

**TAYKWA TAGAMOU NATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2012 & 2011**

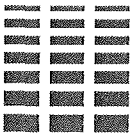
# TAYKWA TAGAMOU NATION

## INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND DERIVATIVE REPORT

YEARS ENDED MARCH 31, 2012 & 2011

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## INDEPENDENT AUDITOR'S REPORT

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To the Chief, Members of Council and Inhabitants of Taykwa Tagamou Nation.

We have audited the accompanying consolidated financial statements of Taykwa Tagamou Nation which comprise the consolidated statement of financial position as at March 31, 2012 and the consolidated statements of financial activities and accumulated surplus, change in net assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair representation of these consolidated financial statements in accordance with Canadian public sector accounting principles, 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.

### 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 the First Nation as at March 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting principles.

*Ross, Pope & Company LLP*

Timmins, Ontario  
June 4, 2013

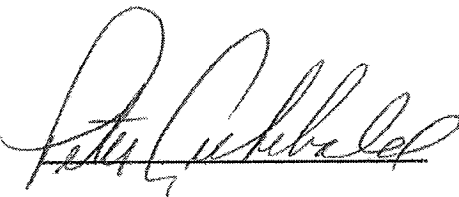
Ross, Pope & Company LLP  
Chartered Accountants  
Licensed Public Accountants

**TAYKWA TAGAMOU NATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31**

	2012	2011
<b>FINANCIAL ASSETS</b>		
Cash	\$ 409,905	\$ 1,607,594
Temporary Investments (Note 3)	2,612,540	-
Accounts receivable (Note 4)	927,726	1,428,392
OFNLP receivable	364,683	41,796
AANDC funding receivable	464,441	268,650
Due from related parties (Note 5)	660,571	602,045
Funds held in Trust (Note 6)	374,657	362,362
Investment in related corporations (Note 7)	1	1
<b>TOTAL FINANCIAL ASSETS</b>	<b>5,814,524</b>	<b>4,310,840</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	1,979,668	1,440,782
Deferred revenue (Note 8)	68,992	108,058
Due to AANDC	50,834	50,834
Due to Mushkegowuk Council (Note 9)	50,000	50,000
Net long-term liabilities (Note 10)	-	67,285
<b>TOTAL LIABILITIES</b>	<b>2,149,494</b>	<b>1,716,959</b>
<b>NET ASSETS</b>	<b>3,665,030</b>	<b>2,593,881</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule A)	1,987,248	1,883,189
Prepaid expenses	133,292	61,539
	<b>2,120,540</b>	<b>1,944,728</b>
<b>ACCUMULATED SURPLUS (Note 11)</b>	<b>\$ 5,785,570</b>	<b>\$ 4,538,609</b>

Approved by:

  
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See accompanying notes.

**TAYKWA TAGAMOU NATION****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND ACCUMULATED SURPLUS**

YEARS ENDED MARCH 31

	2012	2011
<b>REVENUES</b>		
Ontario Power Generation	\$ 272,303	\$ 4,608,103
Coral Rapids expense recoveries	750,236	1,558,639
Aboriginal Affairs and Northern Development Canada	1,709,916	1,364,517
Ontario First Nations Limited Partnership	525,104	959,384
Detour Gold	3,976,151	803,253
Health and Welfare Canada	255,264	262,304
Canada Mortgage and Housing Corporation	33,586	231,031
Nishnawbe Aski Nation	35,936	8,667
Mushkegowuk Council	49,579	7,945
Other	361,116	618,852
Gain on portfolio investment	136	-
<b>TOTAL REVENUES</b>	<b>7,969,327</b>	<b>10,422,695</b>
<b>EXPENDITURES (Schedule B)</b>		
<b>CURRENT OPERATIONS</b>		
Education	1,013,212	862,412
Health	458,815	500,154
Economic development	2,573,449	2,392,036
Housing	316,757	643,430
Community services	939,118	878,172
Band government	986,457	865,458
Employment programs	15,966	5,969
Public works	232,593	78,199
Land claim	51,127	652,091
Technical services	26,027	470,511
<b>TOTAL EXPENDITURES</b>	<b>6,613,521</b>	<b>7,348,432</b>
<b>ANNUAL SURPLUS</b>	<b>1,355,806</b>	<b>3,074,263</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>4,538,609</b>	<b>1,464,346</b>
Unrealized loss on portfolio investment	(108,709)	-
Realized gain on portfolio investment, reclassified to operations	(136)	-
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 5,785,570</b>	<b>\$ 4,538,609</b>

