

**Northwest Angle #33 First Nation
Consolidated Financial Statements**

March 31, 2017

Northwest Angle #33 First Nation Contents

For the year ended March 31, 2017

	Page
Management's Responsibility	
Independent Auditors' Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Debt.....	4
Consolidated Statement of Cash Flows.....	5
Notes to the Consolidated Financial Statements.....	6
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	15
Schedule 2 - Consolidated Schedule of Expenses by Object.....	17
Schedule 3 - Summary of Consolidated Schedules of Revenue and Expenses by Segment.....	18
Schedules 4 - 13 - Consolidated Schedules of Revenue and Expenses by Segment.....	19

Management's Responsibility

To the Members and Chief and Council of Northwest Angle #33 First Nation:

The accompanying consolidated financial statements of Northwest Angle #33 First Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Northwest Angle #33 First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

November 27, 2017

Theresa Hardy

Band Manager

Independent Auditors' Report



To the Members and Chief and Council of Northwest Angle #33 First Nation:

We have audited the accompanying consolidated financial statements of Northwest Angle #33 First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus, change in net debt 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.

Auditors' 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 auditors' 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 financial position of Northwest Angle #33 First Nation as at March 31, 2017 and the results of its operations, change in net debt and its cash flows for the year in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

Kenora, Ontario

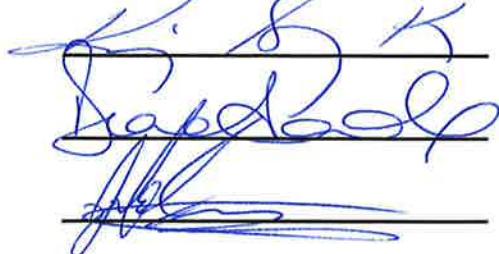
November 27, 2017

Licensed Public Accountants

Northwest Angle #33 First Nation
Consolidated Statement of Financial Position
As at March 31, 2017

	2017	2016
Financial assets		
Current		
Cash and cash equivalents (Note 3)	-	206,930
Accounts receivable (Note 4)	404,690	324,555
	404,690	531,485
Restricted cash (Note 5)	727,890	651,527
Funds held in Ottawa Trust Fund (Note 6)	35,749	35,098
Long-term investments (Note 7)	1	1
Total financial assets	1,168,330	1,218,111
Liabilities		
Current		
Bank indebtedness (Note 3)	37,064	-
Accounts payable and accruals (Note 8)	390,222	295,573
Deferred revenue (Note 9)	165,664	187,655
Repayable to funder (Note 10)	1,225,325	1,072,306
	1,818,275	1,555,534
Long-term debt (Note 11)	4,462,186	4,561,417
Total liabilities	6,280,461	6,116,951
Net debt	(5,112,131)	(4,898,840)
Contingencies (Note 12)		
Non-financial assets		
Tangible capital assets (Schedule 1)	8,979,444	9,414,906
Prepaid expenses	342,755	99,776
Total non-financial assets	9,322,199	9,514,682
Accumulated surplus	4,210,068	4,615,842

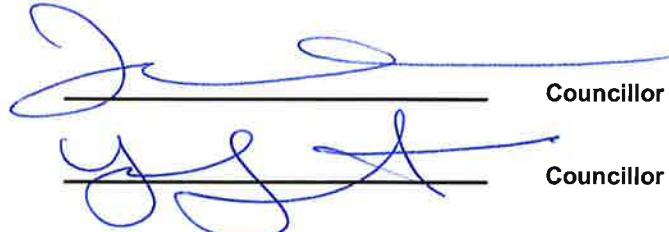
Approved on behalf of the Chief and Council



Chief

Councillor

Councillor



Councillor

Councillor

Councillor

Northwest Angle #33 First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2017

