

**HIAWATHA FIRST NATION**  
**FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

**HIAWATHA FIRST NATION**  
**FINANCIAL STATEMENTS**  
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# Hiawatha First Nation

Administration Office

## HIAWATHA FIRST NATION

For The Year Ended March 31, 2017

### MANAGEMENT REPORT

The accompanying financial statements of the Hiawatha First Nation are the responsibility of management and have been approved by Council.

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

The First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

The First Nation's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the First Nation's financial statements for issuance to the members. Council meets periodically with management, as well as the external auditor, 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 financial statements and the independent auditor's report.

The financial statements have been audited by Collins Barrow Kawarthas LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. Collins Barrow Kawarthas LLP has full and free access to Council.

Chief

Laurie Carr

Date

June 22/17

## **INDEPENDENT AUDITOR'S REPORT**

### **To Council and the Members of Hiawatha First Nation**

#### *Report on the Financial Statements*

We have audited the accompanying financial statements of Hiawatha First Nation, which comprise the statement of financial position as at March 31, 2017, the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the 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 controls. 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 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, these financial statements present fairly, in all material respects, the financial position of Hiawatha First Nation as at March 31, 2017 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

***Collins Barrow Kawarthas LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
June 22, 2017

# HIAWATHA FIRST NATION

## STATEMENT OF FINANCIAL POSITION

At March 31, 2017

	2017 \$	2016 \$
<b>FINANCIAL ASSETS</b>		
Cash (note 2)	3,425,839	2,774,372
Short term investments (note 3)	14,176,351	14,054,223
Due from Government and other Government organizations (note 4)	159,139	152,654
Other accounts receivable (note 5)	86,626	91,589
Inventory for resale (note 6)	313,093	339,910
Receivable from First Nation members (note 7)	1,308,221	1,311,926
Funds held in trust by the Federal Government (note 8)	238,430	233,147
<b>TOTAL FINANCIAL ASSETS</b>	<b>19,707,699</b>	<b>18,957,821</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (note 9)	477,645	565,592
Due to Government and other Government organizations (note 10)	463,101	142,427
Deferred revenue (note 13)	293,153	268,663
<b>TOTAL LIABILITIES</b>	<b>1,233,899</b>	<b>976,682</b>
<b>NET FINANCIAL ASSETS</b>	<b>18,473,800</b>	<b>17,981,139</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (schedule 1)	7,560,226	7,785,147
Prepaid expenses (note 11)	42,744	32,819
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>7,602,970</b>	<b>7,817,966</b>
<b>ACCUMULATED SURPLUS (note 14)</b>	<b>26,076,770</b>	<b>25,799,105</b>

Approved on behalf of the members:

Samuel Can Chief

Philip S Councillor

The accompanying notes are an integral part of these financial statements

# HIAWATHA FIRST NATION

## STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended March 31, 2017

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
<b>REVENUES</b>			
Indigenous and Northern Affairs Canada (INAC) (notes 17 and 18)	2,081,930	1,930,825	1,821,575
Federal Government other (note 18)	728,936	644,970	707,195
Province of Ontario (note 18)	998,109	818,610	623,480
Ontario First Nations Limited Partnership	-	618,211	546,674
Old Railroad Stop	9,457,194	9,400,097	9,048,675
Other	2,060,162	1,341,107	1,144,329
<b>TOTAL REVENUES</b>	<b>15,326,331</b>	<b>14,753,820</b>	<b>13,891,928</b>
<b>EXPENSES</b>			
Administration	1,572,177	1,658,706	1,786,642
Community operations	564,116	600,865	691,545
Economic development	147,101	145,716	194,587
Education	1,116,083	955,554	905,809
Land management	175,198	175,803	113,258
Social development	1,933,007	1,735,682	1,605,846
Old Railroad Stop	9,197,481	9,203,829	8,868,403
<b>TOTAL EXPENSES</b>	<b>14,705,163</b>	<b>14,476,155</b>	<b>14,166,090</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b><u>621,168</u></b>	<b>277,665</b>	<b>(274,162)</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>		<b>25,799,105</b>	<b>26,073,267</b>
<b>ACCUMULATED SURPLUS - end of year</b>		<b>26,076,770</b>	<b>25,799,105</b>

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

# HIAWATHA FIRST NATION

## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended March 31, 2017

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
<b>ANNUAL SURPLUS (DEFICIT)</b>	621,168	277,665	(274,162)
Amortization of tangible capital assets	376,508	370,670	376,508
Acquisition of tangible capital assets	(94,668)	(145,749)	(83,815)
(Increase) decrease in prepaid expenses	-	(9,925)	2,665
<b>INCREASE IN NET FINANCIAL ASSETS</b>	903,008	492,661	21,196
<b>NET FINANCIAL ASSETS - beginning of year</b>	17,981,139	17,981,139	17,959,943
<b>NET FINANCIAL ASSETS - end of year</b>	18,884,147	18,473,800	17,981,139