## TAYKWA TAGAMOU NATION

## CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS (DEBT)

YEARS ENDED MARCH 31

	2012	2011
<b>ANNUAL SURPLUS</b>	<b>\$ 1,355,806</b>	<b>\$ 3,074,263</b>
Acquisition of tangible capital assets	(261,140)	(225,923)
Amortization of tangible capital assets	157,081	126,309
Increase in prepaid expenses	(71,753)	(12,541)
	<b>(175,812)</b>	<b>(112,155)</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,179,994</b>	<b>2,962,108</b>
<b>NET DEBT, BEGINNING OF YEAR</b>	<b>2,593,881</b>	<b>(368,227)</b>
<b>NET REMEASUREMENT LOSSES</b>	<b>(108,845)</b>	<b>-</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 3,665,030</b>	<b>\$ 2,593,881</b>

## TAYKWA TAGAMOU NATION

## CONSOLIDATED STATEMENT OF CASH FLOWS

YEARS ENDED MARCH 31

	2012	2011
<b>OPERATIONS</b>		
Annual surplus	\$ 1,355,806	\$ 3,074,263
Remeasurement loss	(108,845)	-
Add: Amortization of tangible capital assets	157,081	126,309
	<b>1,404,042</b>	<b>3,200,572</b>
<b>USES:</b>		
Increase in accounts receivable	-	(768,165)
Increase in OFNLP receivable	(322,887)	(5,644)
Increase in AANDC receivable	(195,791)	(216,126)
Increase in prepaid expenses	(71,753)	(12,539)
Increase in funds held in Trust - AANDC	(12,295)	(13,014)
Increase in Temporary Investments	(2,612,540)	-
Decrease in accounts payable and accrued liabilities	-	(270,810)
Decrease in deferred revenue	(39,067)	(110,129)
	<b>(3,254,333)</b>	<b>(1,396,427)</b>
<b>SOURCES:</b>		
Decrease in accounts receivable	500,666	-
Increase in accounts payable and accrued liabilities	538,887	-
	<b>1,039,553</b>	<b>-</b>
<b>NET INCREASE IN CASH FROM OPERATIONS</b>	<b>(810,738)</b>	<b>1,804,145</b>
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(261,140)	(225,923)
<b>NET DECREASE IN CASH FROM CAPITAL</b>	<b>(261,140)</b>	<b>(225,923)</b>
<b>FINANCING</b>		
Repayment of long-term debt	(67,285)	(58,483)
Advances to related parties	(58,526)	(348,435)
<b>NET DECREASE IN CASH FROM FINANCING</b>	<b>(125,811)</b>	<b>(406,918)</b>
<b>NET CHANGE IN CASH</b>	<b>(1,197,689)</b>	<b>1,171,304</b>
CASH, beginning of year	1,607,594	436,290
CASH, end of year	\$ 409,905	\$ 1,607,594
<b>CASH FLOW SUPPLEMENTARY INFORMATION:</b>		
Interest paid	\$ 62,380	\$ 61,063

# TAYKWA TAGAMOU NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2012 & 2011

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### 1. NATURE OF ORGANIZATION

Taykwa Tagamou Nation (the First Nation) is a local government entity, located in northern Ontario, whose principal purpose is to provide for the well-being of its band members. The First Nation operates under the Indian Act and is exempt from income taxes.

### 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements, a representation of management, have been prepared in accordance with Canadian generally accepted accounting principles for First Nations as defined in the Year-end Reporting Handbook of the Department of Indian and Northern Affairs Canada, which requires adherence to the Public Sector Accounting Board accounting recommendations. Significant accounting policies are as follows:

These financial statements include the activities of the First Nation, Coral Rapids Power Limited Partnership and Coral Rapids Power General Partner Inc.

These financial statements do not include all the activities of several wholly owned Limited Partnerships. Pahquataskkahmekook Limited Partnership, Apitisawin Limited Partnership, Amisk Construction Limited Partnership, New Post Constructors Limited Partnership along with their respective general partner corporations require ongoing financial support from the First Nation in order to operate. Public Sector Accounting Board accounting guidelines require the consolidation of such entities. The activities included in the financial statements are limited to expenditures incurred by the First Nation of behalf of these related entities.

#### (a) FUND ACCOUNTING

The First Nation uses fund accounting to account for activity related to the following funds:

Operating Fund - Reports the accountable program activities of the First Nation administration.

Social Housing Fund - Reports the social housing program activities of the First Nation and financing related thereto.

Capital Fund - Reports the capital assets owned by the First Nation and financing related thereto.

AANDC Trust Fund - Reports trust funds owned by the First Nation that are held in trust by Aboriginal Affairs and Northern Development Canada.

OFNLP Fund - Reports the distributions received from Ontario First Nations Limited Partnership and related expenditure of those distributions.

CMHC Replacement Reserve Fund - Reports equity restricted for the replacement and renovation of CMHC rental properties as directed by the Canada Mortgage and Housing Corporation.

