

1 **Q: Reference Eric Coombs Evidence Appendix I, Table “Analysis of Electrification Costs**
2 **& Revenues,” line “Total electrification costs”.**

3 **Please provide a detailed itemization, including both description and amount, of the**
4 **composition of the line item “Allocation of band support costs”. In describing each item**
5 **please indicate how the cost is directly related to the provision of electricity in Natuashish.**

6
7 A: The response of Mr Coombs is as follows:

8 See attached schedules (IN-NLH-005 Att 1, and IN-NLH-005 Att 2) detailing MIFN Band
9 Support Costs extracted from MIFN’s annual financial statements.

10 The Band Support Costs for MIFN are the common overhead costs incurred by MIFN in
11 managing all departments of the First Nation. A “portion” of each Band Support cost would
12 relate directly to the electrification department. A rational basis for this allocation is to allocate
13 the costs to electrification based on the percentage derived from dividing the direct
14 Electrification Costs into the total direct Band Program Costs for the year. This percentage is
15 then multiplied by the total Band Support Costs to determine the portion of Band Support Costs
16 to allocate to Electrification.

17

Type of Cost	Description	Allocation
amortization	Amortization of band council office	common cost incurred to manage all departments including electrification
Bad debts	Provision for doubtful accounts	common cost incurred to manage all departments including electrification
Bank charges, Interest & penalties	Bank charges, interest on operating line, penalties imposed by CRA	common cost incurred to manage all departments including electrification
Election expenses	Cost of holding council elections	common cost incurred to manage all departments including electrification
Insurance	Insurance on Band assets	common cost incurred to manage all departments including electrification
Miscellaneous	Miscellaneous costs of band government	common cost incurred to manage all departments including electrification
Office supplies	Office supplies for band office	common cost incurred to manage all departments including electrification
Professional fees & co-management fees	Legal fees, co -management fees and other fees related to band governance	common cost incurred to manage all departments including electrification
Radio Station	Cost of community radio station	common cost incurred to manage all departments including electrification
Telephone	Office telephone and cell phones	common cost incurred to manage all departments including electrification
Training	Training for employees	common cost incurred to manage all departments including electrification
Travel	Travel for administrative staff & council	common cost incurred to manage all departments including electrification
Utilities	Utilities for band office	common cost incurred to manage all departments including electrification
Wages & benefits	Wages for administrative staff	common cost incurred to manage all departments including electrification

**MUSHUAU INNU FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
DETAILED SCHEDULE OF CERTAIN EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2010**

	<u>2010</u>	<u>2009</u>
ABORIGINAL HUMAN RESOURCES DEVELOPMENT AGREEMENT		
Wages and benefits	\$ 183,939	\$ 139,011
Capacity enhancement	44,466	3,822
Other administrative costs	91,443	18,191
Program Expenditures		
Childcare	584	754
Dependent care	10,040	5,988
Student living expenses	286,485	302,722
Travel	74,933	65,220
Tuition and books	87,149	176,712
Other costs	<u>3,052</u>	<u>25,020</u>
	<u>\$ 782,091</u>	<u>\$ 737,440</u>
BAND SUPPORT		
Wages and benefits	\$ 1,069,528	\$ 821,916
Advertising	7,288	1,157
Bad debts	134,921	17,083
Bank charges, interest and penalties	18,881	29,324
Capacity building	-	10,200
Co-management fees	357,774	314,400
Election expenses	3,261	-
Freight	49,413	31,110
Miscellaneous	136,124	80,196
Office supplies and postage	76,061	47,801
Professional and consulting fees	652,615	280,121
Registration	-	4,365
Repairs and maintenance	13,238	39,033
Supplies	65,443	68,307
Telephone	60,484	44,994
Training	54	44,554
Travel	425,959	397,747
Website	<u>1,633</u>	<u>23,354</u>
	<u>\$ 3,072,677</u>	<u>\$ 2,255,662</u>

