

Consolidated Financial Statements of

**SIX NATIONS OF THE
GRAND RIVER**

And Independent Auditor's Report Thereon

For the year ended March 31, 2023

SIX NATIONS OF THE GRAND RIVER

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For the year ended March 31, 2023

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Management's Responsibility for the Consolidated Financial Statements

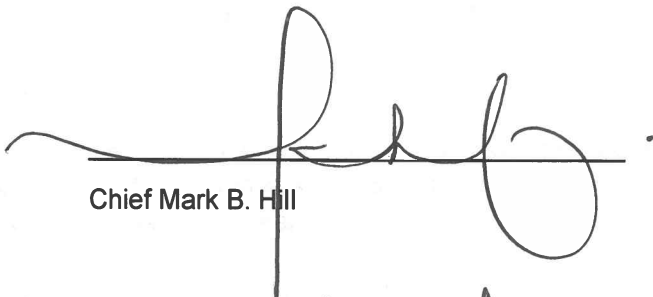
The accompanying consolidated financial statements of Six Nations of the Grand River ("Six Nations") as at and for the year end March 31, 2023 are the responsibility of Six Nations' management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements.

Six Nations' management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Six Nations Elected Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by Six Nations. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on Six Nations' consolidated financial statements.

On behalf of the Six Nations Elected Council:

A large, stylized handwritten signature in black ink, appearing to read 'Mark B. Hill', written over a horizontal line.

Chief Mark B. Hill

A handwritten signature in black ink, appearing to read 'N. Wright', written over a horizontal line.

Nathan Wright, Interim Chief Executive Officer



KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222

INDEPENDENT AUDITOR'S REPORT

To Six Nations Elected Council and Members of Six Nations of the Grand River

Opinion

We have audited the accompanying consolidated financial statements of Six Nations of the Grand River (the "Entity"), which comprise:

- the consolidated statement of financial position as at March 31, 2023,
- the consolidated statement of operations and accumulated surplus for the year ended,
- the consolidated statement of changes in net financial assets for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- and notes, including a summary of significant accounting policies and other explanatory information.

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2023, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

September 29, 2023

SIX NATIONS OF THE GRAND RIVER

Consolidated Statement of Financial Position

March 31, 2023, with comparative information for 2022

	2023	2022
		(restated – note 2)
Financial assets		
Cash	\$ 89,421,201	\$ 61,039,457
Cash – reserve deposits	1,030,393	1,000,457
Investments (note 3)	87,931,686	67,593,512
Accounts receivable (note 4)	19,187,566	20,518,576
Housing loans receivable (note 5)	42,736,499	38,560,086
Other assets (note 6)	10,912,697	10,599,597
Investment in Government Business Enterprise (note 7)	1,845,657	2,509,317
	253,065,699	201,821,002
Liabilities		
Accounts payable and accrued liabilities	30,710,548	38,396,018
Deferred revenue (note 8)	109,932,845	59,944,914
Other liabilities (note 11)	6,926,949	8,116,360
Asset retirement obligation (note 13)	1,571,405	1,533,078
	149,141,747	107,990,370
Net financial assets	103,923,951	93,830,632
Non-financial assets		
Tangible capital assets (note 12)	138,980,980	133,865,583
Inventory	48,529	31,360
Prepaid expenses	2,412,077	3,465,571
	141,441,586	137,362,514
Commitments (note 15)		
Contingencies (note 16)		
Accumulated surplus (note 13)	\$ 245,365,538	\$ 231,193,146

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

SIX NATIONS OF THE GRAND RIVER

Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31, 2023, with comparative information for 2022

	Budget (note 20)	2023	2022
Revenues:			
User charges:			
Rental income	\$ 3,096,431	\$ 2,369,247	\$ 2,101,310
Accommodation charges	888,844	996,029	1,043,613
User charges	804,000	1,047,237	885,420
	3,985,275	4,412,514	4,030,343
Government transfers (note 18):			
Province of Ontario	54,884,329	57,139,494	51,508,961
Other federal	2,660,107	2,428,442	21,830,231
Indigenous Services Canada (note 17)	57,773,593	59,206,462	35,708,862
	115,389,586	118,774,397	109,048,054
Other:			
Ontario First Nations Limited Partnership Agreement	8,008,791	8,250,716	5,881,859
Rent and other land related revenue	7,214,250	7,469,325	7,220,145
Donations	21,750	900,504	30,253
Investment income	2,214,919	6,124,923	3,244,912
Grand River Employment and Training Inc.	50,608	371,216	291,825
Rent to own housing units	-	25,224	618,926
Other revenue	-	100,000	-
Equity interest income in Six Nations Natural Gas Company Limited Partnership (note 7a)	-	151,601	464,488
Equity interest loss in Six Nations Cannabis Corporation (note 7b)	-	(815,261)	(2,136,958)
	18,242,761	22,578,248	15,615,450
Total revenues (note 19)	137,617,622	145,765,159	128,693,847
Expenses:			
Salary and benefits	68,379,950	60,336,253	56,565,067
Administration	38,004,327	42,779,642	38,969,386
Utilities	7,868,189	9,867,111	6,731,085
Equipment and repairs	4,062,166	3,661,754	3,077,737
Other expenses	14,927,799	5,193,607	5,779,890
Total expenses (note 19)	133,242,432	121,838,367	111,123,165
Annual surplus before amortization:	4,375,190	23,926,792	17,570,682
Amortization of tangible capital assets	-	9,684,592	10,210,565
Accretion expense	-	38,327	37,392
Annual surplus	4,375,190	14,172,391	7,291,244
Accumulated surplus, beginning of year	232,479,853	231,193,146	225,119,736
Adoption of accounting standard (note 2)	-	-	(1,217,834)
Accumulated surplus, beginning of year, as restated	232,479,853	231,193,146	223,901,902
Accumulated surplus, end of year	\$ 236,855,043	\$ 245,365,538	\$ 231,193,146

