

CONSOLIDATED FINANCIAL STATEMENTS

For

MOHAWK COUNCIL OF AKWESASNE

For year ended

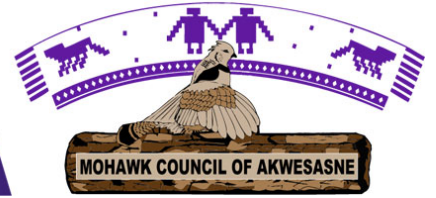
MARCH 31, 2024

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MOHAWK COUNCIL OF AKWESASNE

Tetewaie:na - Honoring the past, facing today's challenges, building a strong future.



Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the **Mohawk Council of Akwesasne** are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Welch LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Mohawk Council of Akwesasne and meet when required.

On behalf of the Mohawk Council of Akwesasne:

Shannon Roadpoint
Acting Executive Director
Mohawk Council of Akwesasne

Leonard Lazore
Grand Chief
Mohawk Council of Akwesasne

Dated: January 13, 2025

INDEPENDENT AUDITOR'S REPORT

To:

MOHAWK COUNCIL OF AKWESASNE*Report on the Audit of the Consolidated Financial Statements**Qualified Opinion*

We have audited the accompanying consolidated financial statements of the **Mohawk Council of Akwesasne**, ("Council") which comprise the consolidated statement of financial position as at March 31, 2024 and the consolidated statements of operations, the consolidated statement of changes in net financial assets, the consolidated statement of remeasurement gains and losses, and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the **Mohawk Council of Akwesasne** as at March 31, 2024 and the results of its consolidated operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Under Public Sector Accounting Standards, as of the year ended March 31, 2024, the Council was required to adopt PS 3280 Asset Retirement Obligations. Asset retirement obligations are legal obligations associated with the eventual retirement of tangible capital assets. The Council was required to identify all legal obligations associated with the retirement of its assets, and record, and estimate the future costs of remediation for these obligations to determine their valuation. Legal liabilities may exist, including the costs for the removal and disposal of asbestos within the Council buildings that will undergo renovations or demolition, as well as decommissioning or removal costs associated with arena infrastructure, site restoration for salt storage facilities, lagoon site restoration, and costs associated with the removal of sewage infrastructure. The Council did not complete its analysis as described in note 1p), and thus, liabilities arising from legal obligations associated with the retirement of certain tangible capital assets and their related disclosures were not recorded in the consolidated financial statements for the year ended March 31, 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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 qualified audit opinion.

Responsibilities of Management and Those Charged with Governance 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.

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

Those charged with governance are responsible for overseeing the Council'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 these 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 risks of material misstatement of the consolidated financial statements, whether due to fraud and error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council'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 Council 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Other Matters

Schedules 1 to 6 accompanying the consolidated financial statements are presented as supplementary information only and are unaudited.

**Cornwall, Ontario
January 13, 2025**

Welch LLP

**Chartered Professional Accountants
Licensed Public Accountants**

MOHAWK COUNCIL OF AKWESASNE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
Financial Assets		
Cash	\$ 14,394,953	\$ 13,460,993
Receivables from government and other government organizations (note 3)	12,324,355	13,373,069
Accounts receivable (note 4)	11,630,916	6,449,221
Portfolio investments (note 8)	477,581,965	416,554,418
Housing and housing construction loans (note 5)	4,842,838	5,147,181
Investment in government business entities (note 24)	<u>1,059,592</u>	<u>877,975</u>
Total Financial Assets	<u>521,834,619</u>	<u>455,862,857</u>
Financial Liabilities		
Accounts payable and accrued liabilities (note 9)	25,819,419	17,662,350
Employee benefit obligations (note 10)	1,167,884	1,178,237
Due to government and other government organizations (note 11)	9,582,359	9,695,627
Deferred revenue (note 12)	87,135,124	59,034,857
Long-term loans (note 13)	<u>4,490,098</u>	<u>4,934,251</u>
Total Financial Liabilities	<u>128,194,884</u>	<u>92,505,322</u>
Net Financial Assets	<u>393,639,735</u>	<u>363,357,535</u>
Non-Financial Assets		
Tangible capital assets (note 6)	122,622,525	114,123,924
Tangible capital assets under construction (note 7)	20,296,662	17,900,763
Prepaid expenses	<u>123,325</u>	<u>226,541</u>
Total non-financial assets	<u>143,042,512</u>	<u>132,251,228</u>
Accumulated surplus (note 17, schedule 6)	<u>\$536,682,247</u>	<u>\$495,608,763</u>

Contingencies and commitments (note 16)

Approved by the Council



Shannon Roundpoint, Acting Executive Director
Mohawk Council of Akwesasne



Leonard Lazore, Grand Chief
Mohawk Council of Akwesasne

(See accompanying notes)

MOHAWK COUNCIL OF AKWESASNE
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2024

	<u>Budget</u> (note 21)	<u>2024</u>	<u>2023</u>
Revenues			
Government transfers (schedule 2)	\$128,873,230	\$146,300,658	\$137,583,302
Ontario First Nations (2008) Limited Partnership (note 23)	5,756,978	5,718,108	4,061,033
Earnings from government business entities (note 24)	-	181,617	123,402
Administration fees and user charges	2,586,360	2,176,004	462,385
Land leases (schedule 1)	745,976	719,133	773,739
Interest	900,000	19,992,884	11,036,052
Other income and realized gains (losses)	222,402	(438,208)	928,607
Unrealized gains (losses)	-	3,557,658	825,369
Rental	1,942,595	1,322,649	1,181,937
	<u>141,027,541</u>	<u>179,530,503</u>	<u>156,975,826</u>
Operating expenses (note 20)			
Akwesasne Mohawk Board of Education	32,636,302	34,254,442	24,895,138
Akwesasne Mohawk Police Service	13,550,628	14,427,657	12,227,482
Community and Social Services	14,951,333	19,483,964	20,169,252
Economic Development	18,825,283	2,161,372	1,862,737
Executive Services	8,604,670	5,381,567	5,672,023
Finance & Administration	2,074,151	1,291,468	780,865
Health	35,803,285	41,030,730	36,598,360
Infrastructure & Housing	8,781,719	12,034,648	10,527,714
Justice	4,200,978	3,337,647	2,947,130
Mohawk Government	1,800,485	5,053,524	3,202,654
	<u>141,228,834</u>	<u>138,457,019</u>	<u>118,883,355</u>
Annual surplus (deficit)	(201,293)	41,073,484	38,092,471
Accumulated surplus at beginning of year	432,692,567	495,608,763	457,516,292
Accumulated surplus at end of year	<u>\$432,491,274</u>	<u>\$536,682,247</u>	<u>\$495,608,763</u>

(See accompanying notes)

MOHAWK COUNCIL OF AKWESASNE
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED MARCH 31, 2024

	<u>Budget</u>	<u>2024</u>	<u>2023</u>
Annual surplus (deficit)	\$ <u>(201,293)</u>	\$ <u>41,073,484</u>	\$ <u>38,092,471</u>
Acquisition of tangible capital assets	(6,000,000)	(4,932,052)	(4,114,205)
Acquisition of tangible capital assets under construction	(10,000,000)	(11,418,377)	(11,989,716)
Gain on disposal of tangible capital assets	-	40,741	267,552
Amortization of tangible capital assets	<u>4,300,000</u>	<u>5,415,188</u>	<u>4,662,148</u>
	<u>(11,700,000)</u>	<u>(10,894,500)</u>	<u>(11,174,221)</u>
Acquisition of prepaid expenses	(220,000)	(123,325)	(226,541)
Use of prepaid expenses	150,000	226,541	220,669
Proceeds on disposition of other assets held for sale	-	-	126,000
	<u>(70,000)</u>	<u>103,216</u>	<u>120,128</u>
Increase (decrease) in net financial assets	(11,971,293)	30,282,200	27,038,378
Net financial assets at beginning of year	<u>363,357,535</u>	<u>363,357,535</u>	<u>336,319,157</u>
Net financial assets at end of year	<u>\$351,386,242</u>	<u>\$393,639,735</u>	<u>\$363,357,535</u>

(See accompanying notes)

