

**Mississauga First Nation
Consolidated Financial Statements
For the year ended March 31, 2017**

Mississauga First Nation
Consolidated Financial Statements
For the year ended March 31, 2017

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Mississauga First Nation Management's Responsibility for the Consolidated Financial Statements

March 31, 2017

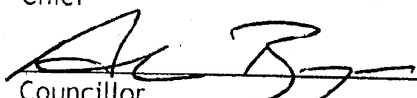
The accompanying consolidated financial statements of the Mississauga First Nation are the responsibility of management and have been approved by the Chief and Council.

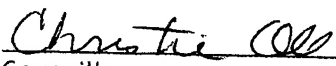
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

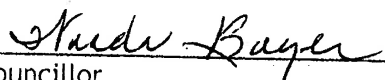
The First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

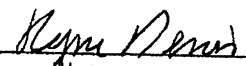
The external auditors, BDO Canada LLP, conduct an audit in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have access to financial management of Mississauga First Nation and meet when required.

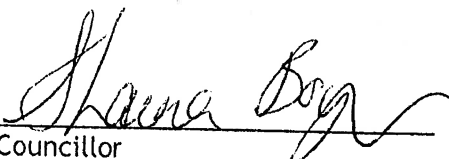

Chief


Councillor


Councillor

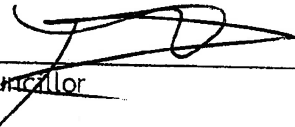

Councillor


Councillor


Councillor

Councillor

Councillor


Councillor



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BDO Canada LLP
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PO Box 1109
Sault Ste. Marie ON P6A 5N7 Canada

Independent Auditor's Report

To the Members of Mississauga First Nation

We have audited the accompanying consolidated financial statements of the Mississauga First Nation, which comprise the consolidated statement of financial position as at March 31, 2017 and the consolidated statements of operations, change in net financial assets (debt) 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 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.

Auditor's 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 the auditor's 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, the auditor considers 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.

Opinion

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

Chartered Professional Accountants, Licensed Public Accountants
Sault Ste. Marie, Ontario
July 26, 2017

Mississauga First Nation
Consolidated Statement of Financial Position

March 31

2017

2016

Financial assets

Cash	\$ 2,208,769	\$ 2,018,877
Accounts receivable (Note 2)	478,543	722,209
Housing loans (Note 3)	337,787	401,131
Portfolio investments (Note 4)	250,051	51
Due from the Mississagi Trust - restricted (Note 5)	1,573,015	1,613,316
Trust Funds held by Federal Government (Note 6)	97,150	91,000
	<u>4,945,315</u>	<u>4,846,584</u>

Liabilities

Accounts payable and accrued liabilities (Note 8)	598,248	758,843
Deferred revenue (Note 9)	502,868	102,257
Due to funders (Note 10)	258,182	228,345
Long term debt (Note 11)	3,077,851	3,247,934
Accrued landfill closure and post closure costs (Note 12)	809,000	809,000
	<u>5,246,149</u>	<u>5,146,379</u>

Net debt

(300,834) (299,795)

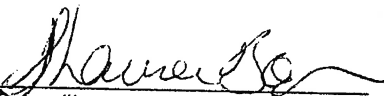
Non-financial assets

Tangible capital assets (Schedule 1)	9,257,336	9,638,763
Prepaid expenses and inventory of supplies	175,090	126,762
	<u>9,432,426</u>	<u>9,765,525</u>

Accumulated surplus, end of year (Note 13)

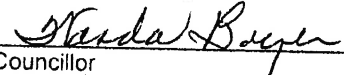
\$ 9,131,592 \$ 9,465,730


Chief


Councillor

Councillor


Councillor


Councillor

Councillor


Councillor


Councillor

Councillor

Mississauga First Nation Consolidated Statement of Operations

For the year ended March 31

Budget

2017

2016

Revenue

Indigenous Affairs	\$ 4,319,894	\$ 4,325,282	\$ 3,750,683
Province of Ontario	1,717,784	1,715,023	1,550,328
Government of Canada	1,058,391	1,127,867	1,096,659
Canadian Mortgage and Housing Corporation	249,088	268,517	160,027
OFNLP	837,008	837,008	743,655
North Shore Tribal Council	1,081,724	1,117,261	1,033,818
Band operated enterprises	518,175	777,884	806,522
Other revenue	1,186,051	795,895	634,009
Mississagi Trust Funds	-	116,202	180,072
Amounts earned in Trust Funds (Note 6)	-	51,298	67,592