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

SIX NATIONS OF THE GRAND RIVER

Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Annual surplus	\$ 14,172,391	\$ 7,291,244
Acquisition of tangible capital assets	(14,983,746)	(8,988,382)
Amortization of tangible capital assets	9,716,073	10,242,046
Accretion of asset retirement obligations	38,327	37,392
Gain on sale of tangible capital assets	(25,224)	(618,925)
Proceeds on sale of tangible capital assets	177,500	741,996
Change in supplies of inventory	(17,169)	48,625
Change in prepaid expense	1,053,494	(2,081,703)
Change in net financial assets	10,131,646	6,672,293
Net financial assets, beginning of year	93,830,632	88,691,417
Adoption of accounting standard (note 2)	(38,327)	(1,533,078)
Net financial assets, beginning of year, as restated	93,792,305	87,158,339
Net financial assets, end of year	\$ 103,923,951	\$ 93,830,632

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

SIX NATIONS OF THE GRAND RIVER

Consolidated Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Operating activities:		
Annual surplus	\$ 14,172,391	\$ 7,291,244
Items not involving cash:		
Amortization	9,716,073	10,242,046
Accretion	38,327	37,392
Gain on sale of tangible capital assets	(25,224)	(618,927)
Equity interest loss in business enterprises	663,660	1,672,470
Change in non-cash assets and liabilities:		
Accounts receivable	1,331,010	6,030,957
Housing loans receivable	(4,176,413)	(6,561,127)
Other assets	(313,100)	(9,454,660)
Accounts payable and accrued liabilities	(7,685,470)	3,979,778
Deferred revenue	49,987,931	19,653,420
Inventory	(17,169)	48,625
Prepaid expenses	1,053,494	(2,081,703)
Increase in cash from operating activities	64,745,511	30,239,515
Capital activities:		
Proceeds on sale of tangible capital assets	177,500	742,000
Purchase of tangible capital assets	(14,983,746)	(8,988,382)
Decrease in cash used in capital activities	(14,806,246)	(8,246,382)
Investing activities:		
Net purchase of investments	(20,338,174)	(41,506,407)
Financing activities:		
Net change in long-term liabilities	(1,189,411)	(763,331)
Increase (decrease) in cash	28,411,680	(20,276,605)
Cash, beginning of year	62,039,914	82,316,519
Cash, end of year	\$ 90,451,594	\$ 62,039,914
Cash is comprised of:		
Cash	\$ 89,421,201	\$ 61,039,457
Cash – reserve deposits	1,030,393	1,000,457
Cash, end of year	\$ 90,451,594	\$ 62,039,914

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

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements

Year ended March 31, 2023

1. Significant accounting policies:

The consolidated financial statements of Six Nations of the Grand River ("Six Nations") are prepared by management in accordance with Canadian Public Sector Accounting Standards ("PSAS") as recommended by the Public Sector Accounting Board ("PSAB") of CPA Canada, and as required by Indigenous Services Canada ("ISC"). Significant accounting policies adopted by Six Nations are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity consolidates all organizations, committees and local boards accountable for the administration of their financial affairs and resources to Six Nations and which are owned and controlled by Six Nations Council, except for Six Nations' government business enterprises (Six Nations Natural Gas Company Limited Partnership and Six Nations Natural Gas Limited and Six Nations Cannabis Commission) which is accounted for on the modified equity basis of accounting as described in note 1(f).

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated upon consolidation.

(ii) Trust funds:

Trust funds and their related operations administered by Six Nations are not included in these financial statements, other than those described below:

H.C. Peatson Education
Ottawa Trust Fund
Economic Development Fund

(b) Basis of accounting:

Six Nations follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Investments:

Investments consisting of bonds and mutual funds and are recorded at cost. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

1. Significant accounting policies (continued):

(d) Housing loans receivable:

Housing loans receivable consist of loans to Six Nations' members and bear interest at the agreed upon rate per annum. Housing loans receivable are recorded at fair value, with the differences between fair value and face value recorded as grant expense. Interest on loans is recorded in the period earned. Housing loans receivable are considered impaired when management has determined that there is a reasonable doubt as to the ultimate collectability of principal and interest. At the end of each reporting period, Six Nations evaluates its housing loans receivable and establishes an allowance for doubtful accounts on a loan-by-loan basis for specifically identified probable losses on loans receivable.

(e) Other assets:

Other assets include a non-interest bearing loan receivable to the Six Nations Police is recognized at the present value of the principal payments using Six Nations' average cost of borrowing. The difference between the face amount of the loan and present value is amortized into income over the term of the loan.

(f) Investment in Business Enterprises:

The investments in Six Nations Natural Gas Limited Partnership ("SNNGLP") and Six Nations Cannabis Commission ("SNCC") have been accounted for on a modified equity basis, consistent with the accounting treatment for government business enterprises. Under the modified equity basis, the business partnership's accounting principles are not adjusted to conform with those of Six Nations and inter-organizational transactions and balances are not eliminated.

Six Nations recognizes its equity interest in the annual income of SNNGLP in its Consolidated Statement of Operations and Accumulated Surplus with a corresponding increase in its investment asset account. Losses of SNNGLP are allocated solely to the general partner under the partnership agreement, which is also owned by Six Nations and therefore these consolidated financial statements recognize all income and losses related to this business enterprise. Any dividends that Six Nations may receive will be reflected as reductions in the investment account.

