

Consolidated Financial Statements of

## **SHEGUIANDAH FIRST NATION**

And Independent Auditor's Report thereon

Year ended March 31, 2022

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Sheguiandah First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council of the First Nation (the "Council").

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB). Consolidated financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

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

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

The Chief and Council reviews the First Nation's consolidated financial statements and recommend their approval. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report. The Council takes this information into consideration when approving the consolidated financial statements for issuance to the members. The Council also considers the engagement of the external auditors.

The consolidated financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the members.

A handwritten signature in blue ink, appearing to read "M. Salmond".

Chief/ Councillor

A handwritten signature in blue ink, appearing to read "D. A. G."

Director of Operations



**KPMG LLP**

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## INDEPENDENT AUDITORS' REPORT

To the Members and Chief and Council of Sheguiandah First Nation

***Opinion***

We have audited the consolidated financial statements of Sheguiandah First Nation (the "First Nation"), which comprise:

- the consolidated statement of financial position as at March 31, 2022
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended

and the consolidated notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2022, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB).

***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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 responsibilities in accordance with these requirements.

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

## ***Responsibility of Management and those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB), 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 related 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.

## ***Auditor's Responsibilities 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 the 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 risk of material misstatement of the 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, internal 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 purposes 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.



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- 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 the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

April 11, 2025

# **SHEGUIANDAH FIRST NATION**

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Year ended March 31, 2022

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# SHEGUIANDAH FIRST NATION

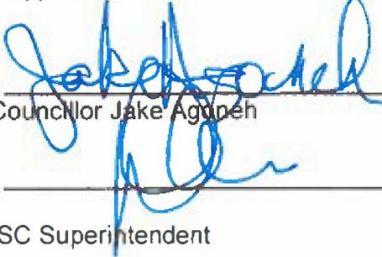
## Exhibit A - Consolidated Statement of Financial Position

March 31, 2022, with comparative information for 2021

	2022	2021
<b>Financial assets</b>		
Cash	\$ 5,519,470	\$ 4,701,092
Restricted cash (note 2)	91,624	91,624
Accounts receivable (note 3)	1,530,205	1,037,547
Consolidated trust funds (note 4)	43,211	42,395
Investments in Government Business Partnerships (note 5)	119,157	119,152
	<u>7,303,667</u>	<u>5,991,810</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	1,387,287	1,392,321
Deferred revenue (note 6)	4,544,875	3,484,554
Long-term debt (note 7)	680,378	726,410
	<u>6,612,540</u>	<u>5,603,285</u>
<b>Net financial assets</b>	<b>691,127</b>	<b>388,525</b>
<b>Non-financial assets</b>		
Tangible capital assets (note 9)	10,054,810	9,839,990
Prepaid expenses	28,208	19,400
	<u>10,083,018</u>	<u>9,859,390</u>
Commitments and contingent liabilities (note 8)		
Subsequent events (note 15)		
<b>Accumulated surplus (note 10)</b>	<b>\$ 10,774,145</b>	<b>\$ 10,247,915</b>

See accompanying notes to consolidated financial statements

Approved:

  
Councilor Jake Agapeh  
ISC Superintendent

  
Councillor Carrie Waindubence

# SHEGUIANDAH FIRST NATION

## Exhibit B - Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
<b>Revenue:</b>		
Government transfers - Provincial	\$ 863,422	\$ 745,392
- Federal (note 11)	2,824,661	2,132,782
Rental income	207,131	180,110
Other	1,343,800	1,504,200
	<b>5,239,014</b>	<b>4,562,484</b>
<b>Expenses:</b>		
Band Government	527,125	604,076
Social Assistance	531,653	468,879
Education	1,167,595	1,045,844
Community Infrastructure	900,952	967,086
Health Services	887,955	643,818
Recreation	57,045	39,236
Housing and Community Property	400,788	330,607
Employment and Economic Development	130,803	128,124
Community Fund	19,271	3,167
Social Housing	89,597	102,908
	<b>4,712,784</b>	<b>4,333,745</b>
<b>Excess of revenue over expenses</b>	<b>526,230</b>	<b>228,739</b>
<b>Accumulated surplus, beginning of year</b>	<b>10,247,915</b>	<b>10,019,176</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 10,774,145</b>	<b>\$ 10,247,915</b>

