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Indigenous Services Canada
Sudbury Business Center
760 Notre Dame Ave Unit M
Sudbury, ON P3A 2T4

Attention: Mariah Falat, Funding Services Officer

November 30, 2023

Re: Mississauga First Nation

We enclose herewith for your information and retention, copies of the following documents to be published on the internet:

1. Financial statements for the year ended March 31, 2023.
2. Schedule of Remuneration and Expenses for Chief and Councillors along with an accompanying Review Engagement Report for the year ended March 31, 2023.

Should you have any questions concerning the foregoing, please contact the writer or Kathleen Hodgson of this office.

Yours sincerely

BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

Jennifer Archambault, CPA, CA
Partner through a corporation
/sb

Sent via email - mariah.falat@canada.ca

Mississauga First Nation
Consolidated Financial Statements
For the year ended March 31, 2023

Mississauga First Nation
Consolidated Financial Statements
For the year ended March 31, 2023

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

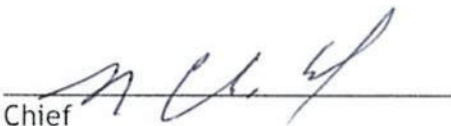
March 31, 2023

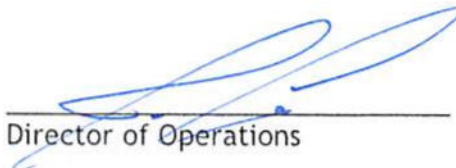
The accompanying consolidated financial statements of the Mississauga First Nation are the responsibility of management and have been approved by the Chief and Council.

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


Director of Operations

MISSISSAUGA FIRST NATION

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Independent Auditor's Report

To the Chief and Council of Mississauga First Nation

Qualified Opinion

We have audited the consolidated financial statements of Mississauga First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, change in net financial assets and cash flows, for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2023, and its consolidated results of operations, its consolidated change in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Effective April 1, 2022, the First Nation was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retroactive application method, the asset retirement obligation on transition is to be recorded using assumptions as of April 1, 2022. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. Comparative figures are to be restated to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended March 31, 2023 and 2022, tangible capital assets and the asset retirement obligation as at March 31, 2023 and 2022, and accumulated surplus as at April 1 and March 31 for both the 2023 and 2022 years.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the consolidated 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 Group 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.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Sault Ste. Marie, Ontario
November 29, 2023

Mississauga First Nation
Consolidated Statement of Financial Position

March 31	2023	2022
Financial assets		
Cash (Note 2)	\$ 8,124,662	\$ 9,076,205
Accounts receivable (Note 4)	3,144,771	2,793,429
Housing loans (Note 5)	191,655	271,414
Portfolio investments (Note 6)	168,105	166,861
Investment in government business enterprise (Note 8)	395,099	425,776
Due from the Mississagi Trust - restricted (Note 7)	1,895,441	1,919,124
Trust Funds held by Federal Government (Note 9)	159,526	97,705
	<u>14,079,259</u>	<u>14,750,514</u>
Liabilities		
Accounts payable and accrued liabilities (Note 10)	1,014,171	1,276,454
Deferred revenue (Note 11)	5,915,401	7,045,904
Due to funders (Note 12)	381,823	244,802
Long term debt (Note 13)	1,998,727	2,185,557
	<u>9,310,122</u>	<u>10,752,717</u>
Net financial assets	<u>4,769,137</u>	<u>3,997,797</u>
Non-financial assets		
Tangible capital assets (Schedule 1)	12,574,653	9,873,624
Prepaid expenses and inventory of supplies	168,314	47,949
	<u>12,742,967</u>	<u>9,921,573</u>
Accumulated surplus, end of year (Note 14)	<u>\$ 17,512,104</u>	<u>\$ 13,919,370</u>