Six Nations recognizes its equity interest in the annual income or loss of SNCC in its Consolidated Statement of Operations and Accumulated Surplus with a corresponding increase in its investment asset account and therefore these consolidated financial statements recognize all income and losses related to this business enterprise. Any dividends that Six Nations may receive will be reflected as reductions in the investment account.

(g) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

1. Significant accounting policies (continued):

(g) Non-financial assets (continued):

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life – Years
Land improvements	10 – 40
Buildings and building improvements	4 – 40
Houses	25 – 40
Vehicles	10
Bridges	40
Machinery and equipment	5 – 25
Office equipment and furniture	2 – 10
Water and wastewater networks	12 – 65
Water and wastewater equipment	10 – 65
Road infrastructure – Base	40
Road infrastructure – Surface	20 – 30
Computer hardware and software	3
Leasehold improvements	over the term of the lease

Amortization commences in the month following acquisition. Assets under construction (work-in-progress) are not amortized until the asset is available for productive use. Assets are disposed of when they are no longer in use by Six Nations. Gains and/or losses on the disposal of an asset are recorded in the Consolidated Statement of Operations and Accumulated Surplus at time of disposal.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Intangible assets:

Intangible assets and natural resources that have not been purchased are not recognized as assets in the financial statements.

(iv) Interest capitalization:

Six Nations' tangible capital asset policy does not allow for the capitalization of interest costs associated with the acquisition or construction of a tangible capital asset.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

1. Significant accounting policies (continued):

(g) Non-financial assets (continued):

(v) Leases:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases, whereby leased assets are valued at the present value of the future minimum lease payments and presented as tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenditures as incurred.

(vi) Inventory:

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(h) Reserves and reserve funds:

Certain amounts, as approved by Six Nations' Council are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved. Reserves and reserve funds are presented on the Consolidated Statement of Financial Position in accumulated surplus.

(i) Government transfers:

Government transfers received or receivable are recognized as revenue when the transfer is authorized, any eligibility criteria are met, and a reasonable estimate of the amount can be made unless they meet the definition of a liability. Unspent government transfers are recognized as a deferred liability and an expense until all eligibility criteria have been met by the recipient or amounts are required to be repaid and are recognized as accounts payable.

Government transfers received relate to social services, child-care, housing and health programs. Government transfers paid relate to social services programs.

(j) Housing loan guarantees:

Certain mortgages held by members at a financial institution are guaranteed by Six Nations. If a member defaults on the loan, the full amount of the balance owing is set up as a liability on the Consolidated Statement of Financial Position and repaid in accordance with the terms set by the financial institution.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

1. Significant accounting policies (continued):

(k) Deferred revenue:

Deferred revenue represents revenues which have been collected but for which the related services have yet to be performed or eligible expenses incurred. Deferred revenue is comprised of general deferred revenue, security deposits for public works customers and rental clients, government transfers and project funding. These amounts are recognized as revenue when the funds are spent for the purpose intended.

(l) User charges:

Rent is collected for the rental of apartments, townhomes, and houses. Rental income is recorded when it is earned. Provision is established for specifically identified probable losses on rental income.

'Home ownership' (Rent-to-own) income is classified as deferred revenue when received in accordance with PSAS, as amounts are deposited on future purchase. Revenue is recognized when the ownership of the property is transferred to the tenant of the property and is accounted for as a disposal of a tangible capital asset.

Accommodation charges are collected for room rentals at Iroquois Lodge. Accommodation charges are recognized when earned. Provisions are made for specifically identified losses on accommodation charges.

Other user charges are collected for water and septic services provided by the Public Works Department. Other user charges are collected when earned. Provisions are made for specifically identified losses on other usage charges.

(m) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accounts receivable, housing loans receivable, accrued liabilities and deferred revenue. Amounts recorded for amortization of tangible capital assets are based on estimates of useful service life. Actual results could differ from these estimates.

(n) Asset retirement obligations:

Six Nations recognizes the fair value of an Asset Retirement Obligation ("ARO") when all of the following criteria have been met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

1. Significant accounting policies (continued):

(n) Asset retirement obligations (continued):

The liability for the ARO has been recognized based on estimated future expenses on closure of the assets. Under the modified retrospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Assumptions used in subsequent calculations are revised annually.

Actual remediation costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual remediation costs incurred and the associated liability are recognized in the consolidated statement of operations at the time of remediation.

(o) Related party disclosures and Inter–entity transactions:

These standards define a related party and identify disclosures for related parties and related party transactions, including key management personnel and close family members. They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The adoption of these standards did not have a significant impact on the consolidated financial statements of the Entity.

(p) Future accounting pronouncements:

(i) Revenue:

This Section establishes standards on how to account for and report on revenue. Specifically, it differentiates between arising from transactions that includes performance obligations, referred to as “exchange transactions”, and transactions that do not have performance obligations, referred to as “non–exchange transactions”. This new standard takes effect for annual reporting periods beginning on or after April 1, 2023.

Management is assessing the impact of the adoption of these standards which is not known or able to be reasonably estimated at this time.

2. Change in accounting policies:

Effective April 1, 2021, Six Nations adopted Public Accounting Standard PS 3280 – Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in buildings and monitoring of landfill sites owned by Six Nations. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method of adoption, the assumptions used to estimate the asset retirement obligations are applied as of the date of adoption of the standard.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

2. Change in accounting policies (continued):

On April 1, 2021, Six Nations recognized an asset retirement obligation relating to buildings owned by Six Nations that contain asbestos and monitoring of closed landfill sites. The buildings were originally purchased or constructed between 1950 and 2001, and the liability was measured as of the date of purchase or construction of the buildings, when the liability was created. The buildings had an expected useful life of 25 to 40 years, and the estimate has not been changed since purchase or construction.