See accompanying notes to consolidated financial statements

# SHEGUIANDAH FIRST NATION

## Exhibit C - Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Excess of revenue over expenses	\$ 526,230	\$ 228,739
Acquisition of tangible capital assets	(831,363)	(990,521)
Amortization of tangible capital assets	616,544	607,018
Loss (gain) on disposal of tangible capital assets	-	(5,838)
Proceeds on sale of tangible capital assets	-	51,000
	311,411	(109,602)
Use (acquisition) of prepaid expenses	(8,809)	4,316
Change in net financial assets	302,602	(105,286)
Net financial assets, beginning of year	388,525	493,811
Net financial assets, end of year	\$ 691,127	\$ 388,525

See accompanying notes to consolidated financial statements

# SHEGUIANDAH FIRST NATION

## Exhibit D - Consolidated Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
<b>Cash flows from operating activities:</b>		
Excess of revenue over expenses	\$ 526,230	\$ 228,739
Adjustments for:		
Amortization of tangible capital assets	616,544	607,018
Loss on disposal of tangible capital assets	-	(5,838)
	<u>1,142,774</u>	<u>829,919</u>
<b>Change in non-cash working capital:</b>		
Increase in accounts receivable	(492,659)	(305,064)
Increase (decrease) in accounts payable and accrued liabilities	(5,034)	252,472
Increase in deferred revenue	1,060,321	1,226,226
Increase in prepaid expenses	(8,808)	4,316
	<u>1,696,594</u>	<u>2,007,869</u>
<b>Cash flows from financing activities:</b>		
Principal payments on long-term debt	(46,032)	(33,312)
<b>Cash flows from capital activities:</b>		
Purchase of tangible capital assets	(831,363)	(990,521)
Proceeds on disposal of capital assets	-	51,000
	<u>(831,363)</u>	<u>(939,521)</u>
<b>Cash flows from investing activities:</b>		
Increase in investment in government business partnerships	(5)	(198)
Increase in consolidated trust funds	(816)	(805)
	<u>(821)</u>	<u>(1,003)</u>
<b>Net increase in cash</b>	<b>818,378</b>	<b>1,034,033</b>
<b>Cash, beginning of year</b>	<b>4,792,716</b>	<b>3,758,683</b>
<b>Cash, end of year</b>	<b>\$ 5,611,094</b>	<b>\$ 4,792,716</b>
<b>Represented by:</b>		
Cash	\$ 5,519,470	\$ 4,701,092
Restricted cash	91,624	91,624
	<u>\$ 5,611,094</u>	<u>\$ 4,792,716</u>

See accompanying notes to consolidated financial statements

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2022

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Sheguiandah First Nation (the “First Nation”) located on Manitoulin Island administers programs and provides services on behalf of its members.

## 1. Significant accounting policies:

These consolidated financial statements of the First Nation are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The following is a summary of the significant accounting policies followed in the preparation of these consolidated financial statements:

### (a) Reporting entity:

#### i) Consolidated entities:

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the First Nation and are owned and controlled by the First Nation.

All interdepartmental and inter-organizational assets, liabilities, revenues and expenses have been eliminated.

#### ii) Investment in Government Business Partnerships:

Government Business Partnerships are accounted for using the modified equity method. Government Business Partnerships include the following organizations:

- U.C.C.M. Building Material Supply Limited Partnership (“UCCMLP”)
- M’Nidoo M’Nising Power Limited Partnership (“MMPLP”)

Under the modified equity method, the business partnership’s accounting principles are not adjusted to conform with those of the First Nation and inter-organizational transactions and balances are not eliminated.

### (b) Revenue recognition:

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements which relate to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the statement of financial position.

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## 1. Significant accounting policies (continued):

### (c) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

#### (i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land are amortized on a straight-line basis over their estimated useful lives as follows:

Assets	Useful Life - Years
Infrastructure	20 - 40
Buildings and housing	10 - 50
Vehicles and equipment	5 - 10
Computer equipment	1 - 5

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

#### (ii) Prepaid expenses:

Services to be received in the subsequent period, paid for in advance are recognized as prepaid expenses.

