

**Chippewas of the Thames First Nation**

**Consolidated Financial Statements**

**March 31, 2019**

**Chippewas of the Thames First Nation**  
**Consolidated Financial Statements**  
**March 31, 2019**

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## MANAGEMENT'S RESPONSIBILITY

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To the Council of Chippewas of the Thames First Nation

The accompanying consolidated financial statements of Chippewas of the Thames First Nation are the responsibility of management and have been approved by the Chief and Council.


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

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

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

MacNeill Edmundson Professional Corporation is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

July 18, 2019

 \_\_\_\_\_, Executive Administrator

 \_\_\_\_\_, Chief

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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of Chippewas of the Thames First Nation

*Opinion*

We have audited the accompanying financial statements of Chippewas of the Thames First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of revenues and expenditures, changes in net assets (debt) and cash flows for the year then ended.

In our opinion, except for the possible effect of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Chippewas of the Thames First Nation as at March 31, 2019 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for public sector entities.

*Basis for Qualified Opinion*

The Development Corporation is a wholly-owned subsidiary of the Chippewas of the Thames First Nation. The financial amounts of the Development Corporation were not available at the time of this report. As a result, the related assets, liabilities, and net assets as at March 31, 2019 have remained unchanged from the prior year ending balances and these figures have not been audited. The revenues and expenditures for the year ended March 31, 2019 have not been recorded in these consolidated financial statements as they are not available.

The Land Trust is controlled by the Chippewas of the Thames First Nation and was established to administer certain land claim settlement funds received by the Chippewas of the Thames First Nation from the Government of Canada. The financial amounts of the Land Trust were not available at the time of this report. As a result, the related assets, liabilities, and net assets as at March 31, 2019 and prior years have not been recorded in these consolidated financial statements. The revenues and expenditures for the year ended March 31, 2019 and the year ended March 31, 2018 have not been recorded in these consolidated financial statements as they are not available.

Due to a limitation in the information available to us at the time of the audit, we were unable to gain a sufficient understanding of a balance of \$235,000 that is included in accounts payable. As a result, we were unable to determine which adjustments, if any, might be necessary to accounts payable, expenses, or excess of revenues over expenditures. Our opinion on the consolidated financial statements for the year ended March 31, 2018 was not modified in respect of this matter.

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 Financial Statements section of our report. We are independent of the First Nation 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*(continues)*

*James B. MacNeill FCPA, FCA, CFP    Jeremy A. Giles CPA, CA    Lissa Savage CPA, CA*  
*Robert F. Edmundson CPA, CA (Retired)*

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**INDEPENDENT AUDITOR'S REPORT (continued)**

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*Other Matters*

The assets, liabilities, net assets, revenues and expenditures of the Development Corporation for the year ended March 31, 2018 have been included in these consolidated financial statements. These amounts have been audited by another accounting firm, refer to (note 18) for a summary of this information.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for public sector entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

*(continues)*

*James B. MacNeill FCPA, FCA, CFP    Jeremy A. Giles CPA, CA    Lissa Savage CPA, CA*  
*Robert F. Edmundson CPA, CA (Retired)*

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INDEPENDENT AUDITOR'S REPORT (continued)

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*Auditor's Responsibilities of Management for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the 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 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 or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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 our audit.

London, Ontario  
July 18, 2019

*MacNeill Edmundson*  
PROFESSIONAL CORPORATION  
CHARTERED PROFESSIONAL ACCOUNTANTS  
Authorized to practice public accounting by  
The Chartered Professional Accountants of Ontario

*James B. MacNeill FCPA, FCA, CFP    Jeremy A. Giles CPA, CA    Lissa Savage CPA, CA*  
*Robert F. Edmundson CPA, CA (Retired)*

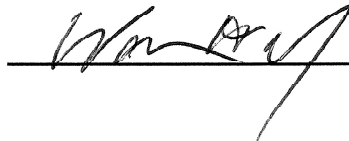
# Chippewas of the Thames First Nation

## Consolidated Statement of Financial Position

March 31	2019 (\$)	2018 (\$) (restated)
<b>Financial Assets</b>		
Cash (note 2)	11,995,562	9,562,786
Portfolio investments (note 2)	111,672,314	110,079,841
Accounts receivable (note 4)	1,739,307	1,149,638
Funds held in trust	536,657	522,131
Housing loans receivable (note 12)	1,008,410	1,055,766
	<u>126,952,250</u>	<u>122,370,162</u>
<b>Liabilities</b>		
Accounts payable and accrued	1,592,518	1,518,681
Obligation under capital lease	340,989	433,297
Deferred revenue (note 9)	4,310,724	2,313,537
Debt (note 8)	8,111,551	8,092,096
	<u>14,355,782</u>	<u>12,357,611</u>
<b>Net Financial Assets (Debt)</b>	<u>112,596,468</u>	<u>110,012,551</u>
<b>Non-financial assets</b>		
Tangible capital assets (note 5)	25,812,659	25,188,077
Assets under capital lease (note 6)	372,080	478,389
Intangible assets (note 18)	110,872	110,872
Prepaid expenses	11,464	49,936
Long-term investments (note 16)	346,690	
	<u>26,653,765</u>	<u>25,827,274</u>
<b>Accumulated surplus</b>	<u>139,250,233</u>	<u>135,839,825</u>
Accumulated surplus is comprised of:		
Externally Restricted Funds (note 11)	210,000	270,000
Internally Restricted Funds	136,946,300	133,683,495
Unrestricted Funds	2,093,933	1,886,330
	<u>139,250,233</u>	<u>135,839,825</u>

Approved on behalf of the Council:

 \_\_\_\_\_, Chief

 \_\_\_\_\_, Councilor

# Chippewas of the Thames First Nation

## Consolidated Statement of Changes in Net Assets (Debt)

March 31	2019 (\$)	2018 (\$) (restated)
<b>Excess (Deficiency) of Revenue over Expenditures</b>	<b>3,410,409</b>	546,327
Acquisition of capital assets	(1,863,880)	(2,341,147)
(Gain) / loss on disposal of capital assets		(69,191)
Proceeds on disposal of capital assets		102,641
Amortization of capital assets and assets under capital lease	<b>1,345,606</b>	1,381,578
Decrease (increase) of prepaid expenses	<b>38,472</b>	9,715
Decrease (increase) of long-term investments (note 16)	<b>(346,690)</b>	
<b>Change in Net Assets (Debt)</b>	<b>2,583,917</b>	(370,077)
<b>Net Financial Assets (Debt), beginning of year (note 19)</b>	<b>110,012,551</b>	110,382,628
<b>Net Financial Assets (Debt), end of year</b>	<b>112,596,468</b>	110,012,551



