

**Chippewas of the Thames First Nation**

**Consolidated Financial Statements**

**March 31, 2021**

**Chippewas of the Thames First Nation**  
**Consolidated Financial Statements**  
**March 31, 2021**

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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.

August 24, 2021

 , 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, 2021, 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, 2021 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, 2020 and March 31, 2021 have remained unchanged from the year ended March 31, 2018 and have not been audited. The revenues and expenditures for the years ended March 31, 2019, March 31, 2020, and March 31, 2021 have not been recorded in these consolidated financial statements as they are not available.

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.

*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 23) 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*  
*Mark Snyders 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  
August 24, 2021

*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*  
*Mark Snyders CPA, CA    Robert F. Edmundson CPA, CA (Retired)*

# Chippewas of the Thames First Nation

## Consolidated Statement of Financial Position

March 31	2021 (\$)	2020 (\$) <i>(restated)</i>
<b>Financial Assets</b>		
Cash (note 2)	9,501,122	3,992,010
Portfolio investments (note 2)	1,867,987	1,518,184
Accounts receivable (note 3)	2,133,119	1,249,041
Due from Big Bear Creek Trust (note 8)		2,718,935
Due from Development Corp (note 9)	79,250	
Funds held in trust	562,650	549,591
Housing loans receivable (note 14)	823,608	938,470
	<b>14,967,736</b>	10,966,231
<b>Liabilities</b>		
Accounts payable and accrued (note 18)	1,463,933	1,379,109
Obligation under capital lease	147,864	245,873
Due to Big Bear Creek Trust (note 8)	87,507	
Promissory note payable (note 11)	84,192	
Deferred revenue (note 12)	5,988,981	4,415,286
Debt (note 10)	7,120,428	7,640,446
	<b>14,892,905</b>	13,680,714
<b>Net Financial Assets (Debt)</b>	<b>74,831</b>	(2,714,483)
<b>Non-financial assets</b>		
Tangible capital assets (note 5)	30,205,196	29,598,747
Assets under capital lease (note 4)	159,463	265,772
Intangible assets (note 23)	110,872	110,872
Prepaid expenses	118,159	11,464
Long-term investments (note 19)	450,690	450,690
	<b>31,044,380</b>	30,437,545
<b>Accumulated surplus</b>	<b>31,119,211</b>	27,723,062
Accumulated surplus is comprised of:		
Externally Restricted Funds (note 22)	210,000	210,000
Internally Restricted Funds	24,872,991	24,178,820
Unrestricted Funds	6,036,220	3,334,242
	<b>31,119,211</b>	27,723,062

Approved on behalf of the Council:

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

**Chippewas of the Thames First Nation**

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

March 31	2021 (\$)	2020 (\$) <i>(restated)</i>
<b>Excess (Deficiency) of Revenue over Expenditures</b>	<b>3,396,149</b>	1,498,650
Acquisition of capital assets	<b>(2,259,026)</b>	(5,195,766)
Amortization of capital assets and assets under capital lease	<b>1,758,886</b>	1,515,988
Decrease (increase) of prepaid expenses	<b>(106,695)</b>	
Decrease (increase) of long-term investments (note 19)		(104,000)
<b>Change in Net Assets (Debt)</b>	<b>2,789,314</b>	(2,285,128)
<b>Net Financial Assets (Debt), beginning of year (note 24)</b>	<b>(2,714,483)</b>	(429,355)
<b>Net Financial Assets (Debt), end of year</b>	<b>74,831</b>	(2,714,483)

# Chippewas of the Thames First Nation

## Consolidated Statement of Revenue and Expenditures

Year ended March 31	<i>Budget</i> (\$)	2021 (\$)	2020 (\$) <i>(restated)</i>
<b>Revenue</b>			
Indigenous Services Canada	7,822,474	9,626,247	8,713,701
Big Bear Creek transfers (note 21)	1,880,476	3,967,437	3,963,752
Stepping Stones	2,149,679	2,871,512	2,340,486
Health Canada	1,748,083	2,652,929	2,946,913
Southern First Nations Secretariat	2,143,902	2,580,921	2,256,710
Province of Ontario	2,625,009	2,473,888	2,693,158
CMHC Rapid Housing Initiative		1,799,245	
Other revenue (note 13)	2,659,098	1,475,152	1,501,306
Ontario First Nations Limited Partnership	1,487,466	1,444,987	1,492,333
Union of Ontario Indians	289,932	797,472	718,961
Rent revenue	439,700	512,155	519,677
CMHC subsidy		500,957	293,570
Green Lane landfill revenue share (note 16)	542,000	474,021	517,177
Band generated		413,576	366,054
Unrealized gains (losses) on investments		303,999	(163,783)
Foreign exchange gain (loss)		126,274	22,070
Investment income		58,863	67,732
Interest		33,389	141,237
CMHC housing repair funding		26,802	89,293
Deferred revenue - prior year (note 12)		4,415,286	4,721,364
Deferred revenue - current year (note 12)		(5,988,981)	(4,415,286)
	<b>23,787,819</b>	<b>30,566,131</b>	<b>28,786,425</b>
<b>Expenditures (notes 30 &amp; 31)</b>			
Amortization of capital assets		1,652,577	1,409,679
Amortization of assets under capital lease		106,309	106,309
Band support	2,817,327	4,433,003	4,152,411
Big Bear Creek (note 21)		2,532,057	2,598,837
Capital projects	1,121,700	1,045,686	904,348
Child welfare	1,054,860	537,251	620,979
Development Corporation (note 23)	419,500	182,291	146,442
Economic development	510,350	560,474	540,054
Education	5,106,387	5,245,896	5,593,328
Employment and training	605,458	585,905	826,357
Health	2,814,189	1,903,281	1,951,105
Housing	1,238,414	1,341,194	1,196,238
Justice	658,977	435,593	508,065
Land and environment	444,000	352,452	489,868
Public works	1,728,615	1,139,323	1,205,975
Social services	4,944,109	4,903,268	4,835,617
Tobacco self regulation pilot project		213,422	202,163
	<b>23,463,886</b>	<b>27,169,982</b>	<b>27,287,775</b>
<b>Excess (Deficiency) of Revenue over Expenditures</b>	<b>323,933</b>	<b>3,396,149</b>	<b>1,498,650</b>