	<i>Schedules</i>	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
Revenue				
Indigenous and Northern Affairs Canada (Note 13), (Note 14)	2,023,122	2,462,566	2,086,158	
First Nations and Inuit Health (Note 14)	557,113	555,857	619,236	
Canada Mortgage and Housing Corporation (Note 14)	222,500	283,678	276,353	
Indigenous and Northern Affairs Canada - Flood Claim (Note 14)	134,295	92,840	95,795	
Ontario First Nations Limited Partnership	715,000	831,694	736,545	
Ministry of Community and Social Services (Note 14)	271,300	335,089	258,675	
Administration fees	130,000	203,457	163,665	
Rental income	215,280	150,915	157,697	
Ministry of Indigenous Relations and Reconciliation (Note 14)	136,000	130,000	136,026	
MCSS - Aboriginal Healing and Wellness Strategy (Note 14)	112,346	112,346	112,346	
Anishinaabeg of Kabapikotawangag Resource Council	-	105,687	28,720	
Miscellaneous	33,500	73,198	66,887	
Shooniyyaa Wa-Biitong	-	60,354	51,360	
Grand Council Treaty #3	-	36,211	-	
Ministry of Children and Youth Services (Note 14)	28,800	27,600	-	
Ministry of Health and Long-Term Care (Note 14)	16,101	17,026	17,107	
Ministry of Northern Development and Mines (Note 14)	14,128	10,914	14,128	
HST and Sales Tax rebates	30,000	3,420	24,660	
Interest income	-	963	819	
Repayment of funding	-	(153,018)	(238,539)	
Repayment of funding - Flood Claim	-	(92,840)	(95,795)	
Deferred revenue - prior year (Note 9)	121,183	187,655	285,882	
Deferred revenue - current year (Note 9)	-	(165,664)	(187,655)	
	4,760,668	5,269,948	4,610,070	
Expenses				
Administration	4	1,449,633	1,380,401	1,575,710
Capital	5	341,670	262,599	347,879
Economic Development	6	50,000	24,999	50,164
Education	7	1,086,167	1,412,730	917,655
Governance	8	35,000	25,868	35,007
Health	9	749,067	948,118	743,453
Housing CMHC	10	410,680	674,671	499,917
Ontario First Nations Limited Partnership	11	-	-	-
Operations and Maintenance	12	570,119	543,424	635,944
Social Services	13	315,655	402,912	303,411
Total expenses (Schedule 2)		5,007,991	5,675,722	5,109,140
Deficit before transfers		(247,323)	(405,774)	(499,070)

Continued on next page

Northwest Angle #33 First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2017

<i>Schedules</i>	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
Deficit before transfers <i>(Continued from previous page)</i>	(247,323)	(405,774)	(499,070)
Transfers between segments			
Transfer to Administration	(621,024)	(661,694)	(594,420)
Transfer from Ontario First Nations Limited Partnership	715,000	831,694	736,545
Transfer to Education	(15,200)	-	(12,000)
Transfer to Operations and Maintenance	(47,947)	(170,000)	(5,200)
Transfer to Health	(30,829)	-	(40,000)
Transfer to Housing CMHC	-	-	(84,925)
	-	-	-
Deficit	(247,323)	(405,774)	(499,070)
Accumulated surplus, beginning of year	4,615,842	4,615,842	5,114,912
Accumulated surplus, end of year	4,368,519	4,210,068	4,615,842

Northwest Angle #33 First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2017

	2017 Budget	2017	2016
Deficit	(247,323)	(405,774)	(499,070)
Purchases of tangible capital assets	-	(18,000)	(41,899)
Construction in progress	-	(51,163)	(276,780)
Amortization of tangible capital assets	250,000	504,625	510,056
	250,000	435,462	191,377
Acquisition of prepaid expenses	-	(256,084)	(99,776)
Use of prepaid expenses	-	13,105	27,634
	-	(242,979)	(72,142)
(Increase) decrease in net debt	2,677	(213,291)	(379,835)
Net debt, beginning of year	(4,898,840)	(4,898,840)	(4,519,005)
Net debt, end of year	(4,896,163)	(5,112,131)	(4,898,840)

Northwest Angle #33 First Nation
Consolidated Statement of Cash Flows

For the year ended March 31, 2017

	2017	2016
Cash provided by (used for) the following activities		
Operating activities		
Deficit	(405,774)	(499,070)
Non-cash items		
Amortization	504,625	510,056
Bad debts	77,986	32,879
	176,837	43,865
Changes in working capital accounts		
Accounts receivable	(158,121)	(63,501)
Prepaid expenses	(242,979)	(72,142)
Restricted cash	(76,363)	(446,155)
Accounts payable and accruals	94,649	86,264
Deferred revenue	(21,991)	(98,227)
Repayable to funder	153,019	233,420
	(74,949)	(316,476)
Financing activities		
Advances of long-term debt	92,840	334,600
Repayment of long-term debt	(192,071)	(159,987)
Increase in Funds Held in Ottawa Trust Fund	(651)	(729)
	(99,882)	173,884
Capital activities		
Purchases of tangible capital assets	(18,000)	(41,899)
Construction in progress	(51,163)	(276,780)
	(69,163)	(318,679)
Decrease in cash resources	(243,994)	(461,271)
Cash resources, beginning of year	206,930	668,201
Cash resources (borrowing), end of year	(37,064)	206,930
Supplementary cash flow information		
Interest paid	66,238	67,962
Interest received	963	819