MOHAWK COUNCIL OF AKWESASNE
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
Accumulated remeasurement gains (losses) - Beginning	\$ (2,706,718)	\$ (3,532,087)
Increase (decrease) in unrealized gains (losses) attributed to:		
Investments	<u>3,557,658</u>	<u>825,369</u>
Net change in remeasurement gains (losses)	<u>3,557,658</u>	<u>825,369</u>
Accumulated remeasurement gains (losses) - Ending	<u>\$ 850,940</u>	<u>\$ (2,706,718)</u>

(See accompanying notes)

MOHAWK COUNCIL OF AKWESASNE
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
Cash provided by (used for):		
Operating activities		
Annual surplus before other items	\$ 41,073,484	\$ 38,092,471
Items not affecting cash:		
Amortization	5,415,188	4,662,148
Realized gains (losses)	(1,037,517)	(956,811)
Unrealized gains	3,557,658	825,369
Gain on disposal of tangible capital assets	40,741	267,552
Net change in non-cash working capital items:		
Due from government and other government organizations	1,048,714	(257,043)
Accounts receivable	(5,181,695)	(2,073,211)
Prepaid expenses	103,216	(5,872)
Accounts payable and accrued liabilities	8,157,069	5,934,637
Employee benefit obligations	(10,353)	(108,701)
Due to government and other government organizations	(113,268)	3,868,191
Deferred revenue	<u>28,100,267</u>	<u>22,304,966</u>
Cash applied to operating transactions	<u>81,153,504</u>	<u>72,553,696</u>
Capital activities		
Proceeds on disposal of other assets held for sale	-	126,000
Purchase of tangible capital assets and under construction	<u>(16,350,429)</u>	<u>(16,103,921)</u>
Cash applied to capital transactions	<u>(16,350,429)</u>	<u>(15,977,921)</u>
Investing activities		
Advances for housing and housing construction loans	(406,638)	(254,941)
Government business entities	(181,617)	(123,402)
Housing loans repaid	710,981	778,297
Redemption of portfolio investments	385,521,816	546,913,303
Purchases of portfolio investments	<u>(449,069,504)</u>	<u>(600,145,852)</u>
Cash applied to investing activities	<u>(63,424,962)</u>	<u>(52,832,595)</u>
Financing activities		
Repayments of long-term loans	<u>(444,153)</u>	<u>(443,617)</u>
Cash applied to financing activities	<u>(444,153)</u>	<u>(443,617)</u>
Increase in cash	933,960	3,299,563
Cash at beginning of year	<u>13,460,993</u>	<u>10,161,430</u>
Cash at end of year	<u>\$ 14,394,953</u>	<u>\$ 13,460,993</u>

(See accompanying notes)

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

NATURE OF OPERATIONS

The Mohawk Council of Akwesasne (Council) is the body which administers various programs to the Akwesasne community. Activities are funded by Indigenous Services Canada (ISC) (formerly known as Indigenous and Northern Affairs Canada) (INAC) under a multi-year agreement and other agreements with federal and provincial government bodies. Beginning April 1, 2019, Council signed a 10 Year Grant with ISC called a New Funding Relationship, which will expire March 31, 2029. The operations of the Council are dependent upon continued funding under these agreements. The Council is responsible for ensuring compliance with agreements.

The Council is not subject to income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

The Council prepares its consolidated financial statements in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA). These consolidated financial statements include the following significant accounting policies:

a) *Reporting entity*

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of a 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.

The organization has consolidated the assets, liabilities, revenues and expenses of the following entity:

- Akweks:kowa Corp.

All inter-entity balances have been eliminated on consolidation.

Council's business entities, owned or controlled by Council but not dependent on the Council for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Council. Thus, the Council's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

Under the modified equity method of accounting, only the Council's investment in a government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for the accounting policies of the organization that are different from those of Council.

The organizations accounted for on a modified equity basis includes:

- Akwesasne Harbour Development Corporation
- Cornwall - Akwesasne Harbour Partnership

b) *Basis of accounting*

These consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon cost of goods and services acquired.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Revenue recognition

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. Revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Unrestricted contributions and Ontario First Nations (2008) Limited Partnership (OFNLP) revenue are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred.

Where the terms of the agreement require unexpended contributions to be returned to the funder, the unexpended amount is recorded as a contribution repayable and not included in the determination of annual surplus for the year.

Administration fees, user charges and rental revenues represent internal charges to programs which are included in both revenues and expenses. Land lease income are fees collected from rental of land on Council territory and is recognized when it becomes receivable. Interest income represents interest earned on cash and portfolio investments. Other income represents actual income earned from various Council operations and is recorded when the services are provided.

d) Investment income

Investment income consists of interest, dividends and realized gains (losses) on disposition of investments. Investment income is recorded net of portfolio management fees and related fees. Changes in unrealized gains or losses are recorded in the consolidated statement of remeasurement gains and losses. In the period of settlement, realized investment gains and losses are recognized in the statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses

e) Foreign currency translation

Financial instruments included in the fair market value measurement category denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Realized and unrealized foreign exchange gains and losses are recognized in the statement of operations.

f) Financial assets and liabilities

Initial measurement

The Council recognizes a financial asset or a financial liability on the consolidated statement of financial position when, and only when, it becomes party to the contractual provisions of the financial instrument. Unless otherwise stated, financial assets and liabilities are initially measured at fair value.

Subsequent measurement

At the last reporting date, the Council measured its financial assets and liabilities at amortized cost, except for investments, which are measured at fair value for marketable securities, including any impairment in the case of financial assets.

The Council determines whether there is any objective evidence of impairment of the financial assets subsequently measured at amortized cost. Any financial asset impairment is recognized in the consolidated statements of operations.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) *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 and may be consumed in normal operations. Non-financial assets consist of tangible capital assets, tangible capital assets under construction, other assets held for resale, and prepaid expenses.

h) *Portfolio investments*

Fixed income and equity instruments in active markets are measured at fair value. The Council has elected to measure other specific financial instruments at fair value, to correspond with how they are evaluated and managed.

Financial instruments are classified as level 1, 2, or 3 for the purpose of describing the basis of inputs used to measure the fair values of financial instruments in the fair value measurement category as described below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Markets based inputs other than quoted prices that are observable for the assets and liabilities either directly or indirectly

Level 3 - Inputs for the asset or liability that are not based on observable market data

i) *Tangible capital assets*

Purchased tangible capital assets are recorded at cost less accumulated amortization. The costs of constructing tangible capital assets, including direct overhead and carrying costs, are recorded as tangible capital assets under construction until the assets are substantially complete, at which time they are transferred from tangible capital assets under construction to tangible capital assets and amortization is commenced. Government funding related to tangible capital assets is recorded using the percentage of completion method.

Amortization is recorded using the declining balance method at the following annual rates:

Buildings and major infrastructures	2.5%
Computer hardware	20%
Computer software	50%
Equipment	20%
Equipment under capital lease	20%
Furniture and fixtures	10%
Roads	10%
Vehicles	25%

Amortization is charged at 50% of the amount in the year of acquisition but no amortization is charged in the year of disposal.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) *Net financial assets*

The Council's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Council is determined by its financial assets less its financial liabilities. Accumulated Surplus is comprised of two components, net financial assets and non-financial assets.

The Council restricts funds to recognize the investment in tangible capital assets, tangible capital assets under construction and housing and housing construction loans to meet reserve requirements of certain funding arrangements and to reflect internal restrictions placed on the use of certain funds by Council.

The Council restricts all investment income earned on the Dundee Land Claim since the funds were received in 2020. This internally restricted reserve is part of the Accumulated Surplus (Schedule 6).

k) *Funds held in trust*

The Council receives revenue from the lease of certain Council owned lands and from interest on funds held by ISC on behalf of Council. This interest and lease revenue is paid directly into trust funds administered by ISC on Council's behalf. It is recorded as revenue of Council in the year in which it is paid into the ISC trust accounts irrespective of whether or not Council has permitted the withdrawal of the funds from the trusts.

l) *Pension plan*

The Council operates a defined contribution pension plan which offers Council employees a pension benefit upon retirement or termination based on the accumulated contributions made by the individual employee and on the employee's behalf by Council plus any investment earnings on these contributions. The Council's contributions to the plan are based on participants' earnings up to a maximum of 9.00% and are expensed as incurred. Pension expense recorded in the accounts for the 2024 fiscal year amounted to \$3,501,494 (2023 - \$3,027,862).

