

Temagami First Nation
Consolidated Financial Statements
For the year ended March 31, 2013

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TEMAGAMI FIRST NATION



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Temagami First Nation Management's Responsibility for the Consolidated Financial Statements

March 31, 2013

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

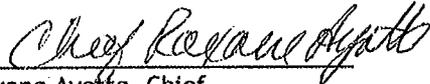
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are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

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

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, BDO Canada LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Temagami First Nation and meet when required.


Roxane Ayotte, Chief


Holly Charyna, Executive Director



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BDO Canada LLP
142 Main Street W
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Independent Auditor's Report

To the Members of Temagami First Nation

We have audited the accompanying consolidated financial statements of Temagami First Nation, which comprise the consolidated statement of financial position as at March 31, 2013, and the consolidated statements of operations, consolidated statement of changes in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

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 audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Temagami First Nation as at March 31, 2013 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.

BDO Canada LLP

Chartered Accountants, Licensed Public Accountants

North Bay, Ontario

July 31, 2013

Temagami First Nation
Consolidated Statement of Financial Position

March 31	2013	2012
Financial Assets		
Cash and cash equivalents	\$ 541,107	\$ 881,025
Investments (Note 2)	4,813,949	4,346,792
Funds held in trust by AANDC (Note 4)	36,535	35,659
Accounts receivable (Note 3)	578,159	542,885
	5,969,750	5,806,361
Liabilities		
Accounts payable and accrued liabilities	356,926	389,510
Deferred revenue (Note 9)	230,728	344,423
Long-term debt (Note 10)	2,606,485	2,608,308
	3,194,139	3,342,241
Net financial assets	2,775,611	2,464,120
Non-Financial Assets		
Tangible capital assets (Note 8)	7,790,991	7,861,097
Prepaid expenses	33,687	77,850
	7,824,678	7,938,947
Accumulated surplus (Note 6)	\$ 10,600,289	\$ 10,403,067
 Contingent asset (Note 12)		

The accompanying notes are an integral part of these consolidated financial statements.

Temagami First Nation Consolidated Statement of Operations

For the year ended March 31	2013 Budget (Note 15)	2013 Actual	2012 Actual
Revenues			
AANDC - core funding (Note 13)	\$ 1,926,467	\$ 1,933,654	\$ 1,881,224
AANDC - non-core funding (Note 13)	531,234	579,922	714,387
Health Canada	1,419,615	1,543,266	1,683,240
Government of Canada	25,872	32,450	32,138
CMHC subsidy	109,868	106,704	156,034
Province of Ontario	896,794	1,029,975	882,775
Miscellaneous band generated revenue	632,010	443,007	248,310
Rent	140,948	142,778	137,669
Interest	-	78,910	93,532
Other organizations and recoveries	320,086	541,852	568,042
Ontario First Nation General Partner	780,000	784,487	851,591
Add: Deferred revenue (Note 9)	410,618	344,423	410,618
Less: Deferred revenue (Note 9)	(310,618)	(230,728)	(344,423)
	<u>6,882,894</u>	<u>7,330,700</u>	<u>7,315,137</u>
Expenses (Note 14)			
Administration	845,946	829,369	779,964
Operations and maintenance programs	693,772	729,248	692,749
Housing programs	273,134	281,370	261,948
Education programs	1,258,503	1,292,072	1,281,285
Health and social programs	2,198,658	2,274,856	2,192,954
Community development programs	1,000,799	894,682	849,134
OFNLP	415,000	311,606	303,454
Independent First Nations (IFN)	502,402	520,275	657,278
	<u>7,188,214</u>	<u>7,133,478</u>	<u>7,018,766</u>
Annual (deficit) surplus	(305,320)	197,222	296,371
Accumulated surplus, beginning of year	<u>10,403,067</u>	<u>10,403,067</u>	<u>10,106,696</u>
Accumulated surplus, end of year (Note 6)	<u>\$ 10,097,747</u>	<u>\$ 10,600,289</u>	<u>\$ 10,403,067</u>

The accompanying notes are an integral part of these consolidated financial statements.

Temagami First Nation
Consolidated Statement of Changes in Net Financial Assets

For the year ended March 31	2013 Budget	2013 Actual	2012 Actual
Annual surplus	\$ (305,320)	\$ 197,222	\$ 296,371
Acquisition of tangible capital assets	(523,241)	(559,854)	(423,784)
Amortization of tangible capital assets	531,609	565,318	516,256
Loss on disposition of tangible capital assets	-	28,977	1,665
Proceeds of disposition of tangible capital assets	-	35,665	1,709
	<u>(296,952)</u>	<u>267,328</u>	<u>392,217</u>
Acquisition of prepaid expenses	(33,687)	(33,687)	(77,850)
Use of prepaid expenses	77,850	77,850	-
	<u>44,163</u>	<u>44,163</u>	<u>(77,850)</u>
Change in net financial assets	(252,789)	311,491	314,367
Net financial assets, beginning of year	2,464,120	2,464,120	2,149,753
Net financial assets, end of year	\$ 2,211,331	\$ 2,775,611	\$ 2,464,120

The accompanying notes are an integral part of these consolidated financial statements.

Temagami First Nation
Consolidated Statement of Cash Flows

For the year ended March 31	2013	2012
Cash provided by (used in):		
Operating activities		
Annual surplus	\$ 197,222	\$ 296,371
Items not involving cash		
Amortization of tangible capital assets	565,318	516,256
Loss on disposal of tangible capital assets	28,977	1,665
	<u>791,517</u>	<u>814,292</u>
Changes in non-cash working capital balances		
Funds held in trust by AANDC	(876)	(1,191)
Accounts receivable	(35,274)	245,043
Prepaid expenses	44,163	(77,850)
Accounts payable	(32,584)	(159,315)
Deferred revenue	(113,695)	(66,195)
	<u>(138,266)</u>	<u>(59,508)</u>
Capital activities		
Proceeds of disposition on tangible capital assets	35,665	1,709
Purchase of tangible capital assets	(559,854)	(423,784)
	<u>(524,189)</u>	<u>(422,075)</u>
Investing activities		
Investments	(467,157)	47,629
Financing activities		
Advances of long-term debt	63,556	-
Debt principal repayments	(65,379)	(53,422)
	<u>(1,823)</u>	<u>(53,422)</u>
(Decrease) increase in cash and cash equivalents during the year	(339,918)	326,916
Cash and cash equivalents, beginning of year	881,025	554,109
Cash and cash equivalents, end of year	\$ 541,107	\$ 881,025

The accompanying notes are an integral part of these consolidated financial statements.

Temagami First Nation

Notes to Financial Statements

March 31, 2013

1. Significant Accounting Policies

Accounting Principles The consolidated financial statements of the Temagami First Nation ("TFN") are the representation of management prepared in accordance with Canadian public sector accounting principles as prescribed by the Canadian public sector accounting Board.

Method of Accounting Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Basis of Consolidation TFN reporting entity consolidates the assets, liabilities and results of operations for TFN government and all related entities which are accountable to TFN and are either owned or controlled by TFN, including the OFNLP, which is administered by TFN.

**Cash and Cash
Equivalents** Cash and cash equivalents includes cash on hand, current bank accounts and short-term deposits, if any, with terms to maturity of less than 90 days.

Investments Investments are recorded at lower of cost or market value.

**Funds Held in Trust
by AANDC** Band funds held in trust by Aboriginal Affairs and Northern Development Canada ("AANDC") 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 Sections 63 to 69 of the Indian Act.