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

1. Operations

Northwest Angle #33 First Nation (the "First Nation") is located in the Province of Ontario, and provides municipal-like services to its members.

2. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting principles and include the following significant accounting policies:

Reporting entity

The Northwest Angle #33 First Nation reporting entity includes the First Nation Government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Northwest Angle #33 First Nation
- CMHC Housing

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Basis of presentation

Sources of financing and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash resources

Cash resources include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada are reported on the consolidated statement of financial position. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other First Nation capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

2. Significant accounting policies *(Continued from previous page)*

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Amortization for other tangible capital assets is provided using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives. No amortization is taken in the year of acquisition.

	<i>Rate</i>
Housing - General	25 years
Housing - CMHC	25 years
Infrastructure	25 years
Automotive	4 years
Machinery	5 years
Boats	7 years
Roads	30 years
Community Buildings	25 years
Landfill	30 years

A housing project with a carrying value of \$1,579,530 (2016 - \$1,528,367) is currently under construction. As such, amortization of these assets has not been recorded during the year.

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in the statement of operations for the year in which the asset becomes impaired.

Net debt

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprises a second indicator of financial position, and accumulated surplus.

Non-financial assets

The First Nation's tangible capital assets and other non-financial assets are accounted for as assets because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

Revenue recognition

Funding

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

Other revenue

Other revenue, such as rental income, is recognized when service is provided and collectability is reasonably assured.

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

2. Significant accounting policies *(Continued from previous page)*

Government transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Use of estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards 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 revenue and expenses during the reporting period.

Accounts receivable is stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Accounts payable and accruals are based on historical charges for unbilled goods and services at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

Segments

The First Nation conducts its business through ten reportable segments: Administration, Capital, Economic Development, Education, Governance, Health, Housing CMHC, Ontario First Nations Limited Partnership, Operations and Maintenance, and Social Services. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both 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.

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

3. Bank indebtedness

	2017	2016
Royal Bank - General Account	(75,201)	128,724
Bank of Nova Scotia - Social Services Account	29,896	38,567
Bank of Nova Scotia - General Account	-	31,406
Cash held in trust	8,241	8,233
	<hr/> (37,064)	<hr/> 206,930

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

4. Accounts receivable

	2017	2016
CMHC rent receivable	229,143	177,136
Advances to First Nation Members	150,380	129,744
Indigenous and Northern Affairs Canada	103,488	112,671
Anishinaabeg of Kabapikotawangag Resource Council	102,874	76,259
CMHC subsidy assistance receivable	93,998	39,640
Shooniyaa Wa-Biitong	29,229	21,076
Miscellaneous	33,460	31,508
Other government agencies	16,237	28,482
First Nations and Inuit Health	15,404	14,919
Ministry of Indigenous Relations and Reconciliation	10,000	-
	784,213	631,435
Allowance for doubtful accounts	(379,523)	(306,880)
	404,690	324,555

The allowance for doubtful accounts includes \$150,380 (2016 - \$129,744) relating to member advances and \$229,143 (2016 - \$177,136) relating to CMHC rent receivable.

5. Restricted Cash

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the First Nation established the following:

- A replacement reserve established by an annual allocation of \$36,850, to ensure replacement of buildings financed by CMHC.
- A subsidy surplus reserve established by retaining excess federal assistance payments received. Reserve funds may be used to meet future subsidy requirements of income test occupants, over and above the maximum federal assistance.

In accordance with the terms of the agreements, CMHC replacement monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Replacement reserve withdrawals are credited first to principal and then to interest.

	2017	2016
Royal Bank - Operating Reserve	440,504	368,995
Royal Bank - Replacement Reserve	287,386	282,532
	727,890	651,527

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

6. Funds held in Ottawa Trust Fund

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Council.

