

# Consolidated Financial Statements

Chippewas of Georgina Island First Nation

March 31, 2014

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# Independent Auditor's Report

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To the Members of  
Chippewas of Georgina Island First Nation

We have audited the accompanying consolidated financial statements of Chippewas of Georgina Island First Nation, which comprise the consolidated financial position as at March 31, 2014, and the consolidated statements of operations, accumulated surplus, changes in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Chippewas of Georgina Island First Nation as at March 31, 2014, and the consolidated statements of its operations, accumulated surplus, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Orillia, Canada  
July 28, 2014

Chartered Accountants  
Licensed Public Accountants

# Chippewas of Georgina Island First Nation

## Consolidated Statement of Operations

Year Ended March 31	2014	2013	
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Revenue</b>			
Government of Canada			
Health Canada	\$ 425,904	<b>440,734</b>	\$ 459,391
CMHC	111,864	<b>110,180</b>	118,950
Other	-	-	25,000
Aboriginal Affairs and Northern			
Development Canada	4,528,131	<b>4,745,958</b>	4,688,660
Province of Ontario	908,486	<b>1,054,285</b>	1,009,010
Lands leases and fees	1,262,775	<b>1,264,384</b>	1,153,608
Casino Rama	751,805	<b>794,690</b>	791,637
Interest	8,770	<b>860,388</b>	307,793
Trust settlement	-	-	88,879,967
Other	<u>1,108,217</u>	<u>3,104,137</u>	<u>1,782,117</u>
	<u>9,105,952</u>	<u><b>12,374,756</b></u>	<u>99,216,133</u>
<b>Expenditures</b>			
Operating	7,959,679	<b>8,545,986</b>	8,568,274
Social Housing	223,184	<b>181,599</b>	179,689
Trust	-	<b>845</b>	996
Lands	711,718	<b>850,043</b>	1,054,395
Georgina Island First Nation			
Communications	58,664	<b>56,998</b>	59,347
Virginia Beach Marina	-	<b>769,238</b>	837,567
Chippewas Tri-Council for the			
Coldwater Reservation			
Specific Claim Negotiation	-	<b>32</b>	94,432
Casino Rama	-	<b>120</b>	120
Coldwater Narrows Trust	-	<b>739,958</b>	117,583
Per Capita Distributions	-	<b>1,528,659</b>	16,378,394
Trust Revenues	-	-	33
	<u>8,953,245</u>	<u><b>12,673,478</b></u>	<u>27,290,830</u>
Annual surplus (deficit)	<u>\$ 152,707</u>	<u>\$ (298,722)</u>	<u>\$ 71,925,303</u>

See accompanying notes to the consolidated financial statements.

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## Chippewas of Georgina Island First Nation Consolidated Statement of Accumulated Surplus

Year Ended March 31	2014	2013
Accumulated surplus (deficit), beginning of year	\$ 81,735,513	\$ (696,233)
Annual (deficit) surplus	(298,722)	71,925,303
Repayment of promissory note	_____ -	10,506,443
Accumulated surplus, end of year	<u>\$ 81,436,791</u>	<u>\$ 81,735,513</u>

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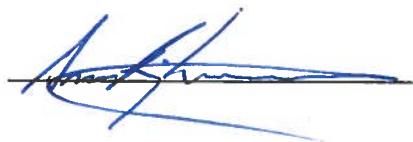
See accompanying notes to the consolidated financial statements.

## Chippewas of Georgina Island First Nation Consolidated Statement of Financial Position

March 31	2014	2013
<b>Financial assets</b>		
Cash and cash equivalents (Note 3)	\$ 75,161,547	\$ 76,587,351
Accounts receivable (Note 4)	504,368	360,152
Inventories for resale (Note 6)	270,142	190,862
Mortgages receivable (Note 7)	943,438	1,038,048
	<u>76,879,495</u>	<u>78,176,413</u>
<b>Financial liabilities</b>		
Payables and accruals (Note 8)	761,820	1,064,214
Deferred revenue (Note 9)	303,384	354,488
Long term debt (Note 10)	1,882,022	1,975,005
Landfill closure and post closure costs (Note 12)	167,037	164,628
	<u>3,114,263</u>	<u>3,558,335</u>
<b>Net financial assets (debt) (Page 6)</b>	<b><u>73,765,232</u></b>	<b><u>74,618,078</u></b>
<b>Non-financial assets</b>		
Construction in Progress (Note 13)	180,977	-
Prepaid expenses	44,370	23,959
Tangible capital assets (Note 13)	7,446,212	7,093,476
	<u>7,671,559</u>	<u>7,117,435</u>
<b>Accumulated surplus (Note 16)</b>	<b>\$ 81,436,791</b>	<b>\$ 81,735,513</b>

Contingencies (Note 15)

On behalf of the First Nation



Chief



Administrator

See accompanying notes to the consolidated financial statements.