Temagami First Nation

Notes to Financial Statements

March 31, 2013

1. Significant Accounting Policies (continued)

Tangible

Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs attributable to acquisition or construction of the tangible capital asset including but not limited to transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue, when fair value can be reasonably estimated. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing in the year the asset is available for productive use as follows:

Buildings	25 to 50 years
Vehicles	3 to 20 years
Machinery and equipment	3 to 10 years
Land improvements	7 to 40 years
Infrastructure	15 to 75 years
IT equipment	2 to 4 years

Reserves and Reserve Funds

Certain amounts as approved by TFN's Chief and Council, are set aside for future purposes. Transfers to and from reserves and reserve funds are an adjustment to the respective reserve when approved.

Revenue Recognition

Revenue is recognized as it is received or becomes receivable under the terms of applicable contribution agreements. Certain government funding received but not expended is reported as deferred revenue on the Consolidated Statement of Financial Position, depending on the nature of the funding agreements.

All other revenue is recorded as the applicable service is provided and collection is reasonably assured.

Management Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

Accounts receivable and accounts payable are reported based on amounts expected to be recovered or incurred and reflect an appropriate allowance for unrecoverable amounts based on management's estimates. Amounts recorded for amortization of tangible capital assets are based on estimates of useful service life.

Temagami First Nation Notes to Financial Statements

March 31, 2013

2. Investments

Short-term and portfolio investments are recorded at lower of cost or market value and consist of the following:

	2013	2012
GIC's ⁽ⁱ⁾	\$ 3,482,500	\$ 3,088,965
Mutual funds, T-Bill funds, bonds and equities	1,331,449	1,257,827
	\$ 4,813,949	\$ 4,346,792

(i) GIC's balance consists of six guaranteed investment certificates maturing between May and September, 2013, bearing interest at rates ranging from 1.23% to 1.40%

3. Accounts Receivable

	2013	2012
Aboriginal Affairs and Northern Development Canada (AANDC) \$	76,268	\$ 34,642
Health Canada	48,670	-
Government of Canada	64,739	62,611
Province of Ontario	-	55,949
Other (net of allowance for doubtful accounts of \$102,587 (2012 - \$93,204))	388,482	389,683
	\$ 578,159	\$ 542,885

4. Funds Held in Trust by AANDC

	2013	2012
Revenue	\$ 34,182	\$ 33,306
Capital	2,353	2,353
	\$ 36,535	\$ 35,659

These funds are held by Aboriginal Affairs and Northern Development Canada in trust for TFN. These funds can only be used with approval from the TFN community.

Temagami First Nation Notes to Financial Statements

March 31, 2013

5. Resource Revenue Sharing

The Temagami First Nation (TFN) and the Teme Augama Anishnabai (TAA) receive revenues from mining activities on N Daki Menan. During the year a resource agreement was concluded that provides participation opportunities and certain financial benefits for the TFN and the TAA. The financial benefits include the reimbursement of costs to negotiate the agreement, annual payments to assist with monitoring the agreement in the future, fixed payments on signing and commencement of commercial operations and future profit sharing amounts. Included in Other organizations and recoveries, net of deferred revenue, is \$358,910 (2012 - \$270,875) relating to this agreement. At March 31, 2013 \$1.38 million was held in a bank account held jointly by the TFN and the TAA which is not included in these financial statements pending completion of a process to determine how these proceeds will be allocated and used.

**Temagami First Nation
Notes to Financial Statements**

March 31, 2013

6. Accumulated Surplus

	2013	2012
Investment in tangible capital assets (Note 8)	\$ 7,790,991	\$ 7,861,097
Less: CMHC Debt (Note 10)	1,605,903	1,607,726
Net band infrastructure	6,185,088	6,253,371
Net operating assets ⁱ⁾	568,147	725,636
Reserve and earmarked funds		
Doreen Potts Health Centre MAR ⁱⁱ⁾	39,158	38,548
Water treatment plant ⁱⁱⁱ⁾	130,410	130,410
Canada Mortgage and Housing Corporation ⁱⁱⁱ⁾	157,633	126,166
Future generations fund ^{iv)}	1,331,449	1,257,827
Housing ^{iv)}	3,958	11,778
Elder's complex ^{iv)}	653,572	644,489
Multi-use facility ^{iv)}	156,804	242,537
	2,472,984	2,451,755
Unallocated surplus	1,374,070	972,305
	\$ 10,600,289	\$ 10,403,067

i) Net operating assets consist of the following:

Cash and cash equivalents	\$ 541,107	\$ 881,025
Funds held in trust by AANDC	36,535	35,659
Accounts receivable	578,159	542,885
Accounts payable and accrued liabilities	(356,926)	(389,510)
Deferred revenue	(230,728)	(344,423)
	\$ 568,147	\$ 725,636

ii) This represent a moveable asset reserve for acquisition of tangible capital assets.

iii) These are reserve funds established for future capital repairs and construction.

iv) These are earmarked funds for revenue generation and planned capital projects.

**Temagami First Nation
Notes to Financial Statements**

March 31, 2013

7. Pension and Benefit Plans

TFN has a defined contribution pension plan for permanent employees. Under the terms of this plan, employee contributions of up to 5.5% of salary are matched by TFN. All investment decisions are the responsibility of the individual employee. During the year, TFN made contributions to this plan in the amount of \$167,135 (2012 - \$162,647).

In addition, TFN has a benefit plan for active employees covering supplemental health and dental costs. The full cost of this plan is covered by TFN.

Temagami First Nation
Notes to Financial Statements

March 31, 2013

8. Tangible Capital Assets

	2013							
	Buildings - CMHC	Vehicles	Machinery and equipment	Land Improvements	Infrastructure	Buildings	IT Equipment	Total
Cost, beginning of year	\$ 1,854,060	\$ 1,228,600	\$ 583,408	\$ 137,372	\$ 5,297,177	\$ 3,233,301	\$ 351,399	\$ 12,685,317
Additions	-	193,657	19,985	-	-	312,875	33,337	559,854
Disposals	-	(138,292)	-	-	-	-	-	(138,292)
Cost, end of year	\$ 1,854,060	\$ 1,283,965	\$ 603,393	\$ 137,372	\$ 5,297,177	\$ 3,546,176	\$ 384,736	\$ 13,106,879
Accumulated amortization, beginning of year	\$ 225,181	\$ 550,010	\$ 298,205	\$ 35,094	\$ 1,924,275	\$ 1,564,083	\$ 227,372	\$ 4,824,220
Amortization	65,379	127,018	52,346	3,669	156,309	95,336	65,261	565,318
Disposals	-	(73,650)	-	-	-	-	-	(73,650)
Accumulated amortization, end of year	\$ 290,560	\$ 603,378	\$ 350,551	\$ 38,763	\$ 2,080,584	\$ 1,659,419	\$ 292,633	\$ 5,315,888
Net carrying amount, end of year	\$ 1,563,500	\$ 680,587	\$ 252,842	\$ 98,609	\$ 3,216,593	\$ 1,886,757	\$ 92,103	\$ 7,790,991