#### (b) TANGIBLE CAPITAL ASSETS

Tangible capital assets are amortized over their expected useful life using the straight line method at the following rates:

Land	Infinite
Buildings	25 years
Vehicles	5 years
Trailers	10 years
Computer equipment and software	3 years
Furniture and fixtures	5 years



# TAYKWA TAGAMOU NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED MARCH 31, 2012 & 2011

### 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (c) LONG-TERM INVESTMENTS

The investment in Island Falls Forestry General Partner Inc., a government business enterprise controlled by the First Nation, is accounted for using the modified equity method.

The investments in Coral Rapids Power General Partner Inc. and Coral Rapids Power LP, entities controlled by the First Nation, do not meet the criteria of a government business enterprise and are therefore consolidated into the results of the First Nation.

#### (d) USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with Public Sector accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the consolidated financial statements, and the reported amounts of revenue and expenditure during the period. Actual results could differ from these estimates.

#### (e) REVENUE RECOGNITION AND GOVERNMENT TRANSFERS

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligible criteria have been met, and reasonable estimates of the amounts can be made.

Revenues pursuant to the IBA agreement and the OPG contract are recognized when the amounts are payable to Taykwa Tagamou Nation as per the agreements.

#### (f) FUTURE CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The Canadian Institute of Chartered Accountants (CICA) has issued a number of standards that are not yet effective. The First Nation expects no impact of these future standards on the financial statements.

#### (g) CAPITAL MANAGEMENT

Capital is comprised of the First Nations accumulated surplus and net long-term liabilities. As at March 31, 2012, the First Nations accumulated surplus was \$5,785,570 and it had no outstanding net long-term liabilities. The First Nation's objectives when managing capital are to continue as a going concern to protect its ability to meet its on-going liabilities and to maximize services to the members over the long term.

#### (h) FINANCIAL INSTRUMENTS

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains or losses to the accumulated surplus.

### 3. TEMPORARY INVESTMENTS

	2012	2011
Detour Gold (75,000 shares @ \$24.87 per share)	\$ 1,865,250	\$ -
RBC mutual funds	411,315	-
Various other equity investments	335,975	-
	<b>\$ 2,612,540</b>	<b>\$ -</b>

As of May 2013, the Detour Gold shares were trading at less than \$11 per share.

### 4. ACCOUNTS RECEIVABLE

Included in accounts receivable is \$398,913 (2011 - \$280,306) representing advances, net of allowances for doubtful accounts of \$147,326 (2011 - \$114,237), to and on behalf of employees and officers of the First Nation. The related party balances are non-interest bearing with no fixed terms of repayment.

# TAYKWA TAGAMOU NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### YEARS ENDED MARCH 31 & 2011

#### 5. DUE FROM RELATED PARTIES

	2012	2011
Due from Island Falls Forestry Limited Partnership re: First Nation	\$ 183,306	\$ 273,306
Due from Apitisawin Limited Partnership re: First Nation	447,695	249,896
Due from Island Falls Forestry Limited Partnership re: Coral Rapids Power	1,040	1,040
Due from Amisk Construction re: Coral Rapids Power	23,027	77,803
Due to Amisk Construction re: First Nation	(15,000)	-
Due to New Post Constructors re: First Nation	(20,000)	-
Due from PGP re: First Nation	40,000	-
Due from Education Trust re: First Nation	503	-
	<b>\$ 660,571</b>	<b>\$ 602,045</b>

#### 6. FUNDS HELD IN TRUST - AANDC

Funds held in trust - AANDC consists of funds on deposit with Aboriginal Affairs and Northern Development Canada generated from land that is leased to non-native parties and interest earned on the related lease rentals.

#### 7. INVESTMENT IN RELATED CORPORATION

The First Nation's investment in Island Falls Forestry General Partner Inc., a company incorporated to act as the general partner for forestry operations of the First Nation, consists of 100% of the outstanding shares in the corporation. Island Falls Forestry Limited Partnership, for which Island Falls Forestry General Partner Inc. acts as general partner, assumed all operations of 1498356 Ontario Limited effective April 1, 2007. The following represents a summary of Island Falls Forestry Limited Partnership financial position as at March 31, 2012 and 2011 and its results of operations for the years then ended.