# Chippewas of the Thames First Nation

## Consolidated Statement of Cash Flows

Year ended March 31	2021 (\$)	2020 (\$) <i>(restated)</i>
<b>Cash Flows From (Used In) Operating Activities</b>		
Excess (deficiency) of revenue over expenditures	3,396,149	1,498,650
Adjustment for non-cash items:		
Amortization of capital assets and assets under capital lease	1,758,886	1,515,988
	<b>5,155,035</b>	3,014,638
Changes in non-cash working capital		
Accounts receivable	(884,079)	490,267
Prepaid expenses	(106,695)	
Accounts payable and accrued expenses	84,825	55,747
Deferred revenue	1,573,695	(306,078)
	<b>667,746</b>	239,936
Cash flow from (used by) operating activities	<b>5,822,781</b>	3,254,574
<b>Cash Flows From (Used In) Financing Activities</b>		
Advances from (to) Big Bear Creek Trust (note 8)	2,806,442	1,131,597
Advances from (to) Development Corp (note 9)	(79,250)	
Net advances (repayment) of long-term debt	(618,027)	(566,221)
Advance of promissory note (note 11)	84,192	
	<b>2,193,357</b>	565,376
Cash flow used by financing activities		
<b>Cash Flows From (Used In) Investing Activities</b>		
Redemption (acquisition) of investments	(349,803)	108,985
Funds held in trust	(13,059)	(12,934)
Capital asset acquisitions	(2,259,026)	(5,195,766)
Purchase of long-term investments (note 19)		(104,000)
Housing loan reduction (increase)	114,862	69,940
	<b>(2,507,026)</b>	(5,133,775)
Cash flow from (used by) investing activities		
<b>Net Increase (Decrease) in Cash During Year</b>	<b>5,509,112</b>	(1,313,825)
<b>Cash, beginning of year</b>	<b>3,992,010</b>	5,305,835
<b>Cash, end of year</b>	<b>9,501,122</b>	3,992,010
<b>Cash Represented by:</b>		
Cash - Operating and OLG	6,113,077	3,401,225
Cash - Trust Fund	3,388,045	590,785
	<b>9,501,122</b>	3,992,010

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2021**

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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 six 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

#### **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 Indigenous Services Canada (ISC), a department of the Government of Canada, 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, 2021

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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, 2021

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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

	2021 (\$)	2020 (\$)
Trust	3,388,045	590,786
Housing	840,065	959,924
OLG	1,263,283	300,780
Operating	4,009,729	2,140,520
<b>Cash</b>	<b>9,501,122</b>	<b>3,992,010</b>
Housing - RBC PH&N Investment Counsel	940,760	764,871
Zhoonyaa Pension - RBC PH&N Investment Counsel	927,227	753,313
<b>Portfolio Investments</b>	<b>1,867,987</b>	<b>1,518,184</b>

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2021**

### 3. Accounts Receivable

Accounts receivable consist of the following balances:

	2021 (\$)	2020 (\$) <i>(restated)</i>
Province of Ontario	<b>416,745</b>	278,345
Water payments from Band members	<b>392,936</b>	366,021
Water payments - allowance for doubtful accounts	<b>(387,514)</b>	(337,301)
Union of Ontario Indians	<b>305,059</b>	175,215
Housing rent	<b>275,231</b>	200,185
Housing rent - allowance for doubtful accounts	<b>(194,485)</b>	(145,701)
ISC	<b>223,899</b>	132,923
GST/HST recoverable	<b>213,418</b>	15,689
CMHC - RRAP and repairs	<b>209,469</b>	19,310
Due from vendors	<b>182,049</b>	
Stepping Stones	<b>158,438</b>	86,771
Southern First Nations Secretariat	<b>106,244</b>	85,655
Green Lane landfill revenue share	<b>100,666</b>	150,646
Development Corporation - trade receivables	<b>52,926</b>	52,926
Fire department	<b>40,800</b>	
Thunderbird Trust	<b>17,896</b>	
Monitoring	<b>12,931</b>	57,377
Other	<b>6,411</b>	6,759
Tuition		104,221
	<b>2,133,119</b>	<b>1,249,041</b>

### 4. Assets Under Capital Lease

	Cost (\$)	Accumulated Amortization (\$)	2021 Net (\$)	2020 Net (\$)
Dump truck and garbage truck	<b>531,543</b>	<b>372,080</b>	<b>159,463</b>	<b>265,772</b>

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

Required payments over the remaining term of the lease are as follows:

	(\$)
2021	<b>113,634</b>
2022	<b>56,817</b>
	<b>170,451</b>

The lease is secured by the assets indicated above.

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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

March 31, 2021

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#### 5. Tangible Capital Assets

	Cost (\$)	Accumulated Amortization (\$)	2021 Net (\$)	2020 Net (\$)
Land	1		1	1
Buildings	35,856,877	14,260,180	21,596,697	20,928,876
Furniture and equipment	4,531,954	3,506,103	1,025,851	521,769
Upgrades to water & sewage lines	9,072,268	8,021,006	1,051,262	1,271,717
Water and sewage lines	219,265		219,265	219,265
Vehicles	1,509,106	1,381,091	128,015	203,427
Roads and bridges	6,456,932	2,338,067	4,118,865	4,388,452
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
	60,325,062	30,119,866	30,205,196	29,598,747

The following amounts have not been subject to amortization as the related asset is not yet ready for use: buildings of \$291,780; equipment of \$633,380; and water & sewage line costs of \$219,265.