Temagami First Nation
Notes to Financial Statements

March 31, 2013

8. Tangible Capital Assets (continued)

	2012							
	Buildings - CMHC	Vehicles	Machinery and equipment	Land Improvements	Infrastructure	Buildings	IT Equipment	Total
Cost, beginning of year	\$ 1,854,060	\$ 1,164,071	\$ 550,345	\$ 121,372	\$ 5,102,499	\$ 3,192,131	\$ 290,453	\$ 12,274,931
Additions	-	66,329	34,396	16,000	194,678	41,170	71,211	423,784
Disposals	-	(1,800)	(1,333)	-	-	-	(10,265)	(13,398)
Cost, end of year	\$ 1,854,060	\$ 1,228,600	\$ 583,408	\$ 137,372	\$ 5,297,177	\$ 3,233,301	\$ 351,399	\$ 12,685,317
Accumulated amortization, beginning of year	\$ 171,760	\$ 438,506	\$ 247,708	\$ 31,698	\$ 1,769,995	\$ 1,473,776	\$ 184,545	\$ 4,317,988
Amortization	53,421	111,804	51,700	3,396	154,280	90,307	51,348	516,256
Disposals	-	(300)	(1,203)	-	-	-	(8,521)	(10,024)
Accumulated amortization, end of year	\$ 225,181	\$ 550,010	\$ 298,205	\$ 35,094	\$ 1,924,275	\$ 1,564,083	\$ 227,372	\$ 4,824,220
Net carrying amount, end of year	\$ 1,628,879	\$ 678,590	\$ 285,203	\$ 102,278	\$ 3,372,902	\$ 1,669,218	\$ 124,027	\$ 7,861,097

**Temagami First Nation
Notes to Financial Statements**

March 31, 2013

9. Deferred Revenue

Deferred revenue by program is detailed as follows:

	<u>2013</u>	<u>2012</u>
Administration		
- Governance development (AANDC)	\$ 7,067	\$ -
Housing		
- Other Housing	-	15,950
Operations and Maintenance		
- Band Infrastructure and Buildings: Elders building repairs	-	4,249
Education Programs		
- Library	1,000	-
Health & Social		
- Doreen Potts Health Centre	-	52,830
- DPHC Diabetes Program	-	22,381
Early Childhood Development - One time funding 11/12	-	4,055
Community Development		
- Impact Benefit Agreement (IBA)	46,387	116,578
- Cliffs Chromite	7,200	-
- Community Consultations regarding IBA	67,633	-
Independent First Nation (IFN) Programs		
- IFN Coordinator - Other	8,679	5,904
- IFN Health Coordinator	-	25,871
- IFN Health Coordinator - Other (Health Canada)	92,762	96,605
	<u>\$ 230,728</u>	<u>\$ 344,423</u>

**Temagami First Nation
Notes to Financial Statements**

March 31, 2013

10. Long-Term Debt

	2013	2012
Canada Mortgage and Housing Corporation mortgage receivable, repayable in monthly instalments of \$3,202 including interest at 2.69%. The loan matures August 2035. ⁽ⁱⁱⁱ⁾	\$ 648,597	\$ 669,500
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,529 including interest at 4.55%. The loan matures June 2027. ⁽ⁱⁱ⁾	316,220	335,548
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,128 including interest at 4.55%. The loan matures June 2032. ⁽ⁱⁱ⁾	323,483	337,553
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$1,652 including interest at 4.45%. The loan matures May 2032. ⁽ⁱⁱⁱ⁾	254,047	265,125
Total CMHC debt (Note 6)	1,542,347	1,607,726
Loan repayable in monthly instalments of \$1,303 including interest at 5.74%, secured by a specified vehicle. The loan matures June, 2015.	32,930	-
Loan repayable in monthly instalments of \$1,212 including, interest at 5.74%, secured by a specified vehicle. The loan matures June, 2015.	30,626	-
Loan payable, contingent on the settlement of the land claim. ⁽ⁱ⁾	1,000,582	1,000,582
	\$ 2,606,485	\$ 2,608,308

Temagami First Nation
Notes to Financial Statements

March 31, 2013

10. Long-Term Debt (continued)

Assuming refinancing of mortgages under similar terms, principal payments due over the next five years and thereafter, assuming similar refinancing, are as follows:

2014	\$	54,622
2015		56,753
2016		58,972
2017		61,282
2018		1,064,270
Thereafter		<u>1,310,586</u>
	\$	<u>2,606,485</u>

In 2013, interest expense of \$36,904 (2012 - \$60,712) has been reflected in the Consolidated Statement of Operations.

- (i) The loan payable of \$1,000,582 owing to the Research Branch of Aboriginal Affairs and Northern Development Canada was made for the research, development and negotiation of the land claim. An amount of \$50,000 was loaned to the Band in 1976, a further \$75,584 loaned in the 1980-81 fiscal year, \$190,000 in the 1981-82 fiscal year, \$423,000 in the 1982-83 fiscal year, \$177,000 in the 1983-84 fiscal year, \$27,523 in the 1984-85 fiscal year to cover deficiencies from 1981 to 1984, and \$57,475 was loaned in the 1985-86 fiscal year. The loan repayment is contingent on the settlement of the land claim, at which time it will be repayable. (See Note 12)
- (ii) The CMHC loan for \$254,047 represents a loan made by CMHC to TFN to construct two apartment duplexes as rental units. The other CMHC loans are made to TFN to enable Band members to purchase rent-to-own houses.

11. Intergovernmental Arrangements

TFN continues to be involved in historical funding arrangements with the Government of Canada, particularly AANDC, that enable TFN to administer its operations and provide services to its members. Funding provided to TFN pursuant to these agreements constitutes a significant portion of TFN's revenues. The nature of these arrangements continues to evolve.

**Temagami First Nation
Notes to Financial Statements**

March 31, 2013

12. Contingent Asset

TFN remains in ongoing land claim negotiations. It is expected that the parties will negotiate an amount of financial compensation to be paid by the Government of Ontario to TFN. At the date of the consolidated financial statement preparation the outcome of these negotiations and any financial compensation is unknown and cannot be reasonably estimated.

13. Funding Reconciliation

AANDC revenue per funding confirmation	\$ 2,469,080
Amounts repaid / repayable	(2,414)
2011/2012 Payable (FNIF Roads) that was reversed	<u>46,910</u>
AANDC revenue per the consolidated financial statements	<u>\$ 2,513,576</u>

14. Expenses by Object

	<u>2013</u>	<u>2012</u>
Salaries, wages and benefits	\$ 2,822,097	\$ 2,742,322
Materials, supplies and capital	1,043,533	1,108,808
Contracted services	1,661,724	1,690,831
Rents and financial	62,343	83,398
Travel and training	726,869	645,697
Other	251,594	231,454
Amortization	565,318	516,256
	<u>\$ 7,133,478</u>	<u>\$ 7,018,766</u>

Temagami First Nation
Notes to Financial Statements

March 31, 2013

15. Budget

The Budget adopted by Council on May 1, 2012 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget expensed principal payments on long term debt, did not include amortization expense or transfers to and from reserves. As a result, the budget figures presented in the consolidated statements of operations and change in net financial assets represent the financial plan adopted by Council with adjustments as follows:

	<u>2013</u>
Budgeted deficit for the year	\$ (344,661)
Add:	
Debt principal repayments	66,957
Investments in tangible capital assets	523,241
Transfers to reserve funds	93,553
Less:	
Amortization of tangible capital assets	(531,609)
Transfers from reserves	<u>(112,801)</u>
Budget deficit per statement of operations	<u>\$ (305,320)</u>

16. Comparative Figures

Certain comparative figures have been restated to reflect the presentation adopted for the current year.

Temagami First Nation Notes to Financial Statements

March 31, 2013

17. Segmented Information

TFN is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, medical and other health services, administration, capital, enterprises and other services.