	2017	2016
Capital Trust		
Balance, beginning of year	7,795	7,795
Balance, end of year	7,795	7,795
Revenue Trust		
Balance, beginning of year	27,303	26,574
Interest	651	729
Balance, end of year	27,954	27,303
	35,749	35,098

7. Long-term investments

Long-term investments consist of the following:

	2017	2016
1 partnership unit in Ontario First Nations Limited Partnership	1	1

8. Accounts payable and accruals

	2017	2016
Accounts payable - general	353,712	263,102
Receiver General	5,715	(61)
Audit accrual	30,000	30,000
Pension payable	795	2,532
	390,222	295,573

9. Deferred Revenue

	<i>Balance March 31, 2016</i>	<i>Funding Received 2017</i>	<i>Other Revenue 2017</i>	<i>Revenue Recognized 2017</i>	<i>Balance March 31, 2017</i>
Federal Government					
Capital	159,476	243,773	-	262,599	140,650
Health	28,179	705,168	-	723,902	9,445
Operations and Maintenance	-	366,294	-	350,725	15,569
	187,655	1,315,235	-	1,337,226	165,664

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

10. Repayable to funder

	2017	2016
INAC - Tuition Agreements	705,191	558,809
INAC - Band Operated School - Direct Services	329,403	329,403
INAC - Special Education	151,815	151,815
INAC - SWOP	28,400	28,400
INAC - First Nation Training	10,435	3,798
INAC - Student Employment	81	81
	1,225,325	1,072,306

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

11. Long-term debt

	2017	2016
Canada Mortgage and Housing Corporation loan, repayable in blended monthly payments of principal and interest in the amount of \$3,240, bearing interest at 1.71%, maturing September 1, 2032. Secured by a Ministerial Guarantee.	529,933	559,577
Canada Mortgage and Housing Corporation loan, repayable in blended monthly payments of principal and interest in the amount of \$948, bearing interest at 1.67%, maturing April 1, 2033. Secured by a Ministerial Guarantee.	160,732	169,383
Canada Mortgage and Housing Corporation loan, repayable in blended monthly payments of principal and interest in the amount of \$3,078, bearing interest at 1.53%, maturing December 1, 2032. Secured by a Ministerial Guarantee.	517,528	546,397
Canada Mortgage and Housing Corporation loan, repayable in blended monthly payments of principal and interest in the amount of \$3,516, bearing interest at 2.04%, maturing January 1, 2034. Secured by a Ministerial Guarantee.	602,166	631,895
Canada Mortgage and Housing Corporation loan, repayable in blended monthly payments of principal and interest in the amount of \$3,316, bearing interest at 2.35%, maturing July 1, 2033. Secured by a Ministerial Guarantee.	540,753	567,657
Canada Mortgage and Housing Corporation loan, repayable in blended monthly payments of principal and interest in the amount of \$3,091, bearing interest at 1.83%, maturing November 1, 2034. Secured by a Ministerial Guarantee.	560,704	587,387
Canada Mortgage and Housing Corporation loan, repayable in blended monthly payments of principal and interest in the amount of \$4,337, bearing interest at 1.04%, maturing October 1, 2040. Secured by a Ministerial Guarantee.	995,839	1,037,430
INAC promissory note related to ongoing flood claim negotiations, unsecured, repayable when claim is settled, interest free, maturing in March 2022 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	141,226	141,226
INAC promissory note related to ongoing flood claim negotiations, unsecured, repayable when claim is settled, interest free, maturing in March 2018 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	12,664	12,664
INAC promissory note related to ongoing flood claim negotiations, unsecured, repayable when claim is settled, interest free, maturing in March 2019 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	40,675	40,675
INAC promissory note related to ongoing flood claim negotiations, unsecured, repayable when claim is settled, interest free, maturing in March 2020 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	95,795	95,795
INAC promissory note related to ongoing flood claim negotiations, unsecured, repayable when claim is settled, interest free, maturing in March 2021 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	171,331	171,331
INAC promissory note related to ongoing flood claim negotiations, unsecured, repayable when claim is settled, interest free, maturing in March 2022 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	92,840	-
	4,462,186	4,561,417

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

11. Long-term debt *(Continued from previous page)*

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed at similar rates and terms, are estimated as follows:

	Principal
2018	194,525
2019	197,850
2020	201,234
2021	204,680
2022	208,189
	<hr/>
	1,006,478
	<hr/>
Thereafter	3,455,708

Interest on long-term debt amounted to \$66,238 (2016 - \$67,962).