Chief

Director of Operations

Mississauga First Nation
Consolidated Statement of Operations

For the year ended March 31	Budget	2023	2022
Revenue			
Indigenous Services Canada	\$ 14,382,071	\$ 9,629,487	\$ 6,830,541
Government of Canada - Other	3,773,057	1,964,522	447,328
Province of Ontario	3,843,153	2,154,834	2,326,304
North Shore Tribal Council	1,022,968	1,421,605	1,273,642
Band operated enterprises	7,786,661	615,450	551,507
OFNLP	-	788,850	551,723
Other revenue	1,814,462	2,428,283	1,974,809
Mississagi Trust Funds	-	65,191	66,188
Amounts earned in Trust Funds (Note 9)	-	323,599	125,937
Income (loss) from government business entities (Note 8)	-	28,491	90,299
Gain (loss) on sale of portfolio investments	-	1,243	34,047
Recovery of prior year funds	-	(4,257)	146,784
	32,622,372	19,417,298	14,419,109
Expenses			
Social assistance	890,710	992,377	978,661
Administration	1,564,804	1,906,181	1,373,973
Infrastructure maintenance	991,851	1,013,734	1,104,133
Education	2,600,605	3,077,067	2,578,944
Capital	983,519	483,496	351,077
Medical	3,320,418	3,589,175	3,219,796
Enterprises	422,104	625,891	838,005
Other	1,673,978	3,724,170	3,405,467
Amounts released from Trust Funds (Note 9)	-	323,599	125,937
Mississagi Trust distributions	-	88,874	82,701
	12,447,989	15,824,564	14,058,694
Annual surplus	20,174,383	3,592,734	360,415
Accumulated surplus, beginning of year	13,919,370	13,919,370	13,558,955
Accumulated surplus, end of year	\$ 34,093,753	\$ 17,512,104	\$ 13,919,370

Mississauga First Nation
Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	Budget	2023	2022
Annual surplus	\$ 20,174,383	\$ 3,592,734	\$ 360,415
Acquisition of tangible capital assets	(3,504,317)	(3,562,632)	(617,881)
Amortization of tangible capital assets	-	861,603	823,170
Prepaid expenses and inventory of supplies	-	(120,365)	4,048
Net change in net financial assets	16,670,066	771,340	569,752
Net financial assets, beginning of year	3,997,797	3,997,797	3,428,045
Net financial assets, end of year	\$ 20,667,863	\$ 4,769,137	\$ 3,997,797

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	2023	2022
Cash flows from operating activities		
Annual surplus	\$ 3,592,734	\$ 360,415
Items not involving cash		
Amortization	861,603	823,170
Loss on sale of portfolio investments	(1,243)	(34,047)
	<u>4,453,094</u>	<u>1,149,538</u>
Changes in non-cash operating balances		
Accounts receivable	(351,342)	(1,570,059)
Prepaid expense	(120,365)	4,048
Deferred revenue	(1,130,503)	4,432,242
Due from the Mississagi Trust	23,683	16,513
Trust Funds held by Federal Government	(61,821)	1,080
Accounts payable	(262,283)	546,569
Due to funders	137,021	(228,180)
	<u>2,687,484</u>	<u>4,351,751</u>
Capital transactions		
Acquisition of tangible capital assets	(3,562,632)	(617,881)
Investing activities		
Housing loans	79,759	17,366
Investment in Mississaugi Retail Cannabis Corporation	30,677	(20,341)
	<u>110,436</u>	<u>(2,975)</u>
Financing activities		
Payments on long term debt	(186,831)	(184,647)
Increase (decrease) in cash	(951,543)	3,546,248
Cash, beginning of year	<u>9,076,205</u>	<u>5,529,957</u>
Cash, end of year	<u>\$ 8,124,662</u>	<u>\$ 9,076,205</u>

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

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2023

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.

All controlled entities are consolidated according to the First Nation's percentage ownership except for entities that meet the definition of a business enterprise, which are included in the financial statements on a modified equity basis. Under the modified equity method of accounting, only the First Nation's investment in the entity and the First Nation's portion of the entity's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the entity that are different from those of the First Nation, and inter-organizational balances and transactions are not eliminated.

The First Nation's investment in Mississaugi Retail Cannabis Corporation is accounted for on the modified equity basis.

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

Use of Estimates The preparation of 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 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.

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2023

1. Summary of significant accounting policies (continued)

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.

Financial instruments Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2023

2. Cash

	2023	2022
Externally restricted - CMHC reserves	\$ 353,916	\$ 353,951
Unrestricted	7,770,746	8,722,254
	\$ 8,124,662	\$ 9,076,205

Under the terms of an agreement with Canada Mortgage and Housing Corporation (CMHC), the First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds, along with accumulated interest, are to be held in a separate bank account and invested only in accounts or instruments insured by Canada Deposit Insurance Corporation or as otherwise approved by CMHC.

3. 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, 2023 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, 2023 the balance outstanding on these facilities was zero.

