

PUBLIC

Consolidated Financial Statements of

SHESEGWANING FIRST NATION

Year ended March 31, 2017

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. 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.

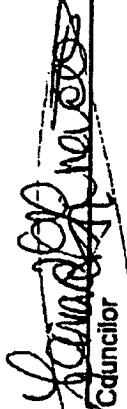
The First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately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

The First Nation 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 review the First Nation's consolidated financial statements and recommend their approval. The Chief and Council meet 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 annual report, the consolidated financial statements and the external auditors' report. The Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also consider 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.


Chief


Councilor



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INDEPENDENT AUDITORS' REPORT

To the Chief and Council of Sheshegwaning First Nation

We have audited the accompanying consolidated financial statements of Sheshegwaning First Nation which comprise the consolidated statement of financial position as at March 31, 2017, the consolidated statements of operations, changes in net financial assets (net debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



Opinion

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

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

July 28, 2017

Sudbury, Canada

SHESHEGWANING FIRST NATION

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Year ended March 31, 2017

Financial Statements

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SHESHEGWANING FIRST NATION

Exhibit A - Consolidated Statement of Financial Position

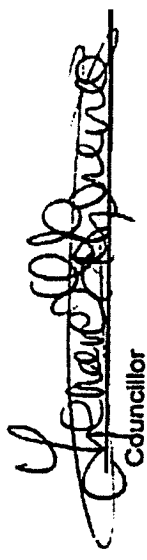
March 31, 2017, with comparative information for 2016

	2017	2016
Financial assets		
Cash and short-term investments (note 2)	\$ 790,117	\$ 248,684
Restricted cash (note 3)	228,327	131,633
Accounts receivable	266,117	446,108
Loans receivable (note 4)	29,768	46,214
Consolidated revenue trust fund (note 5)	84,394	82,858
Investment in business enterprises (note 6)	124,065	236,853
Investments (note 7)	82,207	770,543
	1,604,995	1,962,893
Financial liabilities		
Accounts payable and accrued liabilities	317,289	302,369
Demand line of credit (note 8)	-	150,000
Deferred revenue	96,919	7,253
Long-term debt (note 9)	2,119,544	1,951,375
	2,533,752	2,410,997
Net financial assets (net debt)	(928,757)	(448,104)
Non-financial assets		
Tangible capital assets (note 10)	8,124,946	8,208,913
Prepaid expenses	21,700	16,511
	8,146,646	8,225,424
Contingent liabilities (note 11)		
Accumulated surplus (note 12)	\$ 7,217,889	\$ 7,777,320

See accompanying notes to consolidated financial statements.

Approved:


Chief


Councillor

SHESHEGWANING FIRST NATION

Exhibit B - Consolidated Statement of Operations

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Government transfers - Federal	\$ 2,034,710	\$ 1,843,168
- Provincial	405,228	321,051
Investment income	3,088	4,766
Rental income	216,734	213,564
Net loss in business enterprises	(256,418)	(350,988)
Other	1,914,430	1,134,197
	<u>4,317,772</u>	<u>3,165,758</u>
Expenses (Schedules):		
Community Services	748,965	724,331
Social Assistance	248,067	246,052
Education	1,083,014	1,154,336
Band Government	289,886	374,954
Band Memberships and Trusts	3,175	7,630
Business Enterprises	220,691	169,641
Community Infrastructure	760,916	676,342
Employment and Economic Development	293,032	201,501
Community Property	248,730	119,690
Social Housing	173,268	205,117
Investment impairment loss	807,459	-
	<u>4,877,203</u>	<u>3,879,594</u>
Deficiency of revenue over expenses	(559,431)	(713,836)
Accumulated surplus, beginning of year	7,777,320	8,491,156
Accumulated surplus, end of year	<u>\$ 7,217,889</u>	<u>\$ 7,777,320</u>

See accompanying notes to consolidated financial statements.

