

North American Energy Partners Inc.
Form 6-K
August 13, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 6-K**

**Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934**

For the month of August 2008

Commission File Number 001-33161

NORTH AMERICAN ENERGY PARTNERS INC.

Zone 3 Acheson Industrial Area
2-53016 Highway 60
Acheson, Alberta
Canada T7X 5A7

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): _____

Documents Included as Part of this Report

1. Interim consolidated financial statements of North American Energy Partners Inc. for the three months ended June 30, 2008.
 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NORTH AMERICAN ENERGY PARTNERS
INC.

By: /s/ Peter Dodd

Name: Peter Dodd

Title: Chief Financial Officer

Date: August 13, 2008

NORTH AMERICAN ENERGY PARTNERS INC.

**Interim Consolidated Financial Statements
For the three months ended June 30, 2008
(Expressed in thousands of Canadian dollars)
(Unaudited)**

NORTH AMERICAN ENERGY PARTNERS INC.**Interim Consolidated Balance Sheets**
(In thousands of Canadian dollars)

	June 30, 2008 (Unaudited)	March 31, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 51,332	\$ 32,871
Accounts receivable	127,554	166,002
Unbilled revenue	89,533	70,883
Inventory (note 3(c))	6,900	110
Prepaid expenses and deposits	8,594	9,300
Other assets (note 3(c))		3,703
Future income taxes	10,563	8,217
	294,476	291,086
Future income taxes	8,889	18,199
Assets held for sale	860	1,074
Plant and equipment (note 5)	331,575	281,039
Goodwill	200,072	200,072
Intangible assets, net of accumulated amortization of \$2,383 (March 31, 2008 \$2,105)	1,850	2,128
	\$ 837,722	\$ 793,598
LIABILITIES AND SHAREHOLDERS EQUITY		
Current liabilities:		
Accounts payable	148,578	113,143
Accrued liabilities	30,025	45,078
Billings in excess of costs incurred and estimated earnings on uncompleted contracts	12,328	4,772
Current portion of capital lease obligations	4,747	4,733
Current portion of derivative financial instruments (note 10(a))	4,803	4,720
Future income taxes	9,467	10,907
	209,948	183,353
Deferred lease inducements	915	941
Capital lease obligations	9,968	10,043
Director deferred stock unit liability	459	190
Senior notes (note 6(b))	195,613	198,245
Derivative financial instruments (note 10(a))	90,978	93,019
Asset retirement obligation (note 7)	726	
Future income taxes	24,620	24,443

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	533,227	510,234
Shareholders' equity:		
Common shares (authorized unlimited number of voting and non-voting common shares; issued and outstanding 36,036,476 voting common shares (March 31, 2008 35,929,476 voting common shares) (note 8(a))	299,871	298,436
Contributed surplus (note 8(b))	3,824	4,215
Retained earnings (deficit)	800	(19,287)
	304,495	283,364
Guarantee (note 16)		
	\$ 837,722	\$ 793,598

See accompanying notes to unaudited interim consolidated financial statements.

NORTH AMERICAN ENERGY PARTNERS INC.

**Interim Consolidated Statements of Operations, Comprehensive Income
(Loss) and Retained Earnings (Deficit)
(In thousands of Canadian dollars, except per share amounts)
(Unaudited)**

	Three Months Ended June 30,	
	2008	2007 Restated (see note 4)
Revenue	\$ 258,987	\$ 167,627
Project costs	148,631	94,673
Equipment costs	45,811	45,139
Equipment operating lease expense	8,798	3,935
Depreciation	8,158	8,976
Gross profit	47,589	14,904
General and administrative costs	19,215	14,627
Loss on disposal of plant and equipment	1,144	269
Loss on disposal of asset held for sale	22	316
Amortization of intangible assets	278	70
Operating income before the undernoted	26,930	(378)
Interest expense (note 9)	6,449	6,809
Foreign exchange gain	(1,641)	(17,100)
Realized and unrealized (gain)/loss on derivative financial instruments (note 10(a))	(2,265)	21,514
Other income	(18)	(108)
Income (loss) before income taxes	24,405	(11,493)
Income taxes (note 12(c)):		
Current income taxes		21
Future income taxes (recovery)	5,309	(2,932)
Net income (loss) and comprehensive income (loss) for the period	19,096	(8,582)
Deficit, beginning of period as previously reported	(19,287)	(55,526)
Change in accounting policy related to financial instruments (note 4)		(3,545)
Change in account policy related to inventories (note 3(c))	991	
Retained Earnings (deficit), end of period	\$ 800	\$ (67,653)
Net income (loss) per share basic (note 8(c))	\$ 0.53	\$ (0.24)
Net income (loss) per share diluted (note 8(c))	\$ 0.52	\$ (0.24)

See accompanying notes to unaudited interim consolidated financial statements.