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#### 6. Bank Indebtedness

The First Nation is authorized for a line of credit of \$1,500,000 (2020 - \$1,500,00) which is secured by a general security agreement. Interest is paid monthly at the bank's prime lending rate. At March 31, 2021, draws totaling \$170,000 (2020 - \$1,155,000) were outstanding on the facility and have been included in the cash balance of the operating fund.

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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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#### 8. Amounts Due To/From Big Bear Creek Trust

Amounts due to/from Big Bear Creek have arisen through timing differences in the receipt and repayment of the income amounts detailed in note 21, along with the timing differences on reimbursements of expenses paid on behalf of the Trust. The amounts are interest free and have no set repayment terms.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 9. Amounts Due From Development Corporation

During the year, the Development Corporation, a wholly-owned subsidiary of the First Nation, had some liquidity issues. In response to these, the First Nation advanced some funds to the Development Corp to help meet their liabilities, which are expected to be repaid over the next few years. The amount would have been eliminated on consolidation, but with the audited figures for the March 31, 2021 year-end unavailable, the amounts will be presented as a receivable until the consolidation is completed.

### 10. Long-Term Debt

	2021 (\$)	2020 (\$)
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.	1,560,887	1,659,566
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.	844,032	974,694
1.86% CMHC Phase IV - Housing mortgage repayable in monthly installments of \$5,918 including interest, due April 1, 2024.	1,090,048	1,140,763
2.39% CMHC Phase III - Seniors Complex mortgage repayable in monthly installments of \$8,500 including interest, due for renewal on January 1, 2023.	182,928	279,244
2.95% CMHC Phase I - Housing mortgage repayable in monthly installments of \$6,631 including interest, due for renewal on May 1, 2021.	277,150	347,102
1.31% CMHC Phase II - Housing mortgage repayable in monthly installments of \$2,618 including interest, due for renewal on December 1, 2021.	174,821	202,911
0.46% CMHC Phase V - Housing mortgage repayable in monthly installments of \$1,794 including interest, due for renewal on January 1, 2026.	408,630	426,444
1.86% CMHC Phase VI - Housing mortgage repayable in monthly installments of \$2,000 including interest, due for renewal on April 1, 2024.	450,630	466,048

*(continues)*

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2021**

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

	2021 (\$)	2020 (\$)
Prime Development Corporation - demand loan secured by a general security agreement.	<b>2,056,302</b>	2,056,302
0% Development Corporation - Sentinel Solar loan repayable in installments of \$15,000, due April 2022.	<b>75,000</b>	75,000
0% Vehicle financed with Ford Credit, payable in monthly installments of \$759, repaid in full on December 17, 2020	-	6,073
0% Vehicle financed with Ford Credit, payable in monthly installments of \$787, repaid in full on December 17, 2020,	-	6,299
Total	<b>7,120,428</b>	7,640,446
Less: current portion	<b>2,936,246</b>	2,990,638
Long term portion	<b>4,184,182</b>	4,649,808

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

	(\$)
2021	<b>2,936,246</b>
2022	<b>426,799</b>
2023	<b>356,488</b>
2024	<b>1,636,497</b>
2025 and thereafter	<b>1,764,398</b>
	<b>7,120,428</b>

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

### 11. Promissory Note Payable

During the year, funds were advanced by ISC in the form of a promissory note in order to fund expenditures relating to an ongoing land claim negotiation. The note becomes due at the earlier of the claim settlement and March 31, 2025. As the claim is not expected to be settled in the next year, the amount is considered a long-term liability.



# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2021**

### 12. Deferred Revenue

	2021 (\$)	2020 (\$) <i>(restated)</i>
CMHC - Rapid Housing Initiative	1,799,245	
ISC - Jubilee Road Phase II funding	1,426,208	1,737,724
CMHC - Housing repair funding	1,072,482	1,101,807
ISC - Interim water treatment upgrade	608,304	774,203
ISC - Fourplex funding	661,336	678,470
ISC - Fibre Optic Connectivity Project	362,908	
CIPS Grant - Floodplain Mapping	46,667	
London Community Foundation - Vehicle funding	11,831	24,792
Province of Ontario - Language Funding		72,381
CELA Initiative - Source Water Protection grant		25,909
	<b>5,988,981</b>	<b>4,415,286</b>

### 13. Other Revenue

Other revenue consists of the following:

	2021 (\$)	2020 (\$)
Grants	496,873	304,921
Chippewas of Kettle & Stoney Point FN Student Success	219,270	242,181
Tuition and daycare payments	191,003	194,915
Harmonized Sales Tax recovered	182,882	
Land Claims Trust- Legal reimbursement	100,000	
Thunderbird Trust	79,504	76,347
Water payments	63,425	69,277
Cigarette quota	54,965	53,355
Munsee Delaware Fire agreement	40,800	40,800
Development corporation - solar revenue	18,996	66,141
Miscellaneous	15,310	25,190
Rentals	12,124	29,380
Hydro locatees and negotiations		186,671
House insurance proceeds		85,925
Right to Play		54,763
Enbridge rebate program payments		21,440
	<b>1,475,152</b>	<b>1,451,306</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2021**

### 14. 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 \$27,679 (2020 - \$50,158 decrease).

	2021 (\$)	2020 (\$)
Housing loans receivable	2,746,146	2,888,687
Allowance on housing loans	<u>(1,922,538)</u>	<u>(1,950,217)</u>
Housing loans considered collectible	<u>823,608</u>	<u>938,470</u>

### 15. 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 \$237,388 (2020 - \$248,394) were made into the plan and recorded as expenditures.

