

Consolidated Financial Statements of

## **WAHTA MOHAWKS**

And Independent Auditor's Report thereon

Year ended March 31, 2023

# WAHTA MOHAWKS

## Consolidated Financial Statement Index

Year ended March 31, 2023

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Wahta Mohawks are the responsibility of management and have been approved by Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The Wahta Mohawks maintains a system of internal accounting and administrative controls. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the assets are appropriately accounted for and adequately safeguarded.

The Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and are ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council review the Wahta Mohawks' consolidated financial statements and recommend their approval. The Chief and Council meet periodically to discuss and to review the consolidated financial statements and the external auditor's report. The Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.

The consolidated financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the Wahta Mohawks.



Chief



Councillor

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Councillor



Councillor



Councillor



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## INDEPENDENT AUDITOR'S REPORT

### *Opinion*

We have audited the consolidated financial statements of Wahta Mohawks (the "First Nation"), which comprise:

- the consolidated statement of financial position as at March 31, 2023
- the consolidated statement of operations and accumulated operating surplus for the year then 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
- the consolidated statement of accumulated remeasurement gains for the year then ended
- and the notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "consolidated financial statements")

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2023, and its consolidated results of operations, consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB).

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Consolidated financial statements**" section of our auditor's report.

We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

### ***Responsibility of Management and Those Charged with Governance for the Consolidated financial statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation'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 First Nation or to cease operations or has no realistic alternative but to do so.

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

### ***Auditor's Responsibilities for the Audit of the Consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 risk of material misstatement of the consolidated 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, internal omissions, misrepresentations, or the override of internal control.



- 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 purposes of expressing an opinion on the effectiveness of the First Nation'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 the events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads "KPMG LLP". The "KPMG" part is in a bold, sans-serif font, and "LLP" is in a smaller, regular font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

July 26, 2023

# WAHTA MOHAWKS

## Consolidated Statement of Financial Position

March 31, 2023, with comparative information for 2022

	2023	2022
<b>Financial assets</b>		
Cash and cash equivalents	\$ 11,067,114	\$ 8,257,779
Accounts receivable (note 2)	1,188,442	1,587,845
Note receivable (note 3)	20,000	20,000
Investments (note 4)	34,284,526	29,882,719
Investment in Wahta Economic Development Partnership (note 5)	609,945	432,126
Consolidated revenue funds	3,515,302	3,429,734
	<u>50,685,329</u>	<u>43,610,203</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	2,124,516	1,764,330
Deferred revenue (note 6)	2,591,125	2,339,895
	<u>4,715,641</u>	<u>4,104,225</u>
Net financial assets	45,969,688	39,505,978
<b>Non-financial assets</b>		
Tangible capital assets (note 8)	9,717,703	9,821,260
Prepaid expenses	12,481	10,339
Inventory	172,819	23,186
	<u>9,903,003</u>	<u>9,854,785</u>
Contingent liabilities (note 11)		
Accumulated surplus (note 9)	\$ 55,872,691	\$ 49,360,763
Accumulated surplus is comprised of:		
Accumulated operating surplus	\$ 52,583,738	\$ 49,360,763
Accumulated remeasurement gains	3,288,953	-
	<u>\$ 55,872,691</u>	<u>\$ 49,360,763</u>

See accompanying notes to financial statements.

On behalf of the First Nation:

Chief D. D.

Councillor Jackie

Councillor Louie Stung Yh-Tento

Councillor

Councillor Feresha Measley

# WAHTA MOHAWKS

## Consolidated Statement of Operations and Operating Accumulated Surplus

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

	2023 Budget	2023 Actual	2022 Actual
(note 12)			
<b>Revenue:</b>			
Government transfers - Provincial	\$ 845,757	\$ 1,034,523	\$ 840,799
- Federal (note 10)	3,037,264	3,885,713	3,419,941
Investment income (note 7)	-	1,450,888	2,186,640
Grants and subsidies	637,080	844,910	791,215
Rental income	149,300	165,974	152,432
Other	1,325,322	2,733,136	1,526,248
Realized gains	-	156,472	-
	5,994,723	10,271,616	8,917,275
<b>Expenses:</b>			
Band Administration	1,017,123	570,944	698,625
Health Services	1,526,615	2,755,481	2,111,199
Community Infrastructure	987,286	1,287,397	1,334,240
Education	1,445,020	1,415,930	1,377,335
Community and Economic Development	1,699,863	680,855	317,331
Investments	-	136,444	135,230
Social Assistance	73,300	137,462	86,054
Community Property	1,062,976	64,128	194,623
	7,812,183	7,048,641	6,254,637
Excess (deficiency) of revenue over expenses	(1,817,460)	3,222,975	2,662,638
Operating accumulated surplus, beginning of year	49,360,763	49,360,763	46,698,125
Operating accumulated surplus, end of year	\$ 47,543,303	\$ 52,583,738	\$ 49,360,763

See accompanying notes to financial statements.