In accordance with the provisions of this new standard, Six Nations reflected the following adjustments at April 1, 2021:

- An increase of \$1,098,143 to tangible capital assets, representing the original estimate of the ARO as of the date of purchase, and an accompanying increase of \$851,772 to accumulated amortization
- An ARO in the amount of \$1,533,078, representing the estimated cost of remediation as at that date
- A decrease to opening accumulated surplus of \$1,217,834, as a result of the recognition of the liability and accompanying increase in amortization expense since inception

3. Investments:

Investments reported on the consolidated statement of financial position of \$87,931,686 (2022 - \$67,593,512) have cost and market values as follows:

	2023		2022	
	Cost	Market Value	Cost	Market Value
Investments	\$87,931,686	\$88,391,626	\$ 67,593,512	\$ 67,729,732

4 Accounts receivable:

Accounts receivable are reported net of an allowance for doubtful accounts of \$1,247,610 (2022 - \$1,245,632).

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

5. Housing loans receivable:

Housing loans receivable represent principal and interest amounts currently owing. These loan agreements are secured by the members' reserve property and are repayable over 25 years. The housing loans receivable on the Consolidated Statement of Financial Position, are made up of the following:

	2023	2022
Loans with interest at 0% per annum	\$ 175,109	\$ 281,767
Loans with interest at 2.45% to 7.0% per annum	43,344,368	39,053,933
Less: allowance for doubtful accounts	(782,978)	(775,614)
	<u>\$ 42,736,499</u>	<u>\$ 38,560,086</u>

Six Nations has provided interest free loans to members that meet certain criteria upon approval of Council. The loans with interest at 0% have a face value of \$202,776 (2022 - \$328,683). Additionally, Six Nations has approved funding further to specific members in the amount of \$3,918,199 (2022 - \$4,330,896), which have not been advanced at year-end.

6. Other assets:

	2023	2022
Loan receivable – Six Nations Polytechnic	\$ 7,905,000	\$ 8,245,000
Loan receivable – Six Nations Cannabis Corporation	3,007,697	2,264,458
Loan receivable – Six Nations Police	–	90,139
Other assets, end of year	<u>\$ 10,912,697</u>	<u>\$ 10,599,597</u>

Included in other assets is a loan receivable from Six Nations Polytechnic in the amount of \$7,905,000 (2022 - \$8,245,000), which bears interest at 2.959%. The loan is repayable in monthly principal payments over a term of 25 years and is due in 2046.

Also included within other assets are \$3,007,697 (2022 - \$2,264,458) in gross long-term receivables related to the Six Nations Cannabis Corporation, the amount is due upon demand.

Included in other assets is a loan receivable from Six Nations Police in the amount of \$nil (2022 - \$90,139), which does not bear interest. The loan is repayable in monthly principal payments of \$nil (2022 - \$2,738) over a term of 35 years and is due in 2045.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

7. Investment in Business Enterprises:

The investment balance is comprised of the following Business Enterprises:

	2023	2022
Investment in Six Nations Natural Gas Company	\$ 4,797,876	\$ 4,646,275
Investment in Six Nations Cannabis Commission	(2,952,219)	(2,136,958)
	<u>\$ 1,845,657</u>	<u>\$ 2,509,317</u>

(a) Investment in Six Nations Natural Gas Company Limited Partnership:

The following provides condensed supplementary financial information for the operations of Six Nations Natural Gas Company Limited Partnership ("Six Nations Natural Gas LP") for the years ended March 31, 2023 and March 31, 2022. Six Nations owns an interest of 99.99% in Six Nations Natural Gas LP and Six Nations Natural Gas Limited owns the remaining 0.01% interest. Six Nations Natural Gas Limited is the general partner of the partnership and this entity is wholly owned by Six Nations.

Financial Position:

	2023	2022
Current assets	\$ 2,493,267	\$ 1,914,332
Capital assets	3,654,667	3,959,855
Total assets	6,147,934	5,874,187
Total liabilities	670,620	556,675
Partners' Equity	5,477,314	5,317,512
Six Nations Natural Gas Limited's interest in partnership	5,469,113	1,637,987
Investment in Six Nations Natural Gas LP	<u>\$ 10,275,190</u>	<u>\$ 6,955,499</u>

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

7. Investment in Business Enterprises (continued):

(a) Investment in Six Nations Natural Gas Company Limited Partnership (continued):

Results of operations:

	2023	2022
Revenues (net of gas purchases)	\$ 2,253,205	\$ 2,408,838
Operating expenses	2,101,604	1,944,350
Net income	151,601	464,488
Six Nations Natural Gas Limited's interest	(151,601)	(464,488)
Net loss attributable to Six Nations Natural Gas LP	\$ -	\$ -

Investment in Six Nations Natural Gas LP and Six Nations Natural Gas Limited (together the government business enterprise):

	2023	2022
Opening balance	\$ 4,646,275	\$ 4,181,787
Net income	151,601	464,488
Closing balance	\$ 4,797,876	\$ 4,646,275

(b) Investment in Six Nations Cannabis Commission:

The following provides condensed supplementary financial information for the operations of Six Nations Cannabis Commission ("SNNC") for the year ended March 31, 2023. SNNC is wholly owned by Six Nations.

