



Consolidated Financial Statements of

AAMJIWNAANG FIRST NATION

March 31, 2017



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BDO Canada LLP
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Independent Auditor's Report

To the Band Council of Aamjiwnaang First Nation

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Aamjiwnaang First Nation as at March 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The financial statements of Aamjiwnaang First Nation for the year-ended March 31, 2016 were audited by the firm Hazlitt Steeves Harris Dunn LLP whose practice now operates under BDO Canada LLP and who expressed an unqualified opinion on July 20, 2016.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sarnia, Ontario

July 17, 2017

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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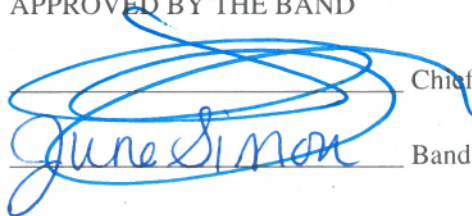
AAMJIWNAANG FIRST NATION

Consolidated Statement of Financial Position

As at March 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 9,821,193	\$ 3,759,598
Trust funds in Ottawa (Note 4)	5,312,011	5,195,589
Restricted assets (Note 5)	12,415,091	12,922,357
Accounts receivable (Note 6)	1,286,398	1,285,694
Loans to Band members (Note 7)	1,176,477	1,163,744
Investment in related parties (Note 8)	11,632,931	6,697,041
	41,644,101	31,024,023
LIABILITIES		
Accounts payable and accrued charges	1,863,002	1,754,385
Deferred revenue (Note 9)	1,285,344	824,649
Long-term debt (Note 10)	4,422,156	4,968,766
	7,570,502	7,547,800
CONTINGENT LIABILITIES (Note 11)		
NET FINANCIAL ASSETS	34,073,599	23,476,223
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 12)	16,045,130	16,868,396
Prepaid assets	247,753	8,486
	16,292,883	16,876,882
MEMBERS' EQUITY (Note 13)	\$ 50,366,482	\$ 40,353,105

APPROVED BY THE BAND

 Chief of Band
Band Manager

AAMJIWNAANG FIRST NATION

Consolidated Statement of Revenue and Expenditure

For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
REVENUE			
Deferred revenue, beginning of year	\$ 50,000	\$ 416,435	\$ 465,158
Indigenous and Northern Affairs Canada			
Grant	-	342,694	342,784
Fixed contribution	2,049,033	1,467,498	1,480,504
Set contribution	-	489,673	354,168
Health Canada	1,019,551	1,082,053	1,090,720
Canadian Mortgage and Housing Corporation ("CMHC")	316,647	1,301,961	347,963
Other federal funding	-	25,000	25,000
Province of Ontario	991,451	1,242,628	1,027,679
Southern First Nations Secretariat	444,508	488,098	461,618
Ontario First Nations Limited Partnership	750,000	1,187,088	1,058,107
Union of Ontario Indians	101,749	266,109	124,724
Stepping Stones	1,240,197	1,447,838	1,373,240
Band contribution	-	2,554,869	2,700,996
Churchill wind project	-	15,718	-
Donation	-	10,250	-
Grand Bend wind project	-	4,541,233	281
Lease and management fee revenue	2,954,401	3,146,521	2,972,442
Rental income	743,420	769,056	774,501
Catering	-	12,828	10,039
Interest income	325,000	601,826	361,721
Program administration	260,743	342,907	309,642
User fees	60,000	75,824	70,293
Wage subsidy	-	18,175	-
Other revenue	163,854	806,755	1,188,615
Transfer from Revenue Trust Fund	-	450,000	450,000
Deferred revenue, end of year	-	(355,254)	(416,435)
	11,470,554	22,747,783	16,573,760
EXPENDITURE			
Community Services - Schedule 1	6,733,924	7,552,543	7,573,683
Economic Development - Schedule 2	752,793	839,410	860,320
Housing - Schedule 3	1,098,352	2,356,830	1,551,262
General - Schedule 4	3,015,272	6,590,930	6,019,456
Amortization of tangible capital assets	-	505,133	503,711
	11,600,341	17,844,846	16,508,432
Excess of revenue over expenditure (expenditure over revenue) from operations before capitalization of tangible capital assets and net earnings from government enterprises	(129,787)	4,902,937	65,328
Capitalization of tangible capital assets	-	228,700	498,777
Net earnings from government enterprises	-	4,881,740	1,802,898
EXCESS OF REVENUE OVER EXPENDITURE			
(EXPENDITURE OVER REVENUE)	\$ (129,787)	\$ 10,013,377	\$ 2,367,003