10,968,115 11,132,237 10,023,365

Deferred revenue, beginning of year

60,556 102,257 122,312

Deferred revenue, end of year

- (502,868) (102,257)

Recovery of prior year funds

- (7,212) (4,101)

11,028,671 10,724,414 10,039,319

Expenses

Niigaaniin - Social assistance	489,649	489,274	480,746
Niigaaniin - Cost of administration	382,742	385,412	370,407
Band support funding	570,831	550,769	557,104
Other administrative programs	23,027	37,781	41,832
Maintenance management system	599,953	599,825	606,917
Education	2,643,883	2,634,067	2,580,601
Committees	(18,400)	(34,528)	(32,507)
Capital programs	144,872	199,109	(16,342)
Other INAC subsidized programs	156,315	201,349	170,347
Health and social services	1,737,282	1,891,855	1,630,636
Other subsidized programs	889,892	730,738	650,219
Family resource centre	396,931	404,562	400,747
Day Care centre	672,189	672,820	664,895
Band operated enterprises	1,063,645	1,037,111	1,139,693
Casino Rama	670,993	639,853	616,163
CMHC housing	352,530	416,904	376,361
Amounts released from Trust Funds (Note 6)	-	45,148	67,592
Mississagi Trust distributions	-	156,503	375,974

10,776,334 11,058,552 10,681,385

Annual surplus (deficit)

252,337 (334,138) (642,066)

Accumulated surplus, beginning of year

9,465,730 9,465,730 10,107,796

Accumulated surplus, end of year

\$ 9,718,067 \$ 9,131,592 \$ 9,465,730

The accompanying notes are an integral part of these consolidated financial statements.

Mississauga First Nation
Consolidated Statement of Change in Net Financial Assets (Debt)

For the year ended March 31	Budget	2017	2016
Annual surplus (deficit)	\$ 252,337	\$ (334,138)	\$ (642,066)
Acquisition of tangible capital assets	(212,800)	(329,595)	(384,884)
Amortization of tangible capital assets	711,021	711,022	745,403
Gain on disposal of tangible capital assets	-	-	(26,766)
Proceeds on sale of tangible capital assets	-	-	30,450
Prepaid expenses and inventory of supplies	-	(48,328)	(5,965)
Net change in net debt	750,558	(1,039)	(283,828)
Net debt, beginning of year	(299,795)	(299,795)	(15,967)
Net financial assets (debt), end of year	\$ 450,763	\$ (300,834)	\$ (299,795)

The accompanying notes are an integral part of these consolidated financial statements.

Mississauga First Nation

Consolidated Statement of Cash Flows

For the year ended March 31

2017

2016

Cash flows from operating activities

Annual deficit of revenue over expenses	\$ (334,138)	\$ (642,066)
Items not involving cash		
Gain on disposal of tangible capital assets	-	(26,766)
Amortization	711,022	745,403

	376,884	76,571
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Changes in non-cash operating balances

Accounts receivable	243,666	266,416
Prepaid expense	(48,328)	(5,965)
Deferred revenue	400,611	(20,055)
Due from the Mississagi Trust	40,301	195,902
Trust Funds held by Federal Government	(6,150)	-
Accounts payable	(160,595)	73,691
Due to funders	29,837	26,305

	876,226	612,865
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Capital transactions

Acquisition of tangible capital assets	(329,595)	(384,884)
Proceeds on sale of tangible capital assets	-	30,450

	(329,595)	(354,434)
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Investing activities

Housing loans	63,344	392
Purchase of portfolio investments	(250,000)	-

	(186,656)	392
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Financing activities

Issuance of long term debt	-	42,965
Payments on long term debt	(170,083)	(162,411)

	(170,083)	(119,446)
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Increase in cash

	189,892	139,377
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Cash, beginning of year

	2,018,877	1,879,500
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Cash, end of year

	\$ 2,208,769	\$ 2,018,877
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The accompanying notes are an integral part of these consolidated financial statements.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2017

1. Summary of significant accounting policies

Accounting Principles These consolidated financial statements of the Mississauga First Nation have been prepared in accordance with Canadian public sector accounting standards prescribed for governments, as recommended by the Public Sector Accounting Board.