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**Chippewas of Georgina Island First Nation**  
**Consolidated Statement of Changes in Net Financial**  
**Assets (Debt)**

Year Ended March 31

2014

2013

Annual (deficit) surplus	\$ (298,722)	\$ 71,925,303
Tangible capital assets		
Acquisition of tangible capital assets	(1,275,199)	(641,351)
Amortization of tangible capital assets	741,486	719,902
Write down of tangible capital assets	_____ -	1,579
Total tangible capital assets	<u>(533,713)</u>	80,130
Change in prepaid expenses	(20,411)	(23,959)
Repayment of promissory note	_____ -	10,506,443
Change in net financial assets (net debt)	(852,846)	82,487,917
Net financial assets (net debt) at beginning of year	<u>74,618,078</u>	<u>(7,869,839)</u>
Net financial assets at end of year	<u>\$ 73,765,232</u>	<u>\$ 74,618,078</u>

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See accompanying notes to the consolidated financial statements.

# Chippewas of Georgina Island First Nation Consolidated Statement of Cash Flows

Year Ended March 31

2014

2013

Increase (decrease) in cash and cash equivalents

## Operating Transactions

Annual (deficit) surplus	\$ (298,722)	\$ 71,925,303
Items not affecting cash:		
Amortization of tangible capital assets	741,486	719,902
Landfill closure and post closure costs (Note 12)	2,409	19,487
Write down of tangible capital assets	-	1,579
	445,173	72,666,271
Change in non-cash changes to operations (Note 18)	(597,405)	581,942
	(152,232)	73,248,213

## Capital Transactions

Purchase of tangible capital assets	<u>(1,275,199)</u>	<u>(641,351)</u>
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## Investing Transactions

Decrease in investments	-	250,927
Payments received in mortgages receivable	94,610	72,335
Cash provided to (applied to) investing transactions	<u>94,610</u>	<u>323,262</u>

## Financing Transactions

Long term debt issued	-	106,735
Long term debt repayments	<u>(92,983)</u>	<u>(92,819)</u>
Cash provided to (applied to) financing transactions	<u>(92,983)</u>	<u>13,916</u>

Net (decrease) increase in cash and cash equivalents	(1,425,804)	72,944,040
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Cash and cash equivalents, beginning of year	<u>76,587,351</u>	<u>3,643,311</u>
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Cash and cash equivalents, end of year	<u>\$ 75,161,547</u>	<u>\$ 76,587,351</u>
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See accompanying notes to the consolidated financial statements.

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# **Chippewas of Georgina Island First Nation**

## **Notes to the Consolidated Financial Statements**

March 31, 2014

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### **1. Summary of significant accounting policies**

#### **a) Basis of accounting**

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

#### **b) Reporting entity**

The First Nation reporting entity includes the Chippewas of Georgina Island First Nation government and all related entities that are controlled by the First Nation.

#### **c) Principles of Consolidation**

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Financial Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Examples of organizations consolidated in the First Nation's financial statements include:

- Social Housing
- Trust Funds Held by Federal Government
- Virginia Beach Marina
- Georgina Island Tourism Co Ltd.
- Lands
- Tri Council for the Coldwater Reservation Specific Claim Negotiation
- Casino Rama Fund
- Georgina Island First Nation Communications
- Coldwater Narrows Trust
- Per Capita Distribution Fund
- Trust Revenue Fund

#### **d) Asset Classification**

Assets are classified as either financial or non – financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non – financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, prepaid expenses and inventories of supplies.

#### **e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

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# **Chippewas of Georgina Island First Nation**

## **Notes to the Consolidated Financial Statements**

March 31, 2014

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### **1. Summary of significant accounting policies (continued)**

#### **f) Inventories for resale**

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value

#### **g) Tangible capital assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Amortization is provided for on a straight – line basis, over the expected useful life as follows:

Buildings	25 – 40 years
Equipment	10 years
Boats	25 years
Vehicles	5 years
Water system	10 years
Parking lot	20 years
Roads	15 years
Docks	5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

Amortization of buildings financed by Canada Mortgage and Housing Corporation is equal to the debt repayments made during the year principal reduction of the mortgage. Government assistance is being amortized on the same basis as its related assets.

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# **Chippewas of Georgina Island First Nation**

## **Notes to the Consolidated Financial Statements**

March 31, 2014.