Services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Ontario First Nation Limited Partnership (OFNLP)

With revenues received through this partnership, Temagami First Nation provides its citizens that reside both on and off-reserve with an array of programs within the five areas of approved spending which include Education, Health, Economic, Cultural and Community Development.

Community Development

TFN provides a wide array of other services, including ferry and air boat services, fire protection, dog control, postal services, youth employment projects and economic development. Also included are forestry and mining resources and community events such as the PowWow and Community Days.

Health and Social

The department provides a diverse bundle of services directed towards the well being of members including such activities as medical transportation, home support services, pre-natal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

The social assistance department is responsible for administering assistance payments as well as providing services directed towards members.

Administration

The administration department oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of Chief and Council.

Temagami First Nation Notes to Financial Statements

March 31, 2013

17. Segmented Information (continued)

Operations and Maintenance

This department is responsible for public services such as the operation and maintenance of roads, the water and sanitation system and waste management. Maintenance of Band buildings and community infrastructure is also included in this segment.

Education

The education department provides services to elementary students through operation of the Laura McKenzie Learning Centre and the public library. It also provides support for secondary students, primarily by entering into service contracts with provincially funded area school boards. In addition, the department supports post-secondary students by providing funds for tuition fees, books and living allowances.

Housing

This department is responsible for all housing including rental units, CMHC rent-to-own housing and any Residential Repair Assistance Programs (RRAP).

Independent First Nation (IFN)

TFN administers funds received for the Independent First Nations Co-ordinator and Health Co-ordinator that are not solely for the benefit of TFN.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

Temagami First Nation Segment Disclosure

For the year ended March 31, 2013

17. Segmented Information (continued)

	OFNLP	Community Development	Health and Social Administration	Operations & Maintenance	Education	Housing	IFN	Total
Revenues								
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 93,561	\$ 54,086	\$ 514,902	\$ 1,115,213	\$ 55,600	\$ 153,586	\$ 2,513,576
Province of Ontario	-	137,084	851,295	-	15,396	-	10,000	1,029,975
Government of Canada	-	42,450	1,235,516	-	-	96,704	307,750	1,682,420
Band operated enterprises	-	471,579	159,452	23	51,967	121,860	22,000	895,003
OFNLP and OFNLP transfers	547,602	109,047	-	51,893	75,945	-	-	784,487
Other	127,038	(4,642)	81,347	175,358	(1,000)	15,950	26,939	425,239
	674,640	849,079	2,381,696	742,176	1,257,521	290,114	520,275	7,330,700
Expenses								
Salaries, wages and benefits	23,591	211,131	1,153,335	527,573	518,997	17,137	159,521	2,822,097
Materials, supplies and capital	131,670	53,329	529,592	37,811	103,194	17,176	65,892	1,043,533
Contracted services	35,569	465,491	262,913	100,456	430,930	123,065	107,436	1,661,724
Rents and financial expenses	9,881	500	3,192	2,268	1,250	36,904	8,348	62,343
Travel and training	47,269	121,800	224,582	88,545	26,435	1,779	179,078	726,869
Other	63,626	-	8,688	9,383	169,897	-	-	251,594
	311,606	852,251	2,182,302	766,036	1,250,703	196,061	520,275	6,568,160
Annual surplus (deficit) before amortization	363,034	(3,172)	199,394	(23,860)	6,818	94,053	-	762,540
Amortization	-	42,431	92,554	63,333	41,369	85,309	-	565,318
Annual surplus (deficit)	\$ 363,034	\$ (45,603)	\$ 106,840	\$ (87,193)	\$ (114,049)	\$ 8,744	\$ -	\$ 197,222
Tangible capital assets purchased	\$ -	\$ 21,256	\$ 263,109	\$ 3,198	\$ 6,996	\$ 67,272	\$ -	\$ 559,854

Temagami First Nation Segment Disclosure

For the year ended March 31, 2012

17. Segmented Information (continued)

	OFNLP	Community Development	Health and Social	Administration	Operations & Maintenance	Education	Housing	IFN	Total
Revenues									
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 121,388	\$ 66,100	\$ 477,513	\$ 694,201	\$ 1,074,809	\$ 25,600	\$ 136,000	\$ 2,595,611
Province of Ontario	-	110,500	741,115	-	17,400	13,760	-	-	882,775
Government of Canada	-	32,048	1,197,063	6,552	-	-	149,572	486,177	1,871,412
Band operated enterprises	-	174,657	162,343	210,280	96,321	39,444	102,299	20,000	805,344
OFNLP and OFNLP transfers	625,199	131,392	-	95,000	-	-	-	-	851,591
Other	56,451	152,177	25,508	(1,974)	22,091	55,000	(15,950)	15,101	308,404
	681,650	722,162	2,192,129	787,371	830,013	1,183,013	261,521	657,278	7,315,137
Expenses									
Salaries, wages and benefits	28,155	209,766	1,146,027	485,733	192,549	498,143	1,085	180,864	2,742,322
Materials, supplies and capital	137,645	105,328	420,831	(19,706)	78,945	172,390	51,499	161,876	1,108,808
Contracted services	37,476	387,804	337,004	151,732	166,517	398,201	76,810	135,287	1,690,831
Rents and financial expenses	9,654	-	34	1,677	-	1,500	60,712	9,821	83,398
Travel and training	34,249	103,651	202,569	90,302	23,798	21,618	80	169,430	645,697
Other	56,275	-	7,556	17,206	-	150,417	-	-	231,454
	303,454	806,549	2,114,021	726,944	461,809	1,242,269	190,186	657,278	6,502,510
Annual surplus (deficit) before amortization	378,196	(84,387)	78,108	60,427	368,204	(59,256)	71,335	-	812,627
Amortization	-	42,585	78,933	53,020	230,940	39,016	71,762	-	516,256
Annual surplus (deficit)	\$ 378,196	\$ (126,972)	\$ (825)	\$ 7,407	\$ 137,264	\$ (98,272)	\$ (427)	\$ -	\$ 296,371
Tangible capital assets purchased	\$ -	\$ 17,645	\$ 57,333	\$ 76,094	\$ 233,503	\$ 5,093	\$ 34,116	\$ -	\$ 423,784



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Auditor's Comments on Unaudited Supplementary Financial Information

To the Chief and Council of Temagami First Nation

We have audited the consolidated financial statements of the Temagami First Nation, which comprise the consolidated statement of financial position as at March 31, 2013, and the consolidated statement of operations, consolidated statement of changes in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated July 31, 2013 which contained an unmodified opinion on those consolidated financial statements. The audit was performed to form an opinion on the consolidated financial statements as a whole. The schedules are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the consolidated financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

