits are recoverable.

iii) **Ottawa Trust Funds**

The First Nation recognizes revenues of the Ottawa Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

iii) **Housing Rental Income**

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

iv) **Department of Fisheries and Oceans Canada ("DFO")**

DFO revenue is recognized as it becomes receivable based upon the funding agreement with DFO. Certain funding arrangements with DFO can result in surpluses being repaid or deficits being funded depending upon year end position of the program.

v) **Health Canada**

Health Canada revenue is recognized as it becomes receivable under the terms of the funding arrangement. Funding is based on an annual budget which is agreed to by the parties. Surpluses are recoverable unless specific allowance to carryforward excess amounts has been granted by Health Canada.

vi) **Own Source Revenues**

Own source revenues are recognized as services are rendered or goods are sold, once amounts can be reasonably measured, and collectibility is reasonably assured, on an accrual basis.

Qualicum First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

3. **Significant accounting policies** *(Continued from previous page)*

Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the periods in which they become known.

Financial instruments

The First Nation's financial instruments consist of cash, accounts receivable, funds held in trust, demand term loan, accounts payable and accruals, and damage deposits. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, credit, or currency risks, arising from these financial instruments.

Recent accounting pronouncements

Liability for contaminated sites

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The First Nation expects to apply PS 3260 for its consolidated financial statements dated March 31, 2015. The First Nation does not expect the adoption of the new section to have a material impact on its consolidated financial statements.

Financial Instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2016. Earlier adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The First Nation does not expect the adoption of these new standards to have a material impact on its financial statements.

4. **Cash**

Included in cash is \$750,694 (2013 - \$746,352) from the Cochrane road settlement which has been internally restricted by the members for future economic development. As at March 31, 2014, \$13,721 is due to the Cochrane Road Settlement account from the Operating fund (2013 - \$13,721).

	2014	2013
Unrestricted cash	293,242	87,096
Internally restricted cash	750,694	746,352
	<u>1,043,936</u>	<u>833,448</u>

Qualicum First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

5. Accounts receivable

	2014	2013
Aboriginal Affairs and Northern Development Canada	3,898	13,539
Coast Salish Employment and Training Society	9,515	-
First Nations Education Steering Committee	4,230	-
Fisheries and Oceans Canada	6,000	26,000
Other receivables	9,107	14,300
	32,750	53,839

6. Funds held in trust

Capital and revenue trust moneys are transferred to the First Nation on the authorization of the Minister of Aboriginal Affairs and Northern Development Canada, with the consent of the First Nation's Council.

	2014	2013
Capital Trust		
Balance, beginning and end of year	876	876
Revenue Trust		
Balance, beginning of year	2,619	2,272
Interest	1,440	77
Special (BC)	287	270
Fisheries and Oceans Canada	25,000	-
Balance, end of year	29,346	2,619
	30,222	3,495

Ottawa Trust Funds

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

Qualicum First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

7. Deferred revenue

	2014	2013
Deferred revenue		
Deferred revenue	635	635
Deferred funding contributions		
AANDC - Capital surplus	31,658	31,658
FNESC	-	4,634
Health Canada - Brighter futures	3,769	3,353
Health Canada - Drug & alcohol	7,503	447
Health Canada - Mental health	2,063	3,773
Health Canada - Solvent abuse	418	1,591
Health Canada - Water monitoring	4,280	2,255
Health Canada - Aboriginal diabetes initiative	13,867	9,832
Health Canada - Service delivery	7,911	-
Health Canada - Health Planning Management	13,436	-
Health Canada - AIDS	60	-
Health Canada - Non-insured health benefits	2,426	-
Health Canada - Community health representative	10,760	-
Health Canada - Facilities and capital	659	-
Health Canada - Prenatal care	592	-
Health Canada - Chronic disease / injury prevention	8,405	-
	107,807	57,543
	108,442	58,178

8. Demand term loan

The First Nation holds a variable rate demand term loan with the Royal Bank of Canada bearing interest at Royal Bank Prime plus 0.75% per annum, repayable in monthly blended payments of \$4,045. The loan is secured by a general security agreement over all personal property of the First Nation. The loan term matures on November 17, 2014. The First Nation intends to refinance this demand term loan at maturity.