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### **1. Summary of significant accounting policies (continued)**

#### **h) Net assets (debt)**

The First Nation's financial statements are presented so as to highlight net assets (debt) as the measurement of financial position. The net assets (debt) of the First Nation are determined by its liabilities less its financial assets.

#### **i) Revenue recognition**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Restaurant sales and ferry fares are recognized when services are rendered. Gas, marina and cigarette sales are recognized when goods are sold. Interest, celebration event fees and other income are recognized when earned. Land sales are recognized when title passes. Leases and fees are recognized annually on the due date of the lease.

#### **j) Measurement uncertainty**

In preparing the consolidated financial statements for Chippewas of Georgina Island First Nation, management is required 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 revenue and expenses during the period. Items requiring the use of significant estimates include allowance for doubtful accounts, estimated useful lives of property and equipment, and the landfill closure and post-closure costs. Actual results could differ from those estimates.

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# Chippewas of Georgina Island First Nation

## Notes to the Consolidated Financial Statements

March 31, 2014

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### 2. Future accounting pronouncements

The CICA Section 3260 "Liability for Contaminated Sites" establishes the recognition, measurement and disclosure requirements for reporting liabilities associated with remediation of contaminated sites. It provides guidance surrounding the requirement to recognize a liability when an entity has contamination at a site that exceeds an environmental standard, the entity is responsible or accepts responsibility, the entity expects to have to give up future economic benefits and the amount can be reasonably estimated. The guidance further states that if an entity cannot reasonably estimate the amount, they must still provide disclosures concerning the liability. This section applies to fiscal periods beginning on or after April 1, 2015.

The CICA Section 3450 "Financial Instruments" is a new section that establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. This section applies to fiscal periods beginning on or after April 1, 2015.

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### 3. Cash and cash equivalents

Under the terms of an agreement with Canadian Mortgage and Housing Corporation, Chippewas of Georgina Island First Nation must set aside funds annually for the repair, maintenance, and replacement of worn out assets. These funds are to be held in a separate bank account and invested in only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canadian Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Apartment Replacement and Subsidy Fund.

	<u>2014</u>	<u>2013</u>
Cash and cash equivalents are comprised of the following:		
Externally restricted		
Apartment replacement and subsidy	\$ 125,940	\$ 112,329
Trust funds held by Federal Government	12,905	12,905
Trust funds held by the Trustee Canada Trust Company	<u>67,574,509</u>	69,046,733
Internally restricted		
Casino Rama	1,489,779	1,749,162
Per Capita Distributions	885,822	1,318,862
Trust Revenue	<u>3,261,753</u>	2,786,836
Unrestricted		
Operating	(112,513)	(110,078)
Social housing	300,145	294,479
Other	<u>1,623,207</u>	1,376,123
Total cash	<u>\$ 75,161,547</u>	\$ 76,587,351

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# Chippewas of Georgina Island First Nation

## Notes to the Consolidated Financial Statements

March 31, 2014

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4. Accounts receivables	<u>2014</u>	<u>2013</u>
Receivables are comprised of:		
Due from members:		
Social housing	\$ 45,500	\$ 23,169
Government Funding:		
Aboriginal Affairs and Northern Development Canada	263,924	51,593
Province of Ontario	10,446	1,636
Ministry of Children and Social Services	-	-
OTC	67,935	106,141
Union of Ontario Indians	1,234	2,331
Government of Canada	-	12,515
Lands	22,297	59,135
Other	65,800	64,461
Interest	44,257	73,227
Less: allowance for doubtful accounts	<u>17,025</u>	<u>34,056</u>
Total accounts receivable	\$ 504,368	\$ 360,152

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### 5. Trust funds held by Trustee Canada Trust Company

The First Nation, Canada and Ontario executed a Settlement Agreement dated February 10, 2012, signed on June 2012. Article 12 of the Agreement states the First Nation intends to use or invest the compensation for the long term benefit of its members. Article 2 provided for monetary compensation of \$88,879,273, which is to be deposited into Trust Accounts on the First Nations' authority and direction as settler, the Trustees shall administer the compensation on the terms and conditions set out in the Trust Agreement.

The Trust agreement was dated November 21, 2012, with final signatures on December 5, 2012. The Trustee shall hold and invest the Trust property for the benefit of the First Nation, and will transfer or release Trust property as directed or authorized by the Trust Agreement. The Trust is a reversionary trust and therefore, although it is subject to tax pursuant to section 104 of the Income Tax Act (Canada), subsection 75(2) of the Income Tax Act (Canada) applies to deem income to be that of a First Nation.

The year end of the Trust is December 31, 2013 and therefore the First Nation has adjusted the financial statement categories for the income of the period from January 1, 2014 to March 31, 2014.