# WAHTA MOHAWKS

## Consolidated Statement of Changes in Net Financial Assets

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

	2023 Budget	2023 Actual	2022 Actual
(note 12)			
Excess (deficiency) of revenue over expenses	\$ (1,817,460)	\$ 3,222,975	\$ 2,662,638
Acquisition of tangible capital assets	-	(373,513)	(1,222,982)
Unrealized gain on investments	-	3,288,951	-
Amortization of tangible capital assets	477,072	477,072	485,610
	(1,340,388)	6,615,485	1,925,266
Acquisition of prepaid expenses	-	(12,481)	(10,339)
Use of prepaid expenses	-	10,339	21,981
Use (acquisition) of inventory	-	(149,633)	39,816
Change in net financial assets	(1,340,388)	6,463,710	1,976,724
Net financial assets, beginning of year	39,505,978	39,505,978	37,529,254
Net financial assets, end of year	\$ 38,165,590	\$ 45,969,688	\$ 39,505,978

See accompanying notes to financial statements.

# WAHTA MOHAWKS

## Consolidated Statement of Cash Flows

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

	2023	2022
<b>Cash flows from operating activities:</b>		
Excess of revenue over expenses	\$ 3,222,975	\$ 2,662,638
Adjustment for:		
Equity gain from government business enterprises	(177,819)	(161,476)
Amortization of tangible capital assets	477,072	485,610
	<u>3,522,228</u>	<u>2,986,772</u>
<b>Change in non-cash working capital:</b>		
Decrease (increase) in accounts receivable	399,403	(365,823)
Decrease (increase) in inventory	(149,633)	39,816
Decrease (increase) in prepaid expenses	(2,142)	11,642
Increase in deferred revenue	251,230	323,590
Increase in accounts payable and accrued liabilities	360,186	527,451
	<u>4,381,272</u>	<u>3,523,448</u>
<b>Cash flows from investing activities:</b>		
Increase in consolidated revenue funds	(85,568)	(64,717)
Purchase of tangible capital assets	(373,513)	(1,222,982)
Purchase of investments	<u>(1,112,856)</u>	<u>(1,936,571)</u>
	<u>(1,571,937)</u>	<u>(3,224,270)</u>
<b>Net increase in cash</b>	<b>2,809,335</b>	<b>299,178</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>8,257,779</b>	<b>7,958,601</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 11,067,114</b>	<b>\$ 8,257,779</b>

See accompanying notes to financial statements.

# WAHTA MOHAWKS

## Consolidated Statement of Accumulated Remeasurement Gains

Year ended March 31, 2023

	2023
Accumulated remeasurement gains, beginning of year	\$ -
Adjustment to accumulated remeasurement gains	4,572,454
Unrealized losses attributable to:	
Fixed income	(606,923)
<u>Equity instruments</u>	<u>(520,107)</u>
	(1,127,030)
Realized gains (losses) attributable to:	
Fixed income	(414,622)
<u>Equity instruments</u>	<u>571,093</u>
	156,471
Net remeasurement losses for the year	(1,283,501)
Accumulated remeasurement gains, end of year	\$ 3,288,953

See accompanying notes to financial statements.

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements

Year ended March 31, 2023

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Wahta Mohawks (the “First Nation”), administers programs and performs services as contracted with various funding agencies for the benefit of its members.

## **1. Basis of presentation and significant accounting policies:**

The consolidated financial statements of the First Nation are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada. The following is a summary of the significant accounting policies followed in the preparation of these consolidated financial statements:

### **(a) Reporting entity:**

The reporting entity is comprised of all committees and related entities under the control of Chief and Council which includes the following entities:

- Wahta Economic Development GP Inc.
- Wahta Economic Development LP

The above entities are accounted for on the modified equity basis. Under the modified equity basis, the entity’s accounting principles are not adjusted to conform with those of the First Nation and inter-organizational transactions and balances are not eliminated.