Financial Position:

	2023	2022
Current assets	\$ 58,811	\$ 127,500
Current liabilities	(3,011,030)	(2,264,458)
Investment in SNNC	\$ (2,952,219)	\$ (2,136,958)

Results of operations:

	2023	2022
Revenues	\$ 5,000	\$ 90,000
Operating expenses	(820,261)	(2,226,958)
Net loss and closing investment balance	\$ (815,261)	\$ (2,136,958)

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

8. Deferred revenue:

Deferred revenues reported on the Consolidated Statement of Financial Position are made up of the following:

	Deposits	Rent-to-own properties	Other deferred revenue	2023 Total
Balance, beginning of year	\$ 215,146	\$ 1,140,352	\$ 58,589,416	\$59,944,914
Deposits collected	66,918	—	—	66,918
Housing payments	—	122,575	—	122,575
Contributions received	—	—	156,301,971	156,301,971
	282,064	1,262,927	214,891,387	216,436,378
Less:				
Deposits returned	52,517	—	—	52,517
Contributions earned	—	120,000	106,331,016	106,451,016
	52,517	120,000	106,331,016	106,503,533
Balance, end of year	\$ 229,547	\$ 1,142,927	\$108,560,371	\$109,932,845

	Deposits	Rent-to-own properties	Other deferred revenue	2022 Total
Balance, beginning of year	\$ 209,244	\$ 1,749,376	\$ 38,332,874	\$40,291,493
Deposits collected	30,281	—	—	30,281
Housing payments	—	133,476	—	133,476
Contributions received	—	—	40,975,694	40,975,694
	239,525	1,882,852	79,308,568	81,430,945
Less:				
Deposits returned	24,379	—	—	24,379
Contributions earned	—	742,500	20,719,152	21,461,652
	24,379	742,500	20,719,152	21,486,031
Balance, end of year	\$ 215,146	\$ 1,140,352	\$ 58,589,416	\$59,944,914

Deferred revenue for deposits includes payments made from customers of public works and Housing prepaid security deposits from rental clients.

Rent-to own properties includes home ownership payments with regards to Sale Agreements for residential properties. Other deferred revenue includes funds (donation and project funding) received for specific purposes and will be recognized as revenue when the related expenditures for the purpose specified have been incurred.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

9. Employee benefits and other liabilities:

Six Nations provides to substantially all of its employees a defined contribution pension plan. The plan is a contributory plan with funding of benefits based on the related employee's earnings. Six Nations matches employee contributions to a maximum of 4.05%. Six Nations recognized an expense during the year related to its portion of the contributions of \$1,386,817 (2022 – \$1,298,737).

10. Related party transactions:

	2023	2022
Six Nations Development Corporation:		
Management agreement payments received:		
Lease payments received	\$ 707,547	\$ 686,506
Loan repayments received	555,363	555,363
Operating expenses paid	\$ 1,411,719	\$ 1,884,373
Amounts receivable from, net of amounts payable	\$ 75,795	\$ 195,135

Six Nations collects loan repayments related to the debt owing on the Bingo Hall and remits to the lender on behalf of the Six Nations of the Grand River Development Corporation in the same amount. The remaining transactions are carried out at arms-length through the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Operating expenses paid primarily relate to shared administrative expenses (recoveries) and warehouse rent.

Additionally, Six Nations acts as a flow-through entity between Indigenous Services Canada and Ganohkwa Sra and Grand River Post-Secondary. Annual funding is provided to Six Nations for distribution to these entities equal to the full amount received.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

11. Other liabilities:

The balance of other liabilities reported on the Consolidated Statement of Financial Position is made up of the following:

	2023	2022
Bank of Montreal, interest rates ranging from 2.49% to 2.73% with principal payments of \$46,280 monthly, maturing Feb 2025. Amount is unsecured.	\$ 1,033,488	\$ 3,009,967
Royal Bank of Canada, interest rates ranging from 2.29% to 5.27% with principal payments of \$25,691 monthly, maturing between May 2025 and January 2026. Amount is secured by a general security agreement.	2,813,180	1,739,870
Canada Mortgage and Housing Corporation, interest rates ranging from 0.67% to 3.06% with principal payments of \$26,850 monthly, maturing between May 2024 and March 2027. Amount is guaranteed by Indigenous Services Canada.	3,080,281	3,366,523
Other liabilities, end of year	\$ 6,926,949	\$ 8,116,360

Principal payments, due in each of the next five years and thereafter, are as follows:

2024	\$ 1,036,705
2025	1,009,920
2026	2,616,267
2027	2,264,057
	\$ 6,926,649

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

12. Tangible capital assets:

March 31, 2023	Cost balance, beginning of year	Additions	Transfer from Work-in- progress	Disposals	Balance, end of year	Amortization balance, beginning of year	Disposals	Amortization expense	Balance end of year	Net book value, end of year
Land and land improvements	\$ 12,949,207	\$ 1,146,556	\$ —	\$ —	\$ 14,095,763	\$ 5,016,398	\$ —	\$ 809,127	\$ 5,825,525	\$ 8,270,238
Building and building improvements	129,680,132	5,711,374	1,800,053	(761,036)	136,430,523	57,812,391	(654,570)	3,523,596	60,681,417	75,749,106
Vehicles, machinery and equipment	36,216,307	1,774,649	—	(86,205)	37,904,751	25,728,930	(40,395)	2,854,498	28,543,033	9,361,718
Water and wastewater infrastructure	28,002,844	82,515	851,852	—	28,937,211	6,557,516	—	616,932	7,174,448	21,762,763
Roads infrastructure	46,571,133	544,031	26,850	—	47,142,014	28,917,077	—	1,299,535	30,216,612	16,925,402
Office equipment, furniture and computers	7,778,614	—	—	—	7,778,614	6,651,394	—	612,385	7,263,779	514,835
Work-in-progress	3,351,052	5,724,621	(2,678,755)	—	6,396,918	—	—	—	—	6,396,918
Total	\$ 264,549,289	\$ 14,983,746	\$ —	\$ (847,241)	\$ 278,685,794	\$ 130,683,706	\$ (694,965)	\$ 9,684,592	\$ 139,641,852	\$ 138,980,980