12. Contingencies

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.

13. INAC funding reconciliation

	2017	2016
INAC revenue per financial statements	2,462,566	2,086,158
INAC revenue per funding confirmation	2,462,566	2,086,158

14. Government transfers

	Operating	Capital	2017	2016
Federal government transfers				
Indigenous and Northern Affairs Canada	2,462,566	-	2,462,566	2,086,158
First Nations and Inuit Health	555,857	-	555,857	619,236
Canada Mortgage and Housing Corporation	283,678	-	283,678	276,353
Indigenous and Northern Affairs Canada - Flood Claim	92,840	-	92,840	95,795
Total Federal	3,394,941	-	3,394,941	3,077,542
Provincial government transfers				
Ministry of Community and Social Services	335,089	-	335,089	258,675
Ministry of Indigenous Relations and Reconciliation	130,000	-	130,000	136,026
MCSS - Aboriginal Healing and Wellness Strategy	112,346	-	112,346	112,346
Ministry of Children and Youth Services	27,600	-	27,600	-
Ministry of Health and Long-Term Care	17,026	-	17,026	17,107
Ministry of Northern Development and Mines	10,914	-	10,914	14,128
Total Provincial	632,975	-	632,975	538,282
	4,027,916	-	4,027,916	3,615,824

Northwest Angle #33 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

15. Ontario First Nations Limited Partnership

Commencing with the 2012 fiscal year and in each fiscal year thereafter during the initial and renewal terms of the agreement between the Province of Ontario and Ontario First Nations Limited Partnership (OFNLP), the Province of Ontario shall pay to OFNLP 12 monthly payments equal to one-twelfth of 1.7% of the aggregate provincial gross gaming revenues. OFNLP then distributes to the First Nation its share of these revenues according to a formula used for that purpose. The use of these funds, according to agreements, is restricted to community development, health, education, cultural development and economic development.

The First Nation holds a unit in the Ontario First Nations Limited Partnership, and a share in a related company Ontario First Nations General Partner Inc.

16. Economic dependence

The First Nation receives 47% (2016 - 45%) of its revenue from Indigenous and Northern Affairs Canada (INAC) as a result of treaties entered into with the Government of Canada. These treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

17. Budget information

The disclosed budget information has been approved by the Chief and Council, and presented to the members of the First Nation.

18. First Nations Financial Transparency Act

The First Nation is required by the First Nations Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to INAC by July 28, 2017. As the audit report is dated after this date, the First Nation is not in compliance with this requirement. The possible effect of this non-compliance has not yet been determined.

19. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

Northwest Angle #33 First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2017

	<i>Housing - General</i>	<i>Housing - CMHC</i>	<i>Infrastructure</i>	<i>Automotive</i>	<i>Machinery</i>	<i>Boats</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	3,120,308	6,452,248	2,958,929	149,954	14,000	33,330	12,728,769
Acquisition of tangible capital assets	-	-	-	-	18,000	-	18,000
Balance, end of year	3,120,308	6,452,248	2,958,929	149,954	32,000	33,330	12,746,769
Accumulated amortization							
Balance, beginning of year	2,297,515	2,283,366	819,570	108,055	14,000	23,815	5,546,321
Annual amortization	75,782	258,090	117,157	10,475	-	4,763	466,267
Balance, end of year	2,373,297	2,541,456	936,727	118,530	14,000	28,578	6,012,588
Net book value of tangible capital assets	747,011	3,910,792	2,022,202	31,424	18,000	4,752	6,734,181
2016 Net book value of tangible capital assets	822,793	4,168,882	2,139,359	41,899	-	9,515	7,184,464

Northwest Angle #33 First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2017

	<i>Subtotal</i>	<i>Roads</i>	<i>Community Buildings</i>	<i>Landfill</i>	<i>Construction- in-progress</i>	<i>2017</i>	<i>2016</i>
Cost							
Balance, beginning of year	12,728,769	207,222	1,208,097	447,648	1,528,367	16,120,103	15,801,424
Acquisition of tangible capital assets	18,000	-	-	-	51,163	69,163	318,679
Balance, end of year	12,746,769	207,222	1,208,097	447,648	1,579,530	16,189,266	16,120,103
Accumulated amortization							
Balance, beginning of year	5,546,321	186,097	818,564	154,215	-	6,705,197	6,195,141
Annual amortization	466,267	1,994	21,458	14,906	-	504,625	510,056
Balance, end of year	6,012,588	188,091	840,022	169,121	-	7,209,822	6,705,197
Net book value of tangible capital assets	6,734,181	19,131	368,075	278,527	1,579,530	8,979,444	9,414,906
2016 Net book value of tangible capital assets	7,184,464	21,125	389,533	293,433	1,528,367	9,414,906	