SHESHEGWANING FIRST NATION

Exhibit C - Consolidated Statement of Changes in Net Financial Assets (Net Debt)

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Deficiency of revenue over expenses	\$ (559,431)	\$ (713,836)
Acquisition of tangible capital assets	(412,608)	(56,789)
Amortization of tangible capital assets	496,575	414,458
	(475,464)	(356,167)
Use of prepaid expenses	(5,189)	(3,471)
Change in net financial assets (net debt)	(480,653)	(359,638)
Net financial assets (debt), beginning of year	(448,104)	(88,466)
Net financial assets (debt), end of year	\$ (928,757)	\$ (448,104)

See accompanying notes to consolidated financial statements.

SHESHEGWANING FIRST NATION

Exhibit D - Consolidated Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Operating activities:		
Deficiency of revenue over expenses	\$ (559,431)	\$ (713,836)
Adjustments for:		
Amortization of tangible capital assets	496,575	414,458
Impairment loss on investment	807,459	-
Share of loss in business enterprises	256,418	354,552
	1,001,021	55,174
Change in non-cash working capital:		
Decrease (increase) in accounts receivable	179,991	(11,424)
Increase (decrease) in accounts payable and accrued liabilities	14,920	(38,361)
Increase in deferred revenue	89,666	3,157
Increase in prepaid expenses	(5,189)	(3,471)
Net change in cash from operating activities	1,280,409	5,075
Financing activities:		
Increase (decrease) in demand line of credit	(150,000)	5,000
New financing obtained	285,000	116,272
Principal payments on long-term debt	(116,831)	(92,648)
	18,169	28,624
Investing activities:		
Purchase of tangible capital assets	(412,608)	(56,789)
Decrease (increase) in investments	(177)	1,305
Increase in consolidated revenue trust fund	(1,536)	(860)
Contributions to business enterprises- Odawa Stone	(143,630)	(40,844)
Contributions to business enterprises- GHLP	(118,946)	-
Decrease in loans receivable	16,446	10,815
	(660,451)	(86,373)
Net increase (decrease) in cash and short-term investments	638,127	(52,674)
Cash and short-term investments, beginning of year	380,317	432,991
Cash and short-term investments, end of year	\$ 1,018,444	\$ 380,317
Represented by:		
Cash and short- term investments	\$ 790,117	\$ 248,684
Restricted Cash	228,327	131,633
	\$ 1,018,444	\$ 380,317

See accompanying notes to consolidated financial statements.

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

Sheshegwaning First Nation (the "First Nation") is located on Manitoulin Island and 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:

The reporting entity includes the activities of all committees of Council under the control of the First Nation including Odawa Stone Limited Partnership ("Odawa Stone").

Odawa Stone is accounted for using the modified equity method. Under the modified equity method, the business enterprise accounting policies are not adjusted to conform to 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 the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position.

(c) Consolidated revenue trust funds:

Trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada.

Funds held by the Government of Canada on behalf of the First Nation are included on the consolidated statement of financial position.

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

1. Significant accounting policies (continued):

(d) 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:

Asset	Estimated Life - Years
Land improvements	10 - 30 years
Buildings	10 - 40 years
Infrastructure	10 - 40 years
Machinery and equipment	5 - 15 years
Furniture, computers and fixtures	4 - 10 years

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) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.

(iii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(e) 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 accounts receivable and investment in business enterprises. 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.

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

1. Significant accounting policies (continued):

(f) 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.

2. Cash and short-term investments:

The short-term investments consist of term deposits with a maturity date of less than a year, earn interest at 1.25% per annum and are recorded at cost of \$205,011 (2016 - \$203,554).

3. Restricted cash:

In accordance with the operating agreements between the First Nation and Canada Mortgage and Housing Corporation ("CMHC"), cash in the amount of \$137,532 (2016 - \$118,917) is restricted for this purpose. Under the agreement, the First Nation is required to set aside funding to maintain a replacement reserve bank account. As of fiscal year end, this First Nation is required to have set aside \$137,532 (2016 - \$131,634)

4. Loans receivable:

The loans receivable are secured by an assignment of wages bearing interest at rates up to 10% and require monthly payments.

5. Consolidated revenue trust fund:

	Revenue	Capital	Total
Balance, beginning of year	\$ 51,261	31,597	82,858
Interest	1,536	–	1,536
Balance, end of year	\$ 52,797	31,597	84,394

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

6. Investment in business enterprises:

The First Nation has a 99% interest in Odawa Stone Limited Partnership ("Odawa Stone") and a further 1% interest by virtue of its 100% investment in 2294669 Ontario Limited (the general partner for Odawa Stone). Odawa Stone is engaged in development and operation of a stone quarry. The First Nation's interest in Odawa Stone's results of operations for the year ended March 31, 2017 is included in the First Nation's consolidated statement of operations.