### (d) Use of estimates:

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital assets and valuation allowances for receivables. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

In addition, the First Nation's implementation of the Public Sector Accounting Handbook PS3150 requires management to make estimates of historical cost and useful lives of tangible capital assets.

Actual results may differ from these estimates.

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## 1. Significant accounting policies (continued):

### (e) Prior year funding adjustments:

The First Nation has entered into accountable contribution arrangements with several government funding agencies. All such programs are subject to audit by the various governments, with audit adjustments repayable to the government.

Adjustments made under funding arrangements relating to prior years are charged to operations in the year during which the adjustments are made.

### (f) Consolidated Trust Funds:

Funds held in trust are comprised of funds held in Ottawa Trust accounts and arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

## 2. Restricted cash:

In accordance with the operating agreements between the First Nation and Canada Mortgage and Housing Corporation ("CMHC"), cash in the amount of \$91,624 (2021 - \$91,624) is restricted for this purpose. Under the agreement, the First Nation is required to set aside funding to maintain a replacement and operating reserve bank account. As of fiscal year end, this First Nation is required to have set aside \$106,098 (2021 - \$81,003).

## 3. Accounts receivable:

	2022	2021
Indigenous Services Canada	\$ 948,871	\$ 465,263
Ontario First Nations Limited Partnership	251,535	395,963
Union of Ontario Indians	43,584	23,710
Canada Revenue Agency – GST/HST	18,029	21,097
Mnidoo Mnising Employment and Training	14,259	14,259
Canada Mortgage and Housing Corporation	10,742	10,742
Ministry of Community and Social Services	12,930	1,133
Other	230,255	105,380
	<hr/>	<hr/>
	\$ 1,530,205	\$ 1,037,547

## 4. Consolidated trust funds:

	Revenue	Capital	Total
Balance, beginning of year	\$ 8,300	\$ 34,095	\$ 42,395
Interest	816	–	816
	<hr/>	<hr/>	<hr/>
Balance, end of year	\$ 9,116	\$ 34,095	\$ 43,211

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## 5. Investments in Government Business Partnerships:

The First Nation has a 14.28% equity interest in UCCMLP and a 16.66% equity interest in MMPLP. These organizations are government business partnerships of the First Nation and are accounted for on the modified equity method in these consolidated financial statements.

The investments in Government Business Partnerships consists of the following:

	MMPLP	UCCMLP	2022	2021
Balance, at beginning of year	\$ 2	\$ 119,150	\$ 119,152	\$ 118,954
Share of earnings	158,726	5	158,731	51,780
Provision for impairment	(158,726)	–	(158,726)	(51,582)
Balance, end of year	\$ 2	\$ 119,155	\$ 119,157	\$ 119,152

## 6. Deferred revenue:

	2022	2021
Indigenous Services Canada	\$ 3,819,013	\$ 2,978,274
Mnaamodzawin Health Services	647,320	469,103
Canadian Heritage	30,500	30,500
Ministry of Indigenous Affairs	41,240	6,677
Noojimowin Teg	6,802	–
	\$ 4,544,875	\$ 3,484,554

## 7. Long-term debt:

The details of the long-term debt are as follows:

	2022	2021
Canada Mortgage and Housing Corporation mortgage, payable \$1,221 monthly including principal and interest, bearing interest at 0.86 % per annum, due February 2032	\$ 139,227	\$ 152,229
Canada Mortgage and Housing Corporation mortgage, payable \$1,190 monthly including principal and interest, bearing interest at 1.30% per annum, due June 2032	136,997	149,399
Canada Mortgage and Housing Corporation mortgage, payable \$2,227 monthly including principal and interest, bearing interest at 2.02% per annum, due November 2039	404,154	424,782
	\$ 680,378	\$ 726,410

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## 7. Long-term debt (continued):

Principal repayments due are estimated as follows:

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2023	\$ 45,480
2024	46,185
2025	46,901
2026	47,629
2027	48,577
Thereafter	445,606

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## 8. Commitments and contingent liabilities:

In accordance with terms and conditions of a financing arrangement between the Bank of Montreal and the Robinson Huron Treaty Trust (the “Trust”), the First Nation, as a beneficiary of the Trust, has guaranteed borrowings in proportion to its beneficial interest in the Trust in the amount of \$461,500. As of March 31, 2022, its proportional outstanding loan balance as part of the Trust is \$325,818 (2021 - \$188,090).