Northwest Angle #33 First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2017

	2017 Budget	2017	2016
Consolidated expenses by object			
Administrative expenses	114,355	203,457	163,665
Amortization of tangible capital assets	250,000	504,625	510,056
Bad debts	144,240	77,986	32,879
Bank charges and interest	7,800	6,798	8,376
Capital, operations and maintenance	69,251	230,693	125,391
Community events	122,543	103,711	113,902
Contracted services	572,384	452,082	512,416
Economic development	1,563	200	943
Education	1,122,466	1,172,917	786,502
Health	7,000	4,736	8,417
Honoraria, salaries, wages and benefits	1,274,913	1,449,166	1,467,372
Insurance	50,700	62,296	56,159
Interest on long-term debt	-	66,238	67,962
Office, materials, supplies and utilities	823,100	845,703	801,769
Professional fees	125,277	172,564	159,676
Training and travel	322,399	322,550	293,655
	5,007,991	5,675,722	5,109,140

Northwest Angle #33 First Nation
Schedule 3 - Summary of Consolidated Schedules of Revenue and Expenses by Segment
For the year ended March 31, 2017

	Schedule #	INAC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Adjustments/Transfers From (To)	Current Surplus (Deficit)
Administration	4	242,324	408,541	-	650,865	1,380,401	661,694	(67,842)
Capital	5	243,773	-	18,826	262,599	262,599	-	-
Economic Development	6	50,000	-	-	50,000	24,999	-	25,001
Education	7	1,531,650	(146,381)	-	1,385,269	1,412,730	-	(27,461)
Governance	8	-	-	-	-	25,868	-	(25,868)
Health	9	14,800	833,127	18,734	866,661	948,118	-	(81,457)
Housing CMHC	10	-	420,478	-	420,478	674,671	-	(254,193)
Ontario First Nations Limited Partnership	11	-	831,694	-	831,694	-	(831,694)	-
Operations and Maintenance	12	334,719	102,843	(15,569)	421,993	543,424	170,000	48,569
Social Services	13	45,300	335,089	-	380,389	402,912	-	(22,523)
Total		2,462,566	2,785,391	21,991	5,269,948	5,675,722	-	(405,774)

Northwest Angle #33 First Nation
Administration
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	242,881	242,324	239,932
Indigenous and Northern Affairs Canada - Flood Claim	134,295	92,840	95,795
First Nations and Inuit Health	15,859	10,000	18,660
Canada Mortgage and Housing Corporation	-	-	16,000
Administration fees	130,000	203,457	163,665
Ministry of Indigenous Relations and Reconciliation	136,000	130,000	136,026
Miscellaneous	30,000	41,623	47,162
Rental income	-	14,115	18,497
Anishinaabeg of Kabapikotawangag Resource Council	-	11,600	13,241
HST and Sales Tax rebates	30,000	3,420	24,660
Interest income	-	963	819
Shooniyaa Wa-Biitong	-	-	51,360
Repayment of funding	-	(6,637)	(3,798)
Repayment of funding - Flood Claim	-	(92,840)	(95,795)
	719,035	650,865	726,224
Expenses			
Administration	14,683	16,958	17,026
Amortization	250,000	246,535	251,966
Bad debts (recoveries)	-	18,830	(20,376)
Bank charges and interest	7,500	6,510	7,704
Consulting	35,000	-	14,594
Contracted services	500	610	17,595
Election costs	12,000	14,282	-
Emergency assistance	60,000	44,739	139,112
Funerals	25,000	33,760	26,410
Honoraria	281,992	176,788	204,682
Insurance	17,000	7,118	15,019
Materials	10,264	29,702	16,279
Meetings	13,600	8,438	20,820
Miscellaneous	21,450	-	2,800
Office supplies	15,000	32,702	16,804
Professional fees	122,777	148,207	147,929
Rent	57,900	47,710	57,530
Repairs and maintenance	13,700	9,344	4,911
Salaries and benefits	303,488	313,951	390,451
Supplies	4,600	81,095	96,185
Training	-	846	3,032
Travel	134,585	97,715	99,842
User fees	-	-	2,000
Utilities	48,594	44,561	43,395
	1,449,633	1,380,401	1,575,710
Deficit before transfers	(730,598)	(729,536)	(849,486)
Transfers between segments			
Transfer from Ontario First Nations Limited Partnership	621,024	661,694	594,420
Deficit	(109,574)	(67,842)	(255,066)