Basis of Consolidation These financial statements reflect the assets, liabilities, revenues and expenses of all programs under the control of Chief and Council.

Portfolio Investments Portfolio investments are recorded at cost. A write down is recorded where there has been a loss in value that is other than a temporary decline.

Tangible Capital Assets Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	25 to 40 years
Housing	25 years
Infrastructure	10 to 40 years
Roads	40 years
Heavy equipment	15 years
Vehicles	5 to 15 years
Land improvements	10 to 20 years
Furniture and equipment	4 years

Revenue Recognition Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. All revenue is recorded on an accrual basis.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2017

1. Summary of significant accounting policies (continued)

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for governments requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Accounts receivable

	2017	2016
Due from members - CMHC Housing arrears	\$ 339,621	\$ 327,080
Less: allowance for doubtful accounts	(323,997)	(305,440)
	<u>15,624</u>	<u>21,640</u>
 Due from members - Housing Rent to Own arrears	 348,198	 357,099
Less: allowance for doubtful accounts	(343,026)	(351,366)
	<u>5,172</u>	<u>5,733</u>
 Indigenous and Northern Affairs Canada	 2,250	 95,780
Health Canada	96,401	167,649
Province of Ontario	3,464	13,635
North Shore Tribal Council / Niigaaniin	188,428	208,358
CMHC	94,356	-
Other	174,583	307,654
Less: allowance for doubtful accounts	(101,735)	(98,240)
	<u>457,747</u>	<u>694,836</u>
	<u>\$ 478,543</u>	<u>\$ 722,209</u>

3. Housing loans

	2017	2016
Housing proceeds receivable	\$ 380,607	\$ 454,688
Fair value write down	(42,820)	(53,557)
	<u>\$ 337,787</u>	<u>\$ 401,131</u>

The above loans were made to members of the Mississauga First Nation at 0% interest and under a rent to own housing contract. The terms vary in length and are secured by the property.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2017

4. Portfolio investments

	2017	2016
CEW Superior VI Limited Partnership - 5,099 Class A units	\$ 51	\$ 51
WeedMD RX Inc. - 333,333 common shares	250,000	-
	<u>\$ 250,051</u>	<u>\$ 51</u>

In November 2016 WeedMD RX Inc. became a public company. Subsequent to year-end, the First Nation's 333,333 common shares were converted into 416,666 common shares and 416,668 warrants with an exercise price of \$0.80 per share. There was no trading stock value until April 27, 2017, at which point the market value of the 416,666 shares was \$537,500.

5. Mississagi Trust

The funds are advanced to the First Nation as a beneficiary of the Trust and are subject to the Trust provisions governing the disbursement of such funds.

6. Trust Funds held by Federal Government

	March 31, 2016	Additions 2017	Withdrawals 2017	March 31, 2017
Revenue	\$ -	\$ 51,298	\$ (45,148)	\$ 6,150
Capital	91,000	-	-	91,000
	<u>\$ 91,000</u>	<u>\$ 51,298</u>	<u>\$ (45,148)</u>	<u>\$ 97,150</u>

The 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. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

7. Credit facilities

The First Nation has an operating line of credit with the Royal Bank of Canada and the amount available under the line is \$200,000. The line of credit is due on demand and has an interest rate of prime plus 2.5%. At March 31, 2017 the balance outstanding was zero.

The First Nation also has credit facilities with the Bank of Montreal totaling \$2,750,000. The first facility of \$1,000,000 is for guarantees for the On-Reserve Housing Loan program (ORHL). The second facility of \$250,000 is for guarantees for the On-Reserve Home Renovation Loan program (ORHRL). The First Nation also has a demand loan available of \$1,500,000, with interest rate of prime plus 1.25%, for assisting with construction of On-Reserve homes. At March 31, 2017 the balance outstanding on these facilities was zero.