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

# HIAWATHA FIRST NATION

## STATEMENT OF CASH FLOWS For the Year Ended March 31, 2017

	2017 \$	2016 \$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	277,665	(274,162)
Items not involving cash		
Amortization of tangible capital assets	370,670	376,508
Advances to First Nations members forgiven	25,000	50,000
Change in non-cash assets and liabilities		
Due from Government and other Government organizations	(6,485)	(28,683)
Other accounts receivable	4,963	9,399
Inventory for resale	26,817	14,552
Prepaid expenses	(9,925)	2,665
Accounts payable and accrued liabilities	(87,947)	218,276
Due to Government and other Government organizations	320,674	26,645
Deferred revenue	24,490	10,863
Net change in cash from operating activities	945,922	406,063
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(145,749)	(83,815)
<b>INVESTING ACTIVITIES</b>		
Purchase of short term investments	(56,568,617)	(51,758,917)
Disposal of short term investments	56,446,489	51,602,814
Advances to First Nation members	(191,305)	(275,483)
Repayments from First Nation members	170,010	176,174
Funds held in trust by the Federal Government	(5,283)	(5,783)
Net change in cash from investing activities	(148,706)	(261,195)
<b>NET CHANGE IN CASH</b>	651,467	61,053
<b>CASH - beginning of year</b>	2,774,372	2,713,319
<b>CASH - end of year</b>	3,425,839	2,774,372

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



**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

(a) Reporting entity

These financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the Hiawatha First Nation.

All interdepartmental assets and liabilities and revenues and expenses have been eliminated.

(b) Cash

Cash consists of cash on hand and balances with chartered banks.

(c) Inventory for resale

Inventory for resale, which consists of goods available for resale, is recorded at the lower of cost and market.

The cost of non-fuel inventory is determined by the first-in, first-out method. The cost of gasoline inventory is determined by the weighted average cost method.

(d) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	20-30 years
Buildings	25-40 years
Machinery and equipment	10 years
Vehicles	5 years
Office equipment	10 years
Computer hardware and software	5 years
Roads and bridges	20-40 years
Waterworks and septic systems	50 years

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

Assets under construction are not amortized. When assets under construction are put into service they are transferred to the appropriate tangible capital asset classification.

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

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**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

(e) Recognition of revenues and expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue. Old Railroad Stop and other revenues are recognized at the time the goods and services are provided.

Expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Government funding and other grants are recognized in the financial statements as revenue in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Reimbursement for program costs is dependent ultimately upon their acceptance by the various agencies that fund the programs. Funding is recorded as deferred revenue if it has been restricted by the funder for a stated purpose, such as a specific program or the purchase of tangible capital assets.

(f) 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. Tangible capital and other non-financial assets are accounted for as assets by the First Nation because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the First Nation unless they are sold.

(g) Deferred revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

(h) Use of estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the First Nation's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The First Nation's significant estimates are:

- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates; and
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

**2. CASH**

Cash consists of the following:

	2017	2016
	\$	\$
Externally restricted:		
Ontario First Nation Limited Partnership	226,843	397,661
Apartment replacement	4,303	4,298
	231,146	401,959
Unrestricted:		
Cash in ATM	6,700	4,600
Current	1,362,226	1,118,176
Lottery	624	7,372
Serpent Mounds Park	712	711
Claims settlement	34,204	784
Operations	573,314	26,286
Trust - Islands in the Trent minors' settlement	1,216,913	1,214,484
	3,194,693	2,372,413
	3,425,839	2,774,372

**3. SHORT TERM INVESTMENTS**

Short term investments consist of the following:

	2017	2016
	\$	\$
Externally restricted:		
Ontario First Nation Limited Partnership	204,254	230,049
Unrestricted:		
General	1,949,775	1,900,035
Islands in the Trent settlement	12,022,322	11,924,139
	13,972,097	13,824,174
	14,176,351	14,054,223

Short term investments consist of cashable GIC's maturing between May 9, 2017 and June 21, 2017 with interest rates ranging from 1.07 to 1.13%.