Northwest Angle #33 First Nation
Capital
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	241,670	243,773	242,656
Deferred revenue - prior year (Note 9)	100,000	159,476	264,699
Deferred revenue - current year (Note 9)	-	(140,650)	(159,476)
	341,670	262,599	347,879
Expenses			
Contracted services	-	7,328	4,200
Materials	270,170	101,162	120,918
Miscellaneous	-	-	500
Repairs and maintenance	22,000	28,693	43,230
Salaries and benefits	49,500	124,198	176,283
Travel	-	-	1,035
Utilities	-	1,218	1,713
	341,670	262,599	347,879
Surplus (deficit)	-	-	-

Northwest Angle #33 First Nation
Economic Development
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	50,000	50,000	50,000
Expenses			
Administration	5,000	5,000	5,000
Consulting	25,589	-	17,751
Materials	-	-	380
Miscellaneous	300	3,173	4,000
Salaries and benefits	11,011	14,826	14,438
Training	2,800	2,000	2,974
Travel	3,300	-	4,321
User fees	2,000	-	1,300
	50,000	24,999	50,164
Surplus (deficit)	-	25,001	(164)

Northwest Angle #33 First Nation
Education
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	1,070,967	1,531,650	1,121,973
Canada Mortgage and Housing Corporation	-	-	9,290
Miscellaneous	-	-	4,325
Repayment of funding	-	(146,381)	(234,742)
	1,070,967	1,385,269	900,846
Expenses			
Administration	18,975	55,336	18,975
Contracted services	116,000	40,000	-
Cultural enrichment	2,000	500	3,310
Office supplies	700	60	142
Parental and community involvement	5,000	2,389	6,370
Salaries and benefits	38,500	91,282	74,304
Student expenses	302,100	603,792	304,921
Supplies	11,700	6,383	5,343
Transportation	10,966	35,749	19,208
Travel	1,000	8,114	3,501
Tuition	579,226	569,125	481,581
	1,086,167	1,412,730	917,655
Deficit before transfers	(15,200)	(27,461)	(16,809)
Transfers between segments			
Transfer from Ontario First Nations Limited Partnership	15,200	-	17,200
Surplus (deficit)	-	(27,461)	391

Northwest Angle #33 First Nation
Governance
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	35,000	-	35,000
Expenses			
Administration	3,500	-	3,500
Consulting	18,000	11,994	5,997
Meetings	3,000	806	3,025
Office supplies	500	-	1,122
Salaries and benefits	-	9,255	10,609
Training	6,000	-	5,953
Travel	4,000	3,813	4,801
	35,000	25,868	35,007
Surplus (deficit)	-	(25,868)	(7)

Northwest Angle #33 First Nation
Health
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
First Nations and Inuit Health	541,254	545,857	600,576
Indigenous and Northern Affairs Canada	14,000	14,800	14,800
MCSS - Aboriginal Healing and Wellness Strategy	112,346	112,346	112,346
Anishinaabeg of Kabapikotawangag Resource Council	-	94,087	15,479
Grand Council Treaty #3	-	36,211	-
Ministry of Children and Youth Services	28,800	27,600	-
Ministry of Health and Long-Term Care	16,101	17,026	17,107
Miscellaneous	3,500	-	3,500
Deferred revenue - prior year <i>(Note 9)</i>	-	28,179	-
Deferred revenue - current year <i>(Note 9)</i>	-	(9,445)	(28,179)
	716,001	866,661	735,629
Expenses			
Administration	54,375	61,082	54,415
Advertising	1,563	200	942
Consulting	21,785	-	22,500
Contracted services	4,300	5,029	4,226
Cultural enrichment	28,686	29,690	26,205
Health	7,000	4,736	8,417
Honoraria	7,300	26,164	3,187
Insurance	8,700	3,387	3,387
Materials	19,341	29,426	20,226
Meetings	11,507	10,672	20,311
Office supplies	483	626	-
Rent	2,000	1,750	-
Repairs and maintenance	10,217	77,173	10,955
Salaries and benefits	345,921	382,085	343,928
Supplies	32,746	107,807	41,300
Training	6,300	3,031	5,179
Transportation	65,000	56,391	72,031
Travel	62,496	87,080	54,809
User fees	30,707	34,163	27,585
Utilities	28,640	27,626	23,850
	749,067	948,118	743,453
Deficit before transfers	(33,066)	(81,457)	(7,824)
Transfers between segments			
Transfer from Ontario First Nations Limited Partnership	30,829	-	40,000
Surplus (deficit)	(2,237)	(81,457)	32,176