March 31, 2022	Cost balance, beginning of year	Additions	Transfer from Work-in- progress	Disposals	Balance, end of year	Amortization balance, beginning of year	Disposals	Amortization expense	Balance end of year	Net book value, end of year
Land and land improvements	\$ 12,703,226	\$ 245,981	\$ —	\$ —	\$ 12,949,207	\$ 4,544,216	\$ —	\$ 472,182	\$ 5,016,398	\$ 7,932,809
Building and building improvements	119,819,684	142,193	10,308,103	(589,848)	129,680,132	53,952,095	(466,774)	4,327,070	57,812,391	71,867,741
Vehicles, machinery and equipment	34,395,984	1,826,123	—	(5,800)	36,216,307	22,878,187	(5,800)	2,856,543	25,728,930	10,487,377
Water and wastewater infrastructure	28,002,844	—	—	—	28,002,844	5,945,250	—	612,266	6,557,516	21,445,328
Roads infrastructure	43,805,904	2,765,229	—	—	46,571,133	27,684,523	—	1,232,554	28,917,077	17,654,056
Office equipment, furniture and computers	7,501,883	276,731	—	—	7,778,614	5,909,963	—	741,431	6,651,394	1,127,220
Work-in-progress	9,927,031	3,732,124	(10,308,103)	—	3,351,052	—	—	—	—	3,351,052
Total	\$ 256,156,556	\$ 8,988,381	\$ —	\$ (595,648)	\$ 264,549,289	\$ 120,914,234	\$ (472,574)	\$ 10,242,046	\$ 130,683,706	\$ 133,865,583

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

12. Tangible capital assets (continued):

Work in progress

Work in progress assets have not been amortized. Amortization of these assets will commence when the assets are put into service.

Contributed Tangible Capital Assets

Contributed capital assets have been recognized at fair market value at the date of contribution. There have been no contributed assets received during the year or prior year.

Tangible Capital Assets Disclosed at Nominal Values

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Land is the only category where nominal values were assigned, other than described below.

Works of Art and Historical Treasures

Six Nations holds several historical buildings and artifacts which are recorded at nominal value.

13. Asset retirement obligations:

Six Nations' asset retirement obligations primarily relate to the legally required removal or remediation of asbestos-containing materials in certain buildings and monitoring of closed landfill sites. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

The change in the estimated obligation during the year consists of the following:

	2023	2022
Balance, beginning of year	\$ 1,533,078	\$ —
Adjustment on adoption of PS 3280 asset retirement obligation standard (note 2)	—	1,533,078
Opening balance, as restated	1,533,078	1,533,078
Add: accretion expense	38,327	—
Less: obligations settled during the year	—	—
Balance, end of year	\$ 1,571,405	\$ 1,533,078

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

14. Accumulated surplus:

Accumulated surplus consists of balances as follows at March 31:

	2023	2022
Surplus:		
Invested in tangible capital assets	\$ 130,482,626	\$ 124,216,144
Operating fund	31,076,388	31,382,630
	161,559,014	155,598,774
Reserve funds set aside by Six Nations Elected Council:		
Ontario First Nations Limited Partnership Agreement	70,913,681	62,595,313
Central Administration	3,819,319	3,870,267
Day care	482,874	482,874
Economic development	67,703	67,703
Economic development fund	2,430,695	2,476,139
Fire	50,365	50,365
Health services	801,941	801,941
Housing	2,899,664	2,789,802
Iroquois lodge	80,953	80,953
Public works	523,033	642,719
Social and correctional services	1,736,296	1,736,296
	83,806,524	75,594,372
	\$ 245,365,538	\$ 231,193,146

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

15. Commitments:

- (a) Six Nations has outstanding contractual obligations totaling approximately \$42,000,000 (2022 – \$42,000,000) outlined as follows by project:

	2023	2022
Housing Loans Guarantees with RBC and BMO	\$ 30,000,000	\$ 30,000,000
Six Nations Development Corporation loan guarantees for Wind and Solar projects	12,000,000	12,000,000
Total commitments authorized	\$ 42,000,000	\$ 42,000,000

At March 31, 2023, the amount utilized and outstanding of the loan for the Six Nations Development Corporation loan guarantees for the Wind and Solar projects was \$nil (2022 – \$3,062,061).