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended March 31, 2017

**4. DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS**

Due from Government and other Government organizations consists of the following:

	2017 \$	2016 \$
Federal Government		
Health Canada	22,587	17,767
Canada Mortgage and Housing Corporation	19,890	81,049
INAC - Housing	4,816	-
INAC - Income Assistance	-	2,431
INAC - Band Support	-	14,155
	47,293	115,402
Provincial Government	111,846	37,252
	159,139	152,654

**5. OTHER RECEIVABLES**

Other receivables consist of the following:

	2017 \$	2016 \$
Aboriginal Labour Force Development Circle	36,667	7,180
Accrued interest	19,550	17,438
Old Railroad Stop	8,022	15,859
Otonabee South Monaghan Township	6,179	3,539
Kagita Mikam	5,174	13,854
Association of Iroquois and Allied Indians	4,494	12,556
Hiawatha Trust recreation subsidy	-	7,500
Other receivables	6,540	13,663
	86,626	91,589

**6. INVENTORY FOR RESALE**

Inventory consists of the following:

	2017 \$	2016 \$
General store merchandise	209,692	254,383
Gasoline	103,401	85,527
	313,093	339,910

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

**7. RECEIVABLE FROM FIRST NATION MEMBERS**

Receivable from First Nation members is comprised of the following:

	2017 \$	2016 \$
Mortgages receivable	2,128,116	2,300,636
Forgivable portion of mortgages receivable	(819,895)	(988,710)
	1,308,221	1,311,926

**8. FUNDS HELD IN TRUST BY THE FEDERAL GOVERNMENT**

The funds held by the Federal Government on behalf of the First Nation of \$238,430 (2016 - \$233,147) are for the use of the First Nation for specific projects. These funds can be obtained at the request of the First Nation.

	Opening Balance \$	Additions \$	Withdrawals \$	Closing Balance \$
Capital	12,870	-	-	12,870
Revenue	220,277	5,283	-	225,560
	233,147	5,283	-	238,430

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

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities consist of the following:

	2017 \$	2016 \$
Accrued liabilities	199,811	295,485
Due to school board	146,247	134,366
Trade payables	131,587	135,741
	477,645	565,592

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

**10. DUE TO GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS**

Due to Government and other Government organizations consists of the following:

	2017	2016
	\$	\$
Federal Government		
INAC - Special Education	161,384	43,215
INAC - Capacity Development	30,305	19,917
INAC - Estates Management	2,616	-
Health Canada	127,596	24,358
	321,901	87,490
Province of Ontario		
Ministry of Education	109,717	-
Transitional support funding	25,474	24,962
Economic Development	-	18,056
Other	6,009	11,919
	141,200	54,937
	463,101	142,427

**11. PREPAID EXPENSES**

Prepaid expenses consists of the following:

	2017	2016
	\$	\$
Insurance	14,268	14,185
Student tuition and allowances	22,485	18,634
Ontario Works	5,991	-
	42,744	32,819

**12. BUDGET FIGURES**

The budget, approved by the First Nation, for 2017 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

**13. DEFERRED REVENUE**

Deferred revenue consists of the following:

	Balance March 31, 2016 \$	Funding Received 2017 \$	Revenue Recognized 2017 \$	Balance March 31, 2017 \$
<b>Restricted Contributions</b>				
Association of Iroquois and Allied Indians (AIAI)	89,215	295,637	305,636	79,216
Health Centre	18,055	44,678	24,075	38,658
Brighter Futures - first response	4,442	-	4,442	-
Aboriginal Labour Force	37,675	244,759	244,759	37,675
RV Park Improvement Fund	9,864	-	9,864	-
INAC - Housing project	-	30,000	-	30,000
Health Canada	16,000	578,847	594,847	-
NALMA	-	12,500	2,905	9,595
INAC - Capacity development	-	15,099	-	15,099
	175,251	1,221,520	1,186,528	210,243
<b>Other</b>				
Day care	26,195	65,353	65,353	26,195
Park fees	40,271	132,215	133,550	38,936
Rent deposits	11,707	-	-	11,707
Service fee and other deposits	6,280	3,306	9,586	-
	84,453	200,874	208,489	76,838
<b>Hiawatha First Nation Trust</b>				
Education	4,443	-	4,443	-
Recreation	3,606	6,072	3,606	6,072
Serpent Mounds	910	-	910	-
	8,959	6,072	8,959	6,072
	268,663	1,428,466	1,403,976	293,153

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

**14. ACCUMULATED SURPLUS**

Accumulated surplus consists of the following:

	2017	2016
	\$	\$
<b>Surplus</b>		
Operating - General	2,911,494	2,231,841
Operating - Islands In the Trent settlement - see (a) below	11,528,351	11,560,533
	14,439,845	13,792,374
<b>Invested In Tangible Capital Assets</b>		
Tangible capital assets - net book value	7,560,226	7,785,147
<b>Surplus</b>	22,000,071	21,577,521
<b>Restricted</b>		
Rental facilities replacement	10,803	4,299
Ontario First Nation Limited Partnership	431,097	557,726
Education	264,837	264,837
Lands management	82,700	82,700
Economic development	42,463	42,463
Daycare	118,015	118,015
Special projects	47,637	47,637
Capital housing program	1,986,616	1,969,116
Islands in the Trent minors' settlement - see (b) below	842,100	901,644
Business buildings	12,000	-
<b>Total Restricted</b>	3,838,268	3,988,437
<b>Held in Trust by the Federal Government</b>		
Capital	12,870	12,870
Revenue	225,561	220,277
<b>Total Held in Trust by the Federal Government</b>	238,431	233,147
	26,076,770	25,799,105



**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

**14. ACCUMULATED SURPLUS, continued**

**(a) Islands in the Trent settlement - Surplus**

	2017	2016
	\$	\$
Opening balance	11,560,533	11,666,199
Interest earned	152,834	126,771
Legal costs (note 19)	(35,016)	(22,437)
Initial distributions	(90,000)	(150,000)
Interest distributions	(60,000)	(60,000)
	11,528,351	11,560,533

**(b) Islands in the Trent minors' settlement**

	2017	2016
	\$	\$
Opening balance	901,644	988,527
Interest earned	2,429	3,117
Initial distributions	(60,000)	(90,000)
Interest distributions	(1,973)	-
	842,100	901,644

Total settlement claim was in the amount of \$19,934,329 in 2013. Of this amount \$1,200,000 was restricted by Hiawatha First Nation for distributions to members under the age of 18 at the settlement date.

**15. PENSION AGREEMENTS**

Some of the employees of the First Nation are eligible to be members of a contributory pension plan managed by Sun Life Financial. Employer contributions to the plan by the First Nation during the year amounted to \$24,713 (2016 - \$23,398). These contributions for current service are expensed during the year in which services are rendered and represent the total pension obligation of the First Nation.

The amount of benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan.

**16. ECONOMIC DEPENDENCE**

The First Nation receives a significant portion of its revenue from Indigenous and Northern Affairs Canada (INAC). The nature and extent of this revenue is of such significance that the First Nation is economically dependent on this source of revenue.

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended March 31, 2017

**17. RECONCILIATION OF INAC FUNDING TO FIRST NATION INAC REVENUE**

	2017 \$	2016 \$
<b>INAC Funding Per Confirmation</b>	2,085,930	1,857,613
<b>Add 2016 Deferred Revenue</b>		
<b>Less 2017 Deferred Revenue</b>		
Housing project	30,000	-
Capacity development	15,099	-
	45,099	-
<b>Less Amounts Repayable:</b>		
Special Education	96,989	16,102
Capital Development	10,401	19,904
National Child Benefit	-	32
Estate Management	2,616	-
	110,006	36,038
<b>INAC Revenue For The Year</b>	1,930,825	1,821,575

**18. GOVERNMENT TRANSFERS**

Government transfers consist of the following:

	2017 \$	2016 \$
<b>Indigenous and Northern Affairs Canada</b>		
Operating	1,880,825	1,752,589
Capital	50,000	68,986
	1,930,825	1,821,575
<b>Federal Government other</b>		
Health Canada - operating	594,847	621,708
Canada Mortgage and Housing Corporation - operating	44,040	80,162
Human Resource Development Canada - operating	6,083	5,325
	644,970	707,195
<b>Province of Ontario - operating</b>	818,610	623,480
	3,394,405	3,152,250

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

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**19. CONTINGENT LIABILITIES**

The First Nation, in the course of its operations, has been named in a lawsuit the outcome of which is indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.

**20. SEGMENTED INFORMATION**

Hiawatha First Nation is a territorial government institution that provides a range of services to its members. First Nation services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. 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 financial statements as disclosed in Note 1. For additional information see the Schedule of Segment Disclosure.

**Administration**

Administration consists of the activities of Council and general financial and administrative management of the First Nation and its programs and services.

**Community Operations**

Community Operations include police, fire, public works, community housing and operation of waste management and water systems.

**Economic Development**

Economic development includes the various employment oriented programs of the First Nation.

**Education**

Education includes elementary and secondary schools and post secondary education.

**Land Management**

Land management includes the First Nation lands management function, the operations of the Serpent Mounds Park and flooding claims.

**Social Development**

Social development consists of Social Assistance to members and inhabitants of the First Nation, health promotion programs and child care services.

**Old Railroad Stop**

Old Railroad Stop includes operations of the gas bar and store.

**HIAWATHA FIRST NATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended March 31, 2017**

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**21. COMPARATIVE FIGURES**

Certain comparative figures were restated, where required, to conform with the current year presentation. The restatement did not have an affect on Hiawatha First Nation's accumulated surplus.