**MUSHUAU INNU FIRST NATION
SCHEDULE OF REVENUE AND EXPENDITURES
BAND SUPPORT
FOR THE YEAR ENDED MARCH-31-12**

	<u>Budget 2012</u>	<u>Unaudited 2012</u>	<u>Unaudited 2011</u>
Revenue			
Sheshatshiu Innu & Mushuau Innu			
First Nations Trust	\$ -	\$ 699,674	\$ 143,618
Aboriginal Affairs and Northern Development	-	711,338	1,518,099
Share of income in business enterprises	-	963,338	420,952
Province of Newfoundland and Labrador			
Mining Royalties	660,830	1,270,623	700,114
Infrastructure park revenue	-	722,630	648,845
Miscellaneous revenues	-	73,423	491,001
Innu Nation	-	304,283	-
Postal revenue	-	99,519	113,055
Interest income	-	9,499	11,514
Total revenue	<u>660,830</u>	<u>4,854,327</u>	<u>4,047,198</u>
Expenditure			
Wages and benefits	666,000	1,321,912	1,411,776
Advertising	-	6,885	601
Bad debts	-	76,215	93,400
Bank charges, interest and penalties	18,000	177,046	129,236
Amortization	-	261,224	206,393
Election expenses	-	18,986	1,107
Freight	-	32,715	46,465
Miscellaneous	38,548	125,924	146,103
Office supplies and postage	2,400	25,705	62,604
Professional and consulting fees	506,000	1,066,288	1,495,545
Registration	-	430	1,132
Repairs and maintenance	1,680	114,459	279,763
Supplies	24,000	50,396	53,779
Telephone	7,680	93,313	98,101
Training	-	147,590	29,460
Travel	75,000	817,433	828,251
Website	-	599	-
Total expenditure	<u>1,339,308</u>	<u>4,337,120</u>	<u>4,883,716</u>
Excess of revenue over expenditure (expenditure over revenue)	<u>\$ (678,478)</u>	<u>\$ 517,207</u>	<u>\$ (836,518)</u>

**MUSHUAU INNU FIRST NATION
SCHEDULE OF REVENUE AND EXPENDITURES
BAND SUPPORT
FOR THE YEAR ENDED MARCH-31-14**

	<u>Budget 2014</u>	<u>Unaudited 2014</u>	<u>Unaudited 2013</u>
Revenue			
Sheshatshiu Innu & Mushuau Innu			
First Nations Trust	\$ 1,194,480	\$ 509,775	\$ 914,639
Aboriginal Affairs and Northern Development			
Band support	733,611	726,695	660,830
Indian registry administration	-	6,915	6,390
Management support	-	1,600	1,600
Development of maintenance systems	-	10,000	-
Capital planning and project management	-	30,000	1,734
Summer work experience	-	18,921	-
Share of income in business enterprises	504,000	-	-
Province of Newfoundland and Labrador			
Infrastructure park revenue	342,720	57,736	729,911
Miscellaneous revenues	600,000	107,700	85,855
Innu Nation	-	-	245,634
Gain on disposal of capital assets	-	520,665	-
Postal revenue	100,000	75,636	80,409
Interest income	-	14,104	9,088
Total revenue	<u>3,474,811</u>	<u>2,079,747</u>	<u>2,736,090</u>
Expenditure			
Wages and benefits	1,382,980	554,974	966,769
Wages and benefits - Indian registry administrators	-	6,915	-
Wages and benefits - Band support	-	481,799	-
Wages and benefits - Summer work experience	-	18,921	-
Advertising	-	-	52
Bad debts	-	180,788	226,302
Bank charges, interest and penalties	81,000	273,427	139,928
Amortization	-	222,605	268,850
Interest on long term debt	-	75,226	112,519
Election expenses	-	1,743	11,925
Freight	91,580	17,977	5,509
Insurance - Band support	-	18,258	17,470
Utilities	101,715	24,749	6,571
Miscellaneous	48,315	111,707	255,471
Miscellaneous - Band support	-	21,578	-
Office supplies and postage	34,500	25,786	20,840
Professional and consulting fees	976,000	454,486	735,224
Professional and consulting fees - Band support	-	181,897	-
Professional fees - management support	-	1,600	-
Professional fees - Capital planning	-	30,000	-
Professional fees - Dev of systems	-	10,000	-
Repairs and maintenance	87,000	68,354	21,178
Sub total	<u>\$ 2,803,090</u>	<u>\$ 2,782,790</u>	<u>\$ 2,788,608</u>

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**MUSHUAU INNU FIRST NATION
SCHEDULE OF REVENUE AND EXPENDITURES
BAND SUPPORT
FOR THE YEAR ENDED MARCH-31-14**

	<u>Budget 2014</u>	<u>Unaudited 2014</u>	<u>Unaudited 2013</u>
Sub total	\$ 2,803,090	\$ 2,782,790	\$ 2,788,608
Supplies	16,200	1,375	319,078
Telephone	61,330	69,371	87,080
Radio station	-	-	28,345
Training	60,000	3,082	49,666
Travel	433,000	292,284	407,274
Travel - Band support	-	23,163	-
Website	<u>-</u>	<u>-</u>	<u>3,416</u>
Total expenditure	<u>3,373,620</u>	<u>3,172,065</u>	<u>3,683,467</u>
Excess of revenue over expenditure (expenditure over revenue)	<u>\$ 101,191</u>	<u>\$ (1,092,318)</u>	<u>\$ (947,377)</u>