AAMJIWNAANG FIRST NATION

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2017

	<u>2017</u>	<u>2016</u>
ANNUAL SURPLUS		
Excess of revenue over expenditures	\$ 10,013,377	\$ 2,367,003
Increase in the replacement reserve funds	-	27,135
	10,013,377	2,394,138
Acquisition of tangible capital assets	(228,702)	(498,777)
Amortization of tangible capital assets	1,051,968	1,054,988
	10,836,643	2,950,349
Acquisition of prepaid assets	(247,753)	(8,486)
Utilization of prepaid assets	8,486	55,709
	(239,267)	47,223
NET CHANGE IN NET FINANCIAL ASSETS	10,597,376	2,997,572
Net financial assets, beginning of year	23,476,223	20,478,651
NET FINANCIAL ASSETS, END OF YEAR	\$ 34,073,599	\$ 23,476,223

AAMJIWNAANG FIRST NATION
Consolidated Statement of Cash Flows
As at March 31, 2017

	<u>2017</u>	<u>2016</u>
OPERATING ACTIVITIES		
Excess of revenue over expenditure	\$ 10,013,377	\$ 2,367,003
Items not affecting cash		
Amortization	1,051,968	1,054,988
Net earnings from government business enterprises	(4,881,740)	(1,802,898)
Net decrease (increase) in trust funds in Ottawa	(116,422)	40,064
	6,067,183	1,659,157
Changes in non-cash working capital items		
Accounts receivable	(704)	379,025
Prepaid expenses	(239,267)	47,223
Accounts payable	108,617	148,024
Deferred revenue	460,695	(120,280)
	6,396,524	2,113,149
FINANCING ACTIVITIES		
Repayment of long-term debt	(546,610)	(551,277)
INVESTING ACTIVITIES		
Investment in restricted assets	507,266	(1,574,185)
Advances to related parties	(54,150)	-
Net decrease (increase) in housing loans	(12,733)	132,471
Purchase of tangible capital assets	(228,702)	(498,777)
	211,681	(1,940,491)
NET CHANGE IN CASH POSITION	6,061,595	(378,619)
Cash position, beginning of year	3,759,598	4,138,217
CASH POSITION, END OF YEAR	\$ 9,821,193	\$ 3,759,598

AAMJIWNAANG FIRST NATION

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

1. PURPOSE OF THE ORGANIZATION

The Aamjiwnaang First Nation is located in Sarnia, Ontario. The elected government consists of a Chief and nine members of Council. The organization manages and administers all political, social and economic programs of this First Nation.

2. ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian public sector accounting standards for local government entities as defined in the CPA Canada Public Sector Accounting Handbook, as well as the Year-end Reporting Handbook for First Nations and include the following significant accounting policies. These financial statements include the assets, liabilities, results of operations and cash flows for the following funds:

Revenue recognition

Government grants and subsidies are recorded as earned according to the provisions of the project. Any unearned portion is recorded as deferred revenue.

Rental revenue and interest on loans is recognized when it is due in accordance with the respective agreements.

Investment income earned is recognized as revenue of the appropriate fund on an accrual basis.

Government business enterprises

Investments in government business enterprises are adjusted to reflect the cumulative retained earnings of the government business enterprises using the modified equity method. The modified equity method was applied using the wholly owned subsidiaries balance sheets as at December 31, 2016 and the statements of earnings and retained earnings for the year then ended.

Change in accounting policy – government business partnership

During the year, the first nation has started applying the modified equity method for the government business partnership instead of the proportionate consolidated method. The change was made because the partnership business is now operating and therefore qualifies to use modified equity. The change was adopted retroactively. Changes to the prior year numbers are disclosed in Note 16.

AAMJIWNAANG FIRST NATION

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

2. ACCOUNTING POLICIES - continued

Tangible capital assets

Tangible capital assets have been recorded at cost and amortized over their useful lives. Amortization is computed using the following annual rates and methods:

Buildings and infrastructure	4%	diminishing-balance
Furniture and equipment	20%	diminishing balance
Vehicles and machinery	30%	diminishing-balance
Computers	55%	diminishing balance

The CMHC housing projects are amortized in accordance with the agreements which require annual amortization to equal the principal repayment of the associated long-term debt to acquire the property.