	2014	2013
Demand term loan	206,896	246,878

Principal repayments on the demand term loan in each of the next five years, assuming the demand term loan subject to refinancing is renewed, are estimated as follows:

	Principal
2015	41,785
2016	43,084
2017	44,728
2018	46,434
2019	30,865
	206,896

Qualicum First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

9. Revolving credit facility

The First Nation holds a revolving credit facility to a maximum of \$75,000 available with the Royal Bank of Canada bearing interest at Royal Bank of Canada Prime. There are no specified terms of repayment. The credit facility is secured by a general security agreement over all personal property of the First Nation.

10. Capital lease obligation

	2014	2013
Valiant Financial Services lease bearing interest at 8.308% per annum, repayable in monthly blended payments of \$336. The lease matures on November 1, 2015 and is secured by a 2002 Toyota 7FGU30 Pneumatic Forklift serial number 62251, and assignment of insurance proceeds. At March 31, 2014, the net book value of the forklift was \$4,155 (2013 - \$5,935).	2,561	6,210

Minimum lease payments related to the obligation under capital lease are as follows:

2015	2,640
Less: imputed interest	(79)
<u>Balance of obligation</u>	<u>2,561</u>

11. Contingencies

The First Nation is currently involved in legal proceedings. The legal proceedings are still subject to many uncertainties, thus it is not possible to determine if the First Nation will be required to pay any amounts or how much.

Qualicum First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

12. Accumulated surplus

Qualicum First Nation uses fund accounting procedures that result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The funds have been amalgamated for the purpose of presentation in the consolidated financial statements.

Qualicum First Nation maintains the following funds:

- Operating fund reports on the general activities of the First Nation administration
- Capital fund reports on the capital assets of the First Nation, with any related capital financing
- Trust fund reports on trust monies owned by the First Nation and held by third parties
- Settlement fund reports the First Nation's settlement of the Cochrane Road lawsuit
- Subdivision reserve fund relates to prior capital funding received and held to develop future subdivisions as decided by council

Accumulated surplus consists of the following:

	2014	2013
Equity in operating fund	(51,395)	(222,014)
Equity in capital fund	2,197,928	2,138,121
Equity in trust fund	30,222	3,495
Equity in settlement fund	764,415	760,073
Subdivision reserve fund	9,250	9,250
	2,950,420	2,688,925

13. Economic dependence

Qualicum First Nation receives a significant portion of its revenue from Aboriginal Affairs and Northern Development Canada (AANDC) as a result of funding agreements entered into with the Government of Canada. These agreements are administered by AANDC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

14. Aboriginal Affairs and Northern Development Canada funding reconciliation

	2014	2013
AANDC revenue per confirmation	364,565	394,652
AANDC recoveries during the year	(9,291)	(7,781)
AANDC revenue entitlement for the year	355,274	386,871
Additional funding for contribution agreements for the current year	-	633
Funding for contribution agreements in previous years included on current year funding confirmation	-	(2,139)
AANDC revenue reported on 2013/2014 confirmation related to 2010/2011 basic needs	(4,580)	-
AANDC revenue for 2010/2011 basic needs reported on 2011 financial statements which were yet to be received	(6,810)	-
AANDC revenue for 2010/2011 basic needs that was actually recovered	4,580	-
	348,464	385,365

15. Segments

During the year, the First Nation had 9 reportable segments. These segments are differentiated by factors such as major activities; service lines; accountability and control relationships. For management and reporting purposes, the revenues, expenses and surplus or deficit's are organized by the following segments:

Administration:

This segment includes general operations, support and financial management of the First Nation.

Capital projects:

This segment includes revenues and expenses associated specifically for capital projects.

Community:

This segment includes revenues and expenses from dealing with the management of land, Fisheries and Oceans Canada, as well as other functions which benefit the community at large.

Community infrastructure:

This segment includes revenues and expenses associated with the maintenance of roads, water and waste.

Economic development:

This segment includes activities related to the growth of revenue producing projects within the First Nation.

Education:

This segment includes revenues and expenses relating to the primary, secondary and post-secondary education of the members of the First Nation.

Health:

This segment includes activities related to the provision of health services within the First Nation.

Housing:

This segment includes activities related to the provision of housing within the First Nation.

Social services:

This segment includes revenues and expenses relating to child care, foster care, other family services and social assistance of the members of the First Nation.

16. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.