	2012	2011
<b>FINANCIAL POSITION</b>		
Cash	\$ 229,803	\$ 312,400
Accounts receivable	1,950,337	1,034,753
Inventory	42,658	72,000
Prepaid expenses	9,245	-
Due from Amisk Construction	24,312	13,162
Capital assets	76,695	45,505
	<b>\$ 2,333,050</b>	<b>\$ 1,477,820</b>
Accounts payable and deferred revenue	\$ 3,954,750	\$ 3,272,620
Due to Coral Rapids Power	1,040	1,040
Due to Taykwa Tagamou Nation	183,306	273,306
Deficiency	(1,806,046)	(2,069,146)
	<b>\$ 2,333,050</b>	<b>\$ 1,477,820</b>
<b>RESULTS OF OPERATIONS AND PARTNERS' DEFICIENCY</b>		
Revenue	\$ 4,996,206	\$ 5,145,134
Cost of sales	4,345,150	4,215,082
Gross profit	651,056	930,052
Expenses	387,956	367,505
Net Income	263,100	562,547
Partners' deficiency - beginning of year	(2,069,146)	(2,631,693)
Partners' deficiency - end of year	<b>\$ (1,806,046)</b>	<b>\$ (2,069,146)</b>

# TAYKWA TAGAMOU NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### YEARS ENDED MARCH 31 & 2011

#### 8. DEFERRED REVENUE

Deferred revenue consists of funding received in the current and prior years for expenditures which were not incurred in the current and prior fiscal years and will be applied against the applicable future expenditures in the fiscal year incurred or repaid.

Details of the deferred revenue balance are as follows:

	2012	2011
Ministry of Aboriginal Affairs (2011/12)	\$ 18,992	\$ -
AANDC Water under \$1.5M	-	58,058
Ontario Power Generation grave restoration	50,000	50,000
	\$ 68,992	\$ 108,058

#### 9. DUE TO MUSHKEGOWUK COUNCIL

The balance due to Mushkegowuk Council is non-interest bearing, unsecured and repayable upon demand.

#### 10. NET LONG-TERM LIABILITIES

	2012	2011
Mortgage payable repaid during the year	\$ -	\$ 67,285

#### 11. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2012	2011
Unrestricted surplus (deficit)		
Operating fund	\$ 2,313,788	\$ 2,336,965
Social Housing fund	470,492	(812,388)
Restricted surplus		
OFNLP fund (Note 13)	518,224	617,051
AANDC trust fund	374,657	362,362
CMHC replacement reserve fund (Note 12)	230,006	220,006
Equity in tangible capital assets	1,987,248	1,814,613
Accumulated surplus before remeasurement gains/losses	5,894,415	4,538,609
Remeasurement gains and losses	(108,845)	-
Accumulated Surplus	\$ 5,785,570	\$ 4,538,609

#### 12. CMHC REPLACEMENT RESERVE FUND

Use of the CMHC replacement reserve fund is restricted to the replacement and renovation of CMHC rental properties as directed by the Canada Mortgage and Housing Corporation.

CMHC requires that cash be set aside in a segregated bank account equal to the replacement reserve requirement. No such segregated bank account existed as at March 31, 2012 or 2011.

# TAYKWA TAGAMOU NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED MARCH 31 & 2011

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### 13. OFNLP FUND

The First Nation is entitled to a percentage of net revenues earned at gaming facilities located in the Province of Ontario. Net revenues are distributed in accordance with a formula agreed to by the participating First Nation Bands.

### 14. CONTINGENCIES

(a) The First Nation is involved in claims and potential claims arising in the normal course of operations. At this stage in the litigations, it is not possible to determine the likely outcome of these matters. Any settlements, awards or determination of loss will be reflected in the accounts as the matters are resolved.

(b) Where differences exist between the First Nation's net approved expenditures and their actual net expenditures, the resolution of these variances will be negotiated between the funding agency and the First Nation. Any resulting adjustment will be recognized in the year in which the changes are confirmed by the funding agency.

(c) Through the Ministry of Aboriginal Affairs initial assessment, it was noted that there was a recoverable surplus of \$29,463 for 2009/10 and \$79,601 for 2010/11. These amounts were assessed using unaudited program schedule to determine the amounts that were not spent. These amounts will be payable to the funder if the audited statements for 2010 and 2011 for this program remain constant with the unaudited statements.

### 15. ECONOMIC DEPENDENCE

The First Nation received 21% (2011 - 13%) of its revenues pursuant to funding arrangements with Aboriginal Affairs and Northern Development Canada. The continuation of the First Nation is dependent on this funding.

### 16. FINANCIAL INSTRUMENTS

The First Nation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the company's risk exposure and concentration as of March 31, 2012.

#### (a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The First Nation is exposed to credit risk from customers. In order to reduce its credit risk, the First Nation reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The First Nation has a significant number of customers which minimizes concentration of credit risk.

### 17. SUBSEQUENT EVENTS

On July 17, 2012, the First Nation paid consideration of \$500,000 to acquire a 24.44% voting interest in True North Hardwood Plywood Inc. consisting of 501,000 class 2 (30.55% of outstanding class 2 shares).