Marketable securities

Investments in marketable securities are recorded at cost.

Management estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenditure during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known.

3. FINANCIAL INSTRUMENTS

Interest rate risk

The Band manages its interest rate risk by having fixed interest rates on the long-term debt.

Credit risk

Credit risk arises from the potential that a tenant or borrower will be unable to pay an amount owing to the Band. The Band monitors its accounts receivable regularly and establishes allowances for doubtful accounts as needed.

Fair value

The fair value of cash, trust funds in Ottawa, restricted assets, accounts receivable, due from related parties and accounts payable and accrued charges is approximately equal to their carrying values due to their short-term maturity.

The fair value of the loans to Band members and long-term debt under current financing arrangements is approximately equal to its carrying value.

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

4. TRUST FUNDS IN OTTAWA

	<u>2017</u>	<u>2016</u>
Revenue trust fund	\$ 3,505,597	\$ 3,389,176
Capital trust fund	1,806,413	1,806,413
	<u>\$ 5,312,011</u>	<u>\$ 5,195,589</u>

5. RESTRICTED ASSETS

The externally restricted assets represent the assets of the operating surplus and replacement reserves for the CMHC housing projects. The internally restricted assets represent the reserves created by Band Council.

CMHC

Cash	\$ 769,010	\$ 687,579
Due from operating account – replacement reserve	140,639	185,292
Due from operating account – operating reserve	36,471	53,396
	<u>946,120</u>	<u>926,267</u>

Internally reserves

Cash	981,301	3,552,938
Short-term deposits	1,800,000	2,400,000
Marketable securities (market value - \$8,880,140; 2016 - \$6,144,487)	8,687,670	6,043,152
	<u>\$ 12,415,091</u>	<u>\$ 12,922,357</u>

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

6. ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
Federal Government	\$ 431,876	\$ 211,672
Provincial Government programs	33,110	87,820
Other funders		
Indigenous Education Coalition	-	12,694
Meals on Wheels London	-	2,816
Mnaasged Child & Family Services	14,803	12,977
Right to Play	11,807	14,349
Southern First Nations Secretariat	88,959	53,036
Stepping Stones	17,416	33,099
Union of Ontario Indians	4,945	18,906
Rent net of allowance \$1,188,338 (2016 – 1,137,605)	250,720	306,783
Lease receivables	97,232	101,051
Employee restitution order	63,304	64,014
NextEra Energy Canada	-	96,000
Enbridge Pipelines Inc.	10,500	84,909
Hydro One Networks Inc.	105,957	24,354
Walpole Island First Nation	125	42,773
Accrued interest	80,833	70,415
Miscellaneous	74,811	48,026
	\$ 1,286,398	\$ 1,285,694

7. LOANS TO BAND MEMBERS

Loans		
Housing	\$ 1,760,218	\$ 1,741,702
Special	13,928	13,928
	1,774,146	1,755,630
Less: allowance for doubtful loans	597,669	591,886
	\$ 1,176,477	\$ 1,163,744

Housing loans bear interest at various rates from 2.5% to 5%. An allowance for doubtful accounts has been created to allow for loans which may not ultimately be collectible. Interest on the special loans has not been recorded as these loans may not ultimately be collectible.

AAMJIWNAANG FIRST NATION

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

8. INVESTMENT IN RELATED PARTIES

The investment in related parties, represents advances to and shares in corporations. The advances to these corporations are non-interest bearing, unsecured and are due on demand.

	<u>2017</u>	<u>2016</u>
Advances to (from)		
Chippewa Industrial Developments Ltd.	\$ 4,916,498	\$ 4,916,498
Ojibwe Filters and Industrial Supplies Ltd.	2,140	2,140
Giiwedini Noodin First Nation Energy Corporation	27,074	-
2401077 Ontario Inc.	27,074	(1)
	<u>4,972,786</u>	<u>4,918,637</u>
Shares		
Ojibwe Legends Trading Company Ltd.	1	1
Chippewa Industrial Developments Ltd.	(24,495)	(24,495)
Giiwedini Noodin First Nation Energy Corporation	3,014,840	5,418
2401077 Ontario Inc.	3,669,799	1,797,484
	<u>\$ 11,632,931</u>	<u>\$ 6,697,045</u>

The shares in Chippewa Industrial Developments Ltd., Ojibwe Legends Trading Company Ltd., Ojibwe Filters Industrial Supplies Ltd., and 2401077 Ontario Inc. are owned and controlled by the Band and are considered investments in government business enterprises and are accounted for using the modified equity method as indicated in Note 2. The shares in Giiwedini Noodin First Nation Energy Corporation are owned 50% by Aamjiwnaang, are considered an investment in a government business partnership and are accounted for using the modified equity method. Financial statements for each of the corporations have been prepared for the year ended December 31, 2016. These financial statements may provide additional information as to the financial affairs and resources of these government business enterprises and government business partnership to the users of these financial statements.