BDO Canada LLP

Chartered Accountants, Licensed Public Accountants

North Bay, Ontario
July 31, 2013

Temagami First Nation
Schedule of Administration
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Band Support Funding	Governance Development	Land Claim Negotiations	Total
Revenues				
Aboriginal Affairs and Northern Development Canada				
- core funding	\$ 479,081	\$ -	\$ -	\$ 479,081
- non-core funding	-	35,821	-	35,821
Interest	923	-	-	923
Miscellaneous				
band generated revenue	23	-	-	23
Loss on sale of TCA assets	(28,977)	-	-	(28,977)
Other	210,479	-	-	210,479
Transfer from OFNLP	40,000	-	11,893	51,893
Less: Deferred revenue	-	(7,067)	-	(7,067)
	701,529	28,754	11,893	742,176
Expenses				
Consultants	270	150	-	420
Contractors/subcontractors	23,875	-	-	23,875
Honorariums	600	175	1,650	2,425
Insurance	6,095	-	-	6,095
Miscellaneous	9,383	-	-	9,383
Office equipment and supplies	27,106	550	-	27,656
Professional fees	36,120	-	8,454	44,574
Repairs supplies and maintenance	10,156	-	-	10,159
Service fees and interest	2,268	-	-	2,268
Telephone	11,569	-	-	11,569
Training	43,035	2,067	-	45,102
Travel	40,203	1,491	1,749	43,443
Utilities	11,497	-	-	11,497
Wages and benefits	503,212	24,321	40	527,573
	725,389	28,754	11,893	766,036
Deficiency of revenues over expenses before amortization	(23,860)	-	-	(23,860)
Amortization	63,333	-	-	63,333
Deficiency of revenues over expenses	\$ (87,193)	\$ -	\$ -	\$ (87,193)
Capital assets purchased	\$ 3,198	\$ -	\$ -	\$ 3,198

Temagami First Nation
Schedule of Housing Programs
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	CMHC Housing	Other Housing	Total
Revenues			
Aboriginal Affairs and Northern Development Canada - core funding	\$ -	\$ 55,600	\$ 55,600
CMHC subsidy	96,704	-	96,704
Rent	89,855	32,005	121,860
Add: Deferred revenue	-	15,950	15,950
	<u>186,559</u>	<u>103,555</u>	<u>290,114</u>
Expenses			
Administration overhead costs	11,000	-	11,000
Contractors/subcontractors	1,338	51,144	52,482
Honorariums	-	3,702	3,702
Insurance	5,600	2,800	8,400
Mortgage interest	36,904	-	36,904
Professional fees	5,000	2,159	7,159
Repairs supplies and maintenance	2,248	13,278	15,526
Training	-	597	597
Travel	-	1,182	1,182
Utilities	28,993	12,979	41,972
Wages and benefits	-	17,137	17,137
	<u>91,083</u>	<u>104,978</u>	<u>196,061</u>
Excess (deficiency) of revenues over expense before amortization	95,476	(1,423)	94,053
Amortization	<u>65,379</u>	<u>19,930</u>	<u>85,309</u>
Excess (deficiency) of revenues over expenses	\$ 30,097	\$ (21,353)	\$ 8,744
Capital assets purchased	\$ -	\$ 67,272	\$ 67,272

Temagami First Nation
Schedule of Operations and Maintenance Programs
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Water	Wastewater	Water Treatment Plant	Warehouse Construction	Heavy Equipment	Band Infrastructure and Buildings	Ice Roads	FNIF Roads	Total
Revenues									
Aboriginal Affairs and Northern Development Canada									
- core funding	\$ -	\$ -	\$ 77,787	\$ 117,117	\$ 66,396	\$ 103,000	\$ -	\$ -	\$ 364,300
- non-core funding	53,375	46,425	-	-	-	-	15,618	46,910	162,328
Province of Ontario	-	-	-	-	-	-	16,200	-	16,200
Rent	-	-	-	-	-	20,918	-	-	20,918
Miscellaneous band generated revenue	-	-	32,479	-	13,405	1,320	-	-	47,204
Add: Deferred revenue	-	-	-	-	-	4,249	-	-	4,249
	53,375	46,425	110,266	117,117	79,801	129,487	31,818	46,910	615,199
Expenses									
Consultants/Contractors	2,620	18	12,274	-	14,869	22,272	-	17,863	69,916
Insurance	5,000	2,000	-	-	8,000	6,770	3,694	-	25,464
Repairs and maintenance	7,223	2,696	5,314	-	29,013	23,979	4,992	29,047	102,264
Telephone	-	-	1,553	-	-	654	-	-	2,207
Training and meetings	-	-	10,054	-	-	6,069	-	-	16,123
Travel	-	-	1,982	-	13,079	262	5,935	-	21,258
Utilities	5,000	6,463	4,979	-	1,034	21,423	2,033	-	40,882
Wages and benefits	33,532	35,248	77,508	-	13,505	35,855	15,164	-	210,812
	53,375	46,425	113,614	-	79,500	117,284	31,818	46,910	488,926
(Deficiency) excess of revenues over expenses before amortization	-	-	(3,348)	117,117	301	12,203	-	-	126,273
Amortization	-	-	155,486	-	64,857	19,979	-	-	240,322
(Deficiency) excess of revenues over expenses	\$ -	\$ -	\$ (158,834)	\$ 117,117	\$ (64,556)	\$ (7,776)	\$ -	\$ -	\$ (114,049)
Tangible capital assets purchased	\$ -	\$ -	\$ 652	\$ 169,945	\$ 300	\$ 27,126	\$ -	\$ -	\$ 198,023

Temagami First Nation
Schedule of Education Programs
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Bear Island Education Authority	Special Education BIEA	Library	First Nation Student Support	New Paths	Total
Revenues						
Aboriginal Affairs and Northern Development Canada						
- core funding	\$ 930,240	\$ -	\$ -	\$ -	\$ -	\$ 930,240
- non-core funding	10,000	166,973	-	-	8,000	184,973
Province of Ontario	-	-	15,396	-	-	15,396
Miscellaneous band generated revenue	-	-	-	51,967	-	51,967
Transfer from OFNLP	69,004	-	6,941	-	-	75,945
Less: Deferred revenue	-	-	(1,000)	-	-	(1,000)
	<u>1,009,244</u>	<u>166,973</u>	<u>21,337</u>	<u>51,967</u>	<u>8,000</u>	<u>1,257,521</u>
Expenses						
Books and supplies	19,258	769	35	10,705	-	30,767
Clothing allowance	2,400	-	-	-	-	2,400
Consultants	6,376	16,203	-	11,000	6,650	40,229
Honorariums	10,825	-	-	-	-	10,825
Insurance	8,000	-	-	-	-	8,000
Miscellaneous expense	2,708	-	-	-	-	2,708
Office equipment and supplies	13,062	-	932	-	-	13,994
Program costs	-	-	-	9,098	864	9,962
Rent	1,250	-	-	-	-	1,250
Repairs, supplies and maintenance	10,321	-	50	-	-	10,371
Room and board	192,938	-	-	-	-	192,938
Student allowance	27,035	-	-	-	-	27,035
Student transportation	19,303	-	-	-	-	19,303
Telephone	3,433	-	200	-	-	3,633
Training and meetings	3,943	-	-	5,409	-	9,352
Travel	9,846	1,248	753	4,750	486	17,083
Tuition	322,227	-	-	-	-	322,227
Utilities	9,629	-	-	-	-	9,629
Wages and benefits	342,721	148,753	19,367	8,156	-	518,997
	<u>1,005,275</u>	<u>166,973</u>	<u>21,337</u>	<u>49,118</u>	<u>8,000</u>	<u>1,250,703</u>
Excess of revenues over expenses before amortization						
Amortization	3,969	-	-	2,849	-	6,818
	<u>35,126</u>	<u>-</u>	<u>6,243</u>	<u>-</u>	<u>-</u>	<u>41,369</u>
(Deficiency) excess of revenues over expenses	\$ (31,157)	\$ -	\$ (6,243)	\$ 2,849	\$ -	\$ (34,551)
Capital assets purchased	\$ 3,969	\$ -	\$ -	\$ 3,027	\$ -	\$ 6,996