The loan guarantee is secured by an assignment of the First Nation’s distributions from the Ontario First Nation Limited Partnership.

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

## 9. Tangible capital assets:

Cost	Balance at March 31, 2021	Additions	Disposals	Balance at March 31, 2022
Land	\$ 408,791	\$ -	\$ -	\$ 408,791
Buildings	4,334,984	10,300	-	4,345,284
Vehicles and equipment	1,045,286	56,740	-	1,102,026
Computers	42,731	-	-	42,731
Infrastructure	7,557,670	-	-	7,557,670
Assets under construction	1,190,670	764,323	(813,534)	1,141,459
Housing	4,889,232	813,534	-	5,702,766
<b>Total</b>	<b>\$ 19,469,364</b>	<b>\$ 1,644,897</b>	<b>\$ (813,534)</b>	<b>\$ 20,300,727</b>
Accumulated Amortization	Balance at March 31, 2021	Disposals	Amortization	Balance at March 31, 2022
Buildings	\$ 1,692,187	\$ -	\$ 133,186	\$ 1,825,373
Vehicles and equipment	826,060	-	71,954	898,014
Computers	38,779	-	3,952	42,731
Infrastructure	5,585,407	-	274,492	5,859,899
Housing	1,486,941	-	132,960	1,619,901
<b>Total</b>	<b>\$ 9,629,374</b>	<b>\$ -</b>	<b>\$ 616,544</b>	<b>\$ 10,245,918</b>
	Net book value, March 31, 2021		Net book value, March 31, 2022	
Land	\$ 408,791		\$ 408,791	
Buildings	2,642,797		2,519,911	
Vehicles and equipment	219,226		204,012	
Computers	3,952		-	
Infrastructure	1,972,263		1,697,771	
Housing	3,402,291		4,082,865	
Assets under construction	1,190,670		1,141,459	
<b>Total</b>	<b>\$ 9,839,990</b>		<b>\$ 10,054,809</b>	

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

## 9. Tangible capital assets (continued):

Cost	Balance at March 31, 2020	Additions	Disposals	Balance at March 31, 2021
Land	\$ 408,791	\$ -	\$ -	\$ 408,791
Buildings	4,189,855	145,129	-	4,334,984
Vehicles and equipment	1,077,216	166,120	(198,050)	1,045,286
Computers	42,731	-	-	42,731
Infrastructure	7,557,670	-	-	7,557,670
Housing	3,807,143	1,082,089	-	4,889,232
Assets under construction	1,593,488	679,271	(1,082,089)	1,190,670
<b>Total</b>	<b>\$ 18,676,894</b>	<b>\$ 2,072,609</b>	<b>\$ (1,280,139)</b>	<b>\$ 19,469,364</b>
Accumulated Amortization	Balance at March 31, 2020	Disposals	Amortization	Balance at March 31, 2021
Buildings	\$ 1,567,867	\$ -	\$ 124,319	\$ 1,692,186
Vehicles and equipment	897,527	\$ (152,888)	81,422	826,061
Computers	34,827	-	3,952	38,779
Infrastructure	5,310,873	-	274,534	5,585,407
Housing	1,364,150	-	122,791	1,486,941
<b>Total</b>	<b>\$ 9,175,244</b>	<b>\$ (152,888)</b>	<b>\$ 607,018</b>	<b>\$ 9,629,374</b>
	<b>Net book value, March 31, 2020</b>			<b>Net book value, March 31, 2021</b>
Land	\$ 408,791			\$ 408,791
Buildings	2,621,988			2,642,798
Vehicles and equipment	179,689			219,225
Computers	7,904			3,952
Infrastructure	2,246,797			1,972,263
Housing	2,442,993			3,402,291
Assets under construction	1,593,488			1,190,670
<b>Total</b>	<b>\$ 9,501,650</b>			<b>\$ 9,839,990</b>