9. DEFERRED REVENUE

Indigenous and Northern Affairs Canada		
Minor Capital	\$ 327	\$ 878
Environment Canada	24,782	22,638
Churchill wind project	1,820	-
Client Base CRF	51,372	69,697
Client Base Career Counselling	9,619	9,719
Client Base Federal Child Care Initiative	-	2,832
Employment Based E.I.	14,230	76,208
Enbridge Solar Project	-	48,230
Environment – miscellaneous projects	9,525	110,290
Family Violence	730	2,575
Green Teens	11,443	4,126

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Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

9. DEFERRED REVENUE – continued

	<u>2017</u>	<u>2016</u>
Home and community care	-	600
Literacy program	15,829	27,183
Maternal Child Health	1,396	1,396
Medical Transportation	5,694	13,850
MOE – Drinking water source protect	1,707	-
MOE – Regulation 419	31,675	24,616
New Horizons	24,691	-
Nuclear waste management organization	49,090	-
School transportation	3,359	-
Special education	71,063	-
Strengthening Families	1,598	1,598
Styrolution	25,000	-
Leases	930,394	408,213
	\$ 1,285,344	\$ 824,649

10. LONG-TERM DEBT

Housing Projects Loans

1.39%, repayable in blended monthly instalments of \$5,862, due March, 2020 – Phase 4	\$ 206,573	\$ 273,552
1.30%, repayable in blended monthly instalments of \$3,903, due December, 2020 – Phase 1	171,345	215,655
1.30%, repayable in blended monthly instalments of \$4,529, due October, 2020 – Phase 5	190,175	241,697
2.63%, repayable in blended monthly instalments of \$2,343, due June, 2016 – Phase 2	-	7,001
1.14%, repayable in blended monthly instalments of \$5,512, due June, 2021 – Phase 8	565,514	623,773
1.44%, repayable in blended monthly instalments of \$5,300, due November 2021 – Phase 6	286,893	345,618
1.67%, repayable in blended monthly instalments of \$3,455, due April, 2017 – Phase 9	201,927	239,688
1.65%, repayable in blended monthly instalments of \$3,735, due June, 2017 – Phase 7	225,293	266,056
2.35%, repayable in blended monthly instalments of \$8,084, due May, 2018 – Phase 3	111,751	204,748
1.92%, repayable in blended monthly instalments of \$5,790, due April 2019 – Phase 10	1,250,808	1,295,957
1.92%, repayable in blended monthly instalments of \$5,560, due July 2019 – Phase 11	1,211,877	1,255,021
	\$ 4,422,156	\$ 4,968,766

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

10. LONG-TERM DEBT – CONTINUED

Principal amounts due in the next five years are as follows:

2018	\$ 897,206
2019	396,195
2020	2,573,927
2021	191,085
2022	363,743
	\$ 4,422,156

11. CONTINGENT LIABILITIES

- (a) The First Nation is contingently liable as guarantor of seven bank loans for Band members to a maximum of \$706,018. As at March 31, 2017, the amount of the loans outstanding was \$681,645. The property the loans were used to purchase will be forfeited to the Band if the Band is required to repay the loans and is not reimbursed in full.
- (b) The First Nation has been named defendant in a legal action by the Canadian National Railway Company alleging that they are entitled to damages with respect to interference with the CN St. Clair River Industrial Spur Line. Neither the possible outcome nor the amount of possible settlement can be foreseen. No provision has been made in the financial statements for possible losses. Such losses could be material.
- (c) The First Nation has entered into an agreement with the Ministry of Energy and Infrastructure (“Ministry”) with regards to obtaining government funding for the construction of the Community Centre addition. Under the terms of the agreement, the Ministry will contribute 50% of eligible costs up to a maximum of \$2,000,000. Under the agreement, the First Nation is required to operate the Community Centre for a minimum of six years after the completion of the addition. If the Community Centre is disposed of before the end of the sixth year the First Nation is required to repay the following:
- i) Within two years after addition completion – 100% of the final grant;
 - ii) Between two and six years after addition completion – 55% of the final grant.