# Chippewas of the Thames First Nation

## Consolidated Statement of Revenue and Expenditures

Year ended March 31	Budget (\$)	2019 (\$)	2018 (\$) (restated)
<b>Revenue</b>			
Investment income	1,006,989	10,889,866	4,562,617
Aboriginal Affairs and Northern Development Canada	4,990,611	8,252,710	5,863,975
Health Canada	2,011,622	2,549,914	1,689,825
Province of Ontario	1,234,114	2,586,769	1,912,189
Stepping Stones	2,155,853	2,303,524	2,146,655
Southern First Nations Secretariat	1,881,184	2,236,826	2,202,031
Other revenue (note 10)	2,495,430	1,783,807	2,057,673
Ontario First Nations Limited Partnership	1,356,000	1,725,635	1,360,666
Rent revenue	477,120	497,965	398,202
Green Lane landfill revenue share (note 14)	400,000	496,834	452,609
Union of Ontario Indians	376,769	413,418	373,636
CMHC subsidy		340,011	271,986
Band generated	223,734	336,566	343,031
CMHC housing repair funding		321,166	1,442,383
Interest		86,255	54,061
Foreign exchange gain (loss)		(8,254)	(22,685)
Unrealized gains (losses) on investments		(4,458,941)	210,551
Gain (loss) on disposal of capital assets			69,191
Deferred revenue - prior year (note 9)		2,313,537	1,386,159
Deferred revenue - current year (note 9)		(4,310,724)	(2,313,537)
	<b>18,609,426</b>	<b>28,356,884</b>	<b>24,461,218</b>
<b>Expenditures (notes 24 ,25)</b>			
Amortization of capital assets		1,239,297	1,328,424
Amortization of assets under capital lease		106,309	53,154
Band support	2,512,502	3,508,765	3,200,000
Big Bear Creek		3,327,233	3,183,464
Capital projects		245,563	194,304
Child welfare	299,643	407,404	291,813
Development Corporation (note 18)	140,087	49,699	255,756
Economic development	138,060	376,612	357,045
Education	4,776,012	5,322,754	4,669,340
Employment and training	740,100	700,393	1,098,014
Health	1,977,667	1,687,827	1,322,109
Housing	804,928	938,092	1,340,106
Justice	719,154	560,611	523,962
Land and environment	666,554	354,391	497,686
Public works	1,790,545	1,261,544	1,132,682
Social services	4,344,076	4,572,567	4,048,962
Tobacco self regulation pilot project		287,414	418,070
	<b>18,909,328</b>	<b>24,946,475</b>	<b>23,914,891</b>
<b>Excess (Deficiency) of Revenue over Expenditures</b>	<b>(299,902)</b>	<b>3,410,409</b>	<b>546,327</b>

# Chippewas of the Thames First Nation

## Consolidated Statement of Cash Flows

Year ended March 31	2019 (\$)	2018 (\$) (restated)
<b>Cash Flows From (Used In) Operating Activities</b>		
Excess (deficiency) of revenue over expenditures	3,410,409	546,327
Adjustment for non-cash items:		
Amortization of capital assets and assets under capital lease	1,345,606	1,381,578
(Gain) / loss on disposal of capital assets		(69,191)
	<u>4,756,015</u>	<u>1,858,714</u>
Changes in non-cash working capital		
Accounts receivable	(589,669)	43,426
Prepaid expenses	38,472	9,715
Accounts payable and accrued expenses	73,837	(155,233)
Deferred revenue	<u>1,997,187</u>	<u>927,378</u>
	<u>1,519,827</u>	<u>825,286</u>
	<u>6,275,842</u>	<u>2,684,000</u>
<b>Cash Flows From (Used In) Financing Activities</b>		
Net advances (repayment) of long-term debt	<u>(72,853)</u>	47,011
	<u>(72,853)</u>	47,011
<b>Cash Flows From (Used In) Investing Activities</b>		
Redemption (acquisition) of investments	(1,592,473)	(2,527,335)
Proceeds on disposal of capital assets		102,641
Funds held in trust	(14,526)	(13,200)
Capital asset acquisitions	(1,863,880)	(2,341,147)
Purchase of long-term investments (note 16)	(346,690)	
Housing loan reduction (increase)	<u>47,356</u>	<u>346,392</u>
	<u>(3,770,213)</u>	<u>(4,432,649)</u>
<b>Net Increase (Decrease) in Cash During Year</b>	<u>2,432,776</u>	<u>(1,701,638)</u>
<b>Cash, beginning of year</b>	<u>9,562,786</u>	<u>11,264,424</u>
<b>Cash, end of year</b>	<u>11,995,562</u>	<u>9,562,786</u>
<b>Cash Represented by:</b>		
Cash - Operating and OLG	<u>4,873,434</u>	3,212,515
	<u>4,873,434</u>	3,212,515
Cash - Trust Fund	<u>7,122,128</u>	6,350,271
	<u>11,995,562</u>	<u>9,562,786</u>

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

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### 1. Accounting Policies

The Chippewas of the Thames First Nation uses the Canadian accounting standards for public sector entities as the basis for presentation in these consolidated financial statements. The consolidated financial statements of the First Nation includes the various departments reported in the supplementary financial information. These departments include five CMHC housing programs.

#### Reporting entity

The reporting entity includes the Chippewas of the Thames First Nation government and all related entities controlled by the Nation.