4. Accounts receivable

	2023	2022
Due from members - CMHC Housing arrears	\$ 394,908	\$ 390,210
Less: allowance for doubtful accounts	(384,603)	(380,931)
	10,305	9,279
Due from members - Housing Rent to Own arrears	242,906	252,330
Less: allowance for doubtful accounts	(236,057)	(243,286)
	6,849	9,044
Indigenous Services Canada	939,931	1,545,972
Government of Canada - Other	126,518	259,646
Province of Ontario	478,264	188,697
North Shore Tribal Council	729,457	457,662
Union of Ontario Indians	386,316	209,836
Nogdawindamin	146,829	93,405
Other	418,258	110,638
Less: allowance for doubtful accounts	(97,956)	(90,750)
	3,127,617	2,775,106
	\$ 3,144,771	\$ 2,793,429

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2023

5. Housing loans

	<u>2023</u>	<u>2022</u>
Housing proceeds receivable	\$ 290,955	\$ 337,149
Present value write down	<u>(99,300)</u>	<u>(65,735)</u>
	\$ 191,655	\$ 271,414

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.

6. Portfolio Investments

	<u>2023</u>	<u>2022</u>
Cost		
CEW Superior VI Limited Partnership - 5,099 Class A units	\$ 51	\$ 51
Market value		
Equities and mutual funds	<u>168,054</u>	<u>166,810</u>
	\$ 168,105	\$ 166,861

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of the First Nation's equities and mutual fund investments have been determined using Level 1 measures in the fair value hierarchy.

7. 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.

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2023

8. Investment in government business enterprise

The First Nation owns 100% of Mississaugi Retail Cannabis Corporation. The investment at March 31, 2023 consists of the following:

	<u>2023</u>	<u>2022</u>
Issued common shares - 100	\$ 100	\$ 100
Accumulated surplus	98,757	70,266
Loan receivable, 0% interest, repayable \$42,700 annually, due March 31, 2031	296,342	338,710
Advances, interest free, unsecured, no specific terms of repayment	(100)	16,700
	<u>\$ 395,099</u>	<u>\$ 425,776</u>

Summary financial information for Mississaugi Retail Cannabis Corporation for the year ending March 31, 2023 is as follows:

	<u>2023</u>	<u>2022</u>
Assets	\$ 407,823	\$ 442,107
Liabilities	308,966	371,741
Retained earnings	\$ 98,857	\$ 70,366
Revenue	1,228,100	1,129,731
Expenses	1,193,516	1,039,332
Net income for the year	<u>\$ 34,584</u>	<u>\$ 90,399</u>

9. Trust Funds held by Federal Government

	<u>March 31, 2022</u>	<u>Additions 2023</u>	<u>Withdrawals 2023</u>	<u>March 31, 2023</u>
Revenue	\$ 6,705	\$ 323,599	\$ (261,778)	\$ 68,526
Capital	91,000	-	-	91,000
	<u>\$ 97,705</u>	<u>\$ 323,599</u>	<u>\$ (261,778)</u>	<u>\$ 159,526</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.

10. Accounts payable

	<u>2023</u>	<u>2022</u>
Trade payables	\$ 802,675	\$ 914,998
Elementary and Secondary tuition payables	194,021	250,199
Accrued wages and employee benefits payable	17,475	111,257
	<u>\$ 1,014,171</u>	<u>\$ 1,276,454</u>

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2023

11. Deferred revenue and government transfers

	Balance March 31, 2022	Funding Received 2023	Revenue Recognized 2023	Balance March 31, 2023
Indigenous Services Canada \$	4,871,249	\$ 9,031,249	\$ 9,629,487	\$ 4,273,011
Gov't of Canada - Other	1,825,380	897,978	1,964,522	758,836
Province of Ontario	24,833	2,248,491	2,154,834	118,490
North Shore Tribal Council	-	1,421,605	1,421,605	-
Enterprises	-	615,450	615,450	-
OFNLP	-	788,850	788,850	-
Other	324,442	3,283,172	2,842,550	765,064
	\$ 7,045,904	\$ 18,286,795	\$ 19,417,298	\$ 5,915,401

Deferred revenue is broken down by program as follows:

	2023	2022
Social Assistance	\$ 40,000	\$ -
Administration	-	76,549
Infrastructure maintenance	474,263	711,315
Education	1,482,391	1,133,050
Capital	936,655	2,587,072
Medical	1,988,573	2,243,912
Enterprises	28,747	-
Other	964,772	294,006
	\$ 5,915,401	\$ 7,045,904