During the year, the First Nation provided Odawa Stone with labour, contract support, accounting services and equipment rental totaling \$143,630 (2016- \$40,844). These transactions were entered into during the normal course of operations and these transactions were recorded at their exchange amount.

	2017	2016
Financial Position:		
Current assets	\$ 27,777	165,368
Other assets	350,211	353,649
Total assets	377,988	519,017
Current liabilities	71,879	38,395
Long-term liabilities	182,044	243,769
Total liabilities	253,923	282,164
Net assets	\$ 124,065	236,853

Sheshegwaning First Nation interest	%	100	100
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	2017	2016
Results of operations		
Revenue	\$ 1,000	26,246
Expenses	257,418	233,600
Share in operations	\$ (256,418)	(207,354)

	2017	2016
Investment in business enterprises:		
100% interest in 2294669 Ontario Ltd.	\$ 1	1
99% interest in Odawa Stone Limited Partnership	99	99
	\$ 100	100

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

7. Investments:

The investments are comprised of the following:

	2017	2016
Investment in U.C.C.M. Building Material Supply Limited Partnership	\$ 82,805	82,028
Investment in M'Nidoo M'Nising Power Limited Partnership	1	1
Investment in Great Lakes Hospitality Group Partnership	1	688,514
	\$ 82,207	770,543

The investment in U.C.C.M. Building Material Limited Partnership represents a 14.28% ownership interest and is accounted for using the equity method.

The investment in the M'Nidoo M'Nising Power Limited Partnership (MMPLP) represents a 16.665% ownership interest and is accounted for using the equity method.

The investment in the Great Lakes Hospitality Group Partnership represents an 11% ownership interest and is accounted for using the equity method. In the current year, an additional contribution of \$118,946 was made to the Great Lakes Hospitality Group Partnership. At March 31, 2017 the investment was impaired and a write-down of \$ 807,458 was realized.

8. Demand line of credit:

Under its credit agreement, the First Nation has a demand operating facility to a maximum of \$150,000, bearing interest at prime plus 2.0% (2016 - prime plus 2.0%).

Borrowings under the credit facility are secured by a general security agreement.

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

9. Long-term debt:

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

	2017	2016
1.01% Canada Mortgage and Housing Corporation, blended monthly payments of \$2,039, due February 2021	\$ 281,503	300,502
1.64% Canada Mortgage and Housing Corporation, blended monthly payments of \$1,277, due December 2016	199,568	211,598
1.82% Canada Mortgage and Housing Corporation, blended monthly payments of \$2,408, due September 2019	401,507	420,848
1.71% Canada Mortgage and Housing Corporation, blended monthly payments of \$1,065, due September 2017	220,790	229,733
1.67% Canada Mortgage and Housing Corporation, blended monthly payments of \$1,827, due June 2018	223,221	241,270
1.37% Canada Mortgage and Housing Corporation, blended monthly payments of \$2,205, due July 2020	528,312	547,424
4.2% Toronto Dominion commercial loan, blended monthly payments of \$3,393 due September 2023	264,643	-
	\$ 2,119,544	1,951,375

Borrowings under the Toronto Dominion loan are secured by a general security agreement representing a first charge on the asset.

Principal repayments due within each of the next five years are estimated as follows:

2018	\$ 136,839
2019	138,579
2020	140,353
2021	142,159
2022	144,001

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

10. Tangible capital assets:

Cost	Balance at March 31, 2016	Additions	Disposals	Balance at March 31, 2017
Land	\$ 692,897	-	-	692,897
Land improvements	203,660	-	-	203,660
Buildings	8,205,934	-	-	8,205,934
Infrastructure	5,523,100	18,000	-	5,541,100
Machinery and equipment	1,533,644	354,445	-	1,888,089
Furniture, computers and fixtures	105,717	20,252	-	125,969
Assets under construction	-	19,911	-	19,911
Total	\$ 16,264,952	412,608	-	16,677,560