The Council is not making any past service contributions to the plan.

m) *Employee benefit obligations*

Employee benefit obligations is the accumulation of vacation pay accrued to all employees of the Council at their current salary as of March 31, 2024.

n) *Use of estimates*

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting periods. Significant estimates and assumptions, which include allowance for doubtful accounts receivable, housing and housing construction loans, certain accrued funding receivables, certain accrued liabilities and the estimated useful lives of tangible capital assets, are based on management's best information and judgement. Actual results could differ from these estimates, the impact of which would be recorded in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Segments

The Council conducts its business through ten (10) reportable segments: Akwesasne Mohawk Board of Education, Akwesasne Mohawk Police Service, Department of Community and Social Services, Mohawk Government, Department of Health, Department of Justice, Department of Infrastructure and Housing, Department of Finance and Administration, Executive Services, and Economic Development. These operating segments are established by senior management and approved by Council resolution 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 expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis (Schedule 4). Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder. Internal program contributions related to administration and rent are recorded at the exchange amount.

The accounting policies used in each of the segments are consistent with those followed in the preparation of the consolidated financial statements.

p) Asset Retirement Obligations ("ARO")

Public Sector Accounting Standards PS3280 - *Asset Retirement Obligations* came into effect on April 1, 2022. This new standard provides guidance on the reporting of legal obligations associated with the retirement of tangible capital assets. An ARO is recognized when, as at the financial reporting date, all of the following criteria are met:

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

The estimate of a liability would include costs directly attributable to asset retirement activities. Costs would include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset. The estimate would include costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

The Council is currently in the process of completing its assessment on the impact of PS3280's implementation on assets other than the landfill liability described above.

q) Future accounting standards

PS 1202 - Financial Statement Presentation

In October 2023, PSAB issued *PS 1202 Financial Statement Presentation*. PS 1202 was issued to replace PS 1201 and sets out the new requirements for presenting financial statements in the public sector. The major changes include:

- relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained;
- separating liabilities into financial liabilities and non-financial liabilities;
- restructuring the statement of financial position to present total assets followed by total

MOHAWK COUNCIL OF AKWESASNE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2024

liabilities;

- changes to common terminology used in financial statements, including renaming accumulated surplus (deficit) to net assets (liabilities);
- removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement will present the changes in each component of net assets (liabilities), including a new component called "accumulated other";
- a new provision whereby an entity can use an amended budget in certain circumstances;
- in the statement of cash flows, a subtotal of cash flows before financing activities is presented in isolate financing transactions; and
- inclusion of disclosures related to risks and uncertainties that could affect the entity's financial position.

PS 1202 is effective for fiscal periods beginning on or after April 1, 2026 to coincide with the adoption of the revised conceptual framework. Early adoption will be permitted if PSAB's new conceptual framework is adopted simultaneously.

2. FINANCIAL INSTRUMENTS

Risk management

The Council, through its financial assets and financial liabilities, is exposed to the following risks from its use of financial instruments: credit risk, liquidity risk, and market risk. The Council manages these risk exposures on an ongoing basis.

Credit risk

Credit risk on financial instruments arises from the possibility that the issuer of a financial instrument fails to meet its obligation. The Council's maximum exposure to credit risk represents the sum of the carrying value of its cash, receivables from government and other government organizations, accounts receivable, portfolio investments, and housing and housing construction loans.

Council's cash is deposited with a Canadian chartered bank and the portfolio investments are mainly held in high credit rated Canadian government bonds, commercial bonds, and GIC's. As a result, management believes the risk of loss on these items to be remote.

Accounts receivables from government and other government organizations are principally due from ISC, other federal, Province of Ontario, and Province of Quebec bodies, therefore, Council believes the risk of non-performance from government bodies to be remote.

Accounts receivable consist primarily of interest receivable from investments, OFNLP, and other grants and contributions. Based on historical activities, the Council believes the risk of non-performance from these entities to be remote. Of the miscellaneous and rental facilities receivables, Council's credit risk is influenced mainly by the individual characteristics of each customer. These miscellaneous and rental receivables are managed and analyzed on an ongoing basis, and accordingly, management establishes an allowance for doubtful accounts that represents its estimate of incurred losses in respect of these receivables (see Note 4).

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

2. FINANCIAL INSTRUMENTS (continued)

Housing and housing construction loans are due from community members and are repayable over 10 to 20 years and are non-interest bearing. Certain mortgages are subsidized by Canada Mortgage and Housing Corporation such that the effective annual rate of interest paid by the Council is 2%. Management considers it not practicable within the constraints of timeliness and cost to determine the fair value of the housing and housing construction loans and promissory notes with sufficient reliability. Housing and housing construction loans are managed and analyzed on an ongoing basis, and accordingly, management establishes an allowance for doubtful accounts that represents its estimate of incurred losses in respect of housing and housing construction loans (see Note 5).

Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligations as they come due. Council manages liquidity risk through its budget process and by monitoring cash flow requirements on a regular basis. Council has a revolving demand credit facility with a Canadian chartered bank of up to \$5.0 million to provide working capital financing. At March 31, 2024, the Council was not using the line of credit (March 31, 2023 - nil). The Council believes its overall liquidity risk to be minimal.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) Currency risk

Currency risk relates to financial assets and liabilities denominated in foreign currency and converting these to Canadian currency at different points in time when adverse or beneficial changes in foreign exchange rates can occur. Cash and investments are translated into Canadian dollars at the prevailing exchange rate. As a result, management does not believe it is exposed to significant currency risk. At March 31, 2024, the cash and investments held in U.S. dollars were \$123,844 US and \$ 30 US, respectively (2023 - \$65,340 US and \$30 US).

ii) Interest rate risk

Interest rate risk refers to the potential for financial loss caused by fluctuations in the fair value of financial instruments due to changes in market interest rates. The Council's exposure to interest rate risk arises from its portfolio investments. The Council manages this risk by having prudent investment policies and by ensuring bonds and GIC's mature on a staggered basis over the five years.

iii) Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future associated cash flows will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuers or factors affecting all similar instruments traded in the markets. The Council's exposure to other price risk arises from its portfolio investments. The Council manages this risk by having prudent investment policies.

Changes in risk

There have been no significant changes in the Council's risk exposures or policies, procedures and methods to measure the above risks, from the prior years.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

3. RECEIVABLES FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

Receivables from the government and other government organizations consist of the following:

	<u>2024</u>	<u>2023</u>
Indigenous Services Canada	\$ 1,485,642	\$ 1,769,825
Human Resources Development Canada	25,684	220,781
Province of Ontario	3,445,062	3,863,050
Province of Quebec	2,920,181	3,051,955
Other Federal contributions	<u>4,447,786</u>	<u>4,467,458</u>
	<u>\$ 12,324,355</u>	<u>\$ 13,373,069</u>

4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	<u>2024</u>	<u>2023</u>
Interest receivable from portfolio investments	\$ 9,907,981	\$ 5,353,117
Miscellaneous receivables	263,237	324,112
Ontario First Nations (2008) Limited Partnership	-	-
Other Grants and Contributions	1,541,882	832,373
Rental facilities receivables	<u>254,121</u>	<u>275,924</u>
	11,967,221	6,785,526
Less: allowance for doubtful accounts	<u>336,305</u>	<u>336,305</u>
	<u>\$ 11,630,916</u>	<u>\$ 6,449,221</u>

5. HOUSING AND HOUSING CONSTRUCTION LOANS

Housing and housing construction loans are advanced to residents to finance the purchase of homes constructed by Council. These loans are repayable over 10 to 20 years and are non-interest bearing.