Temagami First Nation
Schedule of Health and Social Programs
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	AHWS Programs	TMFC Summary	Health and Social - Other (1)	Health and Social - Other (2)	Health and Social - Other (3)	Total
Revenues						
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 20,000	\$ -	\$ -	\$ 28,286	\$ 48,286
- core funding	-	-	-	-	5,800	5,800
- non-core funding	-	-	-	-	288,915	851,693
Province of Ontario	411,738	151,040	-	-	-	(398)
Province of Ontario - clawback	(398)	-	-	-	-	-
Health Canada	-	333,291	637,499	254,830	9,896	1,235,516
Miscellaneous band generated revenue	-	57,011	-	-	102,441	159,452
Add: Deferred revenue	-	4,055	75,211	-	2,081	81,347
	411,340	565,397	712,710	254,830	437,419	2,381,696
Expenses						
Administration overhead costs	29,208	50,868	34,663	15,405	46,035	176,179
Aids and assistance	-	-	-	-	65,429	65,429
Consultants	-	-	-	-	1,383	1,383
Contractors / subcontractors	303	-	22,754	-	-	23,057
Insurance	3,000	5,000	12,338	2,326	-	22,664
Legal and professional	-	-	1,538	1,654	-	3,192
Office equipment and supplies	4,359	5,760	25,639	-	3,640	39,398
Program costs	58,521	80,642	158,412	21,516	89,366	408,457
Repairs supplies and maintenance	2,936	5,506	11,379	164	-	19,985
Telephone	3,518	2,926	9,357	-	-	15,801
Training and meetings	31,915	4,932	20,179	728	3,819	61,573
Travel	21,497	17,132	59,722	44,360	20,298	163,009
Utilities	6,666	9,299	12,874	-	-	28,839
Wages and benefits	215,964	353,135	279,514	110,488	194,235	1,153,336
	377,887	535,200	648,369	196,641	424,205	2,182,302
Excess of revenues over expenses before amortization	33,453	30,197	64,341	58,189	13,214	199,394
Amortization	13,667	21,564	46,750	10,573	-	92,554
Excess of revenues over expenses	\$ 19,786	\$ 8,633	\$ 17,591	\$ 47,616	\$ 13,214	\$ 106,840
Capital assets purchased	\$ 33,865	\$ 30,439	\$ 85,252	\$ 113,553	\$ -	\$ 263,109

Temagami First Nation
Schedule of Health and Social - Aboriginal Healing and Wellness Strategy (AHWS) Programs
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Family Healing and Wellness Centre	Training	Remote Costs	One-Time Building Grant	Mental Health Youth	Aboriginal Healthy Babies and Children	Total
Revenues							
Province of Ontario	\$ 292,086	\$ 15,443	\$ 13,485	\$ 32,237	\$ 23,388	\$ 35,099	\$ 411,738
Province of Ontario - clawback	(398)	-	-	-	-	-	(398)
	291,688	15,443	13,485	32,237	23,388	35,099	411,340
Expenses							
Administration overhead costs	29,208	-	-	-	-	-	29,208
Contractors / subcontractors	303	-	-	-	-	-	303
Insurance	3,000	-	-	-	-	-	3,000
Office equipment and supplies	4,359	-	-	-	-	-	4,359
Program costs	31,909	-	-	-	14,401	12,211	58,521
Repairs, supplies and maintenance	2,936	-	-	-	-	-	2,936
Telephone	3,518	-	-	-	-	-	3,518
Training and meetings and workshops	-	15,443	13,485	-	1,987	1,000	31,915
Travel	12,000	-	-	497	7,000	2,000	21,497
Utilities	6,666	-	-	-	-	-	6,666
Wages and benefits	196,076	-	-	-	-	19,888	215,964
	289,975	15,443	13,485	497	23,388	35,099	377,887
Excess of revenues over expenses before amortization	1,713	-	-	31,740	-	-	33,453
Amortization	13,667	-	-	-	-	-	13,667
(Deficiency) excess of revenues over expenses	\$ (11,954)	\$ -	\$ -	\$ 31,740	\$ -	\$ -	\$ 19,786
Capital assets purchased	\$ 2,125	\$ -	\$ -	\$ 31,740	\$ -	\$ -	\$ 33,865

Temagami First Nation
Schedule of Health and Social - Tillie Missabie Family Centre (TMFC) Summary
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Tillie Missabie Family Centre (1)	Tillie Missabie Family Centre (2)	Total
Revenues			
Aboriginal Affairs and Northern Development Canada			
- core funding	\$ -	\$ 20,000	\$ 20,000
Province of Ontario	26,926	124,114	151,040
Health Canada	333,291	-	333,291
Miscellaneous band generated revenue	57,011	-	57,011
Add: Deferred revenue	4,055	-	4,055
	<u>421,283</u>	<u>144,114</u>	<u>565,397</u>
Expenses			
Administration overhead costs	39,498	11,370	50,868
Insurance	-	5,000	5,000
Office equipment and supplies	5,760	-	5,760
Program costs	75,736	4,906	80,642
Repairs supplies and maintenance	-	5,506	5,506
Telephone	-	2,926	2,926
Training and meetings	-	4,932	4,932
Travel	17,132	-	17,132
Utilities	-	9,299	9,299
Wages and benefits	254,154	98,981	353,135
	<u>392,280</u>	<u>142,920</u>	<u>535,200</u>
Excess of revenues over expenses before amortization	29,003	1,194	30,197
Amortization	11,696	9,868	21,564
Excess (deficiency) of revenues over expenses	\$ 17,307	\$ (8,674)	\$ 8,633
Capital assets purchased	\$ 29,245	\$ 1,194	\$ 30,439

Temagami First Nation
Schedule of Health and Social - Tillie Missabie Family Centre (TMFC) (1)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Aboriginal Head Start	Early Childhood Development	One-Time Funding 11/12	One-Time Funding Flooring	Aboriginal Labour Force Daycare	Total
Revenues						
Aboriginal Affairs and Northern Development Canada						
Province of Ontario	\$ -	\$ -	\$ -	\$ 26,926	\$ -	\$ 26,926
Health Canada	309,471	23,820	-	-	-	333,291
Miscellaneous band generated revenue	-	-	-	-	57,011	57,011
Add: Deferred revenue	-	-	4,055	-	-	4,055
	309,471	23,820	4,055	26,926	57,011	421,283
Expenses						
Administration overhead costs	30,947	-	-	-	8,551	39,498
Office equipment and supplies	5,760	-	-	-	-	5,760
Program costs	58,510	10,384	1,978	-	4,864	75,736
Travel	9,556	2,000	-	-	5,576	17,132
Wages and benefits	204,698	11,436	-	-	38,020	254,154
	309,471	23,820	1,978	-	57,011	392,280
Excess of revenues over expenses before amortization	-	-	2,077	26,926	-	29,003
Amortization	11,696	-	-	-	-	11,696
(Deficiency) excess of revenues over expenses	\$ (11,696)	\$ -	\$ 2,077	\$ 26,926	\$ -	\$ 17,307
Capital assets purchased	\$ -	\$ -	\$ 2,319	\$ 26,926	\$ -	\$ 29,245