### **(b) Revenue recognition:**

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements which relate to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the statement of financial position.

### **(c) 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	25 years
Buildings, housing, and land improvements	25 - 40 years
Roads, water and sewer	20 - 40 years
Machinery, vehicles, and equipment	10 - 15 years
Furniture and computers	7 - 15 years

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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## 1. Basis of presentation and significant accounting policies (continued):

### (d) Consolidated revenue funds:

Consolidated revenue funds are comprised of funds held in Ottawa Trust accounts and arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

### (e) Prior year funding adjustments:

The First Nation has entered into accountable contribution arrangements with several government funding agencies. All such programs are subject to audit by the various governments, with audit adjustments repayable to the governments. Adjustments are recorded in the year during which the adjustments are made.

### (f) Inventories:

Inventories are comprised of crushed gravel. Inventories are stated at the lower of average cost and net realizable value. Cost comprises all costs to purchase, convert and any other costs in bringing the inventories to their present location and condition.

### (g) 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and valuation allowances for receivables. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

In addition, the First Nation's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of historical cost and useful lives of tangible capital assets.

Actual results could differ from these estimates.

### (h) Financial instruments:

All financial instruments are initially recorded on the consolidated statement of financial position at fair value. All investments held in equity instruments that trade in an active market are recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis. Freestanding derivative instruments that are not equity instruments that are quoted in an active market are subsequently measured at fair value.

Unrealized changes in fair value are recognized in the consolidated statement of remeasurement gains and losses until they are realized, when they are transferred to the consolidated statement of operations and accumulated surplus.

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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## 1. Basis of presentation and significant accounting policies (continued):

### (h) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the consolidated statement of operations and accumulated surplus. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the consolidated statement of operations and accumulated surplus.

Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded a fair value, as described below:

- Level 1 Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 Fair value measurements are those derived from market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly
- Level 3 Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

## 2. Accounts receivable:

	2023	2022
Member loans and advances	\$ 57,964	\$ 42,798
Association of Iroquois and Allied Indians	—	8,631
Indigenous Services Canada	734,679	1,171,369
Health Canada	516	516
Canada Revenue Agency	112,008	87,346
Hydro One Networks	68,675	68,675
Ministry of Children, Community and Social Services	9,597	10,750
Ministry of Health	—	14,683
Ministry of Aboriginal Affairs	8,500	21,250
Ministry of Transportation	69,069	72,544
Ontario Power Generation	30,800	28,000
Province of Ontario	27,909	—
Other	96,227	101,892
Allowance for doubtful accounts	(27,502)	(40,609)
	<hr/> \$ 1,188,442	<hr/> \$ 1,587,845

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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### 3. Note receivable:

The First Nation issued a non-interest-bearing note receivable to Wahta Signs LP. The note receivable has no specified terms of repayment.

### 4. Investments:

2023	Cost	Market	Carrying Value
Scotia Asset Management:			
Cash and short-term	\$ 926,457	\$ 933,488	\$ 933,488
Equities	8,461,050	13,051,346	13,051,346
Real Estate	222,728	220,846	220,846
Fixed income	21,369,493	20,063,001	20,063,001
USC Education Savings Plan	15,845	15,845	15,845
	\$ 30,995,573	\$ 34,284,526	\$ 34,284,526

2022	Cost	Market	Carrying Value
Scotia Asset Management:			
Cash and short-term	\$ 457,941	\$ 457,941	\$ 457,941
Equities	10,083,732	15,594,590	10,083,732
Real Estate	203,217	290,625	203,217
Fixed income	19,121,984	18,096,172	19,121,984
USC Education Savings Plan	15,845	15,845	15,845
	\$ 29,882,719	\$ 34,455,173	\$ 29,882,719

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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## 5. Investment in Wahta Economic Development Partnership:

The First Nation has a 100% equity interest in Wahta Economic Development Corp GP Inc. ("WEDGP") and 99.99% equity interest in the limited partner Wahta Economic Development Limited Partnership ("WEDLP").