### 18. BUDGET FIGURES

Budget figures are not presented because the First Nation did not prepare an annual budget for the 2012 fiscal year.

**TAYKWA TAGAMOU NATION**

**SCHEDULE OF TANGIBLE CAPITAL ASSETS**

**YEARS ENDED MARCH 31, 2012**

	Cost			Accumulated Amortization			Net Book Value
	Opening	Additions	Closing	Opening	Amortization	Closing	
Land	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ 180,000
Buildings	2,397,743	86,926	2,484,669	882,260	99,387	981,647	1,503,022
Vehicles	187,000	67,079	254,079	107,431	18,026	125,457	128,622
Trailers	238,369	-	238,369	141,722	11,089	152,811	85,558
Other equipment	68,881	96,642	165,523	68,881	19,328	88,209	77,314
Computer hardware and software	86,645	10,493	97,138	75,155	9,251	84,406	12,732
<b>Total 2012</b>	<b>\$ 3,158,638</b>	<b>\$ 261,140</b>	<b>\$ 3,419,778</b>	<b>\$ 1,275,449</b>	<b>\$ 157,081</b>	<b>\$ 1,432,530</b>	<b>\$ 1,987,248</b>
Total 2011	\$ 2,932,715	\$ 225,923	\$ 3,158,638	\$ 1,149,141	\$ 126,308	\$ 1,275,449	\$ 1,883,189

## TAYKWA TAGAMOU NATION

## CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

YEAR ENDED MARCH 31, 2012

	Education		Health	
	2012	2011	2012	2011
<b>REVENUES</b>				
Ontario Power Generation	\$ -	\$ -	\$ -	\$ -
Coral Rapids expense recoveries	-	-	-	-
AANDC	743,712	648,611	-	-
OFNLP	22,263	19,659	79,268	90,141
Detour Gold	-	-	(68,522)	-
Health Canada	-	-	255,264	262,304
CMHC	-	-	-	-
Mushkegowuk Council	-	-	-	-
Nishnawbe-Aski Nation	-	-	35,936	8,667
Other revenue	113,722	(4,072)	61,121	42,769
<b>Total revenues</b>	<b>879,697</b>	<b>664,198</b>	<b>363,067</b>	<b>403,881</b>
<b>EXPENDITURES</b>				
Amortization	-	-	-	-
Bank charges	256	-	-	-
Community relation	-	-	-	-
Freight	-	-	49	23
Honoraria	-	649	3,988	1,875
Insurance	-	-	571	-
Interest and long-term debt service	-	-	-	-
Office and others	18,757	16,226	40,742	24,546
Professional fees	1,150	800	7,200	9,524
Rental and leasing expenses	-	-	-	-
Repair and maintenance	-	85	14	1,030
Social assistance	26,884	10,402	20,323	27,676
Student Tuition	807,341	702,729	480	847
Student supplies	12,981	38,852	17,511	16,211
Subcontracts	-	-	4,734	27,303
Supplies	2,783	1,564	33,993	10,854
Telephone and internet	1,447	676	127	3,141
Tradition and culture	-	-	1,630	-
Training	-	6,993	-	-
Travel	67,025	30,130	56,619	81,906
Utilities	-	-	-	1,608
Wages and benefits	74,588	53,306	270,834	293,610
Writedown of receivables	-	-	-	-
<b>Total expenditures</b>	<b>1,013,212</b>	<b>862,412</b>	<b>458,815</b>	<b>500,154</b>
<b>Surplus (deficit) for year</b>	<b>\$ (133,515)</b>	<b>\$ (198,214)</b>	<b>\$ (95,748)</b>	<b>\$ (96,273)</b>