8. Accounts payable

	2017	2016
Trade payables	\$ 310,505	\$ 429,911
Elementary and Secondary tuition payables	186,002	202,799
Accrued wages and employee benefits payable	101,741	126,133
	<u>\$ 598,248</u>	<u>\$ 758,843</u>

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2017

9. Deferred revenue and government transfers

	Balance March 31, 2016	Funding Received 2017	Revenue Recognized 2017	Balance March 31, 2017
Indigenous Affairs	\$ -	\$ 4,325,282	\$ 3,998,417	\$ 326,865
Health Canada	65,824	1,094,336	1,077,549	82,611
CMHC	-	268,517	268,517	-
ESDC	24,895	33,531	34,226	24,200
Province of Ontario	-	1,715,023	1,660,331	54,692
North Shore Tribal Council	-	1,117,261	1,117,261	-
Other	11,538	2,578,287	2,575,325	14,500
	\$ 102,257	\$ 11,132,237	\$ 10,731,626	\$ 502,868

Deferred revenue is broken down by program as follows:

	2017	2016
Education - ASP / RTP	\$ 9,116	\$ -
Community Development	45,576	-
Aquaculture	266,037	-
Medical Services	65,840	24,123
CARA	24,200	-
Healthy Babies	16,771	30,152
CSSW	-	11,549
Community Wellness	-	11,538
Forestry	60,828	24,895
West End Trail	14,500	-
	\$ 502,868	\$ 102,257

10. Due to funders

	2017	2016
Province of Ontario	\$ 180,779	\$ 163,986
INAC	77,403	64,359
	\$ 258,182	\$ 228,345

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2017

11. Long term debt

	<u>2017</u>	<u>2016</u>
Capital loans		
CMHC Mortgage at 1.05%, due in monthly payments of \$3,724 including interest, maturing August 1, 2021, guaranteed by INAC	\$ 394,187	\$ 433,968
CMHC Mortgage at 1.67%, due in monthly payments of \$2,440 including interest, maturing June 1, 2018, guaranteed by INAC	296,569	320,745
CMHC Mortgage at 1.83%, due in monthly payments of \$4,826 including interest, maturing December 1, 2019, guaranteed by INAC	659,395	704,949
CMHC Mortgage at 1.92%, due in monthly payments of \$2,480 including interest, maturing July 1, 2019, guaranteed by INAC	541,422	560,694
CMHC Mortgage at 1.92%, due in monthly payments of \$2,727 including interest, maturing July 1, 2019, guaranteed by INAC	595,471	616,668
CMHC Mortgage at 0.94%, due in monthly payments of \$2,025 including interest, maturing September 1, 2020, guaranteed by INAC	512,570	531,986
Royal Bank of Canada loan at 5.99%, due in monthly payments of \$688 including interest, repaid during the year	-	687
Operating loans		
Indigenous Affairs Native Claims Loan, due to be deducted from the proceeds on settlement of the claim, plus interest at the Minister of Finance rate only upon default of payment	15,000	15,000
Indigenous Affairs Native Claims Loan, due to be deducted from the proceeds on settlement of the claim, plus interest at the Minister of Finance rate only upon default of payment	63,237	63,237
	<u>3,077,851</u>	<u>3,247,934</u>
Less current portion	<u>172,233</u>	<u>167,938</u>
	<u>\$ 2,905,618</u>	<u>\$ 3,079,996</u>

Principal payments required on long term debt for the next five years and thereafter, assuming similar refinancing, are as follows:

Year	Amount
2018	\$ 172,233
2019	174,902
2020	177,614
2021	180,372
2022	183,175
Thereafter	<u>2,189,555</u>
	<u>\$ 3,077,851</u>

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2017

12. Accrued landfill closure and post-closure costs

Landfill closure and post-closure requirements include final covering and landscaping of the landfill, storm water management, purchase of buffer lands, monitoring wells, fees, ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a twenty year period using the best information currently available to management. Future events may result in significant changes to total estimated expenditures, capacity used or total capacity and estimated liability. Any such changes would be applied prospectively as a change in estimate, when applicable.

The landfill site is full and is no longer being used by the First Nation, but it has not been closed and rehabilitated according to government legislation. The period for post-closure care costs is estimated to be 20 years.

The estimated liability to close and maintain the landfill site is approximately \$809,000 (2016 - \$809,000), and reflects a discount rate of 6%.

The First Nation has secured funding of \$400,000 committed by the Mississagi Trust, as well as a maximum of \$547,500 from the Government of Canada (Small Community Fund) to partially fund the cost of closing and maintaining the landfill site, and the construction of a transfer station. The closure process has commenced subsequent to year-end.