### 16. 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:

	2021 (\$)	2020 (\$)
<b>Receipts</b>		
Landfill revenue share receipts	524,002	401,216
Interest	<u>12,529</u>	<u>59,781</u>
<b>Total receipts</b>	<u>536,531</u>	<u>460,997</u>
<b>Disbursements</b>		
Net transfers to (from) other bank accounts	<u>542,000</u>	<u>500,000</u>
<b>Total disbursements</b>	<u>542,000</u>	<u>500,000</u>
Excess (deficiency) of receipts over disbursements	(5,469)	(39,003)
Unused funds, beginning of year	<u>2,571,907</u>	<u>2,610,910</u>
<b>Unused funds, end of year</b>	<u>2,566,438</u>	<u>2,571,907</u>

Green Lane receipts do not include the accounts receivable at year end of \$100,666 (2020 - \$150,646). The Green Lane cash balance is included with the operating accounts.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2021**

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### **17. 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***

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***

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***

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***

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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### **18. Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities consist of amounts owing to vendors, payroll accruals, government remittances payable, and any program surpluses repayable to funders. Any surplus amounts found in the department reports in note 31 represent funding that can be carried over to the subsequent year or arose due to an allocation of own-source revenue.

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### **19. 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. In fiscal 2019, a total of \$346,690 in capital contribution commitments were made by the First Nation with an additional \$104,000 paid during the prior year. There are no additional planned contributions as of the financial statement date.

Annual dividend payments will be decided at the corporation's annual shareholder meeting each February. No dividend was declared in the current year, and a dividend is not expected until 2022 at the earliest.

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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

March 31, 2021

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#### 20. Trusts Under Administration

The Chippewas of the Thames First Nation appoints the majority of the trustees for the Land Claim Trust and the Big Bear Creek Trust, holding assets and administering them on their behalf. The assets of these Trusts are not included on the statement of financial position as assets of the First Nation. A summary of the assets held in trust at year-end are as follows:

<b><i>Land Claim Trust</i></b>	<b>2021</b>	<b>2020</b>
	<b>(\$)</b>	<b>(\$)</b>
	<hr/>	<hr/>
Cash	235,179	163,940
Accounts receivable	47,345	44,009
Capital assets - Land for rental	1,158,993	1,161,542
	<hr/>	<hr/>
<b>Total</b>	<b>1,441,517</b>	<b>1,369,491</b>
	<hr/>	<hr/>
<b><i>Big Bear Creek Trust</i></b>	<b>2021</b>	<b>2020</b>
	<b>(\$)</b>	<b>(\$)</b>
	<hr/>	<hr/>
Cash	2,658,980	8,631,338
Market value of investments	118,022,504	99,252,899
	<hr/>	<hr/>
<b>Total</b>	<b>120,681,484</b>	<b>107,884,237</b>
	<hr/>	<hr/>

A further description of the Big Bear Creek Trust along with a summary of the revenues and expenses relating to the Trust that are included in the statements of the First Nation can be found in note 21.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 21. Big Bear Creek Trust

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 an 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 income and expenditures relating to the PCD and ISF accounts are equal, as any undistributed amounts received by the First Nation are returned to the Trust. A summary of the receipts and payments included in these statements can be summarized as follows:

	2021 (\$)	2020 (\$)
<b>Per Capita Distribution</b>		
<i>Income</i>		
Calendar year payments	389,388	421,355
Less: calendar year return of unused	(82,429)	(33,955)
Less: January to March of prior fiscal year	(272,937)	(275,656)
Add: January to March of current fiscal year	258,399	272,937
	<b>292,421</b>	<b>384,681</b>
<i>Expenditures</i>		
Calendar year payments	389,388	421,355
Less: calendar year return of unused	(82,429)	(33,955)
Less: January to March of prior fiscal year	(103,672)	(106,391)
Add: January to March of current fiscal year	89,134	103,672
	<b>292,421</b>	<b>384,681</b>
<b>Income Stabilization Fund</b>		
<i>Income</i>		
Calendar year payments	2,237,087	3,530,735
Less: calendar year return of unused	-	(1,334,592)
Less: January to March of prior fiscal year	(2,150,350)	(2,132,728)
Add: January to March of current fiscal year	2,152,797	2,150,350
	<b>2,239,534</b>	<b>2,213,765</b>
<i>Expenditures</i>		
Calendar year payments	2,237,087	3,530,735
Less: calendar year return of unused	-	(1,334,592)
Less: January to March of prior fiscal year	(507,936)	(490,314)
Add: January to March of current fiscal year	510,383	507,936
	<b>2,239,534</b>	<b>2,213,765</b>

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## Chippewas of the Thames First Nation

### Notes to the Consolidated Financial Statements

March 31, 2021

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#### 21. Big Bear Creek Trust (Continued)

The annual income earned in the Main Trust Account is to be paid to the First Nation as Community Development funds and is paid to the First Nation to assist with various programs and initiatives as outlined in the Comprehensive Community Plan. The income received by the First Nation can be summarized as follows:

	2021 (\$)	2020 (\$) <i>(restated)</i>
<b>Community Development Income</b>		
Calendar year payments	1,199,303	2,032,651
Less: calendar year return of 10%	(119,930)	(203,265)
Less: January to March of prior fiscal year	(1,053,195)	(1,803,208)
Add: January to March of current fiscal year	1,217,109	1,053,195
	<b>1,243,287</b>	<b>1,079,373</b>

The annual income from the Education account is paid to the First Nation to assist with the funding of higher education programs. The income received by the First Nation can be summarized as follows:

	2021 (\$)	2020 (\$)
<b>Education Income</b>		
Calendar year payments	272,695	469,371
Less: January to March of prior fiscal year	(285,933)	(469,371)
Add: January to March of current fiscal year	205,432	285,933
	<b>192,194</b>	<b>285,933</b>

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#### 22. 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, 2021, is \$417,038 (2020 - \$438,892). 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, 2021

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#### 23. 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 years ended March 31, 2019, March 31, 2020, and March 31, 2021 are not yet available. The assets and liabilities have been unchanged from the March 31, 2018 ending balances and have not been audited.