NORTH AMERICAN ENERGY PARTNERS INC.**Interim Consolidated Statements of Cash Flows**
(In thousands of Canadian dollars)
(Unaudited)

	Three Months Ended	
	June 30,	
	2008	2007
		Restated
		(see note 4)
Cash provided by (used in):		
Operating activities:		
Net income (loss) for the period	\$ 19,096	\$ (8,582)
Items not affecting cash:		
Depreciation	8,158	8,976
Amortization of intangible assets	278	70
Amortization of deferred lease inducements	(26)	
Amortization of deferred financing costs		71
Loss on disposal of plant and equipment	1,144	269
Loss on disposal of assets held for sale	22	316
Unrealized foreign exchange gain on senior notes	(1,831)	(17,150)
Amortization of bond issue costs, premiums and financing costs	174	397
Unrealized change in the fair value of derivative financial instruments	(2,933)	20,846
Stock-based compensation expense (note 14)	636	359
Accretion expense asset retirement obligation	49	
Future income taxes	5,309	(2,932)
Net changes in non-cash working capital (note 12(b))	3,265	4,764
	33,341	7,404
Investing activities:		
Acquisition, net of cash acquired		(1,581)
Purchase of plant and equipment	(59,349)	(10,193)
Additions to assets held for sale		(2,248)
Proceeds on disposal of plant and equipment	1,352	3,690
Proceeds on disposal of assets held for sale	192	10,200
Net changes in non-cash working capital (note 12(b))	43,473	(4,358)
	(14,332)	(4,490)
Financing activities:		
Decrease in revolving credit facility		(500)
Repayment of capital lease obligations	(1,225)	(802)
Issue of common shares		740
Stock options exercised (note 8(a))	677	
Financing costs		(767)

	(548)	(1,329)
Increase in cash and cash equivalents	18,461	1,585
Cash and cash equivalents, beginning of period	32,871	7,895
Cash and cash equivalents, end of period	\$ 51,332	\$ 9,480

Supplemental cash flow information (note 12(a))

See accompanying notes to unaudited interim consolidated financial statements.

NORTH AMERICAN ENERGY PARTNERS INC.

Notes to the Interim Consolidated Financial Statements

For the three months ended June 30, 2008

(Amounts in thousands of Canadian dollars, except per share amounts or unless otherwise specified)

(Unaudited)

1. Nature of operations

North American Energy Partners Inc. was incorporated under the Canada Business Corporations Act on October 17, 2003. On November 26, 2003, North American Energy Partners Inc. (the Company) purchased all the issued and outstanding shares of North American Construction Group Inc. (NACGI), including subsidiaries of NACGI, from Norama Ltd. which had been operating continuously in Western Canada since 1953. The Company had no operations prior to November 26, 2003.

The Company undertakes several types of projects including heavy construction, industrial and commercial site development, pipeline and piling installations in Canada.

2. Basis of presentation

These unaudited interim consolidated financial statements (the financial statements) are prepared in accordance with Canadian generally accepted accounting principles (GAAP) for interim financial statements and do not include all of the disclosures normally contained in the Company's annual consolidated financial statements. Since the determination of many assets, liabilities, revenues and expenses is dependent on future events, the preparation of these financial statements requires the use of estimates and assumptions. In the opinion of management, these financial statements have been prepared within reasonable limits of materiality. Except as disclosed in note 3, these financial statements follow the same significant accounting policies as described and used in the most recent annual consolidated financial statements of the Company for the year ended March 31, 2008 and should be read in conjunction with those consolidated financial statements.

These financial statements include the accounts of the Company, its wholly-owned subsidiaries, North American Construction Group Inc. and NACG Finance LLC, the Company's joint venture, Noramac Ventures Inc. and the following 100% owned subsidiaries of NACGI:

North American Caisson Ltd.

North American Construction Ltd.

North American Engineering Ltd.

North American Enterprises Ltd.

North American Industries Inc.

North American Mining Inc.

North American Maintenance Ltd.

North American Pipeline Inc.

North American Road Inc.

North American Services Inc.

North American Site Development Ltd.

North American Site Services Inc.

North American Pile Driving Inc.

3. Recently adopted Canadian accounting pronouncements

a) Financial instruments disclosure and presentation

Effective April 1, 2008, the Company prospectively adopted the Canadian Institute of Chartered Accountants (CICA) Sections 3862, Financial Instruments Disclosures , which replaces CICA 3861 and provides expanded disclosure requirements that enable users to evaluate the significance of financial instruments on the entity s financial position and its performance and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet, and how the entity manages those risks. This standard harmonizes disclosures with International Financial Reporting Standards. The Company has

NORTH AMERICAN ENERGY PARTNERS INC.

Notes to the Interim Consolidated Financial Statements (Continued)

provided the additional required disclosures in note 10 to its interim consolidated financial statements for the three months ended June 30, 2008.