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

12. TANGIBLE CAPITAL ASSETS

	2017			2016
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Housing projects				
Land	\$ 40,437	\$ -	\$ 40,437	\$ 40,437
Buildings	13,678,736	6,448,413	7,230,323	7,777,157
	13,719,173	6,448,413	7,270,760	7,817,594
Operating				
Land	104,053	-	104,053	104,053
Buildings	11,005,694	3,755,427	7,250,267	7,552,361
Infrastructure	1,410,065	555,577	854,488	830,506
Vehicles and machinery	1,087,433	800,818	286,615	202,620
Office furniture and equipment	1,613,140	1,347,107	266,033	332,564
Computers	327,873	314,959	12,914	28,698
	15,548,258	6,773,888	8,774,370	9,050,802
	\$ 29,267,431	\$ 13,222,301	\$ 16,045,130	\$ 16,868,396

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

13. MEMBERS' EQUITY

Included in members' equity is the following:

	<u>2017</u>	<u>2016</u>
<i>Internal reserves</i>		
Casino	\$ 5,238,896	\$ 4,801,808
Community Enhancement	3,101,577	3,101,577
Environmental Stewardship	1,145,000	1,145,000
Future Generations	1,500,000	1,500,000
Housing Loans	51,276	100,000
Special Projects	383,498	350,236
<i>External reserves</i>		
Trust Funds in Ottawa	5,312,011	5,195,589
CMHC	946,120	926,267
Invested in tangible capital assets	11,622,974	11,899,630
Invested in related parties (Note 8)	11,632,931	6,697,041
Unrestricted members' equity	9,647,018	4,635,957
	\$ 50,581,301	\$ 40,353,105

14. PENSION PLAN

It is mandatory that, after three months, all permanent employees of the Band who work at least 25 hours per week become members of a private pension plan that is a defined contribution plan. The employee has the option to contribute either 5% or 8.2% which is matched by the Band. Contributions to the plan made during the year by the Band on behalf of its employees amounted to \$222,447 (2016 - \$226,441) and are included in salaries and benefits in expenditure.

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

15. CLASSIFICATION OF EXPENDITURE BY OBJECT

The consolidated statement of revenue and expenditure presents the expenditure by function; the following classifies the same expenditure by object.

	<u>2017</u>	<u>2016</u>
Allocation to reserves	\$ 88,798	\$ 88,798
Amortization	1,051,968	1,054,988
Bad debts	33,429	138,437
Band contributions to programs	2,465,670	2,700,999
Bank charges and interest	14,379	17,779
Catering	12,880	10,009
Cemetery and funerals	72,584	97,303
Childcare initiative	101,217	93,265
Construction and renovations	56,359	59,591
Consultants	403,210	564,268
Distribution to members	1,167,587	466,177
Donations	47,870	53,934
Election costs	17,918	-
Employee benefits	749,685	746,225
Employment training programs		
CRF	302,480	192,145
EI	169,601	115,195
Equipment	286,070	489,822
Fire protection	75,849	75,098
Garbage collection	54,823	53,247
Honoraria		
Community	46,976	53,692
Council	168,455	172,882
Staff	37,080	37,950
Infrastructure services	20,316	25,228
Insurance	126,561	125,822
Medical travel	71,887	56,988
Mortgage interest	81,079	103,787
Office administration	230,965	181,705
Ontario Works employment related expenses	232,384	178,558
Pipeline lease payments	320,097	354,355
Police protection	112,991	111,541
Professional services	237,979	194,060
Program administration	293,170	289,217
Program resources	859,878	902,987

AAMJIWNAANG FIRST NATION
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

15. CLASSIFICATION OF EXPENDITURE BY OBJECT – continued

	<u>2017</u>	<u>2016</u>
Recovery of surplus from funding sources	23,782	3,277
Repairs and maintenance		
Buildings	426,333	256,675
Vehicles and equipment	76,394	74,938
Repairs and renovations – CMHC	964,321	48,055
Salary and wages	4,129,535	4,155,473
Sports fees	26,549	26,776
Social assistance benefits	1,044,097	979,714
Student transporation	194,629	231,046
Training and professional development	81,488	63,606
Transfer to Band funds	450,000	450,000
Travel		
Community	16,615	15,336
Council	68,249	75,911
Staff	76,159	84,436
Utilities	254,600	237,137
Total expenditures by object	\$ 17,844,846	\$ 16,508,432

Total expenditure by object includes tangible capital assets of \$228,700 (2016 - \$498,777) which have been capitalized.