- (b) Six Nations has at March 31, 2023, approved funding of community development, economic development, health, and education projects in the amounts of \$916,350, \$50,000, \$144,101 and \$739,494 through the Ontario First Nations Limited Partnership Agreement funds.
- (c) Minimum annual lease payments:

Six Nations rents vehicles and equipment under operating leases with minimum annual lease payments for the years ending March 31 as follows:

2024	\$ 333,580
2025	8,376
2026	2,094
	\$ 344,050

16. Contingencies:

From time to time, Six Nations is named as a defendant in legal claims. As at March 31, 2023, there is one claim outstanding to which the outcome is undeterminable. Accordingly, no provision for losses has been reflected in the accounts of Six Nations.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

17. Indigenous Services Canada:

	2023	2022
Base budget	\$ 127,938,638	\$ 66,729,087
Less non-consolidated entities:		
Grand River Post Secondary Education Office	(10,923,366)	(11,152,411)
Ganohkwa Sra	(1,851,356)	(1,389,551)
Everlasting Tree	(1,832,386)	(1,494,559)
Kawenni:io	(4,160,298)	(4,756,772)
Grand River Tutoring Academy	(1,763,212)	–
Six Nations Polytechnic	(5,000)	–
	(20,535,618)	(18,793,293)
Less current year deferred revenue:		
Six Nations of the Grand River	(68,245,594)	(27,773,210)
Add prior year deferred revenue:		
Six Nations of the Grand River	20,284,324	15,314,206
Other adjustments:		
Six Nations of the Grand River	(235,287)	232,073
	\$ 59,206,462	\$ 35,708,862

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

18. Government transfers:

The Government transfers reported on the Statement of Operations and Accumulated Surplus are:

	2023	2022
Revenue:		
Indigenous Services Canada:		
Economic development and housing	\$ 454,458	\$ 819,393
Education	395,220	699,016
Fire	1,609,975	973,543
General government (i)	7,616,544	10,531,782
Health services	27,628,963	7,641,619
Iroquois lodge	201,400	633,973
Lands and resources	41,164	62,145
Membership	599,618	723,200
Parks and recreation	469,912	393,817
Public works	7,056,027	7,988,120
Social, correctional services and day care	9,509,175	3,229,836
Welfare	3,624,006	2,012,418
	59,206,462	35,708,862
Other federal:		
Economic development and housing	347,798	2,155,714
General government	89,347	10,000
Health services	1,470,411	16,992,352
Lands and resources	83,149	104,640
Parks and recreation	13,142	8,606
Public works	244,548	27,248
Social, correctional services and day care	180,048	2,531,671
	2,428,442	21,830,231
Province of Ontario:		
General government	5,786,443	5,482,047
Health services	17,509,065	16,495,562
Iroquois lodge	4,996,838	4,808,538
Lands and resources	285,329	85,000
Parks and recreation	8,000	6,000
Public works	791,076	283,546
Social, correctional services and day care	20,626,348	18,517,030
Welfare	7,136,394	5,831,238
	57,139,494	51,508,961
Total revenues	\$ 118,774,398	\$109,048,054

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

18. Government transfers (continued):

	2023	2022
Expenses:		
Welfare payments	\$ 7,511,930	\$ 5,032,872

- (i) During 2019, Six Nations entered into an OLG Modernization agreement with the Province of Ontario. As part of the agreement, Six Nations received \$4.5 million (2022 - \$4.5 million) which is to be used for the purposes of furthering community development. As per the terms of the agreement, should the Province successfully appropriate the funds each year, Six Nations is entitled to receive an additional annual payment of \$4.5 million through to December 1, 2037.

19. Segmented information:

Segmented information has been identified based upon functional areas by Six Nations. The functions have been separately disclosed in the segmented information as follows:

- (i) Corporate and Emergency Services:

Corporate and Emergency Services consists of fire services and the general management of Six Nations, including adopting bylaws and policy, and providing administrative, human resources, information technology, and communication support, and financial services and programs that benefit the community as a whole such as land claims and Ontario First Nations Limited Partnership Agreement funds.

- (ii) Building and Infrastructure Committee:

The Building and Infrastructure Committee is responsible for the physical assets of the community and to generate economic development within the community. It includes planning, design, operation and maintenance of the roadway system; street lights; the engineering and operation of the water and wastewater systems and waste management. Additionally, Six Nations is committed to providing and advocating for secure, affordable housing in Six Nations, and buildings for commercial lease.

- (iii) Human Services Committee:

The Human Services Committee offers a range of programs related to wellbeing of the community. Included in Human Services Committee are: lands and memberships; health services that includes protection and promotion, disease and injury prevention; and ambulance services; day care; welfare and innovations; social and correctional services; the maintenance and operation of parks and open space; and the Iroquois Lodge.

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

19. Segmented information (continued):

Certain allocation methodologies are employed in the preparation of segmented information. User charges and other revenue have been allocated to the segments based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. Investment income has been allocated based on the segment that holds the related investment.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

Note: User charges include facility rental fees, water & sewage charges, septic rentals and lodge accommodations.

March 31, 2023	Corporate and Emergency Services	Building and Infrastructure Committee	Human Services Committee	Total
Revenues:				
User charges	\$ 156,948	\$ 2,543,297	\$ 1,712,269	\$ 4,412,514
Government transfers:				
ISC	9,800,634	8,153,617	41,252,211	59,206,242
Other federal	449,118	672,995	1,306,329	2,428,442
Province of Ontario				
(note 9, note 16(i))	6,071,772	103,008	50,964,714	57,139,494
Investment income	4,846,641	1,268,527	9,755	6,124,923
Equity in Six Nations Natural Gas Company Partnership Limited (note 6a)	151,601	—	—	151,601
Equity in Six Nations Cannabis Corporation (note 6b)	(815,261)	—	—	(815,261)
Other	13,614,821	1,013,094	2,489,069	16,831,720
Total revenues	34,276,274	13,754,538	97,734,347	145,765,159
Expenses:				
Salaries, wages and employee benefits	13,129,172	4,278,121	42,928,960	60,336,253
Operating and other expenses	1,858,444	10,865,256	48,778,414	61,502,114
Accretion	—	38,327	—	38,327
Amortization	9,716,073	—	—	9,716,073
Total expenses	24,703,689	15,181,704	91,707,374	131,592,768
Annual surplus	\$ 9,572,585	\$ (1,427,166)	\$ 6,026,973	\$ 14,172,391