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# Chippewas of Georgina Island First Nation

## Notes to the Consolidated Financial Statements

March 31, 2014

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### 6. Inventories for resale 2014 2013

The First Nation had the following inventories for resale:

Lands	\$ 4,011	\$ 4,833
Social Housing	264,785	168,825
Marina	1,346	17,204
	<u>\$ 270,142</u>	<u>\$ 190,862</u>

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### 7. Mortgages receivable

The mortgages from Lands are secured by leaseholds (land and/or buildings), bear interest ranging from 7% -10% per annum and have maturity dates ranging from one to five years.

The rent to own mortgages from CMHC are secured by the property and are interest free and have maturity date of 30 years.

Estimated principal repayments due in the next five years assuming renewal on the same terms are as follows:

2015	66,902
2016	65,768
2017	66,096
2018	66,452
2019	66,840

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### 8. Accounts payable and accrued liabilities 2014 2013

Accrued liabilities	\$ 350,795	\$ 474,311
Accrued salaries and employee benefits payable	27,078	25,725
Per Capita Distributions to Members	381,047	561,278
Provincial Government	2,900	2,900
Total	<u>\$ 761,820</u>	<u>\$ 1,064,214</u>

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# Chippewas of Georgina Island First Nation

## Notes to the Consolidated Financial Statements

March 31, 2014

### 9. Deferred revenue

	<u>2013</u>	<u>Funding received</u>	<u>Revenue recognized</u>	<u>2014</u>
AANDC	\$ 32,800	\$ 4,709,404	\$ 4,742,204	\$ -
Bell Alliant	4,593	-	4,593	-
Enbridge	13,016	5,000	16,246	1,770
Lands	304,079	263,050	283,515	283,614
Williams Treaty First Nations	- \$ 354,488	18,500 \$ 4,995,954	500 \$ 5,047,058	18,000 \$ 303,384

### 10. Long term debt

	<u>2014</u>	<u>2013</u>
Mortgage, 1.65%, due 2022, renewal date 2017, payable in blended monthly payments of \$1,532	\$ 139,002	\$ 154,950
Mortgage, 2.69%, due 2030, renewal date 2015 payable in blended monthly payments of \$ 2,909	461,442	483,677
Mortgage, 1.62% due 2033, renewal date 2018, payable in blended monthly payments of \$2,482	483,413	505,201
Mortgage, 2.84% due 2035, renewal date 2015, payable in blended monthly payments of \$1,688	368,574	380,973
Mortgage, 2.37% due 2036, renewal date 2016, payable in blended monthly payments of \$1,770	321,577	332,585
Mortgage, 1.18%, no fixed terms of repayment	108,014	106,734
Term loan bears interest at 5.5%, due 2014 payable in monthly payments of \$648 principal plus interest,	- \$ 1,882,022	10,885 \$ 1,975,005

The mortgages are authorized by First Nation Council Resolution and are guaranteed by Aboriginal Affairs and Northern Development Canada.

The term loan due in 2014 is unsecured and authorized by First Nation Council Resolution.

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# Chippewas of Georgina Island First Nation

## Notes to the Consolidated Financial Statements

March 31, 2014

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### 10. Long term debt (continued)

Anticipated annual principal repayments due in the next five years, and thereafter are as follows:

2015	\$	85,309		
2016		87,181		
2017		89,097		
2018		91,057		
2019		93,062		
Thereafter		1,436,316		
			<u>2014</u>	<u>2013</u>
Interest expense for the year on long term debt	\$	<u>42,322</u>	\$	<u>56,927</u>

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### 11. Pension agreement

The First Nation's provides defined contribution plan for eligible members of its staff. Members may contribute a range of 2.25% to 7.5% of their basic salary. The First Nation matches the member's contributions which are directed to the member's contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. Chippewas of Georgina Island contributed during the year \$40,634 (2013 - \$36,122) for retirement benefits.

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### 12. Landfill closure and post closure costs

Solid waste landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, management of ground water and leachates, and on-going environmental monitoring, site inspection and maintenance.

The liability for the landfill site is recorded at \$167,037 (2013 - \$164,628) and represents the present value of closure and post-closure costs, using an estimated long term borrowing rate of 4% and inflation rate of 2.5%. The liability is recorded based on the capacity of the landfill used to date. The total estimated future expenditures representing the sum of the discounted future cash flows for closure and post-closure care are \$592,738 (2013- \$600,972) leaving an amount to be recognized of \$425,701 (2013- \$436,344). Post-closure care is estimated to continue for a period of 25 years.

Management expects these future costs to be funded by AANDC when incurred at a future date.