Accumulated Amortization	Balance at March 31, 2016	Disposals	Amortization	Balance at March 31, 2017
Land	\$ -	-	-	-
Land improvements	48,774	-	6,431	55,205
Buildings	3,632,667	-	229,865	3,862,532
Infrastructure	3,248,690	-	136,322	3,385,012
Machinery and equipment	1,020,192	-	122,354	1,142,546
Furniture, computers and fixtures	105,716	-	1,603	107,319
Assets under construction	-	-	-	-
Total	\$ 8,056,039	-	496,575	8,552,614

	Net book value, March 31, 2016	Net book value, March 31, 2017
Land	\$ 692,897	692,897
Land improvements	154,886	148,455
Buildings	4,573,267	4,343,402
Infrastructure	2,274,410	2,156,088
Machinery and equipment	513,452	745,543
Furniture, computers and fixtures	1	18,650
Assets under construction	-	19,911
Total	\$ 8,208,913	8,124,946

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

10. Tangible capital assets (continued):

Cost	Balance at March 31, 2015	Additions	Disposals	Balance at March 31, 2016
Land	\$ 692,897	-	-	692,897
Land improvements	203,660	-	-	203,660
Buildings	7,394,629	44,368	766,937	8,205,934
Infrastructure	5,523,100	-	-	5,523,100
Machinery and equipment	1,521,223	12,421	-	1,533,644
Furniture, computers and fixtures	105,717	-	-	105,717
Assets under construction	766,937	-	(766,937)	-
Total	\$ 16,208,163	56,789	-	16,264,952
Accumulated Amortization	Balance at March 31, 2015	Disposals	Amortization	Balance at March 31, 2016
Land	\$ -	-	-	-
Land improvements	42,343	-	6,431	48,774
Buildings	3,408,805	-	223,862	3,632,667
Infrastructure	3,112,744	-	135,946	3,248,690
Machinery and equipment	971,973	-	48,219	1,020,192
Furniture, computers and fixtures	105,716	-	-	105,716
Assets under construction	-	-	-	-
Total	\$ 7,641,581	-	414,458	8,056,039
Net book value, March 31, 2015				Net book value, March 31, 2016
Land	\$ 692,897			692,897
Land improvements	161,317			154,886
Buildings	3,985,824			4,573,267
Infrastructure	2,410,356			2,274,410
Machinery and equipment	549,250			513,452
Furniture, computers and fixtures	1			1
Assets under construction	766,937			-
Total	\$ 8,566,582			8,208,913

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

11. Contingent liabilities:

- a) The First Nation has endorsed CMHC loans made to various members under the Rural Rehabilitation Assistance Program and is contingently liable for some.
- b) The First Nation provided a limited guarantee of 25% on a loan issued to Odawa Stone Limited Partnership in the amount of \$29,636.
- c) Under terms of a loan facility agreement between the Bank of Montreal and the Great Lakes Hospitality Limited Partnership (the "GLHLP") the First Nation has guaranteed an amount proportional to its 11% ownership interest in the partnership. The principal amount of the loan was for \$4,042,000. In addition, the First Nation in conjunction with the other limited partners has guaranteed on a joint and several basis obligations to make any payments due by GLHLP under terms of the loan facility.
- d) Loan guarantee:

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 borrowing in proportion to its beneficial interest in the Trust in the amount of \$195,750. As of March 31, 2017 its proportional outstanding loan balance as part of the Trust is \$116,778 (2016- \$87,940).

12. Accumulated surplus:

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

	2017	2016
Surplus:		
Invested in tangible capital assets	\$ 6,005,402	6,257,538
Unfinanced capital	–	(273,872)
Operations	(1,359,150)	(473,838)
Total surplus	4,646,252	5,509,828
Reserves set aside by Council	139,391	139,391
Reserve funds set aside for specific purpose by Council	2,432,246	2,128,101
	\$ 7,217,889	7,777,320

13. Comparative information:

Certain 2016 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

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

15. Segmented information:

Sheshegwaning First Nation is a diversified governmental institution that provides a wide range of services to its Members, including community services, social services, education, band government, infrastructure, economic and community development, business enterprises, capital and rental 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:

Community Services

The community services department provides a wide range of support services for children and families.