Temagami First Nation
Schedule of Health and Social - Tillie Missabie Family Centre (TMFC) (2)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Daycare Centre	Daycare Special Needs	Daycare Transformation	Daycare Supervisor	Total
Revenues					
Aboriginal Affairs and Northern Development Canada					
- core funding	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Province of Ontario	80,000	33,700	4,500	5,914	124,114
	100,000	33,700	4,500	5,914	144,114
Expenses					
Administration overhead costs	11,370	-	-	-	11,370
Insurance	5,000	-	-	-	5,000
Program costs	1,600	-	3,306	-	4,906
Repairs, supplies and maintenance	5,506	-	-	-	5,506
Telephone	2,926	-	-	-	2,926
Training and meetings	4,373	-	-	559	4,932
Utilities	9,299	-	-	-	9,299
Wages and benefits	59,926	33,700	-	5,355	98,981
	100,000	33,700	3,306	5,914	142,920
Excess of revenues over expenses before amortization	-	-	1,194	-	1,194
Amortization	9,868	-	-	-	9,868
(Deficiency) excess of revenues over expenses	\$ (9,868)	\$ -	\$ 1,194	\$ -	\$ (8,674)
Capital assets purchased	\$ -	\$ -	\$ 1,194	\$ -	\$ 1,194

Temagami First Nation
Schedule of Health and Social - Other (1)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Doreen Potts Health Centre	Prenatal	DPHC Diabetes Worker	Total
Revenues				
Health Canada	\$ 588,460	\$ 12,703	\$ 36,336	\$ 637,499
Add: Deferred revenue	52,830	-	22,381	75,211
	641,290	12,703	58,717	712,710
Expenses				
Administration overhead costs	34,663	-	-	34,663
Contractors / subcontractors	22,754	-	-	22,754
Insurance	12,338	-	-	12,338
Interest and bank charges	1,538	-	-	1,538
Office equipment and supplies	25,639	-	-	25,639
Program costs	125,985	4,386	28,041	158,412
Repairs, supplies and maintenance	11,379	-	-	11,379
Telephone	9,357	-	-	9,357
Training and meetings	19,504	-	675	20,179
Travel	57,059	-	2,663	59,722
Utilities	12,874	-	-	12,874
Wages and benefits	243,859	8,317	27,338	279,514
	576,949	12,703	58,717	648,369
Excess of revenues over expenses before amortization	64,341	-	-	64,341
Amortization	46,750	-	-	46,750
Excess of revenues over expenses	\$ 17,591	\$ -	\$ -	\$ 17,591
Capital assets purchased	\$ 85,252	\$ -	\$ -	\$ 85,252

Temagami First Nation
Schedule of Health and Social - Other (2)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Home and Community Care	Medical Transportation & Drivers	FNWAP Drinking Water Safety Program	Suicide Prevention	Pandemic	HIV / AIDS Strategy	Total
Revenues							
Health Canada	\$ 52,874	\$ 180,542	\$ 7,500	\$ 7,894	\$ 2,000	\$ 4,020	\$ 254,830
Expenses							
Administration overhead costs	5,287	9,329	-	789	-	-	15,405
Insurance	-	2,326	-	-	-	-	2,326
Interest and bank charges	-	1,654	-	-	-	-	1,654
Program costs	9,000	551	-	5,945	2,000	4,020	21,516
Repairs, supplies and maintenance	-	164	-	-	-	-	164
Training and meetings	728	-	-	-	-	-	728
Travel	2,452	41,908	-	-	-	-	44,360
Wages and benefits	35,407	66,421	7,500	1,160	-	-	110,488
	52,874	122,353	7,500	7,894	2,000	4,020	196,641
Excess of revenues over expenses before amortization	-	58,189	-	-	-	-	58,189
Amortization	-	10,573	-	-	-	-	10,573
Excess of revenues over expenses	\$ -	\$ 47,616	\$ -	\$ -	\$ -	\$ -	\$ 47,616
Capital assets purchased	\$ -	\$ 113,553	\$ -	\$ -	\$ -	\$ -	\$ 113,553

Temagami First Nation
Schedule of Health and Social - Other (3)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Social Assistance	Community Support Program Services	Childcare	AIDS Ministry of Health	Family Violence	Other	Total
Revenues							
Aboriginal Affairs and Northern Development Canada	\$ 28,286	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,286
- core funding	2,300	-	-	-	3,500	-	5,800
- non-core funding	59,969	150,049	53,151	7,286	-	18,460	288,915
Province of Ontario Health Canada	-	-	-	-	-	9,896	9,896
Miscellaneous band generated revenue	-	-	-	-	-	102,441	102,441
Other	1,353	-	-	-	-	728	2,081
	91,908	150,049	53,151	7,286	3,500	131,525	437,419
Expenses							
Administration overhead costs	21,100	15,139	3,000	-	240	6,556	46,035
Aids and assistance	65,429	-	-	-	-	-	65,429
Consultants	-	-	-	-	1,383	-	1,383
Office equipment and supplies	-	-	-	-	-	3,640	3,640
Program costs	3,800	3,624	11,445	6,126	1,577	62,794	89,366
Training and meetings	1,475	-	2,344	-	-	-	3,819
Travel	104	3,031	548	-	300	16,315	20,298
Wages and benefits	-	128,255	35,814	1,160	-	29,006	194,235
	91,908	150,049	53,151	7,286	3,500	118,311	424,205
Excess of revenues over expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,214	\$ 13,214

Temagami First Nation
Schedule of Community Development Programs
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Community Development Programs (1)	Community Development Programs (2)	Total
Revenues			
Aboriginal Affairs and Northern Development Canada			
- core funding	\$ -	\$ 58,561	\$ 58,561
- non-core funding	-	35,000	35,000
CMHC	-	10,000	10,000
Province of Ontario	137,084	-	137,084
Government of Canada	7,200	25,250	32,450
Miscellaneous band generated revenue	291,151	180,428	471,579
Transfer from other programs	-	109,047	109,047
Add: Deferred revenue	116,578	-	116,578
Less: Deferred revenue	(53,587)	(67,633)	(121,220)
	498,426	350,653	849,079
Expenses			
Administration overhead costs	1,589	-	1,589
Consultants	200,775	116,485	317,260
Honorariums	31,795	15,053	46,848
Insurance	-	11,375	11,375
Legal and professional	87,814	-	87,814
Office equipment and supplies	2,804	1,456	4,260
Program costs	19,256	7,128	26,384
Rent	500	-	500
Repairs supplies and maintenance	200	22,480	22,680
Telephone	610	-	610
Training and meetings	38,402	19,768	58,170
Travel	19,201	44,429	63,630
Wages and benefits	77,479	133,652	135,108
	480,425	371,826	852,251
Excess (deficiency) of revenues s over expense before amortization	18,001	(21,173)	(3,172)
Amortization	-	42,431	42,431
Excess (deficiency) of revenues over expenses	\$ 18,001	\$ (63,604)	\$ (45,603)
Capital assets purchased	\$ 18,014	\$ 3,242	\$ 21,256

Temagami First Nation
Schedule of Community Development Programs (1)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Lands and Resources	Mineral Development	Trappers Co-op	Impact Benefit Agreement (IBA)	IBA Ratification	Cliffs Chromite	Total
Revenues							
Province of Ontario	\$ 80,000	\$ 17,474	\$ 34,610	\$ 5,000	\$ -	\$ -	\$ 137,084
Government of Canada	-	-	-	-	-	7,200	7,200
Miscellaneous band generated revenue	-	-	-	152,432	138,719	-	291,151
Add: Deferred revenue	-	-	-	116,578	-	-	116,578
Less: Deferred revenue	-	-	-	(46,387)	-	(7,200)	(53,587)
	80,000	17,474	34,610	227,623	138,719	-	498,426
Expenses							
Administration overhead	-	1,589	-	-	-	-	1,589
Consultants/Contractors	4,998	1,000	-	145,062	49,715	-	200,775
Honorariums	-	-	8,045	9,000	14,750	-	31,795
Legal	-	-	-	41,222	46,592	-	87,814
Office equipment and supplies	-	605	-	2,199	-	-	2,804
Program costs	-	-	19,256	-	-	-	19,256
Rent	-	500	-	-	-	-	500
Repairs and maintenance	-	-	-	200	-	-	200
Telephone	-	-	-	610	-	-	610
Training and meetings	2,623	3,016	7,190	3,620	21,953	-	38,402
Travel	5,977	965	119	6,783	5,357	-	19,201
Wages and benefits	66,402	5,282	-	5,443	352	-	77,479
	80,000	12,957	34,610	214,139	138,719	-	480,425
Excess of revenues over expenses	\$ -	\$ 4,517	\$ -	\$ 13,484	\$ -	\$ -	\$ 18,001
Capital assets purchased	\$ -	\$ 4,530	\$ -	\$ 13,484	\$ -	\$ -	\$ 18,014