## TAYKWA TAGAMOU NATION

## CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

YEAR ENDED MARCH 31, 2012

	Economic development		Housing	
	2012	2011	2012	2011
<b>REVENUES</b>				
Ontario Power Generation	\$ -	\$ -	\$ -	\$ -
Coral Rapids expense recoveries	750,236	1,558,639	-	-
AANDC	221,084	42,000	-	89,919
OFNLP	5,217	15,746	-	-
Detour Gold	3,086,536	-	146,070	-
Health Canada	-	-	-	-
CMHC	-	-	33,586	231,031
Mushkegowuk Council	1,592	-	-	-
Nishnawbe-Aski Nation	-	-	-	-
Other revenue	54,653	75,725	108,000	31,975
<b>Total revenues</b>	<b>4,119,318</b>	<b>1,692,110</b>	<b>287,656</b>	<b>352,925</b>
<b>EXPENDITURES</b>				
Amortization	87	1,335	-	-
Bank charges	49	250	100	74
Community relation	3,550	-	-	-
Freight	-	-	70	20
Honoraria	20,250	4,100	-	-
Insurance	232	-	-	-
Interest and long-term debt service	1,183	38	70,555	64,258
Office and others	282,570	122,103	5,618	202
Professional fees	591,823	1,277,846	3,000	14,860
Rental and leasing expenses	26,389	17,153	-	-
Repair and maintenance	57	9,459	124	245
Social assistance	3,963	1,795	-	-
Student Tuition	810	320	-	-
Student supplies	-	-	-	-
Subcontracts	20,815	165,458	7,992	64,559
Supplies	10,559	6,892	65,785	205,896
Telephone and internet	15,213	16,303	239	50
Tradition and culture	-	-	-	-
Training	-	-	-	-
Travel	214,518	269,555	9,546	7,436
Utilities	14,591	2,608	1,432	2,725
Wages and benefits	1,366,790	496,821	152,296	283,105
Writedown of receivables	-	-	-	-
<b>Total expenditures</b>	<b>2,573,449</b>	<b>2,392,036</b>	<b>316,757</b>	<b>643,430</b>
<b>Surplus (deficit) for year</b>	<b>\$ 1,545,869</b>	<b>\$ (699,926)</b>	<b>\$ (29,101)</b>	<b>\$ (290,505)</b>

## TAYKWA TAGAMOU NATION

## CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

YEAR ENDED MARCH 31, 2012

	Community services		Social services	
	2012	2011	2012	2011
<b>REVENUES</b>				
Ontario Power Generation	\$ 50	\$ -	\$ -	\$ -
Coral Rapids expense recoveries	-	-	-	-
AANDC	427,586	324,831	-	-
OFNLP	418,356	833,838	-	-
Detour Gold	-	-	-	-
Health Canada	-	-	-	-
CMHC	-	-	-	-
Mushkegowuk Council	5,175	-	-	-
Nishnawbe-Aski Nation	-	-	-	-
Other revenue	64,043	15,925	-	-
<b>Total revenues</b>	<b>915,210</b>	<b>1,174,594</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>				
Amortization	-	-	-	-
Bank charges	1,213	1,023	-	-
Community relation	2,050	5,437	-	-
Freight	330	425	-	-
Honoraria	15,575	1,900	-	-
Insurance	1,070	-	-	-
Interest and long-term debt service	126	-	-	-
Office and others	92,831	39,314	-	-
Professional fees	144,585	24,795	-	-
Rental and leasing expenses	-	4,076	-	-
Repair and maintenance	2,156	12,496	-	-
Social assistance	30,235	104,478	-	-
Student Tuition	2,757	5,440	-	-
Student supplies	-	-	-	-
Subcontracts	6,162	1,840	-	-
Supplies	87,535	32,125	-	-
Telephone and internet	412	468	-	-
Tradition and culture	2,230	157,500	-	-
Training	1,700	400	-	-
Travel	274,358	309,310	-	-
Utilities	31,208	41,872	-	-
Wages and benefits	242,585	135,273	-	-
Writedown of receivables	-	-	-	-
<b>Total expenditures</b>	<b>939,118</b>	<b>878,172</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) for year</b>	<b>\$ (23,908)</b>	<b>\$ 296,422</b>	<b>\$ -</b>	<b>\$ -</b>



## TAYKWA TAGAMOU NATION

## CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

YEAR ENDED MARCH 31, 2012

	Band government		Employment programs	
	2012	2011	2012	2011
<b>REVENUES</b>				
Ontario Power Generation	\$ -	\$ -	\$ -	\$ -
Coral Rapids expense recoveries	-	-	-	-
AANDC	253,128	194,138	-	-
OFNLP	-	-	-	-
Detour Gold	443,080	-	-	-
Health Canada	-	-	-	-
CMHC	-	-	-	-
Mushkegowuk Council	27,798	2,000	15,014	5,945
Nishnawbe-Aski Nation	-	-	-	-
Other revenue	(40,344)	456,365	-	-
<b>Total revenues</b>	<b>683,662</b>	<b>652,503</b>	<b>15,014</b>	<b>5,945</b>
<b>EXPENDITURES</b>				
Amortization	-	-	-	-
Bank charges	57,629	14,112	14	-
Community relation	-	-	-	-
Freight	30	-	-	-
Honoraria	39,150	17,909	800	-
Insurance	53,058	34,931	-	-
Interest and long-term debt service	5,295	15,773	-	-
Office and others	73,273	59,173	474	-
Professional fees	111,654	96,956	-	-
Rental and leasing expenses	11,638	900	-	-
Repair and maintenance	2,099	75	1,582	-
Social assistance	1,275	585	350	-
Student Tuition	75	-	-	-
Student supplies	1,890	-	-	-
Subcontracts	-	-	-	-
Supplies	6,615	7,664	811	24
Telephone and internet	23,009	26,495	1,699	-
Tradition and culture	-	-	-	-
Training	19,057	-	-	-
Travel	94,779	97,822	8,324	-
Utilities	10,671	1,860	-	-
Wages and benefits	343,487	458,114	1,912	5,945
Writedown of receivables	131,773	33,089	-	-
<b>Total expenditures</b>	<b>986,457</b>	<b>865,458</b>	<b>15,966</b>	<b>5,969</b>
<b>Surplus (deficit) for year</b>	<b>\$ (302,795)</b>	<b>\$ (212,955)</b>	<b>\$ (952)</b>	<b>\$ (24)</b>