Effective April 1, 2008, the Company adopted CICA issued Handbook Section 3863, Financial Instruments Presentation . This Section establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, gains and losses, and the circumstances in which financial assets and financial liabilities are offset. The adoption of this standard did not have a material impact on the presentation of financial instruments in the Company's financial statements.

b) Capital disclosures

Effective April 1, 2008, the Company prospectively adopted CICA Section 1535, Capital Disclosures , which requires disclosure of qualitative and quantitative information that enables users to evaluate the Company's objectives, policies and process for managing capital. The Company has provided the additional required disclosures in note 11 to its interim consolidated financial statements for the three months ended June 30, 2008.

c) Inventories

Effective April 1, 2008, the Company retrospectively adopted CICA Section 3031, Inventories without restatement. This standard requires inventories to be measured at the lower of cost and net realizable value and provides guidance on the determination of cost, including the allocation of overheads and other costs to inventories, the requirement for an entity to use a consistent cost formula for inventory of a similar nature and use, and the reversal of previous write-downs to net realizable value when there is subsequent increases in the value of inventories. This new standard also clarifies that spare component parts that do not qualify for recognition as property, plant and equipment should be classified as inventory. Effective April 1, 2008, the Company reversed a tire impairment that was previously recorded at March 31, 2008 in other assets of \$1,383 with a corresponding decrease to opening deficit of \$991 net of future taxes of \$392. The Company then reclassified \$5,086 of tires and spare component parts from other assets to inventory . As at June 30, 2008, inventory is comprised of tires and spare component parts of \$6,790 and job materials of \$110. The Company carries inventory at the lower of weighted average cost and net realizable value. The carrying amount of inventories pledged as security for borrowings under the revolving credit facility is approximately \$6,900 as at June 30, 2008.

d) Going concern

Effective April 1, 2008, the Company prospectively adopted CICA Section 1400, General Standards of Financial Statement Presentation . These amendments require management to assess an entity's ability to continue as a going concern. When management is aware of material uncertainties related to events or conditions that may cast doubt on an entity's ability to continue as a going concern, those uncertainties must be disclosed. In assessing the appropriateness of the going concern assumption, the standard requires management to consider all available information about the future, which is at least, but not limited to, twelve months from the balance sheet date. The adoption of this standard did not have a material impact on the presentation and disclosures within the Company's consolidated financial statements.

e) Recent Canadian accounting pronouncements not yet adopted

i. Goodwill and intangible assets

In February 2008, the CICA issued Handbook Section 3064, (CICA 3064) Goodwill and Intangible Assets. CICA 3064, which replaces Section 3062, Goodwill and Intangible Assets, and Section 3450, Research and Development Costs, establishes standards for the recognition, measurement and disclosure of goodwill and

NORTH AMERICAN ENERGY PARTNERS INC.**Notes to the Interim Consolidated Financial Statements (Continued)**

intangible assets. The provisions relating to the definition and initial recognition of intangible assets, including internally generated intangible assets, are equivalent to the corresponding provisions of International Accounting Standard IAS 38, Intangible Assets. This new standard is effective for the Company's interim and annual consolidated financial statements commencing April 1, 2009. The Company is currently evaluating the impact of this standard.

4. Restatement

In preparing the financial statements for the year ended March 31, 2008, the Company determined that its previously issued interim unaudited consolidated financial statements for the three months ended June 30, 2007 did not properly account for an embedded derivative that is not closely related to the host contract with respect to price escalation features in a supplier maintenance contract. As disclosed in the annual consolidated statements, the Company has restated its original transition adjustment on adoption of CICA Handbook Section 3855, Financial Instruments Recognition and Measurement disclosed in the financial instruments for the three months ended June 30, 2007 and recorded the fair value of \$2,474 related to this embedded derivative on April 1, 2007, with corresponding increase in opening deficit of \$1,769, net of future income taxes of \$705.

The embedded derivative is measured at fair value and included in derivative financial instruments on the consolidated balance sheet with changes in fair value recognized in net income since April 1, 2007 and the comparative figures for the quarter ended June 30, 2007 have been restated to account for this embedded derivative.

The impact of this restatement on the Interim Consolidated Statements of Operations, Comprehensive Income (Loss) and Deficit is as follows:

Three Months Ended June 30, 2007	As Previously Reported	Adjustments	As Restated
Realized and unrealized loss (gain)	\$ 23,949	\$ (2,435)	\$ 21,514
Future income taxes	(3,626)	694	(2,932)
Net income (loss)	(10,323)	1,741	(8,582)
Change in accounting policy related to financial instruments	\$ (1,776)	\$ (1,769)	\$ (3,545)
Deficit, end of period	(67,625)	(28)	(67,653)
Basic and diluted earnings per share	(0.29)	0.05	(0.24)

The impact of this restatement on the Interim Consolidated Balance Sheets is as follows:

As at June 30, 2007	As Previously Reported	Adjustments	As Restated
Derivative financial instruments	\$ 87,763	\$ 39	\$ 87,802
Future income taxes (long-term asset)	22,990	11	23,001
Deficit	(67,625)	(28)	(67,653)

The impact of this restatement on the Consolidated Statements of Cash Flows is as follows:

Three Months Ended June 30, 2007	As Previously Reported	Adjustments	As Restated
Net income (loss)	\$ (10,323)	\$ 1,741	\$ (8,582)
Unrealized loss on derivative financial instruments	23,281	(2,435)	20,846
Future income taxes	(3,626)	694	(2,932)

NORTH AMERICAN ENERGY PARTNERS INC.