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# Chippewas of Georgina Island First Nation

## Notes to the Consolidated Financial Statements

March 31, 2014

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13. Tangible capital assets			<u>2014</u>	<u>2013</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 1,216,594	\$ -	\$ 1,216,594	\$ 973,594
Buildings	5,865,806	2,337,093	3,528,713	3,424,273
Equipment	1,588,237	1,399,329	188,908	195,718
Boats	5,649,046	4,451,404	1,197,642	998,043
Vehicles	1,182,689	1,068,373	114,316	119,983
Water system	2,172,975	2,042,598	130,377	347,675
Parking lot	216,250	100,419	115,831	126,644
Roads	1,698,237	763,590	934,647	862,780
Docks	<u>1,861,203</u>	<u>1,842,019</u>	<u>19,184</u>	<u>44,766</u>
	<u>21,451,037</u>	<u>14,004,825</u>	<u>7,446,212</u>	<u>7,093,476</u>
Construction in Progress	<u>180,977</u>	<u>-</u>	<u>180,977</u>	<u>-</u>
	<u>\$ 21,632,014</u>	<u>\$ 14,004,825</u>	<u>\$ 7,627,189</u>	<u>\$ 7,093,476</u>

Government assistance was received and applied against property and equipment recorded in the Virginia Beach Marina, there are no terms or conditions and the funds are not required to be repaid.

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### 14. Promissory notes

As part of the Chippewas Tri-Council for the Coldwater Reservation Specific Claim Negotiations the First Nation had signed promissory notes with Aboriginal Affairs Northern Development Canada. The promissory notes were interest free and repaid during the 2013 fiscal year. It is shown as a direct net change in accumulated surplus as it relates to multiple First Nations and not just the Chippewas of Georgina Island First Nations.

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# **Chippewas of Georgina Island First Nation**

## **Notes to the Consolidated Financial Statements**

March 31, 2014

## 15. Contingencies

- a) Where differences exist between the First Nation's net approved expenditures and their actual net expenditures, the resolution of these variances will be negotiated between funding agencies and the First Nation. Any resulting adjustment will be recognized in the year in which the changes are confirmed by the funding agency and will be recorded at that time on the statement of revenue and expenditures for the applicable program.
- b) The First Nation has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

## 16. Accumulated surplus

2014 2013

The accumulated surplus is represented by:

Unrestricted		
Operating	<b>\$ 4,629,130</b>	\$ 3,919,904
Virginia Beach Marina	<b>(514,967)</b>	(512,643)
Georgina Island First Nation Communications	<b>(24,208)</b>	(24,208)
Lands	<b>3,192,598</b>	3,001,190
Restricted		
Social Housing	<b>241,565</b>	256,225
Trust Funds Held by Federal Government	<b>12,905</b>	12,905
Coldwater Narrows Trust Funds		
Held by CanadaTrust Company	<b>68,112,604</b>	69,742,591
Equity in Chippewas Tri-Council for the Coldwater		
Reservation Specific Claim Negotiation	<b>-</b>	1,431
Casino Rama	<b>2,372,343</b>	2,520,057
Per Capita Distribution Fund	<b>33,959</b>	31,225
Trust Revenue Fund	<b>3,380,862</b>	2,786,836
	<b>\$ 81,436,791</b>	\$ 81,735,513

## 17. Economic relationship

The Chippewas of Georgina Island First Nation receive a major portion of its revenue pursuant to funding arrangements from various government sources.

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# Chippewas of Georgina Island First Nation

## Notes to the Consolidated Financial Statements

March 31, 2014

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18. Change in non-cash working capital	2014	2013
Accounts receivable	\$ (144,216)	355,396
Due from related party	-	50,150
Inventories for resale	(79,280)	(33,756)
Prepaid expenses	(20,411)	(23,959)
Accounts payables and accrued liabilities	(302,394)	148,420
Deferred revenue	(51,104)	64,913
Mortgage receivable allowance	-	20,778
	\$ <u>(597,405)</u>	\$ <u>581,942</u>
Interest paid during the year	\$ <u>48,608</u>	\$ <u>63,768</u>
Interest received during the year	\$ <u>860,393</u>	\$ <u>307,794</u>

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### 19. Financial instruments

The First Nation's financial instruments consist of cash and cash equivalents, receivables, inventory, investments, mortgages receivable, payables and accruals, deferred revenue, and long term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair market value of these financial instruments approximates their carrying value unless otherwise noted.

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### 20. Budgeted figures

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Council.

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### 21. Comparative figures

Certain comparative figures in these financial statements have been reclassified to conform to the presentation adopted in the current year.

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