12. Due to (from) funders

	2023	2022
Province of Ontario	\$ 685,312	\$ 630,288
Indigenous Services Canada	(303,489)	(385,486)
	\$ 381,823	\$ 244,802

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2023

13. Long term debt

	<u>2023</u>	<u>2022</u>
Capital loans		
CMHC Mortgage at 1.78%, due in monthly payments of \$3,777 including interest, maturing June 1, 2026, guaranteed by ISC	\$ 143,294	\$ 185,730
CMHC Mortgage at 2.50%, due in monthly payments of \$2,538 including interest, maturing April 1, 2028, guaranteed by ISC	145,589	172,127
CMHC Mortgage at 1.30%, due in monthly payments of \$4,704 including interest, maturing April 1, 2026 guaranteed by ISC	365,011	416,422
CMHC Mortgage at 1.73%, due in monthly payments of \$2,436 including interest, maturing August 1, 2024, guaranteed by ISC	416,538	438,431
CMHC Mortgage at 1.73%, due in monthly payments of \$2,680 including interest, maturing August 1, 2024, guaranteed by ISC	458,121	482,200
CMHC Mortgage at 0.96%, due in monthly payments of \$2,026 including interest, maturing March 1, 2026, guaranteed by ISC	391,937	412,410
Operating loans		
Indigenous Affairs Native Claims Loans, 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	<u>78,237</u>	<u>78,237</u>
	1,998,727	2,185,557
Less current portion	<u>189,624</u>	<u>186,532</u>
	\$ 1,809,103	\$ 1,999,025

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

Year	Amount
2023	\$ 189,624
2024	192,766
2025	195,964
2026	165,324
2027	156,237
Thereafter	<u>1,098,812</u>
	\$ 1,998,727

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2023

14. Accumulated surplus

	2023	2022
Reserves set aside for specific purposes by the First Nation		
Medical - Long term care	\$ 36,017	\$ 36,017
Health - Bus	10,365	10,365
Scholarships	7,143	7,143
Donnie MacIver Bursary	9,000	9,000
Casino Rama - Community Development	3,809,611	3,371,281
Redpine Complex	3,610	6,443
Housing working fund	-	179,901
CMHC Housing Replacement	(27,072)	51,758
CMHC Housing Operating	111,757	111,757
Land Resources	62,034	62,034
Day Care	3,247	3,247
Band Vehicles Replacement	16,628	16,628
Gaming Study	-	9,555
Patient transportation	53,030	-
Fire Protection	377,686	-
Employee Training Development	89,647	163,815
Negotiations and Implementation	42,225	42,225
Forestry	89,138	96,622
Admin Building	-	61,196
Internal funds held in trust - revenue	845,073	476,265
Reserves	5,539,139	4,715,252
Equity in tangible capital assets	10,654,163	7,766,304
Members' equity (deficit)	(835,022)	(649,381)
Restricted Mississagi Trust reserve	1,895,441	1,919,124
Funds held in trust by Federal Government	159,526	97,705
Equity in enterprises	98,857	70,366
	\$ 17,512,104	\$ 13,919,370
Allocation of annual surplus (deficit):		
Reserves	\$ 823,887	\$ 210,462
Equity in tangible capital assets	2,887,859	(20,642)
Members' deficit	(185,641)	97,889
Restricted Mississagi Trust reserve	(23,683)	(16,513)
Funds held in trust	61,821	(1,080)
Equity in enterprises	28,491	90,299
	\$ 3,592,734	\$ 360,415

15. 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 \$221,354 during the current period (2022 - \$248,131) and were fully expensed.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2023

16. Contingencies

The First Nation has provided a guarantee in the amount of \$745,500 in favour of the Bank of Montreal on behalf of Robinson Huron Treaty Ojibewa (Anishinabe). This represents 4.45% of the total loan of \$16,727,500 being guaranteed by 21 participating First Nation Communities that are settlers and beneficiaries of the Robinson Huron Treaty Trust. The negotiations have arrived at a settlement of \$10 billion by the federal and provincial governments which was approved by the First Nations on November 1, 2023.