13. Accumulated surplus

	2017	2016
Reserves set aside for specific purposes by the First Nation		
Medical Services	\$ 21,949	\$ 21,949
Health - Bus	10,365	10,365
CMHC Housing Replacement	186,933	201,886
CMHC Housing Operating	27,564	13,848
Land Resource	28,489	28,489
Casino Rama - Community Development	2,402,757	2,205,602
Housing working fund	477,537	545,575
Band Vehicles Replacement	46,036	34,036
Gaming Study	9,555	9,555
Day Care	3,247	3,247
Negotiations and Implementation	42,225	42,225
Internal funds held in trust - revenue	45,441	130,499
Reserves	3,302,098	3,247,276
Equity in tangible capital assets	6,257,723	6,469,066
Members' deficit	(1,289,394)	(1,145,928)
Unfunded landfill liabilities	(809,000)	(809,000)
Restricted Mississagi Trust reserve	1,573,015	1,613,316
Funds held in trust by Federal Government	97,150	91,000
	\$ 9,131,592	\$ 9,465,730

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2017

13. Accumulated surplus (continued)

Allocation of annual surplus (deficit):

Reserves	\$ 54,822	\$ (14,378)
Equity in tangible capital assets	(211,343)	(244,757)
Members' deficit	(143,466)	(187,029)
Restricted Mississagi Trust reserve	(40,301)	(195,902)
Funds held in trust	6,150	-
	<u>\$ (334,138)</u>	<u>\$ (642,066)</u>

14. Pension plan costs

Employees are eligible to participate in a Registered Pension Plan, administered by London Life, with contribution levels determined by formula. Employer contributions totalled \$192,323 during the current period (2016 - \$183,274) and were fully expensed.

15. Contingencies

The First Nation has been named as a defendant in a legal action by a former employee. The outcome of this action is not determinable at this time and accordingly, no amounts have been reflected in the accounts of the First Nation for this matter.

The First Nation has provided a guarantee in the amount of \$304,500 in favour of the Bank of Montreal on behalf of Robinson Huron Treaty Ojibewa (Anishinabe). This represents 4.2% of the total loan of \$7,250,000 being guaranteed by 21 participating First Nation Communities that are settlors and beneficiaries of the Robinson Huron Treaty Trust.

16. Funding reconciliation

INAC revenue per the financial statements	\$ 4,325,282
Add: Prior period deficit reductions	
Education - Tuition 2015-16	<u>2,572</u>
	<u>\$ 4,327,854</u>
INAC revenue per funding confirmation	<u>\$ 4,327,854</u>

17. Segmented information

The Mississauga First Nation is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, medical and other health services, administration, capital, enterprises and other services. 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:

Social assistance

The social assistance department is responsible for administering assistance payments as well as providing services directed towards members.

Mississauga First Nation Notes to Consolidated Financial Statements

March 31, 2017

17. Segmented information (continued)

Administration

The administration 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.

Infrastructure maintenance

The infrastructure department provides public services that contribute to community development and sustainability through the provision of operating services such as roads, water and sanitation, fire protection, electrical and community buildings.

Education

The education department provides services to elementary and secondary students primarily by entering into service contracts with provincially funded area school boards, as well as native language study. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post-secondary institutions.

Capital

This department is responsible for all capital asset activities occurring in the First Nation during the year, including housing construction and renovations.

Medical and other health services

The community wellness department provides a diverse bundle of services directed towards the well-being of members including such activities as long term care, medical transportation, pre-natal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

Enterprises

Band operated enterprises are activities conducted by the First Nation with the objective of promoting economic self-sufficiency. These activities could include income generated from renting out band-owned equipment, lease income and other projects from time to time.

Other services

The First Nation provides a wide array of other services, including youth employment projects, library, economic development, housing activities, forestry and others.

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. For additional information see the Consolidated Schedule of Segment Disclosure - Service (Schedule 2).