The assets, liabilities, net assets, revenues and expenditures of the Development Corporation for March 31, 2018 fiscal 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:

	2021 (\$)	2020 (\$)
<b>Assets</b>		
Cash	71,165	71,165
Accounts receivable	52,926	52,926
Prepaid expenses	11,464	11,464
Capital assets - solar equipment	1,814,781	1,814,781
Intangible assets - contract rights	110,872	110,872
<b>Total</b>	<b>2,061,208</b>	<b>2,061,208</b>
<b>Liabilities and Net Assets (Debt)</b>		
Accounts payable and accrued	76,701	76,701
Debt	2,131,302	2,131,302
Net assets (debt)	(147,873)	(147,873)
<b>Total</b>	<b>2,060,130</b>	<b>2,060,130</b>
<b>Revenues</b>		
Other revenue - solar	-	-
<b>Expenditures</b>		
Expenditures other than amortization (note 31)	182,291	146,442
Amortization of capital assets	-	-
<b>Total expenditures*</b>	<b>182,291</b>	<b>146,442</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(182,291)</b>	<b>(146,442)</b>

\*2021 expenditures consists of payroll, honorariums, and insurance payments made by the First Nation

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

**March 31, 2021**

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### **24. Prior Period Restatement**

During the current year audit, information was discovered that required the following restatements of prior year figures:

A) During the prior year, information was provided by ISC indicating that funding in the amount of \$262,584 would be issued during fiscal 2021 to cover the final installment of the Fourplex housing unit that was completed in fiscal 2020. The amount was accrued as receivable in the prior year in order to match the timing of the expenditure for the project. Upon further analysis in the current year, that payment had actually been issued prior to March 31, 2020, meaning no additional amounts were receivable at the end of the year. As such, we have decreased prior year revenue and accounts receivable, and reflected a corresponding decreased to the ending unrestricted fund balance.

B) During the year, we identified that the prior year community development fund income from Big Bear Creek Trust was understated by an amount of \$285,933 and that the additional amounts were owing to the First Nation at March 31, 2020. As such, we have increased the Big Bear Creek transfers income along with the balance due from the Trust by \$285,933, and reflected a corresponding increase in the ending internally restricted fund balance.

C) During the year, the First Nation received a payment from the Province of Ontario totaling \$180,000 that was related to tobacco project expenditures for the year ending March 31, 2020. As such, we have increased the Province of Ontario revenue and accounts receivable totals by \$180,000, and reflected a corresponding increase in the ending unrestricted fund balance.

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### **25. 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.

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### **26. Budget**

The budgeted figures on the statement of revenue and expenditures and in the expenditures by object were approved by the Chief and Council and are unaudited. The figures have not been reclassified to conform with the financial statement presentation.

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### **27. 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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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

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### 28. Comparative Figures

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

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### 29. COVID-19

The outbreak of Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the First Nation or its funders, employees, service providers, and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the First Nation's operations, the continued spread of COVID-19 and the measures taken by the federal and provincial, and municipal governments to contain its impact could adversely impact the First Nation's operations, financial condition, or results of operations.

Specifically, the First Nation has so far experienced reductions in some revenue streams and seen some expense increases as a result of safety measures related to combating spread of the virus. The First Nation has been able to reduce expenses in other areas such as the elimination in some programming and reduced travel. They continue to review their expenses and will defer planned expenditures if necessary.

The extent to which the COVID-19 outbreak impacts the First Nation's future financial results will depend on the future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

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# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 30. Expenditures by object

Expenditures presented by object are as follows:

	2021 (\$)	2020 (\$)
Salaries and benefits	8,692,218	8,359,674
Social benefits	2,907,990	2,398,942
Education services	2,806,630	2,936,691
Repairs and maintenance	2,454,411	2,151,524
Big Bear Creek Income Stabilization Fund payments	2,239,534	2,213,765
Amortization of capital assets	1,652,577	1,409,679
Programming	880,933	1,102,259
Professional fees	924,979	1,289,269
Honoraria	707,989	406,350
Training and development	693,102	1,118,436
General office and supplies	446,665	635,985
School transportation	416,750	423,702
Communications	393,608	389,426
Utilities and rent	296,318	426,158
Big Bear Creek Per Capita Distributions	292,421	384,681
Food supplies	275,735	120,181
Insurance	237,536	213,107
Bad debts	203,062	20,453
Interest on long term debt	196,802	216,295
Amortization of assets under capital lease	106,309	106,309
Vehicle fuel and maintenance	98,119	155,078
Travel	91,207	526,613
Equipment rental	75,648	44,493
Social events	35,342	87,804
Interest and bank charges	31,259	50,608
Other (below)	12,763	83,835
Cultural	75	16,458
	<b>27,169,982</b>	<b>27,287,775</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, 2021

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

Other expenses consist of the following:

	2021 (\$)	2020 (\$)
	<hr/>	<hr/>
Land assessment costs	7,150	
Expense reimbursements to members	4,663	16,301
Office and administration	950	12,241
Development Corp HST payments		36,287
Distribution costs		4,696
Recycling		2,466
Donations		5,750
Travel and conference fees		2,870
Memberships and subscriptions		2,194
Flowers and gifts		730
Land and rental		300
	<hr/>	<hr/>
	12,763	83,835
	<hr/>	<hr/>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures By Object For Each Department

Expenditures shown in the following schedules do not include amortization of capital assets of \$1,758,886 (2020 - \$1,515,988).