16. PRIOR PERIOD ADJUSTMENT

The financial statements for the year ended March 31, 2016 have been restated to reflect the change in accounting policy to the modified equity method for the investment in the government business partnership Giiwedín Noodin FN Energy Corporation.

As a result of the prior period adjustment, cash of \$3,851,599 as at March 31, 2016 was restated as \$3,759,598, investment in related parties of \$22,846,644 as at March 31, 2016 was restated as \$6,697,041, accounts payable and accrued charges of \$3,150,633 as at March 31, 2016 was restated as \$1,754,386, deferred revenue of \$875,463 as at March 31, 2016 was restated as \$824,649, long-term debt of \$19,764,373 as at March 31, 2016 was restated as \$4,968,766, net financial assets of \$23,475,155 was restated as \$23,470,805, net earnings from government enterprises of \$1,797,480 for the year-ended March 31, 2016 was restated as \$1,802,898.

There is no impact on members' equity.

17. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform to the presentation of the current year.

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

Community Services

For the year ended March 31, 2017

Schedule 1

	<u>2017</u>	<u>2016</u>
Revenue		
Deferred revenue, beginning of year	\$ 208,872	\$ 205,566
Indigenous and Northern Affairs Canada		
Fixed contribution	893,334	865,819
Set contribution	427,818	288,320
Health Canada	1,082,053	1,090,720
Other federal funding	25,000	25,000
Province of Ontario	1,242,628	1,027,679
Union of Ontario Indians	213,218	124,724
Stepping Stones	1,447,838	1,373,240
Band contribution	1,621,750	1,788,344
Donations	10,250	-
Rental income	62,648	79,951
Catering	12,828	10,039
User fees	75,824	70,293
Wage subsidy	18,175	-
Other revenue	439,103	771,461
Deferred revenue, end of year	(228,796)	(208,872)
	7,552,543	7,512,284
Expenditure		
Catering	12,880	10,009
Cemetery and funerals	72,584	97,303
Construction and renovations	2,000	57,141
Consultants	264,479	323,284
Donations	43,530	36,800
Employee benefits	464,523	471,122
Equipment	34,989	116,871
Fire protection	75,849	75,098
Garbage collection	54,223	52,647
Honoraria		
Community	22,715	38,405
Staff	13,695	18,875
Infrastructure services	20,316	25,228
Insurance	47,233	39,644
Medical travel	71,887	56,988
Office administration	54,552	60,028
Ontario Works employment related expenses	232,384	178,558
Police protection	112,991	111,541
Professional services	51,405	11,823
Program administration	196,297	192,361
Program resources	717,157	770,502
Recovery of surplus from funding sources	23,782	3,277
Repairs and maintenance		
Buildings	139,089	103,933
Vehicles and equipment	70,630	73,052
Salary and wages	3,185,629	3,137,830
Sports fees	25,049	26,526
Social assistance benefits	1,044,097	979,714

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

Community Services

For the year ended March 31, 2017

Schedule 1 - continued

	<u>2017</u>	<u>2016</u>
Student transportation	194,629	231,046
Training and professional development	67,862	45,267
Travel		
Community	9,629	6,329
Staff	61,331	67,967
Utilities	165,127	154,514
	7,552,543	7,573,683
Excess of expenditure over revenue before capitalization of tangible capital assets	-	(61,399)
Capitalization of tangible capital assets	-	171,188
Excess of expenditure over revenue	\$ -	\$ 109,789

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

Economic Development

For the year ended March 31, 2017

Schedule 2

	<u>2017</u>	<u>2016</u>
Revenue		
Deferred revenue, beginning of year	\$ 206,685	\$ 97,442
Indigenous and Northern Affairs Canada		
Fixed contribution	75,900	75,900
Southern First Nations Secretariat	488,098	461,618
Band contribution	79,800	115,628
Other revenue	64,148	105,501
Deferred revenue, end of year	(75,221)	(206,685)
	839,410	649,404
Expenditure		
Band contribution to program	-	6,000
Childcare initiative	101,217	93,265
Consultants	22,542	4,501
Employee benefits	17,139	23,326
Employee training programs		
CRF	302,480	192,145
EI	169,601	115,195
Equipment	41,730	16,770
Honoraria		
Community	4,050	4,870
Staff	2,610	2,300
Office administration	3,962	2,477
Professional services	10,000	-
Program administration	27,590	21,000
Program resources	2,472	5,055
Salary and wages	130,316	156,448
Training and professional development	-	1,720
Travel - staff	3,701	4,782
	839,410	649,854
Excess of expenditure over revenue before capitalization of tangible capital assets	-	(450)
Capitalization of tangible capital assets	41,730	16,770
Excess of revenue over expenditure	\$ 41,730	\$ 16,320