17. Funding reconciliation

Indigenous Services Canada revenue per the financial statements	\$ 9,629,487
HCC Service delivery on confirm but repaid as duplicate payment	35,500
2021-22 Band Representative Services on confirm but in 2022	131,182
2022-23 Band Representative Services not on confirm	(118,599)
Solid waste and service amount not on confirm	(109,672)
Medical travel reimbursements	(33,202)
Other	59,837
Less: Deferred revenue, beginning of year	(4,871,249)
Add: Deferred revenue, end of year	4,273,011
	<u>\$ 8,996,295</u>
 Indigenous Services Canada revenue per funding confirmation	 <u>\$ 8,996,295</u>

18. 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.

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.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2023

18. Segmented information (continued)

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).

19. 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 represent the budget adopted by the First Nation with adjustments as follows:

Budget surplus for the year	\$ 16,548,806
Add:	
Capital expenditures	3,504,317
Principal portion of loan payments	184,646
Less:	
Net transfers from reserves	<u>(63,386)</u>
Budget surplus per statement of operations	<u>\$ 20,174,383</u>

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2023

20. Financial instruments

The First Nation is exposed to credit risk, liquidity risk, interest rate risk and other price risk from its financial instruments. This note describes the First Nation's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The First Nation is exposed to credit risk through its cash and accounts receivable.

The First Nation's maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as presented on the statement of financial position. The First Nation holds its cash accounts with large reputable financial institutions, from which management believes the risk of loss due to credit risk to be remote.

The First Nation is exposed to credit risk in accounts receivable which includes government and other receivables. The First Nation measures its exposure to credit risk with respect to accounts receivable based on how long the amounts have been outstanding and management's analysis of accounts including managements on-going monitoring of outstanding accounts. In the opinion of management, the credit risk exposure in accounts receivable is considered to be moderate.

b) Liquidity risk

Liquidity risk is the risk that the company cannot repay its obligations when they become due to its creditors. The First Nation is exposed to this risk relating to its accounts payable and accrued liabilities, long term debt and due to funders.

The First Nation reduces its exposure to liquidity risk by monitoring cash and investing activities and expected outflow through extensive budgeting and maintaining enough cash or line of credit to repay trade creditors as payables become due. In the opinion of management, the liquidity risk exposure to the First Nation is low.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The First Nation is mainly exposed to interest rate risk and other price risk.

i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The First Nation is exposed to this risk through its line of credit. See note 3 for information on this. The First Nation does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management, the interest rate risk exposure to the First Nation is low.

The First Nation holds long-term debt with fixed interest rates; which therefore, limits the exposure to interest rate risk for the First Nation.

Mississauga First Nation
Notes to Consolidated Financial Statements

March 31, 2023

20. Financial instruments (continued)

ii) Other price risk

Other price risk is the uncertainty associated with the valuation of financial assets arising from changes in equity markets. The First Nation is exposed to this risk through its equity and mutual holdings in its investment portfolio.

The maximum exposure to other price risk through First Nation's equity holdings is detailed in note 6 to the financial statements. Management reduces its exposure to other price risk by monitoring the value of its holdings on a regular basis. In the opinion of management, the other price risk exposure to First Nation is low.

There have not been any changes from the prior year in the First Nation's exposure to all of the above risks or the policies, procedures and methods it uses to measure these risks.

21. Comparative figures

Comparative figures have been reclassified to conform with current year presentation.

Mississauga First Nation
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended March 31, 2023

		Land	Buildings	Housing	Infra- structure	Roads	Heavy Equipment	Vehicles	Land Improvements Furniture Equipment	Construction in Progress	Total
Cost, beginning of year	\$	1	\$ 10,506,077	\$ 8,439,098	\$ 2,785,685	\$ 1,925,096	\$ 398,510	\$ 1,434,466	\$ 1,049,114	\$ 896,882	\$ 27,434,929
Additions		-	93,941	844,600	-	133,002	-	560,037	91,141	1,898,911	3,621,632
Capitalized construction		-	-	-	-	-	-	-	-	(59,000)	(59,000)
Cost, end of year		1	10,600,018	9,283,698	2,785,685	2,058,098	398,510	1,994,503	1,140,255	2,736,793	30,997,561
Accumulated amortization, beginning of year		-	6,226,675	5,378,528	2,035,011	1,680,072	324,877	1,318,067	598,075	-	17,561,305
Amortization		-	245,461	291,528	61,358	31,897	12,943	146,830	71,586	-	861,603
Accumulated amortization, end of year		-	6,472,136	5,670,056	2,096,369	1,711,969	337,820	1,464,897	669,661	-	18,422,908
Net carrying amount, end of year	\$	1	\$ 4,127,882	\$ 3,613,642	\$ 689,316	\$ 346,129	\$ 60,690	\$ 529,606	\$ 470,594	\$ 2,736,793	\$ 12,574,653