#### Principles of Consolidation

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

Organizations consolidated in Chippewas of the Thames First Nation's financial statements are as follows:

- Chippewas of the Thames First Nation Band
- Chippewas of the Thames Education
- Chippewas of the Thames Development Corporation
- Chippewas of the Thames First Nation Big Bear Creek Trust
- Chippewas of the Thames First Nation Land Trust

#### Asset classification

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

The other significant accounting policies used by the First Nation are as follows:

##### (a) Portfolio Investments

Portfolio investments traded in an active market are reported at their market value. The change in market value is reported on the statement of operations. Other portfolio investments are recorded at cost.

##### (b) Loans Receivable from Band Members/Members' Housing Reserve

Expenditures for house construction and renovations and sanitation facilities, to limits approved by Band Council, are funded by accountable contributions from the Government of Canada, Department of Aboriginal Affairs and Northern Development Canada (AANDC) and by repayment of these amounts by Band members. Agreements between the Band and Band members specify the percentage of these expenditures to be repaid by the Band member. Such amounts repayable are reported on the statement of financial position as loans receivable from Band members and as the members housing reserve. The payments are recorded as a reduction in the loan receivable and as a transfer from the Housing Fund to the Operating Fund.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2019**

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### **1. Accounting Policies (Continued)**

#### **(c) Capital and Intangible Assets**

Capital assets consist of property, plant and equipment. These assets are stated at cost in the capital fund. Amortization is recorded as a reduction of the capital fund at the following annual rates:

Building	40 Years Straight Line
Water and sewage lines	25 Years Straight Line
Upgrades to water and sewage lines	10 Years Straight Line
Roads and bridges	15 Years Straight Line
Furniture and equipment	5 Years Straight Line
Solar equipment	20 Years Straight Line
Vehicles	5 Years Straight Line
Computer equipment	3 Years Straight Line
Monument and exhibit	Indefinite Life

Intangible assets are initially recorded at cost and subsequently measured at cost less accumulated amortization. Amortization is provided as follows:

Contract rights	20 Years Straight Line
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#### **(d) Deferred Revenue**

Revenue that relates to expenditures of future accounting periods has been deferred.

#### **(e) Funds Held in Trust by the Government of Canada**

Revenue from the Capital funds held in trust by the Government of Canada are reported as assets on the statement of financial position. Interest and other income earned are recorded as revenue and disbursements are recorded as expenditures of the trust fund.

#### **(f) Net debt**

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

#### **(g) Revenue Recognition**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon, when restricted by agreement or legislation, are accounted for as deferred revenue until used for the purpose specified. Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the acquisition of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period the related expenditures are incurred, services performed or the tangible capital assets are acquired.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

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### 1. Accounting Policies (Continued)

Government transfers are transfers from senior levels of government that are not the result of an exchange transaction and are not expected to be repaid in the future. Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. A transfer with eligibility criteria is recognized as revenue when the transfer is authorized and all eligibility criteria have been met. A transfer with or without eligibility criteria but with stipulations is recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except where and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the organization. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

Other revenues are recognized in the year that the events giving rise to the revenues occur and the revenues are earned. Amounts received which relate to revenues that will be earned in a subsequent year, are deferred and reported as liabilities.

#### (h) Measurement Uncertainty

The preparation of 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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### 2. Cash and Portfolio Investments

	2019 (\$)	2018 (\$) (restated)
Big Bear Creek Trust - PCD	367,138	208,504
Big Bear Creek Trust - ISF	65,263	1,604,351
Big Bear Creek Trust - Community Development		1,067,476
Big Bear Creek Trust - Investment account	6,689,727	3,469,941
Big Bear Creek - Total	7,122,128	6,350,272
Housing	856,909	492,380
OLG	21,171	51,272
Operating	3,995,354	2,668,862
<b>Cash</b>	<b>11,995,562</b>	<b>9,562,786</b>
Big Bear Creek Trust - BMO Harris Private Banking	110,045,145	108,719,431
Housing - RBC PH&N Investment Counsel	820,534	825,518
Zhoonyaa Pension - RBC PH&N Investment Counsel	806,635	534,892
<b>Portfolio Investments</b>	<b>111,672,314</b>	<b>110,079,841</b>

In December 2016, \$235,000 was withdrawn from the Zhoonyaa Pension to help cover payroll costs. This amount was repaid in August of 2018.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 3. Bank Indebtedness

The First Nation is authorized for a line of credit of \$1,500,000 (2018 - \$1,500,00) which is secured by a general security agreement. Interest is paid monthly at the bank's prime lending rate.

### 4. Accounts Receivable

Accounts receivable consist of the following balances:

	2019 (\$)	2018 (\$) (restated)
AANDC	769,178	77,670
Southern First Nations Secretariat	352,197	51,724
Water payments from Band members	328,171	287,567
Water payments - allowance for doubtful accounts	(310,977)	(257,252)
Province of Ontario	238,831	306,725
GST/HST recoverable	120,314	110,540
Stepping Stones	118,252	52,859
Housing rent	116,165	100,299
Housing rent - allowance for doubtful accounts	(94,767)	(82,043)
Development corporation - trade receivables	52,926	52,926
Green Lane landfill revenue share	34,685	68,519
Other	14,332	17,233
CMHC - RRAP and Retrofit		330,555
Union of Ontario Indians		32,315
	<b>1,739,307</b>	<b>1,149,637</b>

### 5. Tangible Capital Assets

	Cost (\$)	Accumulated Amortization (\$)	2019 Net (\$)	2018 Net (\$) (restated)
Land	1		1	1
Buildings	32,809,372	12,560,555	20,248,817	19,724,399
Furniture and equipment	3,763,010	3,236,777	526,233	275,607
Upgrades to water & sewage lines	8,571,968	7,600,942	971,026	1,141,451
Water and sewage lines	219,265		219,265	219,265
Vehicles	1,451,033	1,221,246	229,787	241,863
Roads and bridges	3,376,962	1,824,672	1,552,290	1,520,251
Computer equipment	367,564	366,143	1,421	1,421
Monument and exhibit	251,537		251,537	251,537
Solar equipment	2,059,558	247,276	1,812,282	1,812,282
	<b>52,870,270</b>	<b>27,057,611</b>	<b>25,812,659</b>	<b>25,188,077</b>

The following costs have not been subject to amortization as the related asset is not yet ready for use: buildings of \$586,644; water and sewage line costs of \$219,265; roadways of \$138,165; security and fire alarm systems of \$138,500.