	<u>2024</u>	<u>2023</u>
Principal outstanding	\$ 7,631,085	\$ 7,935,428
Less: allowance for doubtful loans	<u>(2,788,247)</u>	<u>(2,788,247)</u>
	<u>\$ 4,842,838</u>	<u>\$ 5,147,181</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

6. TANGIBLE CAPITAL ASSETS

	<u>Land</u>	<u>Building & Major Infrastructure</u>	<u>Computer Hardware</u>	<u>Computer Software</u>	<u>Equipment</u>	<u>Equipment under a Capital Lease</u>	<u>Furniture and Fixtures</u>	<u>Roads</u>	<u>Vehicles</u>	<u>Total 2024</u>	<u>Total 2023</u>
Cost											
Opening Costs	\$ 834,554	\$ 165,507,675	\$ 3,700,383	\$ 503,783	\$ 10,413,311	\$ 504,822	\$ 2,021,354	\$ 7,899,627	\$ 15,203,514	\$ 206,589,023	\$ 201,272,018
Additions	198,091	808,360	-	11,300	1,132,110	-	163,378	308,731	2,310,082	4,932,052	4,114,205
Transfers from WIP	-	4,172,819	-	-	-	-	-	4,849,659	-	9,022,478	1,958,278
Disposals	-	-	-	-	-	-	-	-	(336,246)	(336,246)	(755,478)
Write-downs	-	-	-	-	-	-	-	-	-	-	-
Closing Costs	<u>.032,645</u>	<u>170,488,854</u>	<u>3,700,383</u>	<u>515,083</u>	<u>11,545,421</u>	<u>504,822</u>	<u>2,184,732</u>	<u>13,058,017</u>	<u>17,177,350</u>	<u>220,207,307</u>	<u>206,589,023</u>
Accumulated Amortization											
Opening accumulated	-	63,030,698	3,509,041	503,783	7,871,434	497,293	1,727,060	5,393,912	9,931,878	92,465,099	88,290,877
Disposals	-	-	-	-	-	-	-	-	(295,505)	(295,505)	(487,926)
Amortization Expense	<u>-</u>	<u>2,608,317</u>	<u>38,269</u>	<u>2,825</u>	<u>621,587</u>	<u>1,506</u>	<u>37,599</u>	<u>508,547</u>	<u>1,596,538</u>	<u>5,415,188</u>	<u>4,662,148</u>
Closing Accumulated	<u>-</u>	<u>65,639,015</u>	<u>3,547,310</u>	<u>506,608</u>	<u>8,493,021</u>	<u>498,799</u>	<u>1,764,659</u>	<u>5,902,459</u>	<u>11,232,911</u>	<u>97,584,782</u>	<u>92,465,099</u>
Net Book Value	<u>\$.032,645</u>	<u>\$ 104,849,839</u>	<u>\$ 153,073</u>	<u>\$ 8,475</u>	<u>\$ 3,052,400</u>	<u>\$ 6,023</u>	<u>\$ 420,073</u>	<u>\$ 7,155,558</u>	<u>\$ 5,944,439</u>	<u>\$ 122,622,525</u>	<u>\$ 114,123,924</u>
Opening Balance	\$ 834,554	\$ 102,476,977	\$ 191,342	\$ -	\$ 2,541,877	\$ 7,529	\$ 294,294	\$ 2,505,715	\$ 5,271,636	\$ 114,123,924	\$ 112,981,141
Closing Balance	<u>.032,645</u>	<u>104,849,839</u>	<u>153,073</u>	<u>8,475</u>	<u>3,052,400</u>	<u>6,023</u>	<u>420,073</u>	<u>7,155,558</u>	<u>5,944,439</u>	<u>122,622,525</u>	<u>114,123,924</u>
Increase (Decrease) in Net Book Value	<u>\$ 198,091</u>	<u>\$ 2,372,862</u>	<u>\$ (38,269)</u>	<u>\$ 8,475</u>	<u>\$ 510,523</u>	<u>\$ (1,506)</u>	<u>\$ 125,779</u>	<u>\$ 4,649,843</u>	<u>\$ 672,803</u>	<u>\$ 8,498,601</u>	<u>\$ 1,142,783</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

7. TANGIBLE CAPITAL ASSETS UNDER CONSTRUCTION

	Total Remaining Commitment (unaudited)	<u>2024</u>	<u>2023</u>
Fiber to the Home project	\$ -	\$ 14,077,351	\$ 9,148,227
Park, Hilltop and Buckshot roads reconstruction	-	-	2,142,364
Wade Lafrance / Whoville Road	-	-	2,044,493
AMPS Kawehno:ke Police sub-station	348,655	345,095	247,541
New fire hall	41,000	132,540	124,400
New School Project	481,300	383,757	108,574
Pavilions: AMS/Kanatakon school sites	-	-	50,203
Hamilton Island Bridge design	142,556	96,558	32,644
Street light upgrading	-	-	4,774
CMHC - Hawthorne Road - 16 units	-	-	1,394,495
Tsionkwanonhso:te MAG door/fire alarm upgrade	-	-	764,214
DCSS software	1,519,000	948,000	948,000
Detox Centre renovations	-	-	78,102
My Community Corridor	50,410	210,301	101,651
Iohahi:io Multi-Trade Building	39,437	710,749	368,750
St. Regis Village Sand Dome	-	78,550	18,800
Cornwall Island Salt Dome	4,500	38,300	55,980
Cornwall Island McCumber Rd LED streetLight	-	186,500	16,500
CIA#3 Kawehno:ke Complex accessibility retrofit	-	-	5,167
Sweetgrass Manor renovations	104,700	34,900	165,074
Kawehno:ke Riverview Apartments renovations	443,239	147,746	-
Ambulance	177,730	76,170	76,170
Iakhihsohtha kitchen renovations	115,680	10,820	-
Akw. Family Violence Prevention kitchen renovations	120,624	338,361	-
Akwesasne GROW buildings/equipment	-	693,271	-
Iohahi:io Longhouse/Pavilions/Portable classrooms	576,000	413,500	-
A'nowara'kowa Arena playground and splashpad	299,219	350,269	-
Police video surveillance equipment	-	284,730	-
Marine unit	96,241	283,870	-
Hawthorne Road reconstruction	397,282	228,801	-
Kanatakon Beach	57,000	23,000	-
Waterline connections	-	18,512	-
Block 97 Pump Station	-	10,481	-
Traffic and Roads Study	-	1,675	-
Kawehno:ke Community Centre HVAC	-	-	4,640
Telephone system	-	172,855	-
		<u>\$ 20,296,662</u>	<u>\$ 17,900,763</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

8. PORTFOLIO INVESTMENTS

Cash and short-term investments, fixed income securities, mutual funds, and equities are evaluated at a Level 1 at March 31, 2024 and March 31, 2023. The Council did not have Level 2 nor Level 3 financial instruments at March 31, 2024, and March 31, 2023.

Fair value of the Level 1 instruments has been determined based on quoted market prices at financial year's closing day, obtained by independent brokers.

As at March 31, 2024

		<u>Fair values</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and short-term investments	\$ 169,972,372	\$ -	\$ -	\$ 169,972,372
Fixed income securities	294,029,184	-	-	294,029,184
Mutual funds	6,695,330	-	-	6,695,330
Equities	<u>6,885,079</u>	<u>-</u>	<u>-</u>	<u>6,885,079</u>
	<u>\$ 477,581,965</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 477,581,965</u>

As at March 31, 2023

		<u>Fair values</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and short-term investments	\$ 133,076,494	\$ -	\$ -	\$ 133,076,494
Fixed income securities	274,446,798	-	-	274,446,798
Mutual funds	3,084,679	-	-	3,084,679
Equities	<u>5,946,447</u>	<u>-</u>	<u>-</u>	<u>5,946,447</u>
	<u>\$ 416,554,418</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 416,554,418</u>

Fixed income securities consist of government and commercial bonds, mutual funds, and guaranteed investment certificates ("GIC's"). The fixed income securities have effective interest rates ranging from 1.09% to 5.80% with maturity dates ranging from April 2024 to December 2028.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2024</u>	<u>2023</u>
Trade payables	\$ 5,762,437	\$ 8,276,171
Accrued salaries and employee benefits payable	6,742,681	1,506,560
Other accrued liabilities	<u>13,314,301</u>	<u>7,879,619</u>
Total accounts payable	<u>\$ 25,819,419</u>	<u>\$ 17,662,350</u>