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2017

18. Budget

The budget adopted by the First Nation was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of reserves to reduce current year expenditures. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense, and expensed principal payments of debt. As a result, the budget figures presented in the statements of operations and change in net financial assets (debt) represent the budget adopted by the First Nation with adjustments as follows:

Budget surplus for the year	\$ 690,851
Add:	
Capital expenditures	212,800
Principal portion of loan payments	222,322
Less:	
Net transfers from reserves	(162,615)
Amortization	(711,021)
Budget surplus per statement of operations	<u>\$ 252,337</u>

Mississauga First Nation
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended March 31, 2017

	Land	Buildings	Housing	Infrastructure	Roads	Heavy Equipment	Vehicles	Land Improvements Furniture Equipment	Construction in Progress	Total
Cost, beginning of year	\$ 1	\$ 8,272,270	\$ 7,940,319	\$ 2,767,665	\$ 1,925,096	\$ 335,970	\$ 1,062,461	\$ 665,133	\$ -	\$ 22,968,915
Additions	-	178,918	-	18,020	-	-	83,020	49,637	-	329,595
Disposals	-	-	(30,700)	-	-	-	-	-	-	(30,700)
Cost, end of year	1	8,451,188	7,909,619	2,785,685	1,925,096	335,970	1,145,481	714,770	-	23,267,810
Accumulated amortization, beginning of year	-	4,609,548	4,077,772	1,657,113	1,525,217	254,673	930,380	275,449	-	13,330,152
Amortization	-	253,710	259,897	66,233	26,371	8,774	51,886	44,151	-	711,022
Disposals	-	-	(30,700)	-	-	-	-	-	-	(30,700)
Accumulated amortization, end of year	-	4,863,258	4,306,969	1,723,346	1,551,588	263,447	982,266	319,600	-	14,010,474
Net carrying amount, end of year	\$ 1	\$ 3,587,930	\$ 3,602,650	\$ 1,062,339	\$ 373,508	\$ 72,523	\$ 163,215	\$ 395,170	\$ -	\$ 9,257,336

The accompanying notes are an integral part of these consolidated financial statements.

Mississauga First Nation
Schedule 1 - Consolidated Tangible Capital Assets (Continued)

For the year ended March 31, 2016 (comparative figures)

	Land	Buildings	Housing	Infrastructure	Roads	Heavy Equipment	Vehicles	Improvements Furniture Equipment	Construction in Progress	Total
Cost, beginning of year	\$ 1	\$ 8,105,358	\$ 7,128,802	\$ 2,767,665	\$ 1,925,096	\$ 335,970	\$ 1,062,461	\$ 261,474	\$ 1,089,304	\$ 22,676,131
Additions	-	128,441	128,369	-	-	-	-	128,074	-	384,884
Disposals	-	-	(92,100)	-	-	-	-	-	-	(92,100)
Capitalized construction	-	38,471	775,248	-	-	-	-	275,585	(1,089,304)	-
Cost, end of year	1	8,272,270	7,940,319	2,767,665	1,925,096	335,970	1,062,461	665,133	-	22,968,915
Accumulated amortization, beginning of year	-	4,356,552	3,900,150	1,591,601	1,495,538	245,899	856,283	227,142	-	12,673,165
Amortization	-	252,996	266,038	65,512	29,679	8,774	74,097	48,307	-	745,403
Disposals	-	-	(88,416)	-	-	-	-	-	-	(88,416)
Accumulated amortization, end of year	-	4,609,548	4,077,772	1,657,113	1,525,217	254,673	930,380	275,449	-	13,330,152
Net carrying amount, end of year	\$ 1	\$ 3,662,722	\$ 3,862,547	\$ 1,110,552	\$ 399,879	\$ 81,297	\$ 132,081	\$ 389,684	\$ -	\$ 9,638,763

The accompanying notes are an integral part of these consolidated financial statements.