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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

**March 31, 2019**

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#### 6. Assets Under Capital Lease

	Cost (\$)	Accumulated Amortization (\$)	2019 Net (\$)	2018 Net (\$)
Dump truck and garbage truck	531,543	159,463	372,080	478,389

The assets under capital lease are amortized over the lease term of 60 months.

Lease payments required in the next four years are as follows:

	(\$)
2020	113,634
2021	113,634
2022	113,634
2023	56,817
	<u>397,719</u>

The lease is secured by the assets indicated above.

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#### 7. Tri-Township Arena

The First Nation has entered into an agreement for the maintenance, control and operation of the arena and the sharing ratio for the profits and or losses with respect to such maintenance and operation of the arena. The agreement stipulates that the First Nation's share is 15%, whereby, the First Nation must contribute 15% of the funds required for the maintenance, operation and any capital improvements to the arena, while they are a party to the agreement.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 8. Long-Term Debt

		2019 (\$)	2018 (\$)
5.04%	Antler River Commercial Complex - RBC loan repayable in annual installments of \$174,516 including interest, due November 30, 2031, secured by the assignment of OFNLP distributions along with a General Security Agreement.	1,753,652	
Prime +0.5%	Antler River Commercial Complex - BMO loan repaid in full on May 29, 2018. The commercial complex and farm land were held as security, as well as a General Security Agreement.		1,699,452
5.22%	Jubilee Road reconstruction - RBC loan repayable in annual installments of \$173,282 including interest, due November 30, 2025, secured by the assignment of OFNLP distributions along with a General Security Agreement.	1,098,839	
Prime	Jubilee Road reconstruction - BMO demand loan repaid in full on May 29, 2018. Loan was secured by the assignment of OFNLP distributions.		1,061,667
1.86%	CMHC Phase IV - Housing mortgage repayable in monthly installments of \$5,918 including interest, due April 1, 2024.	1,190,059	1,238,146
2.39%	CMHC Phase III - Seniors Complex mortgage repayable in monthly installments of \$8,500 including interest, due for renewal on January 1, 2023.	373,365	465,291
2.95%	CMHC Phase I - Housing mortgage repayable in monthly installments of \$6,631 including interest, due for renewal on October 21, 2024.	414,706	478,956
1.31%	CMHC Phase II - Housing mortgage repayable in monthly installments of \$2,618 including interest, due for renewal on December 1, 2021.	231,473	259,671
1.17%	CMHC Phase V - Housing mortgage repayable in monthly installments of \$1,922 including interest, due for renewal on January 1, 2021.	444,410	462,179
n/a%	CMHC Phase VI - Housing mortgage with terms to be determined upon substantial completion of homes.	441,268	204,000
Prime	Development Corporation - demand loan secured by collateral mortgage on farm land and a general security agreement.	2,056,302	2,056,302
0%	Development Corporation - Sentinel Solar loan repayable in installments of \$15,000, due April 2022.	75,000	75,000

(continues)



# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2019**

### 8. Long-Term Debt (Continued)

	2019 (\$)	2018 (\$)
0% Vehicle financed with Ford Credit, payable in monthly installments of \$759, due on December 17, 2020, secured by the vehicle with a carrying value of \$15,941.	15,941	25,810
0% Vehicle financed with Ford Credit, payable in monthly installments of \$787, due on December 17, 2020, secured by the vehicle with a carrying value of \$16,535.	16,536	26,773
0% Vehicle financed with Scotiabank, payable in monthly installments of \$749, bought out on February 28, 2019.		38,849
Total	8,111,551	8,092,096
Less: current portion	2,581,300	5,224,658
Long term portion	5,530,251	2,867,438

Principal repayments due on the long-term debt in each of the next five fiscal years are as follows:

	(\$)
2020	2,581,300
2021	949,280
2022	653,638
2023	485,045
2024 and thereafter	3,442,288
	8,111,551

The CMHC loans are secured by Ministerial Loan Guarantees from AANDC. Loans due on demand have been classified as current and as due in the next fiscal year.

### 9. Deferred Revenue

	2019 (\$)	2018 (\$)
AANDC - Jubilee Road Phase II funding	1,887,195	
CMHC - Housing repair funding	1,131,131	1,023,540
AANDC - Interim water treatment upgrade	940,102	1,106,001
AANDC - Fourplex funding	285,504	
London Community Foundation - Vehicle funding	37,751	49,931
CELA Initiative - Source Water Protection grant	29,041	32,345
AANDC - Special Education unspent funding		101,720
	4,310,724	2,313,537

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2019**

### 10. Other Revenue

Other revenue consists of the following:

	2019 (\$)	2018 (\$) <i>(restated)</i>
Grants	392,289	523,545
Chippewas of Kettle & Stoney Point FN Student Success	283,118	177,000
Hydro locatees and negotiations	255,648	150,541
Rentals	214,833	282,606
Thunderbird Trust	79,951	45,518
Summer student programs	98,605	30,000
Water payments	93,921	80,300
House insurance proceeds	82,825	102,647
Cigarette quota	69,102	62,125
Munsee Delaware Fire agreement	61,200	61,200
Harmonized Sales Tax recovered	61,027	107,083
Miscellaneous	42,745	24,345
Daycare	24,043	26,038
Munsee Delaware/other tuition payments	12,305	24,625
Right to Play	12,195	
Development corporation - solar revenue		276,410
Land Claims Trust - legal reimbursement		50,000
Supreme Court legal fund		33,690
	<b>1,783,807</b>	<b>2,057,673</b>

### 11. Contingent Liability

The Chippewas of the Thames First Nation Housing Fund is the guarantor of certain housing loans under the Housing Loan Program at the Bank of Montreal. The total amount of the loans outstanding at March 31, 2019, is \$462,688 (2018 - \$539,822). The Chippewas of the Thames First Nation have also agreed to repay these mortgages when their principal balance is paid down to \$30,000. The amount of the contingent liability (\$210,000) has been classified as an externally restricted net asset of the housing fund to indicate the net assets required to repay these mortgages.