10. EMPLOYEE BENEFIT OBLIGATIONS

	<u>2024</u>	<u>2023</u>
Vacation pay obligation	<u>\$ 1,167,884</u>	<u>\$ 1,178,237</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

11. DUE TO GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	<u>2024</u>	<u>2023</u>
ISC repayables	\$ 1,746,507	\$ 1,792,210
Ontario repayables	7,748,340	7,754,658
Other federal repayables	44,170	98,749
Quebec repayables	<u>43,342</u>	<u>50,010</u>
	<u>\$ 9,582,359</u>	<u>\$ 9,695,627</u>

12. DEFERRED REVENUE

	<u>2024</u>	<u>2023</u>
Indigenous Service Canada	\$ 75,166,715	\$ 47,917,179
Province of Ontario	2,858,640	2,456,573
Province of Quebec	2,085,470	1,901,960
Other Federal Government Departments	4,291,912	3,512,155
Other	<u>2,732,388</u>	<u>3,246,990</u>
	<u>\$ 87,135,125</u>	<u>\$ 59,034,857</u>

13. LONG-TERM LOANS

	<u>2024</u>	<u>2023</u>
0.76% mortgage, due August 2025, payable in equal monthly installments of \$3,630 including principal and interest (CMHC Section 95 Project 97/98 - Net Book Value \$370,669).	36,049	78,843
0.76% mortgage, due December 2025, payable in equal monthly installments of \$4,270 including principal and interest (CMHC Section 95 Project 03/04 - Net Book Value \$742,178).	304,263	352,984
3.70% mortgage, due December 2027, payable in equal monthly installments of \$5,471 including principal and interest (CMHC Section 95 Project 02/03 - Net Book Value \$690,407).	228,766	284,784
2.27% mortgage, due April 2027, payable in equal monthly installments of \$3,739 including principal and interest (CMHC Section 95 Project 04/05 - Net Book Value \$930,745).	328,323	365,281
5.00% mortgage, due September 2028, payable in equal monthly installments of \$6,500 including principal and interest. 17 Units (CMHC Section 95 Project 05/06 - Net Book Value \$1,373,180).	467,558	522,811
3.70% mortgage, due December 2027, payable in equal monthly installments of \$4,957 including principal and interest. 9 Units (CMHC Section 95 Project 05/06 - Net Book Value \$878,381).	437,627	480,194
1.87% mortgage, due May 2024, payable in equal monthly installments of \$6,392 including principal and interest. 19 Units (CMHC Section 95 Project 06/07 - Net Book Value \$2,081,357).	710,702	773,556
1.13% mortgage, due June 2026, payable in equal monthly installments of \$1,935 including principal and interest. 4 Units (CMHC Section 95 Project Oak Court - Net Book Value \$409,181).	265,627	285,733
3.98% mortgage, due November 2027, payable in equal monthly installments of \$2,583 including principal and interest. 4 Units (CMHC Section 95 Project Hawthorne - Net Book Value \$530,585).	326,622	344,327

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

13. LONG-TERM LOANS (continued)

3.06% mortgage, due May 2027, payable in equal monthly installments of \$2,317 including principal and interest. 4 Units (CMHC Section 95 Project Whoville Quad 1- Net Book Value \$583,225).	388,459	404,116
3.06% mortgage, due May 2027, payable in equal monthly installments of \$2,354.01 including principal and interest. 4 Units (CMHC Section 95 Project Whoville Quad 2- Net Book Value \$577,594).	394,853	410,773
0.68% mortgage, due August 2025, payable in equal monthly installments of \$2,864 including principal and interest. 5 Units (CMHC Section 95 Family Wellness Project- Net Book Value \$1,168,970).	<u>601,249</u>	<u>630,849</u>
	<u>\$ 4,490,098</u>	<u>\$ 4,934,251</u>

Interest expense for the year on long-term loans is \$115,804 (2023 - \$102,559).

The aggregate amount of principal payments required in each of the next five years and beyond, assuming renewal at similar rates and terms, to meet loan retirement provisions are as follows:

2025	\$ 445,406
2026	415,956
2027	425,581
2028	421,211
2029	382,018
2030 and beyond	2,399,926

Management has a practice of refinancing long-term loans in advance of maturity.

The mortgage loans are guaranteed by ISC in lieu of a normal mortgage lien on properties. Canada Mortgage and Housing Corporation (CMHC) offers a housing development subsidy program such that approximately 50% of the operating expenses, including interest is subsidized. Interest expense on long-term loans, net of subsidies, totaled \$61,623 (2023 - \$54,620).

14. ASSETS HELD IN TRUST FOR OTHERS

The Council acts as trustee for a number of third parties, holding assets and administering them on their behalf. These assets held in trust are not included on the statement of financial position as assets of the Council. Amounts held in trust at the year-end are:

	<u>2024</u>	<u>2023</u>
Akwesasne Community Settlement Fund	<u>\$ 73,520</u>	<u>\$ 477,714</u>

15. INTERNAL CHARGES

Added to tangible capital assets and deferred charges during the year are certain administrative and salary amounts totaling \$199,246 (2023 - \$110,893).

16. CONTINGENCIES AND COMMITMENTS

The Council has a loan facility of up to \$7,000,000 with the Bank of Montreal which may be drawn on by qualified borrowers for the purchase, renovation or construction of owner-occupied homes.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

16. CONTINGENCIES AND COMMITMENTS (continued)

Under the terms of this facility, the borrowers are responsible for the repayment of the loans and Council provides a guarantee for the amounts outstanding under the facility. As at March 31, 2024 the Council had guarantees outstanding under this program of \$3,726,669 (2023 - \$3,861,437). These amounts have not been recognized in these financial statements.

The nature of the Council's various activities is such that there is usually litigation pending or in prospect at any time. With respect to claims at March 31, 2024, management believes the Council has valid defences and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the Council's financial position.

17. ACCUMULATED SURPLUS

The Council restricts funds to recognize the investment in property, plant and equipment and housing and housing construction loans, to meet reserve requirements of certain funding arrangements and to reflect internal restrictions placed on the use of certain funds by Council (see Schedule 6).

18. SEGMENTED INFORMATION

Segmented information (Schedule 4) has been identified based upon functional areas by the Council. The functions have been separately disclosed in the segmented information as follows:

i) *Akwesasne Mohawk Board of Education:*

Akwesasne Mohawk Board of Education supports the education of community members on or off the territory. The departments main components are:

- Responsible to deliver education at the grade school level for the children of Akwesasne. A Community elected Board of Education assists with the delivery of primary education to the community.
- Bus transportation, hot-lunch program, post-secondary education, an adult education facility for adult learners,
- Manage a tuition agreement with the city of Cornwall. Through this agreement, community students can attend local high school.
- Operate a head start and daycare programs.

ii) *Department of Public Safety:*

Department of Public Safety is responsible to deliver police services in the Community. The department's main components are:

- Community Policing Services;
- Organized Crime and Tobacco Unit;
- Compliance officers and;
- Marine / SAVE Unit to patrol Akwesasne waterways
- Human Trafficking
- Missing and Murdered Indigenous Women and Girls
- Ambulance services; and
- Emergency Measures

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

18. SEGMENTED INFORMATION (continued)

iii) *Department of Community and Social Services:*

Department of Community and Social Services is responsible to deliver various social programs in the community. The services provided are comprised of:

- Child and Family Service;
- Community Support Program;
- Dependence Treatment Centre; and
- Domestic violence shelter.

iv) *Mohawk Government:*

Mohawk Government consists of all expenditures associated with the thirteen (13) elected Council members of the Mohawk Community including any Council driven projects and all Council legal and travel.

v) *Department of Health:*

Department of Health is responsible to deliver various health programs in the community. The services provided are comprised of:

- A senior facility and chronic care facility with a combined capacity of eighty (80) beds;
- Home and community care program;
- Medical clinics;
- Community health nurses; and
- Wholistic health program.

vi) *Department of Justice:*

Department of Justice is responsible to deliver various justice services to community members on or off the territory. The programs are comprised of:

- Justice administration office;
- Mohawk Court;
- Community Justice Diversion program; and
- Conservation.

vii) *Department of Infrastructure & Housing:*

The Department of Infrastructure & Housing is responsible for the physical assets of the Community. Other services include;

- Water and waste water plant;
- Street lights;
- Garbage collection;
- Affordable housing / mortgage program; and
- Various rental units.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

18. SEGMENTED INFORMATION (continued)

viii) *Department of Finance & Administration:*

The Department of Finance & Administration is responsible for all administrative programs and services to Council departments. Their services include:

- Human Resource;
- Finance;
- Information Technology; and
- Communications Office.

ix) *Executive Services:*

The Department consists of the Office of the Executive Director, the support staff for the Council and the Aboriginal Rights and Research Office.

x) *Economic Development:*

Department of Economic Development is responsible to deliver various Economic Development services to community members on or off the territory. The programs are comprised of:

- Community Business Grants;
- Training Incentives/Tuition,
- Maintenance of our Peacetree Mall;
- Arena Operations;
- Tobacco and Cannabis Licensing; and
- Thompson Island Youth Camp.