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

	Budget (\$)	2021 (\$)	2020 (\$)
<b><i>Band support</i></b>			
Salary & wages	960,227	1,525,218	1,356,908
Honorarium	252,800	574,632	259,069
Programming	60,500	458,408	319,983
Professional fees	195,000	379,127	580,170
Office expense	120,500	239,377	237,965
Repairs & Maintenance	376,500	284,328	357,091
Communications	84,300	189,931	97,844
Insurance	182,000	163,329	146,904
Food		161,031	272
Utilities		133,900	137,933
Benefits	176,950	124,633	141,280
Funerals & Burials	90,000	118,144	144,308
Interest & bank charges	25,000	37,910	53,641
Training & Development	15,200	15,964	14,486
Travel & meals	85,500	13,083	129,865
Chief and council travel	127,200	5,398	107,349
Rent		3,975	
Vehicle		3,436	31,963
Casual/Temp Labour	7,500	624	200
Advertising & promotion	1,250	555	1,652
Other	51,900		33,528
Admin fees	5,000		
<b>Expenditures</b>	<b>2,817,327</b>	<b>4,433,003</b>	<b>4,152,411</b>
<b>Department revenue</b>		<b>2,285,847</b>	<b>1,765,067</b>
<b>Allocated own source revenue</b>		<b>1,234,450</b>	<b>1,330,650</b>
<b>Total revenue</b>		<b>3,520,297</b>	<b>3,095,717</b>
<b>Surplus (Deficit)</b>		<b>(912,706)</b>	<b>(1,056,694)</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

**31. Expenditures by object (continued)**

	Budget (\$)	2021 (\$)	2020 (\$) <i>(restated)</i>
<i><b>Big Bear Creek</b></i>			
Income stabilization fund distributions		2,239,534	2,213,765
Per capital distributions		292,421	384,681
Interest & bank charges		102	391
<b>Expenditures</b>	-	2,532,057	2,598,837
<b>Department revenue</b>		4,280,684	3,945,433
<b>Allocated own source revenue</b>		(2,166,934)	(1,765,176)
<b>Total revenue</b>		2,113,750	2,180,257
<b>Surplus (Deficit)</b>		(418,307)	(418,580)

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$) <i>(restated)</i>
<b><i>Capital Projects</i></b>			
Repairs & maintenance	958,500	<b>852,438</b>	548,098
Interest on long term debt		<b>134,082</b>	148,085
Professional fees	72,000	<b>94,534</b>	148,556
Salary & wages		<b>571</b>	984
Training & development	5,000	<b>337</b>	3,045
Communications	37,000	<b>(36,276)</b>	55,531
Office	200		49
Programming	26,500		
Utilities	22,500		
<b>Expenditures</b>	<b>1,121,700</b>	<b>1,045,686</b>	904,348
<b>Department revenue</b>		<b>1,859,495</b>	2,025,903
<b>Allocated own source revenue</b>		<b>144,000</b>	-
<b>Total revenue</b>		<b>2,003,495</b>	2,025,903
<b>Surplus (Deficit)</b>		<b>957,809</b>	1,121,555

Expenditures shown above do not include \$182,132 of unfunded capital asset purchases.

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i>Child Welfare</i>			
Salary & wages	559,087	345,928	301,028
Programming		73,417	175,166
Professional fees	15,300	36,559	10,665
Benefits	67,048	26,860	22,049
Honorarium	19,076	20,315	14,750
Office	13,444	11,096	28,193
Utilities	4,800	8,043	4,775
Travel & meals	37,272	5,679	28,484
Training & development	18,586	3,247	19,670
Repairs & maintenance	10,200	2,992	9,692
Communications		1,754	3,898
Vehicle	13,260	1,361	(500)
Other	292,401		3,109
Insurance	2,550		
Food	1,836		
<b>Expenditures</b>	<b>1,054,860</b>	<b>537,251</b>	<b>620,979</b>
<b>Department revenue</b>		<b>349,290</b>	<b>321,998</b>
<b>Surplus (Deficit)</b>		<b>(187,961)</b>	<b>(298,981)</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i>Development Corporation</i>			
Salary & wages	190,000	163,739	100,451
Benefits	29,900	11,523	9,704
Honorarium		6,504	
Insurance	8,000	525	
Other			36,287
Professional fees	95,000		
Office	33,500		
Training & development	25,000		
Travel & meals	18,000		
Communications	7,900		
Rent	7,200		
Interest & bank charges			
Utilities			
Repairs & maintenance	5,000		
<b>Expenditures</b>	419,500	182,291	146,442
Department revenue		-	-
Allocated own source revenue		419,500	305,100
<b>Total revenue</b>		419,500	305,100
<b>Surplus (Deficit)</b>		237,209	158,658



# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i><b>Economic Development</b></i>			
Professional fees	47,500	<b>244,866</b>	244,015
Salary & wages	294,100	<b>181,979</b>	189,021
Bad debts		<b>58,648</b>	
Benefits	28,120	<b>17,449</b>	15,241
Rent		<b>11,016</b>	4,411
Advertising & promotion	5,000	<b>9,410</b>	1,125
Repairs & maintenance	5,000	<b>8,940</b>	4,751
Communications	2,500	<b>8,693</b>	4,632
Travel & meals	18,500	<b>8,640</b>	19,760
Honorarium	1,500	<b>4,490</b>	7,150
Utilities		<b>2,740</b>	2,266
Training & development	12,050	<b>1,998</b>	1,611
Vehicle	18,500	<b>1,018</b>	32,340
Office	39,330	<b>587</b>	6,940
Programming	5,000		1,475
Other	33,250		1,019
Interest & bank charges			3,722
Casual/Temp labour			575
<b>Expenditures</b>	<b>510,350</b>	<b>560,474</b>	<b>540,054</b>
<b>Department revenue</b>		<b>464,258</b>	<b>493,627</b>
<b>Allocated own source revenue</b>		<b>-</b>	<b>-</b>
<b>Total revenue</b>		<b>464,258</b>	<b>493,627</b>
<b>Surplus (Deficit)</b>		<b>(96,216)</b>	<b>(46,427)</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<b>Education</b>			
Tuition payments	1,502,714	1,571,280	1,523,139
Programming	658,744	1,110,281	1,232,026
Salary & wages	1,446,798	843,062	1,472,420
Casual/Temp labour	120,000	651,206	127,035
Student transportation	474,795	412,749	433,647
Benefits	209,551	183,022	168,448
Repairs & maintenance	105,574	122,739	82,889
Resources & materials	116,676	107,720	133,651
Utilities	101,500	86,429	112,417
Office	84,882	54,286	98,639
Honorarium	65,000	37,606	27,857
Rent		13,045	5,057
Food	22,403	12,649	41,444
Training & development	28,900	9,083	55,069
Other	77,450	8,371	2,846
Vehicle	49,600	6,739	17,402
Communications	24,200	6,151	18,853
Travel & meals	15,000	5,081	33,098
Professional fees		2,806	6,195
Interest & bank charges	2,600	1,591	1,196
<b>Expenditures</b>	<b>5,106,387</b>	<b>5,245,896</b>	<b>5,593,328</b>
<b>Department revenue</b>		<b>7,228,444</b>	<b>6,922,473</b>
<b>Allocated own source revenue</b>		<b>211,200</b>	<b>259,675</b>
<b>Total revenue</b>		<b>7,439,644</b>	<b>7,182,148</b>
<b>Surplus (Deficit)</b>		<b>2,193,748</b>	<b>1,588,820</b>

Expenditures shown above do not include \$270,713 of unfunded capital asset purchases.

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i><b>Employment and Training</b></i>			
Salary & wages	304,697	<b>280,062</b>	342,408
Training & development	170,611	<b>228,210</b>	310,595
Repairs & maintenance	4,429	<b>14,095</b>	25,760
Programming		<b>14,006</b>	18,739
Benefits	23,001	<b>13,396</b>	18,285
Office	4,272	<b>10,718</b>	11,473
Vehicle		<b>10,211</b>	6,768
Communications	22,599	<b>7,274</b>	6,162
Utilities	3,608	<b>6,827</b>	10,314
Travel & meals	10,514	<b>1,036</b>	16,088
Food		<b>70</b>	15,790
Rent	41,631		40,815
Honorarium			3,060
Advertising & promotion			100
Casual/Temp labour	20,000		
Other	96		
<b>Expenditures</b>	<b>605,458</b>	<b>585,905</b>	<b>826,357</b>
<b>Department revenue</b>		<b>725,815</b>	<b>736,915</b>
<b>Surplus (Deficit)</b>		<b>139,910</b>	<b>(89,442)</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i>Health</i>			
Salary & wages	1,371,879	1,146,310	959,449
Training & development	271,802	420,128	577,958
Programming	497,620	153,715	163,407
Benefits	169,611	103,910	81,067
Travel & meals	47,945	26,397	46,414
Office	61,909	14,400	75,321
Repairs & maintenance	34,513	12,443	26,452
Communications	24,100	11,889	6,571
Utilities	44,732	10,177	5,975
Professional fees	2,500	2,700	
Food	33,054	476	6,704
Other	78,080	528	650
Vehicle	9,658	208	480
Honorarium			650
Casual/Temp labour			7
Admin fees	166,786		
<b>Expenditures</b>	<b>2,814,189</b>	<b>1,903,281</b>	<b>1,951,105</b>
<b>Department revenue</b>		<b>2,935,574</b>	<b>3,021,566</b>
<b>Allocated own source revenue</b>		<b>30,000</b>	<b>30,000</b>
<b>Total revenue</b>		<b>2,965,574</b>	<b>3,051,566</b>
<b>Surplus (Deficit)</b>		<b>1,062,293</b>	<b>1,100,461</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i><b>Housing</b></i>			
Repairs & maintenance	425,731	<b>820,052</b>	688,532
Salary & wages	136,700	<b>188,600</b>	153,659
Bad debts		<b>94,200</b>	(5,871)
Insurance	107,900	<b>66,183</b>	59,569
Interest on long term debt	326,808	<b>52,521</b>	57,610
Utilities	60,800	<b>52,455</b>	86,035
Benefits	14,925	<b>17,766</b>	16,377
Programming	95,500	<b>17,102</b>	92,201
Professional fees	16,200	<b>16,200</b>	15,500
Office	6,900	<b>5,949</b>	7,672
Travel & meals	9,000	<b>3,477</b>	9,904
Communications	2,000	<b>3,001</b>	7,430
Other	22,000	<b>2,475</b>	1,287
Interest & bank charges	450	<b>963</b>	1,391
Training & development	12,200	<b>250</b>	4,542
Casual/Temp labour			300
Vehicle	1,300		100
<b>Expenditures</b>	<b>1,238,414</b>	<b>1,341,194</b>	<b>1,196,238</b>
<b>Department revenue</b>		<b>1,249,672</b>	<b>919,283</b>
<b>Surplus (Deficit)</b>		<b>(91,522)</b>	<b>(276,955)</b>

Expenditures shown above do not include \$987,063 of unfunded capital asset purchases.