The investment at March 31, 2023 consists of the following:

	WEDGP	WEDLP	2023	2022
Balance, beginning of year	\$ 34	\$ 432,092	\$ 432,126	\$ 270,650
Share of earnings	18	177,801	177,819	161,476
Balance, end of year	\$ 52	\$ 609,893	\$ 609,945	\$ 432,126

Financial information for WEDLP at March 31, 2023 is as follows:

	2023	2022
Financial position:		
Assets	\$ 616,864	\$ 437,114
Liabilities	7,086	5,155
Partners' equity	\$ 609,778	\$ 431,959
Results of operations:		
Revenue	\$ 179,750	\$ 166,521
Expenses	1,931	5,045
Net gain	\$ 177,819	\$ 161,476

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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**6. Deferred revenue:**

	2023	2022
ISC	\$ 1,968,399	\$1,623,123
AIAI	425,665	335,300
MCCSS	26,512	273,078
Hydro One Networks Inc.	65,599	65,599
Scholarship fund	20,000	20,000
Other	35,684	11,400
MOH	11,395	11,395
Canadian Heritage	37,871	—
	<hr/> \$ 2,591,125	<hr/> \$ 2,339,895

**7. Investment income:**

	Interest and Dividends	Investment Gain	2023 Total
Scotia Asset Management	\$ 1,092,824	\$ —	\$ 1,092,824
GIC	11,170	—	11,170
Scotiabank	261,327	—	261,327
Consolidated Revenue Fund	85,567	—	85,567
	<hr/> \$ 1,450,888	<hr/> \$ —	<hr/> \$ 1,450,888

	Interest and Dividends	Investment Gain	2022 Total
Scotia Asset Management	\$ 851,216	\$ 1,194,089	\$ 2,045,305
Scotiabank	76,618	—	76,618
Consolidated Revenue Fund	64,717	—	64,717
	<hr/> \$ 992,551	<hr/> \$ 1,194,089	<hr/> \$ 2,186,640

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

## 8. Tangible capital assets:

Cost	Balance at March 31, 2022	Additions	Disposals	Transfers	Balance at March 31, 2023
Buildings	\$ 7,148,291	\$ 9,810	\$ -	\$ -	\$ 7,158,101
Computers	305,885	26,252	-	-	332,137
Vehicles	549,331	7,414	-	-	556,745
Roads	3,379,497	-	-	-	3,379,497
Equipment and furniture	2,032,134	297,559	-	-	2,329,693
Water and sewer	92,327	-	-	-	92,327
Housing	2,916,420	32,479	-	-	2,948,899
Land improvements	1,049,291	-	-	-	1,049,291
Construction-in-progress	552,702	-	-	-	552,702
<b>Total</b>	<b>\$ 18,025,878</b>	<b>\$ 373,514</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,399,392</b>

  

Accumulated Amortization	Balance at March 31, 2022	Disposals	Amortization	Balance at March 31, 2023
Buildings	\$ 2,786,055	\$ -	\$ 227,363	\$ 3,013,418
Computers	187,378	-	30,658	218,036
Vehicles	456,707	-	40,779	497,486
Roads	2,008,238	-	81,926	2,090,164
Equipment and furniture	1,644,360	-	61,749	1,706,109
Water and sewer	29,967	-	2,308	32,275
Housing	666,070	-	32,288	698,358
Land improvements	425,843	-	-	425,843
<b>Total</b>	<b>\$ 8,204,618</b>	<b>\$ -</b>	<b>\$ 477,071</b>	<b>\$ 8,681,689</b>

  

	Net book value, March 31, 2022	Net book value, March 31, 2023
Buildings	\$ 4,362,236	\$ 4,144,683
Computers	118,507	114,101
Vehicles	92,624	59,259
Roads	1,371,259	1,289,333
Equipment and furniture	387,774	623,584
Water and sewer	62,360	60,052
Housing	2,250,350	2,250,541
Land improvements	623,448	623,448
Construction-in-progress	552,702	552,702
<b>Total</b>	<b>\$ 9,821,260</b>	<b>\$ 9,717,703</b>