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

The accounting policies used in these segments (Schedule 4) are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

Note: User charges include facility rental fees, water, sewer and garbage fees.

19. ECONOMIC DEPENDENCE

The Council receives a major portion of its revenue from Indigenous Services Canada (ISC) and Health Canada. The nature and extent of this revenue is of such significance that the Council is economically dependent on this source of revenue.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

20. OPERATING EXPENSES

	<u>2024</u>	<u>2023</u>
Salaries, benefits and honoraria	\$ 62,666,713	\$ 54,932,089
Travel and training	2,193,993	2,129,092
Program supplies	25,152,139	16,404,843
Equipment repairs/lease and small equipment purchases	4,078,340	3,512,573
Professional fees	9,026,984	6,825,122
Non-Insured Health Benefits	10,226,863	12,365,068
Office	1,106,399	1,179,248
Facility costs	4,841,865	4,421,778
Student tuition and allowances	7,008,196	6,003,619
Community support	6,103,602	6,423,697
Minor capital	<u>6,051,925</u>	<u>4,686,226</u>
	<u>\$138,457,019</u>	<u>\$118,883,355</u>

21. BUDGETED FIGURES

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

22. COMPARATIVE INFORMATION

Comparative information have been reclassified, where necessary, to conform to the presentation adopted in the current year.

23. ONTARIO FIRST NATIONS (2008) LIMITED PARTNERSHIP

Commencing with the 2012 fiscal year and in each fiscal year thereafter during the initial renewal of the agreement between the Province of Ontario and OFNLP, the Province of Ontario shall pay to OFNLP twelve (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 OFNLP, and a share in a related company Ontario First Nations General Partner Inc.; the carrying value of which are nominal and are therefore not recorded in these financial statements.

24. INVESTMENT IN GOVERNMENT BUSINESS ENTITIES

Total investment in government business entities

	<u>2024</u>	<u>2023</u>
Akwesasne Harbour Development Corporation	\$ 303,000	\$ 303,000
Cornwall - Akwesasne Harbour Partnership	<u>756,592</u>	<u>574,975</u>
	<u>\$ 1,059,592</u>	<u>\$ 877,975</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

24. INVESTMENT IN GOVERNMENT BUSINESS ENTITIES (continued)

Akwesasne Harbour Development Corporation

The Mohawk Council of Akwesasne has an investment in a wholly owned corporation, the Akwesasne Harbour Development Corporation ("AHDC"). This company in turn holds a 50% co-ownership interest in the Cornwall port facilities with the Cornwall Harbour Development Corporation ("CHDC")

	Investment Cost Beginning of Year	Loans / Advances	Share of Earnings	Cash Distributions	Total Investment
Akwesasne Harbour Development Corporation	\$ <u>303,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	\$ <u>303,000</u>

Summary information for this corporation, for the respective March 31st year-end, is as follows:

	<u>2024</u>	<u>2023</u>
Financial Assets	\$ -	\$ -
Financial Liabilities	<u>303,000</u>	<u>303,000</u>
Net Financial Assets	(303,000)	(303,000)
Non-Financial Assets		
Tangible Capital Assets	<u>303,000</u>	<u>303,000</u>
Accumulated Surplus	\$ <u>-</u>	\$ <u>-</u>

Cornwall-Akwesasne Harbour Partnership

The Mohawk Council of Akwesasne has a 50% partnership interest in the Cornwall-Akwesasne Harbour Partnership. The purpose of this partnership is to operate and eventually develop and remediate the port lands in question in partnership with the City of Cornwall.

Transport Canada, as part of the transfer, has entered into a contribution agreement with the port operator to provide a sum of \$5.3M to use towards eligible expenditures during the terms of the funding agreement which will terminate in 2026.

The partnership has a fiscal year end of December 31. The information presented is for that period as it is not practical to re-create the information on a March 31 basis.

	Investment Cost Beginning of Year	Loans / Advances	Share of Earnings	Cash Distributions	Total Investment
Partnership Interest	\$ <u>574,975</u>	<u>-</u>	<u>181,617</u>	<u>-</u>	\$ <u>756,592</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

24. INVESTMENT IN GOVERNMENT BUSINESS ENTITIES (continued)

Summary information for this partnership, accounted for using the modified equity method for the respective year-end, is as follows:

	<u>2024</u>	<u>2023</u>
Financial Assets		
Cash	\$ 1,513,184	\$ 1,149,949
Restricted cash	<u>4,003,100</u>	<u>4,250,167</u>
	5,516,284	5,400,116
Financial Liabilities		
Deferred revenue	<u>4,003,100</u>	<u>4,250,167</u>
Net Financial Assets	1,513,184	1,149,949
Non-Financial Assets	<u>-</u>	<u>-</u>
Accumulated Surplus	<u>\$ 1,513,184</u>	<u>\$ 1,149,949</u>
 Total revenue	 \$ 610,302	 \$ 607,674
Total expenditure	<u>247,067</u>	<u>360,870</u>
Comprehensive Income	<u>\$ 363,235</u>	<u>\$ 246,804</u>

	<u>2024</u>	<u>2023</u>
Allocated		
Mohawk Council of Akwesasne	\$ 181,617	\$ 123,402
City of Cornwall	<u>181,618</u>	<u>123,402</u>
	<u>\$ 363,235</u>	<u>\$ 246,804</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

25. SUBSEQUENT EVENT - FUTURE SETTLEMENT TRUST

The Council has been classifying the investments from the Dundee Land Claim settlement as restricted assets within its portfolio investments. The value is \$254,970,224 as at March 31, 2024. During the year, Council passed a resolution to transfer the settlement funds to a trust to be created for that purpose based on community consultations. Subsequent to the year end, Council passed another resolution approving the structure of the trust. Council is anticipating to transfer the restricted investments referenced above to this future settlement trust prior to the end of the next fiscal year. The pro-forma information provided below presents the statement of financial position and the statement of operations of the Council as if the transfer discussed above had occurred at the Council's March 31, 2024 fiscal year end.

	<u>2024</u> Actual	<u>2024</u> Pro-forma
Financial Assets		
Cash	\$ 14,394,953	\$ 14,394,953
Receivables from government and other government organizations	12,324,355	12,324,355
Accounts receivable	11,630,916	7,595,788
Portfolio investments	477,581,965	226,646,869
Housing and housing construction loans	4,842,838	4,842,838
Investment in government business entities	<u>1,059,592</u>	<u>1,059,592</u>
Total Financial Assets	<u>521,834,619</u>	<u>266,864,395</u>
Financial Liabilities		
Accounts payable and accrued liabilities	25,819,419	25,819,419
Employee benefit obligations	1,167,884	1,167,884
Due to government and other government organizations	9,582,359	9,582,359
Deferred revenue	87,135,124	87,135,124
Long-term loans	<u>4,490,098</u>	<u>4,490,098</u>
Total Financial Liabilities	<u>128,194,884</u>	<u>128,194,884</u>
Net Financial Assets	<u>393,639,735</u>	<u>138,669,511</u>
Non-Financial Assets		
Tangible capital assets	122,622,525	122,622,525
Tangible capital assets under construction	20,296,662	20,296,662
Prepaid expenses	<u>123,325</u>	<u>123,325</u>
Total Non-Financial Assets	<u>143,042,512</u>	<u>143,042,512</u>
Accumulated Surplus	<u>\$536,682,247</u>	<u>\$281,712,023</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