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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

March 31, 2019

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#### 12. Housing Loans Receivable

Each year the members housing reserve is reviewed and adjusted to the estimated collectible portion of loans. During the year there was a decrease to the allowance of \$44,288 (2018 - \$213,514 increase).

	2019 (\$)	2018 (\$)
Housing loans receivable	3,008,785	3,100,429
Allowance on housing loans	(2,000,375)	(2,044,663)
Housing loans considered collectible	1,008,410	1,055,766

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#### 13. Pension Plan

The First Nation participates in a defined contribution pension plan. Employees can contribute from 3% to 7.7% of their gross pay to the plan and have the contributions fully matched by the First Nation. During the year, contributions of \$223,975 (2018 - \$195,788) were made into the plan and recorded as expenditures.

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#### 14. Green Lane Landfill Revenue Share

During the 2017 fiscal year, an agreement was finalized with the City of Toronto that provides a 40% revenue share of the tonnage royalties from the Green Lane landfill. The Green Lane funds have been used as follows:

	2019 (\$)	2018 (\$)
<b>Receipts</b>		
Landfill revenue share receipts	530,668	424,235
Interest	38,997	24,755
Total receipts	569,665	448,990
<b>Disbursements</b>		
Payments to Manitoba Garden Variety (note 16)	247,045	
Net transfers to other bank accounts	153,000	1,214,000
Payment of legal fees		315,000
Repayments to Housing phases		125,000
Total disbursements	400,045	1,654,000
Excess (deficiency) of receipts over disbursements	169,620	(1,205,010)
Unused funds, beginning of year	2,441,290	3,646,300
Unused funds, end of year	2,610,910	2,441,290

Green Lane receipts do not include the accounts receivable at year end of \$34,685 (2018 - \$68,519). The Green Lane cash balance is included in the operating accounts.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2019**

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### **15. Financial Instruments**

The First Nation's financial instruments consist of cash, temporary investments, accounts receivable, housing loans receivable, long term loans, accounts payable and debt. The carrying value of the financial instruments approximates their fair value, unless otherwise stated. The following analysis provides information about the First Nation's risk exposure.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation is exposed to liquidity risk through its accounts payable and debt.

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The First Nation is exposed to interest rate risk through its bank overdraft and debt which incur interest at the bank's prime lending rate or a floating rate based on prime.

Credit risk arises from the possibility that a counterparty to a contract fails to perform according to the terms and conditions of the contract. The First Nation is exposed to credit risk through its accounts receivable, housing loans receivable and long-term loans.

Currency risk arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The First Nation is exposed to foreign currency risk on cash and investments held in U.S. dollars. The First Nation does not use derivative instruments to reduce its exposure to foreign currency risk.

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### **16. Long-Term Investments**

On March 1, 2018, the First Nation subscribed to 6.5 shares of 10552763 Canada Corp. representing 6.5% ownership. The company is operating under the name "Garden Variety" and is involved in the operation of retail cannabis stores throughout Manitoba. The minimum capital contribution commitment made by the First Nation was \$390,000, with \$346,690 being paid during the year. An additional \$104,000 was paid in April of 2019 which is not reflected in the statements.

Annual dividend payments will be decided at the corporation's annual shareholder meeting each February. The first meeting will be held in February of 2020 with the first payment expected sometime in 2020.

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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

**March 31, 2019**

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#### 17. Big Bear Creek Land Claim

On January 28, 2013 the First Nation reached a settlement agreement with the Government of Canada for the Big Bear Creek land claim. The members of the First Nation implemented the Trust described in the Settlement Agreement by a ratification vote which was held on March 23, 2013.

The funds are held in trust for the First Nation and are to be used as follows:

- 1) to fund a \$7,500 capital distribution to each qualifying member;
- 2) to create and income stabilization fund for elders;
- 3) to create an education savings plan for members under the age of nineteen;
- 4) to create a community development fund;
- 5) to enable the First Nation to acquire additional reserve lands.

The following is a summary of payments to members and community development spending:

	<b>2019</b>	2018
	<b>(\$)</b>	(\$)
	<hr/>	<hr/>
<b>Per Capital Distributions</b>		
Calendar year payments	<b>439,727</b>	347,088
Less: calendar year return of unused	<b>(34,195)</b>	(7,996)
Less: January to March of prior fiscal year	<b>(145,462)</b>	(112,657)
Add: January to March of current fiscal year	<b>106,391</b>	145,462
	<hr/>	<hr/>
	<b>366,461</b>	371,897
 <b>Income Stabilization Fund payments</b>		
Calendar year payments	<b>2,095,727</b>	2,100,553
Less: calendar year return of unused	<b>(33,744)</b>	(77,977)
Less: January to March of prior fiscal year	<b>(454,293)</b>	(462,642)
Add: January to March of current fiscal year	<b>490,314</b>	454,293
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	<b>2,098,004</b>	2,014,227

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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

**March 31, 2019**

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#### 18. Development Corporation

The Chippewas of the Thames Development Corporation ("Development Corporation") was incorporated under the laws of Canada on October 28, 1996 and is a for-profit corporation committed to the effective and profitable management of the business and investment opportunities of the First Nation for the benefit of the community members, potential investors and the First Nation. The Development Corporation is a wholly-owned subsidiary of the First Nation. Under the Income Tax Act, Canada, the Corporation is liable for taxes on income.

The assets, liabilities, net assets, revenues and expenditures of the Development Corporation for the year ended March 31, 2019 are not yet available. The assets and liabilities have been unchanged from the prior year ending balances and have not been audited.