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

## 8. Tangible capital assets (continued):

Cost	Balance at March 31, 2021	Additions	Disposals	Transfers	Balance at March 31, 2022
Buildings	\$ 5,683,634	\$ 1,178,157	\$ -	\$ 286,500	\$ 7,148,291
Computers	289,436	16,449	-	-	305,885
Vehicles	549,331	-	-	-	549,331
Roads	3,379,497	-	-	-	3,379,497
Equipment and furniture	2,032,134	-	-	-	2,032,134
Water and sewer	92,327	-	-	-	92,327
Housing	2,888,044	28,376	-	-	2,916,420
Land improvements	1,049,291	-	-	-	1,049,291
Construction-in-progress	839,202	-	-	(286,500)	552,702
<b>Total</b>	<b>\$ 16,802,896</b>	<b>\$ 1,222,982</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,025,878</b>
Accumulated Amortization	Balance at March 31, 2021	Disposals	Amortization		Balance at March 31, 2022
Buildings	\$ 2,535,977	\$ -	\$ 250,078	\$ -	\$ 2,786,055
Computers	159,770	-	27,608	-	187,378
Vehicles	416,299	-	40,408	-	456,707
Roads	1,926,312	-	81,926	-	2,008,238
Equipment and furniture	1,592,529	-	51,831	-	1,644,360
Water and sewer	27,659	-	2,308	-	29,967
Housing	634,619	-	31,451	-	666,070
Land improvements	425,843	-	-	-	425,843
<b>Total</b>	<b>\$ 7,719,008</b>	<b>\$ -</b>	<b>\$ 485,610</b>	<b>\$ -</b>	<b>\$ 8,204,618</b>
	<b>Net book value, March 31, 2021</b>				<b>Net book value, March 31, 2022</b>
Buildings	\$ 3,147,657			\$ 4,362,236	
Computers	129,666			118,507	
Vehicles	133,032			92,624	
Roads	1,453,185			1,371,259	
Equipment and furniture	439,605			387,774	
Water and sewer	64,668			62,360	
Housing	2,253,425			2,250,350	
Land improvements	623,448			623,448	
Construction-in-progress	839,202			552,702	
<b>Total</b>	<b>\$ 9,083,888</b>			<b>\$ 9,821,260</b>	

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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## 9. Accumulated surplus:

The allocation of the accumulated surplus between the various funds is as follows:

	2023	2022
<b>Surplus:</b>		
Invested in tangible capital assets	\$ 9,717,707	\$ 9,821,266
Operations	27,117,664	25,489,707
Business enterprises	(3,923,374)	(4,101,193)
<b>Total surplus</b>	<b>32,911,997</b>	<b>31,209,780</b>
Reserves	19,671,741	18,150,983
Accumulated remeasurement gains	3,288,953	–
	<b>\$ 55,872,691</b>	<b>\$ 49,360,763</b>

## 10. Federal government funding:

	2023	2022
ISC funding per confirmation	\$ 4,059,982	\$ 4,046,600
Unspent receivables	(374,336)	(584,687)
Prior year ISC Funding	250,000	–
Prior year NIHB repayable to funder	–	(19,603)
ISC Deferred revenue - beginning	1,623,123	1,516,273
ISC Deferred revenue - ending	(1,966,907)	(1,623,123)
Other federal funding	293,851	84,481
	<b>\$ 3,885,713</b>	<b>\$ 3,419,941</b>

## 11. Contingent liabilities:

Indigenous Services Canada has guaranteed loans to various members in the amount of \$477,769 (2022 - \$527,270). If any loans are in default and require payment by Indigenous Services Canada, the amount paid will be charged back to the First Nation.

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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## 12. Budget information:

The budget data presented in these consolidated financial statements is based upon the operating and capital budgets approved by Council. The reconciliation of the approved budget to the budget figures reported on these consolidated financial statements is listed below.

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Approved revenue budget:

Total revenues per budget	\$	5,994,723
Revenue budget per consolidated financial statements	\$	5,994,723

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Approved expense budget:

Total expenses per budget	\$	7,387,111
Deduct: Budgeted Capital Expenditures		(52,000)
Add: Amortization of tangible capital assets		477,072
Expense budget per consolidated financial statements	\$	7,812,183

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## 13. Comparative information:

Certain 2022 comparative information has been reclassified to conform to the presentation adopted in 2023.

## 14. Change in accounting policies:

### Asset Retirement Obligations

On April 1, 2022, the First Nation adopted the 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 facilities. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method, the assumptions used on initial recognition are those as of the date of adoption of the standard.

In accordance with the provisions of this new standard, the First Nation completed an analysis of all facilities, capital assets and determined there was no asset retirement obligations as of April 1, 2022.

## 15. Defined contribution plan:

The First Nation offers a defined contribution plan to all employees. The contribution plan requires employee contributions in which the First Nation will match up to 5.5% of the employees wages. The First Nations share of the defined contribution plan is \$66,325 (2022 - \$60,651).