## TAYKWA TAGAMOU NATION

## CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

YEAR ENDED MARCH 31, 2012

	Public works		Land claim	
	2012	2011	2012	2011
REVENUES				
Ontario Power Generation	\$ -	\$ -	\$ 272,253	\$ 4,608,103
Coral Rapids expense recoveries	-	-	-	-
AANDC	61,306	62,018	3,100	3,000
OFNLP	-	-	-	-
Detour Gold	-	-	363,987	803,253
Health Canada	-	-	-	-
CMHC	-	-	-	-
Mushkegowuk Council	-	-	-	-
Nishnawbe-Aski Nation	-	-	-	-
Other revenue	-	-	57	165
<b>Total revenues</b>	<b>61,306</b>	<b>62,018</b>	<b>639,397</b>	<b>5,414,521</b>
EXPENDITURES				
Amortization	156,993	124,974	-	-
Bank charges	-	-	-	-
Community relation	-	-	-	-
Freight	150	-	-	-
Honoraria	-	-	1,409	93,151
Insurance	-	-	-	-
Interest and long-term debt service	(67,285)	(58,483)	-	-
Office and others	-	-	1,944	14,214
Professional fees	11,125	-	705	16,092
Rental and leasing expenses	-	-	-	600
Repair and maintenance	-	-	-	-
Social assistance	-	-	975	4,793
Student Tuition	-	-	-	-
Student supplies	-	-	-	-
Subcontracts	18,096	4,101	-	384
Supplies	2,202	7,511	1,514	2,598
Telephone and internet	-	-	-	769
Tradition and culture	-	-	-	142,000
Training	-	-	-	-
Travel	-	-	32,266	197,067
Utilities	-	-	-	-
Wages and benefits	111,312	96	12,314	180,423
Writedown of receivables	-	-	-	-
<b>Total expenditures</b>	<b>232,593</b>	<b>78,199</b>	<b>51,127</b>	<b>652,091</b>
Surplus (deficit) for year	\$ (171,287)	\$ (16,181)	\$ 588,270	\$ 4,762,430

## TAYKWA TAGAMOU NATION

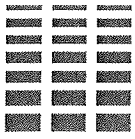
## CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

YEAR ENDED MARCH 31, 2012

	Technical services		Should net to 0	
	2012	2011	2012	2011
<b>REVENUES</b>				
Ontario Power Generation	\$ -	\$ -	\$ -	\$ -
Coral Rapids expense recoveries	-	-	-	-
AANDC	-	-	-	-
OFNLP	-	-	-	-
Detour Gold	5,000	-	-	-
Health Canada	-	-	-	-
CMHC	-	-	-	-
Mushkegowuk Council	-	-	-	-
Nishnawbe-Aski Nation	-	-	-	-
Other revenue	-	-	-	-
<b>Total revenues</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>				
Amortization	-	-	-	-
Bank charges	-	-	-	-
Community relation	-	-	-	-
Freight	-	-	-	-
Honoraria	-	-	-	-
Insurance	-	10,260	-	-
Interest and long-term debt service	-	-	-	-
Office and others	8,188	2,508	-	-
Professional fees	-	18,050	-	-
Rental and leasing expenses	-	24,230	-	-
Repair and maintenance	-	-	-	-
Social assistance	-	-	-	-
Student Tuition	-	-	-	-
Student supplies	-	-	-	-
Subcontracts	-	-	-	-
Supplies	-	5,055	-	-
Telephone and internet	-	1,461	-	-
Tradition and culture	-	-	-	-
Training	-	-	-	-
Travel	1,140	102,667	-	-
Utilities	-	363	-	-
Wages and benefits	16,699	305,917	-	-
Writedown of receivables	-	-	-	-
<b>Total expenditures</b>	<b>26,027</b>	<b>470,511</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) for year</b>	<b>\$ (21,027)</b>	<b>\$ (470,511)</b>	<b>\$ -</b>	<b>\$ -</b>