Mississauga First Nation Schedule 2 - Consolidated Segment Disclosure

For the year ended March 31, 2017

	Social Assistance	Administration	Infrastructure Maintenance	Education	Capital	Medical	Enterprises	Other	Consolidated Total
Revenue									
Indigenous Affairs	\$ -	\$ 532,340	\$ 367,553	\$ 2,485,947	\$ 181,549	\$ 19,300	\$ 15,000	\$ 723,593	\$ 4,325,282
Province of Ontario	-	-	35,700	133,978	-	304,692	-	1,240,653	1,715,023
Government of Canada	-	-	10,000	-	97,756	1,108,536	-	180,092	1,396,384
Band operated enterprises	-	-	-	-	-	-	594,239	183,645	777,884
Other	850,320	80,325	17,496	31,546	11,530	530,822	-	1,395,625	2,917,664
Recovery of prior year funds	850,320	612,665	430,749	2,651,471	290,835	1,963,350	609,239	3,723,608	11,132,237
Deferred revenue, beginning of year	-	-	-	1,556	-	(6,640)	-	(2,128)	(7,212)
Deferred revenue, end of year	-	-	-	-	-	77,362	-	24,895	102,257
	-	-	-	-	-	(115,927)	-	(386,941)	(502,868)
	850,320	612,665	430,749	2,653,027	290,835	1,918,145	609,239	3,359,434	10,724,414
Expenses									
Salaries, wages and benefits	211,515	772,048	69,925	565,796	-	1,076,783	350,139	1,353,495	4,399,701
Materials and supplies	149,145	(249,605)	175,796	146,767	(20,220)	603,430	95,064	969,437	1,869,814
Contracted services	6,934	(142,347)	188,191	171,501	219,328	104,824	330,574	455,143	1,334,148
Rents and financial expenses	4,154	56,675	152	-	-	3,275	(18,061)	77,344	123,539
External transfers	489,274	-	-	1,727,535	-	-	-	37,669	2,254,478
Travel and training	9,272	143,784	21,634	18,156	-	90,213	5,179	77,612	365,850
Amortization	4,392	7,996	144,127	4,312	-	13,330	274,216	262,649	711,022
	874,686	588,551	599,825	2,634,067	199,108	1,891,855	1,037,111	3,233,349	11,058,552
Excess (deficiency) of revenue over expenses	\$ (24,366)	\$ 24,114	\$ (169,076)	\$ 18,960	\$ 91,727	\$ 26,290	\$ (427,872)	\$ 126,085	\$ (334,138)

The accompanying notes are an integral part of these consolidated financial statements.

Mississauga First Nation **Schedule 2 - Consolidated Segment Disclosure**

For the year ended March 31, 2016 (comparative figures)

	Social Assistance	Administration	Infrastructure Maintenance	Education	Capital	Medical	Enterprises	Other	Consolidated Total
Revenue									
Indigenous Affairs	\$ -	\$ 508,056	\$ 354,216	\$ 2,317,075	\$ 220,000	\$ 23,800	\$ -	\$ 327,536	\$ 3,750,683
Province of Ontario	-	-	35,700	174,718	-	262,777	-	1,077,133	1,550,328
Government of Canada	-	-	-	-	-	1,026,112	7,500	223,074	1,256,686
Band operated enterprises	-	-	-	-	-	-	629,946	176,576	806,522
Other	838,358	82,339	11,647	49,261	60,075	289,709	-	1,327,757	2,659,146
Recovery of prior year funds	838,358	590,395	401,563	2,541,054	280,075	1,602,398	637,446	3,132,076	10,023,365
Deferred revenue, beginning of year	-	-	-	(1,541)	-	(2,560)	-	-	(4,101)
Deferred revenue, end of year	-	-	-	-	-	87,488	-	34,824	122,312
	-	-	-	-	-	(77,362)	-	(24,895)	(102,257)
	838,358	590,395	401,563	2,539,513	280,075	1,609,964	637,446	3,142,005	10,039,319
Expenses									
Salaries, wages and benefits	202,237	751,016	60,222	600,057	-	972,483	332,921	1,285,351	4,204,287
Materials and supplies	148,348	(261,801)	197,362	(17,715)	(87,121)	442,536	232,822	1,258,618	1,913,049
Contracted services	7,660	(101,044)	172,564	163,928	70,779	119,635	293,330	300,071	1,026,923
Rents and financial expenses	7,150	57,270	-	102	-	13,782	2,490	87,918	168,712
External transfers	480,746	-	-	1,784,199	-	-	-	36,548	2,301,493
Travel and training	5,012	144,954	17,059	27,518	-	62,374	3,479	61,122	321,518
Amortization	-	8,541	159,710	22,512	-	19,826	274,651	260,163	745,403
	851,153	598,936	606,917	2,580,501	(16,342)	1,630,636	1,139,693	3,289,791	10,681,385
Excess (deficiency) of revenue over expenses	\$ (12,795)	\$ (8,541)	\$ (205,354)	\$ (41,088)	\$ 296,417	\$ (20,672)	\$ (502,247)	\$ (147,786)	\$ (642,063)

The accompanying notes are an integral part of these consolidated financial statements.