Northwest Angle #33 First Nation
Housing CMHC
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Canada Mortgage and Housing Corporation	222,500	283,678	251,063
Rental income	215,280	136,800	139,200
	437,780	420,478	390,263
Expenses			
Administration	-	36,020	36,020
Amortization	-	258,090	258,090
Bad debts	144,240	59,157	53,255
Bank charges and interest	300	-	-
Insurance	25,000	41,790	25,440
Interest on long-term debt	-	66,238	67,962
Professional fees	-	10,500	10,500
Repairs and maintenance	-	56,564	36,650
Student expenses	241,140	-	-
Utilities	-	146,312	12,000
	410,680	674,671	499,917
Surplus (deficit) before transfers	27,100	(254,193)	(109,654)
Transfers between segments			
Transfer from Ontario First Nations Limited Partnership	-	-	84,925
Surplus (deficit)	27,100	(254,193)	(24,729)

Northwest Angle #33 First Nation
Ontario First Nations Limited Partnership
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Ontario First Nations Limited Partnership	715,000	831,694	736,545
Surplus before transfers	715,000	831,694	736,545
Transfers between segments			
Transfer to Administration	(621,024)	(661,694)	(594,420)
Transfer to Education	(15,200)	-	(12,000)
Transfer to Health	(30,829)	-	(40,000)
Transfer to Housing CMHC	-	-	(84,925)
Transfer to Operations and Maintenance	(47,947)	(170,000)	(5,200)
	(715,000)	(831,694)	(736,545)
Surplus (deficit)	-	-	-

Northwest Angle #33 First Nation
Operations and Maintenance
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	324,249	334,719	346,397
Shooniyaa Wa-Biitong	-	60,354	-
Miscellaneous	-	31,575	11,900
Ministry of Northern Development and Mines	14,128	10,914	14,128
Deferred revenue - prior year	21,183	-	21,183
Deferred revenue - current year <i>(Note 9)</i>	-	(15,569)	-
	359,560	421,993	393,608
Expenses			
Administration	17,822	29,061	28,729
Consulting	-	-	3,000
Contracted services	82,210	68,203	50,264
Insurance	-	10,000	12,313
Materials	500	1,542	3,858
Professional fees	-	11,356	-
Repairs and maintenance	23,334	58,920	29,644
Salaries and benefits	191,201	235,721	209,735
Supplies	6,000	24,329	15,524
Telephone	-	-	679
Travel	7,952	4,264	4,397
User fees	500	-	135
Utilities	240,600	100,028	277,666
	570,119	543,424	635,944
Deficit before transfers	(210,559)	(121,431)	(242,336)
Transfers between segments			
Transfer from Ontario First Nations Limited Partnership	(47,947)	170,000	-
Surplus (deficit)	(258,506)	48,569	(242,336)

Northwest Angle #33 First Nation
Social Services
Schedule 13 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget	2017	2016
Revenue			
Indigenous and Northern Affairs Canada	44,355	45,300	35,400
Ministry of Community and Social Services	271,300	335,089	258,675
	315,655	380,389	294,075
Expenses			
Bank charges and interest	-	288	672
Emergency assistance	209,000	274,180	233,176
Office supplies	2,500	4,334	1,788
Professional fees	2,500	2,500	1,250
Salaries and benefits	46,000	74,893	39,753
Supplies	17,975	13,135	4,293
Training	2,000	2,102	2,660
Travel	16,000	21,450	9,913
User fees	16,480	10,030	8,440
Utilities	3,200	-	1,466
	315,655	402,912	303,411
Deficit	-	(22,523)	(9,336)