The assets, liabilities, net assets, revenues and expenditures of the Development Corporation for the prior year were audited by another accounting firm and have been included in these consolidated financial statements. The following is a summary of the Development Corporation amounts which have been recorded in the operating fund:

	<b>2019</b>	<b>2018</b>
	<b>(\$)</b>	<b>(\$)</b>
<b>Assets</b>		
Cash	<b>71,165</b>	71,165
Accounts receivable	<b>52,926</b>	52,926
Prepaid expenses	<b>11,464</b>	11,464
Capital assets - solar equipment	<b>1,814,781</b>	1,814,781
Intangible assets - contract rights	<b>110,872</b>	110,872
<b>Total</b>	<b>2,061,208</b>	2,061,208
<b>Liabilities and Net Assets (Debt)</b>		
Accounts payable and accrued	<b>76,701</b>	76,701
Debt	<b>2,131,302</b>	2,131,302
Net assets (debt)	<b>(147,873)</b>	(147,873)
<b>Total</b>	<b>2,060,130</b>	2,060,130
<b>Revenues:</b>		
Other revenue - solar		276,410
<b>Expenditures:</b>		
Expenditures other than amortization (note 25)	<b>49,699</b>	255,756
Amortization of capital assets		101,758
<b>Total expenditures*</b>	<b>49,699</b>	357,514
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(49,699)</b>	(81,104)

\*2019 expenditures consists of payroll and honorariums paid by the First Nation

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2019**

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### **19. Prior Period Restatement**

The prior period has been restated to include prior year activity of the Development Corporation which was not available as of the time of the prior year audit report. This has resulted in decrease to the excess of revenue over expenditures by \$849, an decrease to cash of \$48,688, increase to accounts receivable of \$51,128, decrease to prepaid expenses of \$9,715, decrease to capital assets of \$93,963, decrease to intangible assets of \$5,835, increase to accounts payable of \$13,542, decrease to debt of \$119,766, increase to the operating fund of \$93,114 and an decrease to the capital fund of \$93,963. Refer to (note 18) for a detailed summary of the Development Corporation amounts.

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### **20. Commitments**

In July 2015 the First Nation guaranteed a demand loan for the Development Corporation with a draw limit of \$2,200,000, bearing interest at prime +1.5% and repayable over 15 years. The funds were used to erect four solar farms for the purpose of selling solar energy.

The Development Corporation has entered into lease agreements with four landlords to install roof top solar equipment. The lease term is for nineteen years and six months, ending February 18, 2035. Lease payments totaling \$30,650 are to be paid annually during the term of these agreements.

During the year, the First Nation entered into an agreement with a contractor for the refurbishment of the water tower for a total estimated cost of \$450,300. The repairs will be completed during the summer of 2019 and will be expensed in the March 31, 2020 fiscal year.

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### **21. Budget**

The budgeted figures on the statement of revenue and expenditures and in the expenditures by object were approved by the Chief and Council. The figures have not been audited.

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### **22. Ongoing Lawsuits**

The First Nation is involved in various lawsuits that are ongoing as of the audit report date. These lawsuits may result in a gain or loss in a future period, however the results are not determinable at this time.

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### **23. Comparative Figures**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 24. Expenditures by object

Expenditures presented by object are as follows:

	2019 (\$)	2018 (\$) <i>(restated)</i>
Salaries and benefits	7,682,571	7,037,310
Education services	2,724,049	2,133,307
Social benefits	2,120,547	2,122,807
Big Bear Creek Income Stabilization Fund payments	2,098,004	2,014,227
Repairs and maintenance	1,810,129	1,416,168
Amortization of capital assets	1,239,297	1,328,424
Professional fees	954,768	1,083,546
Training and development	786,472	1,030,351
Programming	640,251	475,136
Investment fees	628,506	617,471
General office and supplies	496,136	486,287
School transportation	455,536	470,339
Honoraria	401,959	501,718
Travel	384,713	386,453
Big Bear Creek Per Capita Distributions	366,461	371,897
Utilities and rent	359,541	407,730
Insurance	322,389	293,123
Communications	320,096	308,051
Interest on long term debt	220,953	134,592
Other (below)	217,470	221,868
Social events	170,951	194,243
Vehicle fuel and maintenance	123,254	119,893
Food supplies	108,619	85,819
Amortization of assets under capital lease	106,309	53,154
Members' mortgage repayments	60,000	30,000
Interest and bank charges	55,678	163,654
Equipment rental	51,348	32,025
Bad debts	29,846	374,391
Cultural	8,622	16,733
Grants, donations and incentives	2,000	4,174
	<b>24,946,475</b>	<b>23,914,891</b>

A further breakdown of the "Other" expense total follows.



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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

**March 31, 2019**

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#### 24. Expenditures by object (continued)

Other expenses consist of the following:

	2019 (\$)	2018 (\$)
Expense reimbursements to members	41,768	44,719
Recycling	34,782	25,119
Land and rental	31,743	1,250
Office and administration	26,189	10,711
Donations	25,000	12,000
Flowers and gifts	20,630	26,274
Government of Canada payments	16,853	
Distribution costs	7,601	22,488
OPP Peace Program	4,554	28,946
Drug abuse program certification	4,000	
Signage	2,399	
Travel and conference fees	1,018	210
Memberships and subscriptions	933	332
Program surplus repayments		49,819
	<hr/>	<hr/>
	<b>217,470</b>	<b>221,868</b>

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object for each department

Expenditures shown in the following schedules do not include amortization of capital assets of \$1,345,606 (2018 - \$1,381,578).

Expenditures presented by object for each department (excluding any amortization of capital assets) are as follows:

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Band support</b>			
Salary & wages	814,043	992,482	965,999
Professional fees	249,470	476,275	364,816
Repairs & Maintenance	22,300	386,903	169,846
Insurance	248,000	249,605	226,675
Honorarium	639,800	233,186	277,372
Office expense	82,500	183,043	205,578
Programming	111,800	154,009	153,302
Benefits	115,389	143,333	105,500
Utilities	15,000	141,913	50,560
Funerals & Burials	42,100	100,779	99,851
Other		98,157	80,339
Travel & meals	20,000	87,240	76,870
Communications	35,000	78,712	161,682
Chief and council travel		78,241	79,586
Interest & bank charges	42,100	59,581	82,350
Training & Development	75,000	25,414	82,011
Advertising & promotion		14,070	1,161
Vehicle		5,539	12,481
Food		170	1,978
Casual/Temp Labour		113	800
Rent			1,243
<b>Expenditures</b>	2,512,502	3,508,765	3,200,000
<b>Department revenue</b>		2,415,331	1,749,032
<b>Allocated own source revenue</b>		888,723	731,344
<b>Total revenue</b>		3,304,054	2,480,376
<b>Surplus (Deficit)</b>		(204,711)	(719,624)

Expenditures shown above do not include \$188,667 of unfunded capital asset purchases.