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## 10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2022	2021
<b>Surplus:</b>		
Invested in tangible capital assets	\$ 9,374,431	\$ 9,113,580
Section 95 Housing	(59,360)	(74,798)
Operations	(872,418)	(577,685)
Consolidated revenue fund	43,211	42,395
Ontario First Nations Limited Partnership	476,141	117,657
<u>Investment government business partnerships</u>	<u>119,157</u>	<u>119,152</u>
	9,081,162	8,740,301
<b>Reserves:</b>		
Committed reserve – band housing	249,132	249,132
Committed reserve – M'Nidoo M'Nising Power	1,146,656	1,063,543
Committed reserve – unfunded capital	166,187	138,483
Section 95 Replacement reserve	35,393	25,293
<u>Community fund</u>	<u>95,615</u>	<u>31,163</u>
	1,692,983	1,507,614
	<b>\$ 10,774,145</b>	<b>\$ 10,247,915</b>

## 11. Federal funding reconciliation:

	2022	2021
Indigenous Services Canada, per confirmation	\$ 3,618,428	\$ 2,791,152
Deferred revenue, opening	2,978,274	2,083,218
ISC tuition top-up receivable	–	62,676
ISC band representative receivable – prior year	(97,310)	(100,641)
ISC band representative receivable – current year	83,225	97,310
ISC funerals and burials receivable – prior year	(3,500)	(3,600)
ISC funerals and burials receivable – current year	–	3,500
ISC 2019 revenue received	–	103,600
MT-revenue not earned or received	(6,830)	–
<u>Deferred revenue, ending</u>	<u>(3,819,013)</u>	<u>(2,978,274)</u>
	2,753,274	2,058,941
Canada Mortgage Housing Corporation	70,919	49,315
Health Canada	468	24,526
	71,387	73,841
	<b>\$ 2,824,661</b>	<b>\$ 2,132,782</b>

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## **12. Line of credit:**

The First Nation has a line of credit available in the amount of \$40,000 which has not been utilized (2021 - \$Nil). The interest rate on the line of credit is prime plus 2.5%.

## **13. Comparative information:**

Certain 2021 comparative information have been reclassified where necessary to conform to the current year presentation.

## **14. Budget information:**

Budget information was unavailable and has not been presented.

## **15. Subsequent events:**

- a) Subsequent to year-end, the First Nation received their share of the compensation from the Robinson Huron Treaty settlement between the Government of Canada and the Province of Ontario in the amount of \$234,317,862.
- b) Subsequent to year-end, the First Nation has distributed \$131,255,000 of the Robinson Huron Treaty settlement to eligible members of the First Nation.

## **16. Segmented information:**

The First Nation is a diversified governmental institution that provides a wide range of services to its Members, including band government, social assistance, education, community infrastructure, health services, recreation, housing and community property, employment and economic development and social housing. For management reporting purposes the First Nation's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### **Band Government**

The band government department oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of chief and council as well as the Community Fund.

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## **16. Segmented information (continued):**

### **Social Assistance**

The social assistance department delivers a variety of programming including Ontario works and offers employment support services. In addition, the department manages the homemakers and transitional support programs.

### **Education**

The education department enters into service contracts with provincially funded area school boards for elementary and secondary students. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post-secondary institutions.

### **Community Infrastructure**

The community infrastructure department provides public services that contribute to sustainability through the provision of maintenance and operating services such as roads, water and sanitation, fire protection, street lighting, community buildings and band owned equipment.

### **Health Services**

The health services department provides a diverse bundle of services directed towards the well-being of the members including the delivery of programming such as the community health representative, medical transportation, healthy communities, community care, and many other smaller programs designed to enhance the health of members.

### **Recreation**

The recreation department provides cultural and recreational activities for the benefit of the Members of the First Nation.

### **Housing and Community Property**

The housing and community property department manages the construction and renovation of homes owned by the First Nation and its members.