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

19. Segmented information (continued):

March 31, 2022	Corporate and Emergency Services	Building and Infrastructure Committee	Human Services Committee	Total
Revenues:				
User charges	\$ 29,443	\$ 2,541,343	\$ 1,459,557	\$ 4,030,343
Government transfers:				
ISC	12,239,901	8,807,513	14,661,448	35,708,862
Other federal	114,640	2,182,963	19,532,628	21,830,231
Province of Ontario (note 9, note 16(i))	5,567,047	283,546	45,658,368	51,508,961
Investment income	2,068,113	1,172,545	4,254	3,244,912
Equity in Six Nations Natural Gas Company Partnership Limited (note 6a)	464,488	—	—	464,488
Equity in Six Nations Cannabis Corporation (note 6b)	(2,136,958)	—	—	(2,136,958)
Other	11,230,743	312,496	2,499,769	14,043,008
Total revenues	29,577,417	15,300,406	83,816,024	128,693,847
Expenses:				
Salaries, wages and employee benefits	9,945,934	4,022,591	42,596,542	56,565,067
Operating and other expenses	14,734,362	9,466,170	30,357,566	54,558,098
Accretion	—	37,392	—	37,392
Amortization	10,242,046	—	—	10,242,046
Total expenses	34,922,342	13,526,153	72,954,108	121,402,603
Annual surplus	\$ (5,344,925)	\$ 1,774,253	\$ 10,861,916	\$ 7,291,244

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

20. Budget data:

The budget data presented in these consolidated financial statements are based upon the 2023 operating and capital budgets approved by Six Nations Council on June 20, 2022, with the exception of the Fire and Emergency Services budget, which was approved on October 17, 2022. The operating budget is prepared without expected amortization of tangible capital assets and other non-cash accounting expenses. Budgets established for tangible capital asset acquisitions are on a project-oriented basis, the costs of which may be carried out over one or more years. As such, it is not practical to present annualized budget information for the acquisition of tangible capital assets on the statement of changes in net financial assets.

21. Compensation and travel expenses paid to senior officials:

Compensation and travel expenses paid to senior officials included in the consolidated financial statements are as follows:

	Position	Number of months	Compensation range per annum	Travel expenses
Darrin Jamieson	Chief Executive Officer	12	\$ 170,000 – 240,000	\$ 3,756
Lori Davis Hill	Director of Health Services	2	160,000 – 190,000	177
Ana Cecil Perez	Chief Financial Officer	12	160,000 – 190,000	3,661
Trevor Bomberly	Director of Nation Building	9	99,000 – 157,325	4,702
Zack Miller	Director of Planning, Performance & Evaluation	9	99,000 – 157,325	–
Holly Smith	Director of Service Excellence	3	99,000 – 157,325	133
Alana Hill	Director of Health Services, Acting	10	99,000 – 157,325	1,571
Arliss Skye Ashley	Director of Social Services	12	99,000 – 157,325	66
Russell-Taylor	Fire Chief	12	99,000 – 157,325	9,440
Duane Jacobs	Director of Policy, Communications	12	99,000 – 157,325	–
Michael Montour	Director of Public Works	12	99,000 – 157,325	224
Nicole Cathcart	Director of Human Resources	12	99,000 – 157,325	–
Lonny Bomberly	Director of Lands and Resources	12	99,000 – 157,325	128
Lily-Anne Mt Pleasant	Senior Manager of Housing	7	99,000 – 157,325	1,891
Karen Hill	Director of Ogwadeni:deco	12	75,000 – 149,000	884
Janice Burning	Manager, Lands and Membership	3	75,000 – 149,000	1,496
Laurie Miller	Manager, Lands and Membership	12	75,000 – 149,000	7,104
David George	Manager, Computer Services	12	75,000 – 149,000	–
Heather Watts	Education Manager	7	75,000 – 149,000	1,304
Milles Turner	Education Manager	2	75,000 – 149,000	–
Sandy Porter	Director of Ontario Works	12	75,000 – 149,000	2,358
Cheryl Henhawk	Director of Recreation	12	75,000 – 149,000	–

SIX NATIONS OF THE GRAND RIVER

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

22. Salaries, honoraria and travel expenses paid to elected senior officials:

Salaries, honoraria and travel expenses paid to senior officials included in the consolidated financial statements are as follows:

	Honorarium	Life and health	Travel expense	Total expenses
Chief Mark Hill	\$ 134,653	\$ 1,494	\$ 27,562	\$ 163,709
Audrey Powless–Bomberry	70,799	2,706	36	73,541
Nathan Wright	70,949	–	4,261	75,210
Wendy Johnson	28,499	763	–	29,262
Michelle Bomberry	70,874	3,050	109	74,033
Sherri–Lynn Hill Pierce	71,699	3,050	8,068	82,817
Greg Frazer	31,833	–	3,736	35,569
Helen Miller	72,074	1,150	4,830	78,053
Kerry Bomberry	70,499	2,775	–	73,274
Hazel Johnson	70,949	2,706	1,193	74,848
Melba Thomas	71,174	1,150	1,384	73,707
Total Chief and Councilors	\$ 764,001	\$ 18,843	\$ 51,178	\$ 834,022

Travel expense includes out-of-pocket expenses such as accommodation, airfare, mileage, meals and incidentals. The amounts included above do not include reimbursements from event sponsors.

Included within the honorarium and total expenses noted above is \$147,608 representing retroactive payment for the prior year. The current honorarium for Chief and Councilors is \$101,745 and \$54,796, respectively.