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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## **16. Segmented information:**

The First Nation is a diversified governmental institution that provides a wide range of services to its Members, including band administration, education, health services, community infrastructure, community and economic development, community property and social assistance. For management reporting purposes the First Nation's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

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

### **Band Administration**

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

### **Health Services**

The health services department provides a diverse bundle of services directed towards the well being of the members including the delivery of programs such as community health promotion, community health management and many other programs designed to enhance the health of members.

### **Community Infrastructure**

The infrastructure department provides public services that contribute to sustainability through the provision of maintenance and operating services such as roads, water and sanitation, fire protection, electrical and community buildings.

### **Education**

The education department enters into service contracts with provincially funded area school boards for elementary and secondary students. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post secondary institutions.

### **Community and Economic Development**

This department is responsible for identifying and developing economic opportunities for the benefit of the First Nation and its Members. The department is responsible for administering investments held by the First Nation. In addition, department also secures and delivers employment training and culture funding for the First Nation.

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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## **16. Segmented information (continued):**

### **Social Assistance**

The social services department delivers a variety of programs including Ontario works and offers employment support services.

### **Community Property**

This department is responsible for all major renovations to housing stock for the First Nation.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

Therefore, certain allocation methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses.

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

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Note 16 - Segmented information (continued)

Year ended March 31, 2023

	Band Administration	Health Services	Community Infrastructure	Education	Community and Economic Development	Social Assistance	Community Property	Investments	2023 Total
Revenue	\$ 2,162,754	2,961,493	675,797	1,405,893	1,811,566	137,462	174,688	941,963	\$ 10,271,616
<b>Expenses:</b>									
Salaries, benefits and honorarium	652,078	694,472	399,873	258,899	238,638	22,113	-	-	2,266,073
Materials, supplies and rentals	83,757	1,187,414	(239,523)	176,450	25,971	33,646	24,848	-	1,292,563
Contractual and professional	(1,204)	107,080	702,502	73,343	1,050	-	-	136,444	1,019,215
Tuition and allowances	-	-	-	692,359	-	-	-	-	692,359
Travel and training	30,379	28,992	2,826	126,843	1,500	1,840	-	-	192,380
Other	71,003	500,085	101,960	-	393,574	74,806	26,280	-	1,167,708
Administration (recovery)	(290,429)	179,673	(58,910)	77,254	15,626	5,057	13,000	-	(58,729)
Amortization	25,360	57,765	378,669	10,782	4,496	-	-	-	477,072
	570,944	2,755,481	1,287,397	1,415,930	680,855	137,462	64,128	136,444	7,048,641
Excess (deficiency) of revenue over expenses	\$ 1,591,810	206,012	(611,600)	(10,037)	1,130,711	-	110,560	805,519	\$ 3,222,975

# WAHTA MOHAWKS

Notes to Consolidated Financial Statements (continued)

Note 16 - Segmented information (continued)

Year ended March 31, 2023

	Band Administration	Health Services	Community Infrastructure	Education	Community and Economic Development	Social Assistance	Community Property	Investments	2022 Total
Revenue	\$ 1,107,292	2,142,847	930,065	1,366,665	1,116,475	86,054	292,035	1,875,842	\$ 8,917,275
<b>Expenses:</b>									
Salaries, benefits and honorarium	539,036	608,656	424,886	208,767	242,045	2,279	-	-	2,025,669
Materials, supplies and rentals	(21,935)	859,688	231,518	358,450	1,601	9,101	166,700	-	1,605,123
Contractual and professional	105,590	100,848	54,657	48,341	3,886	1,370	-	135,230	449,922
Tuition and allowances	-	-	-	600,255	-	-	-	-	600,255
Travel and training	49,260	33,604	2,102	91,290	1,245	875	-	-	178,376
Other	63,441	367,060	388,179	-	3,650	72,429	14,923	-	909,682
Administration (recovery)	(60,172)	92,662	(124,885)	59,563	19,832	-	13,000	-	-
Amortization	23,405	48,681	357,783	10,669	45,072	-	-	-	485,610
	698,625	2,111,199	1,334,240	1,377,335	317,331	86,054	194,623	135,230	6,254,637
Excess (deficiency) of revenue over expenses	\$ 408,667	31,648	(404,175)	(10,670)	799,144	-	97,412	1,740,612	2,662,638