26. SUBSEQUENT EVENT - FUTURE SETTLEMENT TRUST (continued)

	<u>Budget</u> (Unaudited)	<u>2024</u> Actual	<u>2024</u> Pro-forma
Revenues			
Government transfers	\$128,873,230	\$146,300,658	\$ 146,300,658
Ontario First Nations (2008) Limited Partnership	5,756,978	5,718,108	5,718,108
Earnings from government business entities (note 25)	-	181,617	181,617
Administration fees and user charges	2,586,360	2,176,004	2,176,004
Land leases	745,976	719,133	719,133
Interest	900,000	19,992,884	19,992,884
Other income and realized gains (losses)	222,402	(438,208)	(438,208)
Unrealized gains (losses) on portfolio investments	-	3,557,658	3,557,658
Rental	1,942,595	1,322,649	1,322,649
	<u>141,027,541</u>	<u>179,530,503</u>	<u>179,530,503</u>
Operating expenses			
Akwesasne Mohawk Board of Education	32,636,302	34,254,442	34,254,442
Akwesasne Mohawk Police Service	13,550,628	14,427,657	14,427,657
Community and Social Services	14,951,333	19,483,964	19,483,964
Economic Development	18,825,283	2,161,372	2,161,372
Executive Services	8,604,670	5,381,567	5,381,567
Finance & Administration	2,074,151	1,291,468	1,291,468
Health	35,803,285	41,030,730	41,030,730
Infrastructure & Housing	8,781,719	12,034,648	12,034,648
Justice	4,200,978	3,337,647	3,337,647
Mohawk Government	1,800,485	5,053,524	5,053,524
	<u>141,228,834</u>	<u>138,457,019</u>	<u>138,457,019</u>
Annual surplus (deficit) before transfer	(201,293)	41,073,484	41,073,484
Less transfer			
Future Dundee Land Claim Settlement Trust	<u>-</u>	<u>-</u>	<u>(254,970,224)</u>
Annual surplus (deficit)	(201,293)	41,073,484	(213,896,740)
Accumulated surplus at beginning of year	<u>432,692,567</u>	<u>495,608,763</u>	<u>495,608,763</u>
Accumulated surplus at end of year	<u>\$432,491,274</u>	<u>\$536,682,247</u>	<u>\$ 281,712,023</u>

MOHAWK COUNCIL OF AKWESASNE

SCHEDULE 1 - CONSOLIDATED SCHEDULE OF FEDERAL REVENUE TRUST FUNDS (unaudited)

YEAR ENDED MARCH 31, 2024

Revenue from land leases

	<u>2024</u>	<u>2023</u>
Paid to Indigenous Service Canada	\$ <u>756,484</u>	\$ <u>773,739</u>
The revenue received has been applied to Council programs and services as follows:		
Office of Vital Statistics	\$ 756,484	\$ 127,710
Compliance Officer	-	74,827
Roads	-	100,000
Information Management	-	100,000
Emergency Measures	-	165,421
Environment	-	100,000
Executive Services	-	100,000
Seaway Claims	-	5,781
Deferred revenue	<u>(37,351)</u>	<u>-</u>
Total revenue applied to programs	\$ <u>719,133</u>	\$ <u>773,739</u>

Note: In addition to the rental revenues received, interest in the amount of \$208,257 was received in the fiscal year ended March 31, 2024 (2023 - \$140,456). This interest income has been applied to global Council operations and is not disclosed separately on the Statement of Operations.

MOHAWK COUNCIL OF AKWESASNE

SCHEDULE 2 - CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS (unaudited)

YEAR ENDED MARCH 31, 2024

Schedule of Government Transfers

	<u>2024</u>	<u>2023</u>
Indigenous Service Canada	\$ 101,388,125	\$ 99,686,964
Human Resources Development Canada	363,535	420,916
Canadian Mortgage and Housing Corporation	1,887,256	1,856,266
Canada Border Services Agency	78,939	-
Emergency Preparedness Canada	5,408,705	4,186,364
Other Federal	<u>5,016,718</u>	<u>2,959,284</u>
	114,143,278	109,109,794
Province of Ontario	25,398,910	23,182,518
Province of Quebec	4,410,633	3,014,189
Other contributions	<u>2,347,837</u>	<u>2,276,801</u>
	<u>\$ 146,300,658</u>	<u>\$ 137,583,302</u>

MOHAWK COUNCIL OF AKWESASNE

SCHEDULE 3 - CONSOLIDATED SCHEDULE OF FUNDING RECONCILIATION ISC (unaudited)

YEAR ENDED MARCH 31, 2024

Schedule of Funding Reconciliation ISC

	<u>2024</u>	<u>2023</u>
ISC Revenue per Financial Statements	\$ 101,388,125	\$ 99,686,964
Less: prior year deferred revenue	(47,917,179)	(29,147,767)
Less: prior year repayable revenue	(1,792,210)	(1,184,761)
Add: current year deferred revenue	75,166,715	47,917,179
Add: current year repayable revenue	<u>1,746,507</u>	<u>1,792,210</u>
Adjusted ISC funding received	128,591,958	119,063,825
ISC revenue per funding confirmation	<u>129,087,617</u>	<u>118,019,125</u>
Difference	<u>\$ (495,659)</u>	<u>\$ 1,044,700</u>
Explanation of differences:		
Nation Building receivable	\$ (572,644)	\$ 572,644
Recovery (repayable) of past contributions	76,985	-
Recovery (repayable) of past contributions	-	386,158
Jordan's Principles receivable	<u>-</u>	<u>85,898</u>
Total	<u>\$ (495,659)</u>	<u>\$ 1,044,700</u>

MOHAWK COUNCIL OF AKWESASNE											
SCHEDULE 4 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE 2022 (unaudited)											
YEAR ENDED MARCH 31, 2024											
	Akwesasne Mohawk Board of Education	Akwesasne Mohawk Police	Department of Community & Social Services	Mohawk Government	Department of Health	Department of Justice	Department of Infrastructure & Housing	Dept. of Finance and Administration	Executive Services	Economic Development	Consolidated Totals
	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024
Revenues											
Federal Government	\$ 9,768,020	\$ 6,088,322	\$ 11,524,829	\$ 101,840	\$ 24,966,108	\$ 1,976,676	\$ 5,388,350	\$ 14,650	\$ 51,486,575	\$ 2,827,908	\$ 114,143,278
Provincial Government	3,275,088	6,539,968	4,641,041	-	11,367,727	845,523	394,690	93,500	-	2,652,006	29,809,543
Other Revenues	<u>1,582,940</u>	<u>997,135</u>	<u>372,209</u>	<u>2,453,059</u>	<u>1,170,894</u>	<u>15,374</u>	<u>7,270,005</u>	<u>26,537,209</u>	<u>5,423,100</u>	<u>557,665</u>	<u>46,379,590</u>
Sub-total	14,626,048	13,625,425	16,538,079	2,554,899	37,504,729	2,837,573	13,053,045	26,645,359	56,909,675	6,037,579	190,332,411
Inter-Segment Eliminations	<u>(2,500)</u>	<u>(442,885)</u>	<u>(54,399)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,798,804)</u>	<u>(4,503,320)</u>	<u>-</u>	<u>-</u>	<u>(10,801,908)</u>
Total Revenues	<u>14,623,548</u>	<u>13,182,540</u>	<u>16,592,478</u>	<u>2,554,899</u>	<u>37,504,729</u>	<u>2,837,573</u>	<u>7,254,241</u>	<u>22,142,039</u>	<u>56,909,675</u>	<u>6,037,579</u>	<u>179,530,503</u>
Expenses											
Salaries & Benefits	15,756,503	10,151,153	6,403,020	584,263	14,252,411	2,033,787	6,978,573	3,208,601	2,198,333	1,100,069	62,666,713
Operating Costs	14,969,879	2,509,147	11,545,729	4,467,804	23,717,006	562,873	6,154,974	1,737,065	2,301,409	773,257	68,739,143
Rent	2,412,193	199,570	621,352	-	1,454,022	164,679	304,546	213,329	398,374	-	5,768,065
Amortization Expenses	462,842	575,376	220,137	1,457	264,293	33,065	3,516,033	22,724	181,430	137,832	5,415,189
Other Expenses	<u>655,525</u>	<u>992,411</u>	<u>748,125</u>	<u>-</u>	<u>1,785,883</u>	<u>543,243</u>	<u>879,326</u>	<u>613,069</u>	<u>302,021</u>	<u>150,214</u>	<u>6,669,817</u>
Sub-total	34,256,942	14,427,657	19,538,363	5,053,524	41,473,615	3,337,647	17,833,452	5,794,788	5,381,567	2,161,372	149,258,927
Inter-Segment Eliminations	<u>(2,500)</u>	<u>-</u>	<u>(54,399)</u>	<u>-</u>	<u>(442,885)</u>	<u>-</u>	<u>(5,798,804)</u>	<u>(4,503,320)</u>	<u>-</u>	<u>-</u>	<u>(10,801,908)</u>
Total Expenses	<u>34,254,442</u>	<u>14,427,657</u>	<u>19,483,964</u>	<u>5,053,524</u>	<u>41,030,730</u>	<u>3,337,647</u>	<u>12,034,648</u>	<u>1,291,468</u>	<u>5,381,567</u>	<u>2,161,372</u>	<u>138,457,019</u>
Annual Surplus/(Deficit) before other item	<u>\$ (19,630,894)</u>	<u>\$ (1,245,117)</u>	<u>\$ (2,891,486)</u>	<u>\$ (2,498,625)</u>	<u>\$ (3,526,001)</u>	<u>\$ (500,074)</u>	<u>\$ (4,780,407)</u>	<u>\$ 20,850,571</u>	<u>\$ 51,528,108</u>	<u>\$ 3,876,207</u>	<u>\$ 41,073,484</u>