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Big Bear Creek</b>			
Income stabilization fund distributions		2,098,004	2,014,227
Investment fees		628,506	617,471
Per capital distributions		366,461	371,897
Professional fees		100,699	9,250
Salary & wages		74,834	89,886
Training & development		19,529	14,229
Office		15,966	24,940
Honorarium		8,600	19,837
Insurance		8,212	8,164
Communications		4,124	7,882
Travel		1,715	5,519
Interest & bank charges		583	162
<b>Expenditures</b>		<b>3,327,233</b>	<b>3,183,464</b>
Department revenue		6,372,842	4,727,629
Allocated own source revenue		<u>(514,254)</u>	<u>(944,539)</u>
<b>Total revenue</b>		<b>5,858,588</b>	<b>3,783,090</b>
<b>Surplus (Deficit)</b>		<b>2,531,355</b>	<b>599,626</b>

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Capital projects</b>			
Interest on long term debt		152,008	74,243
Professional fees		56,271	44,489
Repairs & maintenance		35,952	65,500
Salary & wages		1,002	10,072
Honorarium		194	
Vehicle		136	
<b>Expenditures</b>		<b>245,563</b>	<b>194,304</b>
<b>Revenue</b>		<b>840,870</b>	<b>663,005</b>
<b>Surplus (Deficit)</b>		<b>595,307</b>	<b>468,701</b>

Expenditures shown above do not include \$90,678 of unfunded capital asset purchases.

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Child welfare</b>			
Salary & wages	162,461	161,789	146,058
Programming	51,769	118,118	50,812
Other	30,000	52,981	21,011
Travel & meals	20,280	29,403	27,909
Honorarium	6,500	16,000	16,050
Benefits	18,433	10,925	10,999
Training & development	4,000	6,885	2,090
Communications	4,600	5,929	5,837
Office	1,600	5,374	880
Professional fees			5,617
Repairs & maintenance			4,550
<b>Expenditures</b>	299,643	407,404	291,813
<b>Revenue</b>		444,187	672,598
<b>Surplus (Deficit)</b>		36,783	380,785

Expenditures shown above do not include \$50,925 of unfunded capital asset purchases.

	Budget (\$)	2019 (\$)	2018 (restated) (\$)
<b>Development corporation</b>			
Salary & wages	120,000	47,511	70,483
Benefits	20,087	2,188	9,772
Interest & bank charges			76,528
Rent			36,167
Professional fees			27,499
Office			17,966
Honorarium			9,504
Utilities			7,837
<b>Expenditures</b>	140,087	49,699	255,756
Department revenue			276,410
Allocated own source revenue		114,075	112,500
<b>Total revenue</b>		114,075	388,910
<b>Surplus (Deficit)</b>		64,376	133,154

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Economic development</b>			
Salary & wages	50,760	173,451	130,734
Professional fees	17,500	86,244	74,314
Repairs & maintenance	13,000	21,391	37,638
Vehicle		21,193	5,326
Travel & meals	5,000	18,715	18,171
Benefits	6,200	15,892	15,176
Training & development	7,000	9,056	13,805
Communications	2,600	7,145	3,489
Other		6,209	2,630
Rent		4,658	
Interest & bank charges		4,610	767
Office	1,000	4,383	11,781
Honorarium	1,000	1,675	5,369
Advertising & promotion		1,330	300
Programming	34,000	660	37,190
Casual/Temp labour			355
<b>Expenditures</b>	<b>138,060</b>	<b>376,612</b>	<b>357,045</b>
<b>Department revenue</b>		<b>309,621</b>	<b>377,042</b>
<b>Allocated own source revenue</b>		<b><u>43,060</u></b>	<b><u>85,000</u></b>
<b>Total revenue</b>		<b>352,681</b>	<b>462,042</b>
<b>Surplus (Deficit)</b>		<b><u>(23,931)</u></b>	<b>104,997</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Education</b>			
Tuition payments	1,145,576	1,434,489	1,156,553
Salary & wages	1,186,662	1,278,851	1,093,943
Programming	1,199,093	1,107,828	855,251
Student transportation	439,158	448,976	461,333
Repairs & maintenance	115,177	245,862	136,016
Resources & materials		147,905	92,478
Benefits	163,226	133,429	182,518
Office	57,905	106,334	141,321
Utilities	80,000	100,023	99,918
Casual/Temp labour	70,000	95,976	153,211
Honorarium	175,147	49,174	104,499
Training & development	36,900	47,903	99,998
Food	42,148	33,995	31,707
Travel & meals	18,000	27,286	17,939
Communications	14,020	25,751	21,748
Professional fees	5,000	13,946	5,410
Other		9,493	303
Vehicle	28,000	6,616	3,308
Rent		6,343	4,505
Interest & bank charges		2,574	7,381
<b>Expenditures</b>	4,776,012	5,322,754	4,669,340
<b>Department revenue</b>		4,955,185	4,686,254
<b>Allocated own source revenue</b>		349,538	319,824
<b>Total revenue</b>		5,304,723	5,006,078
<b>Surplus (Deficit)</b>		(18,031)	336,738

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Employment and training</b>			
Salary & wages	374,500	378,738	484,795
Training & development	270,000	228,891	383,256
Communications	4,800	17,893	5,171
Benefits	22,400	16,581	17,319
Travel & meals	27,000	15,780	23,462
Repairs & maintenance	7,400	12,009	116,779
Programming		11,192	19,044
Food	17,000	7,719	14,873
Utilities		6,425	
Office	10,000	3,545	29,149
Honorarium	5,000	1,220	3,488
Other	2,000	400	153
Casual/Temp labour			525
<b>Expenditures</b>	740,100	700,393	1,098,014
<b>Revenue</b>		814,103	848,118
<b>Surplus (Deficit)</b>		113,710	(249,896)