Temagami First Nation
Schedule of Community Development Programs (2)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	Transportation	Community Events	Community Consultation at IBA	Economic Development	Dog Control Services	Fire and	Post Office	Complexes Development	Eco Energy Project	Total
Revenues										
Aboriginal Affairs and Northern Development Canada										
- core funding				48,014 \$	10,547 \$				35,000	58,561 \$
- non-core funding								10,000		35,000
CMHC Revenue										10,000
Government of Canada Miscellaneous band							25,250			25,250
generated revenue	19,176	220	129,800	17,882	1,390			11,960		180,428
Transfer from OFNLP	57,809	42,809			8,429					109,047
Less: Deferred revenue			(67,633)							(67,633)
	76,985	43,029	62,167	65,896	20,366		25,250	21,960	35,000	350,653
Expenses										
Consultants/Contractors	575		26,843	891	8,499		22,360	22,317	35,000	116,485
Honorariums		7,778	4,125		3,150					15,053
Insurance	10,000				1,000		375			11,375
Office equipment and supplies			1,181					275		1,456
Program costs		6,297	820		11					7,128
Repairs and maintenance	10,309	8,446		455	3,270					22,480
Training and meetings		9,861	4,275	1,022				4,610		19,768
Travel	26,758	10,113	5,615	1,296	144		200	303		44,429
Wages and benefits	27,296	534	19,308	61,039	4,292		2,315	18,868		133,652
	74,938	43,029	62,167	64,703	20,366		25,250	46,373	35,000	371,826
Excess (deficiency) of revenues over expenses before amortization	2,047			1,193				(24,413)		(21,173)
Amortization	30,921				11,510					42,431
(Deficiency) excess of revenues over expenses	\$ (28,874) \$			1,193 \$	(11,510) \$			(24,413) \$		(63,604)
Capital assets purchased	\$ 2,048 \$			1,194 \$						3,242

Temagami First Nation
Schedule of Ontario First Nation Limited Partnership (OFNLP)
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31	2013	2012
Revenues		
Ontario First Nation General Partner	\$ 784,487	\$ 851,591
Interest and dividends	78,010	86,046
Gain (loss) on investments	49,028	(29,595)
Transfers to other programs	(236,885)	(226,392)
	<u>674,640</u>	<u>681,650</u>
Expenses		
Consultants	11,542	17,344
Contractors	10,127	8,855
Honorariums	5,335	1,213
Interest	-	37
Legal and professional fees	3,500	5,000
Management fees	9,881	9,617
Miscellaneous	17,399	12,092
Office equipment and supplies	16,977	13,225
Program costs	94,900	102,634
Repairs, supplies and maintenance	71,085	71,033
Training and meetings	16,375	15,395
Travel	30,894	18,854
Wages and benefits	23,591	28,155
	<u>311,606</u>	<u>303,454</u>
Excess of revenues over expenses	\$ 363,034	\$ 378,196

Temagami First Nation
Schedule of Independent First Nation (IFN) Programs
Schedule of Revenues and Expenses
(Unaudited)

For the year ended March 31, 2013

	IFN Coordinator Other	IFN Coordinator	IFN Health Coordinator	IFN Coordinator Education Research	IFN Health AAHRI	IFN Coordinator Social Research	IFN Health - Other	Total
Revenues								
Aboriginal Affairs and Northern Development Canada	\$ -	\$ 136,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 156,000
- non-core funding	-	-	-	(2,414)	-	-	-	(2,414)
- repayable to AANDC	-	-	-	-	-	10,000	-	10,000
Province of Ontario	-	-	253,750	-	54,000	-	-	307,750
Health Canada	20,000	-	-	-	-	-	2,000	22,000
Miscellaneous band generated revenue	5,904	-	25,871	-	-	-	96,605	128,380
Add: Deferred revenue	(8,679)	-	-	-	-	-	(92,762)	(101,441)
Less: Deferred revenue								
	17,225	136,000	279,621	17,586	54,000	10,000	5,843	520,275
Expenses								
Administration and overhead costs	-	11,830	14,087	2,000	5,400	1,000	-	34,317
Consultants	-	550	38,558	15,000	-	2,500	5,145	61,753
Contractors/subcontractors	-	-	5,731	-	-	-	-	5,731
Insurance	-	801	1,812	-	-	-	-	2,613
Office equipment and supplies	-	5,929	4,368	-	-	-	-	10,297
Program costs	-	-	-	-	48,600	-	698	49,298
Repairs, supplies and maintenance	-	365	-	-	-	-	-	365
Rent	-	4,556	3,792	-	-	-	-	8,348
Telephone	-	4,898	4,056	-	-	-	-	8,954
Training and meetings	-	13,604	7,399	-	-	5,000	-	26,003
Travel	17,225	18,186	117,078	586	-	-	-	153,075
Wages and benefits	-	75,281	82,740	-	-	1,500	-	159,521
	17,225	136,000	279,621	17,586	54,000	10,000	5,843	520,275
Excess of revenues over expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Temagami First Nation
(Deficiency) Excess of Funding over Expenses
and Tangible Capital Asset Purchases by AANDC Funded Programs
(Unaudited)

For the year ended March 31, 2013

	(Deficiency) Excess Before TCA	Amortization of Tangible Capital Assets	Subtotal	Purchase of Tangible Capital assets	Net Capital Funding*	(Deficiency) Excess of Funding After TCA
AANDC Funded Programs **						
- Band support funding	\$ (23,860)	\$ 63,333	\$ (87,193)	\$ 3,198	\$ -	\$ (90,391)
- Other housing	(1,423)	19,930	(21,353)	67,272	-	(88,625)
- Water treatment plant	(3,348)	155,486	(158,834)	652	-	(159,486)
- Warehouse Construction	117,117	-	117,117	169,945	-	(52,828)
- Heavy equipment	301	64,857	(64,556)	300	-	(64,856)
- Band infrastructure and buildings	12,203	19,979	(7,776)	27,126	-	(34,902)
- Bear Island Education Authority	3,969	35,126	(31,157)	3,969	-	(35,126)
- Daycare Centre	-	9,868	(9,868)	-	-	(9,868)
- Economic development	1,193	-	1,193	1,194	-	(1)
- Fire and dog services	-	11,510	(11,510)	-	-	(11,510)
	\$ 106,152	\$ 380,089	\$ (273,937)	\$ 273,656	\$ -	\$ (547,593)

* Capital funding is included in the first column, (Deficiency) excess before TCA; therefore it is provided here for information purposes only.

** Programs with no surplus/deficit at year end and no amortization or TCA are excluded from this table.