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 5 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE 2021 (unaudited)
YEAR ENDED MARCH 31, 2024

	Akwesasne Mohawk Board of Education <u>2023</u>	Akwesasne Mohawk Police <u>2023</u>	Department of Community & Social Services <u>2023</u>	Mohawk Government <u>2023</u>	Department of Health <u>2023</u>	Department of Justice <u>2023</u>	Department of Infrastructure & Housing <u>2023</u>	Dept. of Finance and Administration <u>2023</u>	Executive Services <u>2023</u>	Economic Development <u>2023</u>	Consolidated Totals <u>2023</u>
Revenues											
Federal Government	\$ 4,443,489	\$ 4,186,364	\$ 15,360,020	\$ 74,257	\$ 21,094,712	\$ 1,608,174	\$ 8,395,540	\$ -	\$ 51,406,799	\$ 2,119,521	\$ 108,688,876
Provincial Government	3,220,956	6,312,924	4,156,605	2,000	9,994,404	877,139	268,662	97,750	-	1,266,267	26,196,707
Other Revenues	<u>1,537,331</u>	<u>1,557,143</u>	<u>127,333</u>	<u>2,098,667</u>	<u>1,088,234</u>	<u>37,124</u>	<u>6,490,230</u>	<u>15,414,266</u>	<u>2,536,114</u>	<u>1,022,027</u>	<u>31,908,469</u>
Sub-total	9,201,776	12,056,431	19,643,958	2,174,924	32,177,350	2,522,437	15,154,432	15,512,016	53,942,913	4,407,815	166,794,052
Inter-Segment Eliminations	<u>-</u>	<u>(691,050)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,755,033)</u>	<u>(4,327,843)</u>	<u>-</u>	<u>(44,300)</u>	<u>(9,818,226)</u>
Total Revenues	<u>9,201,776</u>	<u>11,365,381</u>	<u>19,643,958</u>	<u>2,174,924</u>	<u>32,177,350</u>	<u>2,522,437</u>	<u>10,399,399</u>	<u>11,184,173</u>	<u>53,942,913</u>	<u>4,363,515</u>	<u>156,975,826</u>
Expenses											
Salaries & Benefits	12,818,834	8,917,571	6,057,165	375,858	12,791,156	1,595,089	5,348,044	2,936,741	2,957,587	1,134,044	54,932,089
Operating Costs	9,426,245	2,149,760	12,942,442	2,816,879	22,289,474	1,047,967	5,570,441	1,455,109	2,056,363	632,828	60,387,508
Rent	1,746,964	259,803	619,132	-	1,345,663	150,145	299,558	210,507	150,501	36,800	4,819,073
Amortization Expenses	388,938	411,326	151,641	1,761	250,943	13,250	3,163,605	28,405	252,279	-	4,662,148
Other Expenses	<u>514,157</u>	<u>489,022</u>	<u>398,872</u>	<u>8,156</u>	<u>612,174</u>	<u>140,679</u>	<u>901,099</u>	<u>477,946</u>	<u>255,293</u>	<u>103,365</u>	<u>3,900,763</u>
Sub-total	24,895,138	12,227,482	20,169,252	3,202,654	37,289,410	2,947,130	15,282,747	5,108,708	5,672,023	1,907,037	128,701,581
Inter-Segment Eliminations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(691,050)</u>	<u>-</u>	<u>(4,755,033)</u>	<u>(4,327,843)</u>	<u>-</u>	<u>(44,300)</u>	<u>(9,818,226)</u>
Total Expenses	<u>24,895,138</u>	<u>12,227,482</u>	<u>20,169,252</u>	<u>3,202,654</u>	<u>36,598,360</u>	<u>2,947,130</u>	<u>10,527,714</u>	<u>780,865</u>	<u>5,672,023</u>	<u>1,862,737</u>	<u>118,883,355</u>
Annual Surplus/(Deficit) before other item	<u>\$ (15,693,362)</u>	<u>\$ (862,101)</u>	<u>\$ (525,294)</u>	<u>\$ (1,027,730)</u>	<u>\$ (4,421,010)</u>	<u>\$ (424,693)</u>	<u>\$ (128,315)</u>	<u>\$ 10,403,308</u>	<u>\$ 48,270,890</u>	<u>\$ 2,500,778</u>	<u>\$ 38,092,471</u>

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 6 - CONSOLIDATED STATEMENT OF CHANGES IN ACCUMULATED SURPLUS (unaudited)
YEAR ENDED MARCH 31, 2024

	Investment in property, plant and equipment	Investment in housing and housing construction loans	Internally restricted				Unrestricted accumulated operating surplus	<u>2024</u>	<u>2023</u>
			<u>ISC</u>	<u>OFNLP</u>	<u>Dundee Land Claim</u>	<u>Other</u>			
Balance at beginning of year	\$ <u>127,333,269</u>	\$ <u>5,487,011</u>	\$ <u>65,153,263</u>	\$ <u>36,646,993</u>	\$ <u>242,639,527</u>	\$ <u>16,588,711</u>	\$ <u>1,759,989</u>	\$ <u>495,608,763</u>	\$ <u>457,516,292</u>
Annual surplus (deficit) before transfers - allocated	16,904,095	-	15,910,509	2,407,933	12,330,697	1,215,132	(7,694,882)	41,073,484	38,092,471
Inter-fund transfer to (from) unrestricted	<u>(5,526,751)</u>	<u>(644,174)</u>	<u>(406,298)</u>	<u>-</u>	<u>-</u>	<u>(1,112,895)</u>	<u>7,694,882</u>	<u>-</u>	<u>-</u>
Net change in accumulated surplus for the year	<u>11,377,344</u>	<u>(644,174)</u>	<u>15,504,211</u>	<u>2,407,933</u>	<u>12,330,697</u>	<u>102,237</u>	<u>-</u>	<u>41,073,484</u>	<u>38,092,471</u>
Balance at end of year	\$ <u><u>138,710,613</u></u>	\$ <u><u>4,842,837</u></u>	\$ <u><u>80,657,474</u></u>	\$ <u><u>39,054,926</u></u>	\$ <u><u>254,970,224</u></u>	\$ <u><u>16,690,948</u></u>	\$ <u><u>1,759,989</u></u>	\$ <u><u>536,682,247</u></u>	\$ <u><u>495,608,763</u></u>