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Health</b>			
Salary & wages	1,349,810	898,108	653,664
Training & development	73,657	394,421	401,481
Programming	204,908	135,040	53,246
Benefits	151,859	75,779	59,547
Office	79,557	58,427	8,142
Utilities	5,481	40,118	10,916
Food	19,952	23,902	7,665
Repairs & maintenance	36,352	20,218	24,747
Travel & meals	28,102	19,553	22,203
Other	8,400	8,743	50,059
Communications	15,389	7,073	28,439
Professional fees	2,500	5,000	2,000
Vehicle		1,195	
Honorarium	1,200	250	
Advertising & promotion	500		
<b>Expenditures</b>	1,977,667	1,687,827	1,322,109
<b>Revenue</b>		2,350,266	1,589,455
<b>Surplus (Deficit)</b>		662,439	267,346



# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Housing</b>			
Repairs & maintenance	374,696	415,624	489,996
Salary & wages	126,280	195,299	184,337
Member mortgage repayments		60,000	30,000
Utilities	69,464	59,325	62,685
Insurance	111,888	57,090	51,965
Interest on long term debt	51,350	54,974	56,136
Programming	27,000	48,912	50,130
Benefits	10,892	19,764	15,889
Professional fees	13,500	18,050	13,960
Training & development	3,000	12,203	381
Communications		11,331	5,090
Office	13,358	3,500	8,825
Casual/Temp labour		1,922	7,177
Interest & bank charges		1,905	375
Travel & meals	3,500	1,672	8,921
Honorarium		250	
Vehicle		150	643
Other			22,451
Bad debts		(23,879)	331,145
<b>Expenditures</b>	804,928	938,092	1,340,106
<b>Revenue</b>		1,403,323	1,346,126
<b>Surplus (Deficit)</b>		465,231	6,020

Expenditures shown above do not include \$671,163 of unfunded capital asset purchases.

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Justice</b>			
Salary & wages	445,000	300,501	250,766
Programming	118,874	84,042	112,194
Training & development	28,900	45,153	56,898
Travel & meals	15,780	41,658	40,051
Honorarium	62,100	32,150	13,067
Benefits	21,000	29,626	11,016
Office	4,500	8,069	4,419
Advertising & promotion	3,000	6,317	3,267
Rent		6,000	6,000
Other	20,000	4,554	120
Communications		1,354	1,018
Repairs & maintenance		787	25,138
Food		400	8
<b>Expenditures</b>	719,154	560,611	523,962
<b>Department revenue</b>		294,953	230,469
<b>Allocated own source revenue</b>		301,125	301,125
<b>Total revenue</b>		596,078	531,594
<b>Surplus (Deficit)</b>		35,467	7,632

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Land and environment</b>			
Salary & wages	375,850	220,599	192,152
Office	7,000	44,772	10,838
Professional fees	174,924	44,203	252,377
Benefits	34,830	20,055	13,272
Travel & meals	25,000	13,972	8,574
Other		5,558	1,933
Training & development	20,650	2,512	4,438
Honorarium	18,100	1,313	
Repairs & maintenance	3,500	858	12,344
Communications	2,200	449	996
Advertising & promotion		100	
Casual/Temp labour			762
Programming	4,500		
<b>Expenditures</b>	666,554	354,391	497,686
<b>Department revenue</b>		2,600	
<b>Allocated own source revenue</b>		356,940	505,950
<b>Total revenue</b>		359,540	505,950
<b>Surplus (Deficit)</b>		5,149	8,264

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Public works</b>			
Repairs & maintenance	644,317	477,128	260,054
Salary & wages	604,836	422,148	433,804
Vehicle		87,658	95,014
Utilities	185,430	63,045	99,576
Bad debts		53,725	43,246
Communications	5,000	40,388	39,016
Honorarium	93,200	40,346	31,580
Benefits	52,312	35,034	38,155
Other	58,200	14,341	1,461
Office	8,350	7,864	3,437
Insurance	24,600	7,482	6,319
Training & development	42,500	4,882	14,621
Food	5,000	4,457	3,558
Travel & meals	6,800	1,708	3,615
Programming		838	14,400
Professional fees	5,000	500	44,826
Casual/Temp labour	54,300		
Advertising & promotion	700		
<b>Expenditures</b>	1,790,545	1,261,544	1,132,682
<b>Department revenue</b>		1,068,074	947,991
<b>Allocated own source revenue</b>		449,387	200,000
<b>Total revenue</b>		1,517,461	1,147,991
<b>Surplus (Deficit)</b>		255,917	15,309

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Social services</b>			
Programming	2,170,004	2,290,997	2,168,647
Salary & wages	1,564,318	1,604,236	1,391,144
Repairs & maintenance	99,175	211,838	45,118
Benefits	164,543	161,777	134,069
Professional fees		67,618	37,750
Office	47,540	43,531	46,000
Food	95,900	42,853	21,704
Travel & meals	67,149	39,782	47,997
Communications	34,914	30,631	29,488
Training & development	27,777	27,088	66,826
Utilities	39,520	18,896	20,238
Honorarium	28,236	13,801	9,542
Other		11,800	22,698
Advertising & promotion		6,256	3,815
Vehicle		768	3,121
Interest & bank charges		395	305
Casual/Temp labour		300	
Funerals & burials			500
Insurance	5,000		
<b>Expenditures</b>	4,344,076	4,572,567	4,048,962
<b>Department revenue</b>		4,975,567	4,015,341
<b>Allocated own source revenue</b>		233,875	502,171
<b>Total revenue</b>		5,209,442	4,517,512
<b>Surplus (Deficit)</b>		636,875	468,550

Expenditures shown above do not include \$104,840 of unfunded capital asset purchases.

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2019

### 25. Expenditures by object (continued)

	Budget (\$)	2019 (\$)	2018 (\$)
<b>Tobacco self regulation pilot project</b>			
Salary & wages		111,935	104,243
Professional fees		85,962	201,239
Casual/Temp labour		44,688	47,233
Benefits		13,705	12,372
Programming		9,984	14,533
Travel & meals		8,808	16,086
Communications		7,533	(2,006)
Honorarium		3,800	11,560
Office		975	2,816
Repairs & maintenance		24	9,994
		<b>287,414</b>	<b>418,070</b>
Expenditures			
		<b>287,414</b>	<b>418,070</b>
Revenue		161,500	518,474
Surplus (Deficit)		<b>(125,914)</b>	<b>100,404</b>