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i>Justice</i>			
Salary & wages	282,500	187,552	203,778
Programming	177,977	178,746	170,261
Honorarium	40,522	21,403	19,914
Benefits	48,000	17,762	19,812
Repairs & maintenance	17,978	11,257	3,826
Training & development	38,000	9,808	42,244
Communications	4,500	3,272	3,322
Travel & meals	34,500	3,217	39,808
Office	3,000	2,576	2,214
Advertising & promotion			2,276
Vehicle			610
Other	12,000		
<b>Expenditures</b>	<b>658,977</b>	<b>435,593</b>	<b>508,065</b>
Department revenue		194,239	150,141
Allocated own source revenue		297,500	-
<b>Total revenue</b>		<b>491,739</b>	<b>150,141</b>
<b>Surplus (Deficit)</b>		<b>56,146</b>	<b>(357,924)</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i>Land and Environment</i>			
Salary & wages	310,000	284,751	228,323
Office	8,500	54,620	27,926
Benefits	51,000	20,978	19,242
Communications		2,430	
Repairs & maintenance	16,000	824	7,399
Other	6,250	195	2,768
Professional fees	17,500	(11,346)	170,773
Travel & meals	10,000		24,543
Training & development	5,000		7,810
Honorarium	1,500		764
Programming	12,250		120
Advertising & promotion	6,000		100
Rent			100
<b>Expenditures</b>	<b>444,000</b>	<b>352,452</b>	<b>489,868</b>
Department revenue		1,761	27,740
Allocated own source revenue		542,000	-
<b>Total revenue</b>		<b>543,761</b>	<b>27,740</b>
<b>Surplus (Deficit)</b>		<b>191,309</b>	<b>(462,128)</b>

# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<i>Public works</i>			
Salary & wages	602,000	448,220	477,427
Repairs & maintenance	314,300	255,078	232,110
Utilities	230,850	119,005	115,750
Vehicle	116,900	75,099	65,831
Other	114,300	73,887	92,141
Bad debts		50,214	26,324
Benefits	62,680	37,291	36,939
Honorarium	35,500	34,313	29,135
Professional fees	97,500	28,289	51,813
Insurance		7,498	6,634
Communications	48,185	6,150	21,277
Food	4,500	1,715	4,317
Office	30,000	1,410	1,613
Training & development	11,000	1,005	42,532
Travel & meals	4,200	149	2,044
Programming	600		88
Casual/Temp labour	56,100		
<b>Expenditures</b>	<b>1,728,615</b>	<b>1,139,323</b>	<b>1,205,975</b>
<b>Department revenue</b>		<b>1,126,234</b>	<b>879,326</b>
<b>Allocated own source revenue</b>		<b>465,500</b>	<b>950,000</b>
<b>Total revenue</b>		<b>1,591,734</b>	<b>1,829,326</b>
<b>Surplus (Deficit)</b>		<b>452,411</b>	<b>623,351</b>



# Chippewas of the Thames First Nation

## Notes to the Consolidated Financial Statements

March 31, 2021

### 31. Expenditures by object (continued)

	Budget (\$)	2021 (\$)	2020 (\$)
<b><i>Social Services</i></b>			
Programming	2,103,511	<b>2,819,135</b>	2,526,766
Salary & wages	1,749,618	<b>1,604,572</b>	1,651,243
Benefits	213,388	<b>159,124</b>	142,219
Food	91,649	<b>101,195</b>	52,575
Office	56,654	<b>54,259</b>	144,541
Repairs & maintenance	157,900	<b>54,044</b>	104,806
Utilities	25,000	<b>42,878</b>	34,584
Professional fees	70,900	<b>41,900</b>	
Travel & meals	40,660	<b>10,684</b>	47,038
Communications	38,033	<b>7,519</b>	30,261
Honorarium	15,500	<b>3,428</b>	33,548
Training & development	66,000	<b>3,067</b>	54,279
Interest & bank charges		<b>890</b>	869
Advertising & promotion	8,000	<b>525</b>	6,486
Vehicle	11,500	<b>48</b>	83
Rent	43,800		3,381
Other	147,946		2,938
Admin fees	104,050		
<b>Expenditures</b>	<b>4,944,109</b>	<b>4,903,268</b>	<b>4,835,617</b>
<b>Department revenue</b>		<b>5,835,092</b>	<b>5,260,442</b>
<b>Allocated own source revenue</b>		<b>741,792</b>	<b>194,711</b>
<b>Total revenue</b>		<b>6,576,884</b>	<b>5,455,153</b>
<b>Surplus (Deficit)</b>		<b>1,673,616</b>	<b>619,536</b>

Expenditures shown above do not include \$164,671 of unfunded capital asset purchases.

**Chippewas of the Thames First Nation**

**Notes to the Consolidated Financial Statements**

March 31, 2021

**31. Expenditures by object (continued)**

	Budget (\$)	2021 (\$)	2020 (\$) <i>(Restated)</i>
<i><b>Tobacco Self Regulation Pilot Project</b></i>			
Salary & wages		<b>93,653</b>	92,255
Professional fees		<b>89,343</b>	61,582
Benefits		<b>12,957</b>	12,061
Travel & meals		<b>10,568</b>	24,616
Honorarium		<b>5,297</b>	10,454
Office		<b>911</b>	149
Communications		<b>693</b>	1,046
<b>Expenditures</b>	-	<b>213,422</b>	202,163
<b>Department revenue</b>		<b>110,720</b>	282,000
<b>Surplus (Deficit)</b>		<b>(102,702)</b>	79,837