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 national child benefit programs.

Education

The education department provides services to elementary students through the operation of an on reserve elementary school for students up to Grade 8. Service contracts with provincially funded area school boards are entered into for secondary students. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post-secondary institutions.

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.

Community Infrastructure

The community infrastructure or public works department provides the First Nation with support services for the repair and maintenance of all First Nation owed assets including buildings, roads, water systems and equipment. In addition, the department arranges for fire protection services to be provided to the First Nation.

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2017

15. Segmented information (continued):

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. In addition the department manages the operations of the Complex.

Business Enterprises and Other

Business ventures undertaken by the First Nation are managed through the business enterprise department of the First Nation.

Community Property

This department is responsible for managing all capital asset activities occurring in the First Nation during the year, including housing construction and renovations as well as major projects such as water and building construction.

Social Housing

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

For each report segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on the 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 financial statements as disclosed in the summary of significant accounting policies.

SHESHGWANING FIRST NATION

Notes to Consolidated Financial Statements

Note 15 - Segmented Information (continued)

Year ended March 31, 2017

	Community Services	Social Assistance	Education	Band Government	Community Infrastructure	Employment and Economic Development	Business Enterprises and Other	OFNLP Community Projects	Property Community	Social Housing	Other	2017 Total
Revenue	\$ 700,982	231,899	1,149,362	293,238	290,717	733,202	(126,939)	554,064	280,341	210,906	-	4,317,772
Expenses:												
Salaries, wages and benefits	413,266	52,483	359,231	223,246	243,634	154,850	30,138	-	77,434	-	-	1,554,282
Materials, supplies, rentals and general	295,699	191,504	381,965	212,443	558,542	95,020	89,013	-	79,281	81,765	-	1,985,232
Contractual services	-	-	-	-	27,865	54,140	29,569	-	111,550	-	-	223,124
Administration	34,504	4,080	85,565	(175,654)	25,691	6,647	-	-	6,114	9,684	-	(3,369)
Tuition	-	-	226,508	-	-	-	-	-	-	-	-	226,508
Amortization of tangible capital assets	42,884	-	41,152	33,026	225,348	375	71,971	-	-	81,819	-	496,575
Investment in TCA	(37,388)	-	(11,407)	-	(320,164)	(18,000)	-	-	(25,649)	-	-	(412,608)
Investment impairment loss	748,965	248,067	1,083,014	293,061	760,916	293,032	220,691	-	248,730	173,268	807,459	4,877,203
Excess (deficiency) of revenue over expenses	\$ (47,983)	(16,168)	66,348	177	(470,199)	440,170	(347,630)	554,064	31,611	37,638	(807,459)	(559,431)

SHESHEGWANING FIRST NATION

Notes to Consolidated Financial Statements

Note 15 - Segmented Information (continued)

Year ended March 31, 2017

	Community Services	Social Assistance	Education	Band Government	Community Infrastructure	Employment and Economic Development	Business Enterprises and Other	OFNLP Community Projects	Community Property	Social Housing	2016 Total
Revenue	\$ 565,120	236,374	1,011,127	310,040	254,945	167,990	(228,196)	491,541	145,783	211,034	3,165,758
Expenses:											
Salaries, wages and benefits	416,241	54,092	326,781	256,010	221,284	145,358	30,466	-	67,853	-	1,518,085
Materials, supplies, rentals and general	228,344	187,880	324,374	267,237	221,533	22,399	94,393	-	46,414	92,475	1,485,049
Contractual services	200	-	-	-	14,446	26,177	12,282	-	754	27,850	81,709
Administration	38,464	4,080	83,207	(173,688)	26,017	7,567	-	-	4,669	9,684	-
Tuition	-	-	380,293	-	-	-	-	-	-	-	380,293
Amortization of tangible capital assets	41,082	-	39,681	33,025	193,062	-	32,500	-	-	75,108	414,458
	724,331	246,052	1,154,336	382,584	676,342	201,501	169,641	-	119,690	205,117	3,879,594
Excess (deficiency) of revenue over expenses	\$ (159,211)	(9,678)	(143,209)	(72,544)	(421,397)	(33,511)	(397,837)	491,541	26,093	5,917	(713,836)