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

Housing

For the year ended March 31, 2017

Schedule 3

	<u>2017</u>	<u>2016</u>
Revenue		
Canadian Mortgage and Housing Corporation	\$ 1,301,961	\$ 347,963
Indigenous and Northern Affairs Canada	5,000	-
Band contribution	216,350	158,126
Rental income	706,408	694,550
Interest income	53,023	53,137
Program administration	68,125	67,700
Other income	-	4,076
	2,350,867	1,325,552
Expenditure		
Allocation to replacement reserves	88,798	88,798
Amortization	546,835	551,277
Bad debts	17,035	138,437
Band contribution to program	116,046	158,126
Employee benefits	24,216	19,347
Equipment	3,023	2,771
Honoraria		
Community	4,965	3,780
Staff	3,440	2,880
Insurance	50,945	47,938
Mortgage interest	81,079	103,787
Office administration	3,633	4,204
Professional services	9,600	9,650
Program administration	65,500	67,700
Program resources	13,074	7,552
Repairs and maintenance		
Buildings	156,282	119,100
Vehicles and equipment	1,278	1,149
Repairs and renovations - CMHC	964,321	48,055
Salary and wages	136,028	113,297
Training and professional development	246	-
Travel - staff	5,386	3,419
Utilities	65,100	59,995
	2,356,830	1,551,262
Excess of expenditure over revenue	\$ (5,963)	\$ (225,710)

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

General

For the year ended March 31, 2017

Schedule 4

	<u>2017</u>	<u>2016</u>
Revenue		
Deferred revenue, beginning of year	\$ 878	\$ 162,150
Indigenous and Northern Affairs Canada		
Grant	342,694	342,784
Fixed contribution	493,264	538,785
Set contribution	61,855	65,848
Ontario First Nations Limited Partnership	1,187,088	1,058,107
Union of Ontario Indians	52,891	-
Band contribution	636,969	638,860
Churchill wind project	15,718	-
Giiwedini Noodin FN Energy Corporation dividends	4,541,233	281
Lease and management fee revenue	3,146,521	2,972,442
Investment income	548,803	308,584
Program administration	274,782	241,942
Other revenue	303,504	307,576
Transfer from Revenue Trust Fund	450,000	450,000
Deferred revenue, end of year	(51,237)	(878)
	12,004,963	7,086,481
Expenditure		
Bad debts	16,394	-
Band contribution to programs	2,349,524	2,536,834
Bank charges and interest	14,379	17,779
Construction and renovations	54,359	2,450
Consultants	116,189	236,483
Distribution to members	1,167,587	466,177
Donations	4,340	17,134
Election costs	17,918	-
Employee benefits	243,807	232,430
Equipment	206,328	353,410
Honoraria		
Community	15,246	7,628
Council	168,455	172,882
Staff	17,335	12,905
Insurance	28,383	38,240
Office administration	168,818	114,995
Pipeline lease payments	320,097	354,355
Professional services	166,974	172,587
Program administration	3,783	8,155
Program resources	127,175	119,879
Repairs and maintenance		
Buildings	130,962	33,642
Vehicles and equipment	4,486	737
Salary and wages	677,562	747,898
Sports fees	1,500	250
Training and professional development	13,380	16,619
Transfer to Band funds	450,000	450,000

AAMJIWNAANG FIRST NATION

Schedule of Revenue and Expenditure

General

For the year ended March 31, 2016

Schedule 4 - continued

	<u>2017</u>	<u>2016</u>
Travel		
Community	6,986	9,007
Council	68,249	75,911
Staff	5,741	8,267
Utilities	24,973	23,228
	6,590,930	6,229,882
Excess of revenue over expenditure before capitalization of tangible capital assets	5,414,033	856,599
Capitalization of tangible capital assets	186,970	310,819
Excess of revenue over expenditure	\$ 5,601,003	\$ 1,167,418