### **Employment and Economic Development**

This department is responsible for identifying and developing economic opportunities for the benefit of the First Nation and its Members. The department also secures and delivers employment training funding for the First Nation.

### **Social Housing**

The social housing department manages the operations of CMHC housing owned by the First Nation. This includes tenant identification, rent collection and maintenance management.

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2022

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## **16. Segmented information (continued):**

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

Therefore, certain allocation methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies.

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements

## Note 16 - Segmented Information (continued)

Year ended March 31, 2022

	Band Government	Social Assistance	Education	Community Infrastructure	Health Services	Recreation	Housing and Community Property	Employment and Economic Development	Social Housing	2022 Total
Revenue	\$ 892,513	\$ 526,637	\$ 1,194,296	\$ 390,431	\$ 908,455	\$ 55,676	\$ 918,085	\$ 230,467	\$ 122,454	\$ 5,239,014
Expenses:										
Salaries, benefits and honoraria	298,747	51,020	216,309	248,618	245,903	49,491	50,085	84,526	-	1,244,699
Travel and training	9,237	922	2,383	545	64,859	-	-	17,830	-	95,776
Materials, supplies and rentals	135,539	36,220	62,310	200,705	309,881	7,479	60,779	7,982	20,557	841,452
Contractual and professional	76,015	48,195	53,626	25,246	2,956	75	66,737	7,193	9,500	289,543
Interest on long-term debt	-	-	-	-	-	-	-	-	8,531	8,531
Tuition	-	-	545,870	-	-	-	-	-	-	545,870
Administration charges (recoveries)	(60,274)	23,043	34,734	-	42,557	-	-	8,500	-	48,560
Program related expenditures	81,837	372,253	212,811	50,236	186,827	-	104,472	1,075	12,297	1,021,808
Amortization of tangible capital assets	5,295	-	39,552	375,602	34,972	-	118,715	3,697	38,712	616,545
	546,396	531,653	1,167,595	900,952	887,955	57,045	400,788	130,803	89,597	4,712,784
Excess (deficiency) of revenue over expenses	\$ 346,117	\$ (5,016)	\$ 26,701	\$ (510,521)	\$ 20,500	\$ (1,369)	\$ 517,297	\$ 99,664	\$ 32,857	\$ 526,230

# SHEGUIANDAH FIRST NATION

Notes to Consolidated Financial Statements

## Note 16 - Segmented Information (continued)

Year ended March 31, 2022

	Band Government	Social Assistance	Education	Community Infrastructure	Health Services	Recreation	Housing and Community Property	Employment and Economic Development	Social Housing	2021 Total
Revenue	\$ 962,838	\$ 468,879	\$ 1,168,107	\$ 441,000	\$ 804,753	\$ 39,236	\$ 207,236	\$ 363,502	\$ 106,933	\$ 4,562,484
<b>Expenses:</b>										
Salaries, benefits and honoraria	337,639	79,332	194,628	224,550	263,532	22,750	67,777	82,136	-	1,272,344
Travel and training	10,845	157	2,893	110	51,059	125	-	8,346	-	73,535
Materials, supplies and rentals	128,968	31,938	(130,895)	220,348	200,435	16,361	33,886	18,515	54,889	574,445
Contractual and professional	146,774	18,908	51,614	68,284	1,993	-	9,571	-	(26,139)	271,005
Interest on long-term debt	-	-	-	-	-	-	-	-	11,957	11,957
Tuition	-	-	428,412	-	-	-	-	-	-	428,412
Administration charges (recoveries)	(63,556)	8,051	22,334	-	24,671	-	-	8,500	-	-
Program related expenditures	41,278	330,493	455,921	48,951	76,752	-	110,827	6,930	23,877	1,095,029
Amortization of tangible capital assets	5,295	-	20,937	404,843	25,376	-	108,546	3,697	38,324	607,018
	607,243	468,879	1,045,844	967,086	643,818	39,236	330,607	128,124	102,908	4,333,745
Excess (deficiency) of revenue over expenses	\$ 355,595	\$ -	\$ 122,263	\$ (526,086)	\$ 160,935	\$ -	\$ (123,371)	\$ 235,378	\$ 4,025	\$ 228,739