**TAYKWA TAGAMOU NATION****CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION****YEAR ENDED MARCH 31, 2012**

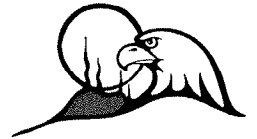
	Total	
	2012	2011
<b>REVENUES</b>		
Ontario Power Generation	\$ 272,303	\$ 4,608,103
Coral Rapids expense recoveries	750,236	1,558,639
AANDC	1,709,916	1,364,517
OFNLP	525,104	959,384
Detour Gold	3,976,151	803,253
Health Canada	255,264	262,304
CMHC	33,586	231,031
Mushkegowuk Council	49,579	7,945
Nishnawbe-Aski Nation	35,936	8,667
Other revenue	361,252	618,852
<b>Total revenues</b>	<b>7,969,327</b>	<b>10,422,695</b>
<b>EXPENDITURES</b>		
Amortization	157,080	126,309
Bank charges	59,261	15,459
Community relation	5,600	5,437
Freight	629	468
Honoraria	81,172	119,584
Insurance	54,931	45,191
Interest and long-term debt service	9,874	21,586
Office and others	524,397	278,286
Professional fees	871,242	1,458,923
Rental and leasing expenses	38,027	46,959
Repair and maintenance	6,032	23,390
Social assistance	84,005	149,729
Student Tuition	811,463	709,336
Student supplies	32,382	55,063
Subcontracts	57,799	263,645
Supplies	211,797	280,183
Telephone and internet	42,146	49,363
Tradition and culture	3,860	299,500
Training	20,757	7,393
Travel	758,575	1,095,893
Utilities	57,902	51,036
Wages and benefits	2,592,817	2,212,610
Writedown of receivables	131,773	33,089
<b>Total expenditures</b>	<b>6,613,521</b>	<b>7,348,432</b>
<b>Surplus (deficit) for year</b>	<b>\$ 1,355,806</b>	<b>\$ 3,074,263</b>



# Ross, Pope & Company LLP

**Chartered Accountants**

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## **DERIVATIVE REPORT BY THE AUDITOR**

To the Chief, Council and Members of Taykwa Tagamou Nation

We have audited the consolidated financial statements of Taykwa Tagamou Nation as at March 31, 2012 and for the year then ended and reported on June 4, 2013.

A Schedule of Salaries, Honouraria and Travel Expenditures (Schedule B) is required to be presented to the membership of Taykwa Tagamou Nation pursuant to the funding arrangement between Taykwa Tagamou Nation and Indian and Northern Affairs Canada. The Schedule has been compiled by the management of Taykwa Tagamou Nation from their records. For the purposes of understanding our involvement with this Schedule, please note that:

- We have audited and separately reported on the consolidated financial statements;
- Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements taken as a whole;
- The attached Schedule is presented for the purpose of forming an opinion for the membership and the Department of Indian and Northern Affairs Canada and does not form part of the consolidated financial statements; and
- The Schedule has been subjected to the auditing procedures applied to the audit of the consolidated financial statements taken as a whole.

During the course of the aforementioned audit, we encountered no discrepancies on this Schedule. However, no procedures have been carried out on this Schedule in addition to those necessary to form an opinion on the consolidated financial statements taken as a whole.

This report has been prepared in accordance with the applicable Assurance and Related Services Guideline issued by the Canadian Institute of Chartered Accountants.

*Ross, Pope & Company LLP*

Timmins, Ontario  
June 4, 2013

Ross, Pope & Company LLP  
Chartered Accountants  
Licensed Public Accountants

**TAYKWA TAGAMOU NATION**

**SCHEDULE OF SALARIES, HONOURARIA AND TRAVEL EXPENDITURES**

**YEAR ENDED MARCH 31**

**(UNAUDITED - SEE DERIVATIVE REPORT BY THE AUDITOR)**

In accordance with the reporting requirements of Aboriginal Affairs and Northern Development Canada, payments made to First Nation officials were as follows:

	Number of Months	Salary and Honouraria	Travel Expenses	Other Remuneration	Total
<b>ELECTED OFFICIALS</b>					
Chief - Linda Job	12	\$ 78,000	\$ 25,441	\$ 1,000	\$ 104,441
Deputy Chief - Roger Archibald	12	55,000	16,088	2,000	73,088
Councillors:					
Bruce Archibald	12	57,731	7,616	1,000	66,347
Tina Gagnon	12	57,015	16,411	500	73,926
Peter Archibald	12	76,910	35,965	500	113,375
Tracey Prevost	12	19,079	3,934	-	23,013
<b>UNELECTED OFFICIALS</b>					
Co-Manager - Kevin Archibald	12	121,353	13,746	-	135,099
Health Director - Madeline Vincent	12	50,067	9,871	-	59,938

Approved by:

  
Councillor

  
Councillor