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, 2022 (comparative figures)

		Land	Buildings	Housing	Infra- structure	Roads	Heavy Equipment	Vehicles	Land Improvements Furniture Equipment	Construction in Progress	Total
Cost, beginning of year	\$	1	\$ 10,367,230	\$ 8,469,798	\$ 2,785,685	\$ 1,925,096	\$ 398,510	\$ 1,428,576	\$ 1,030,370	\$ 483,717	\$ 26,888,983
Additions		-	138,847	-	-	-	-	47,125	18,744	413,165	617,881
Disposals		-	-	(30,700)	-	-	-	(41,235)	-	-	(71,935)
Cost, end of year		1	10,506,077	8,439,098	2,785,685	1,925,096	398,510	1,434,466	1,049,114	896,882	27,434,929
Accumulated amortization, beginning of year		-	5,915,704	5,147,801	1,973,653	1,654,825	311,934	1,266,705	539,448	-	16,810,070
Amortization		-	310,971	261,427	61,358	25,247	12,943	92,597	58,627	-	823,170
Disposals		-	-	(30,700)	-	-	-	(41,235)	-	-	(71,935)
Accumulated amortization, end of year		-	6,226,675	5,378,528	2,035,011	1,680,072	324,877	1,318,067	598,075	-	17,561,305
Net carrying amount, end of year	\$	1	\$ 4,279,402	\$ 3,060,570	\$ 750,674	\$ 245,024	\$ 73,633	\$ 116,399	\$ 451,039	\$ 896,882	\$ 9,873,624

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, 2023

	Social Assistance	Administration	Infrastructure Maintenance	Education	Capital	Medical	Enterprises	Other	Consolidated Total
Revenue									
Indigenous Services Canada	\$ -	\$ 1,313,117	\$ 1,607,573	\$ 2,888,793	\$ 899,213	\$ 2,223,557	\$ -	\$ 697,234	\$ 9,629,487
Government of Canada - Other	-	-	-	-	1,600,950	-	-	363,572	1,964,522
Province of Ontario	-	100,000	44,610	130,496	-	613,972	-	1,265,756	2,154,834
North Shore Tribal Council	953,267	111,030	-	-	-	40,804	-	316,504	1,421,605
Band operated enterprises	-	-	-	-	-	-	432,498	182,952	615,450
Other	239	426,349	31,363	63,189	200,946	837,226	192,198	1,884,147	3,635,657
Recovery of prior year funds	-	-	-	-	-	(4,257)	-	-	(4,257)
	953,506	1,950,496	1,683,546	3,082,478	2,701,109	3,711,302	624,696	4,710,165	19,417,298
Expenses									
Salaries, wages and benefits	264,224	1,207,524	113,007	606,001	-	1,851,122	392,900	2,099,124	6,533,902
Materials and supplies	146,244	594,402	765,128	186,361	33,131	923,321	(222,305)	1,504,277	3,930,559
Contracted services	5,985	557,906	(249,205)	99,395	556,703	112,375	629,330	(80,367)	1,632,122
Rents and financial expenses	500	61,685	14,700	-	3,006	9,165	35,823	59,164	184,043
External transfers	562,175	-	-	1,728,603	-	-	-	59,223	2,350,001
Travel and training	5,998	143,403	3,987	19,819	-	103,579	4,920	50,146	331,852
Amortization	18,855	4,686	248,326	14,544	-	63,395	230,701	277,339	857,846
Transfers between segments	(11,604)	(663,425)	117,791	422,344	(109,344)	526,218	(445,478)	167,737	4,239
	992,377	1,906,181	1,013,734	3,077,067	483,496	3,589,175	625,891	4,136,643	15,824,564
Excess (deficiency) of revenue over expenses	\$ (38,871)	\$ 44,315	\$ 669,812	\$ 5,411	\$ 2,217,613	\$ 122,127	\$ (1,195)	\$ 573,522	\$ 3,592,734

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

Mississauga First Nation
Schedule 2 - Consolidated Segment Disclosure (continued)

For the year ended March 31, 2022 (comparative figures)

	Social Assistance	Administration	Infrastructure Maintenance	Education	Capital	Medical	Enterprises	Other	Consolidated Total
Revenue									
Indigenous Services Canada	\$ -	\$ 1,124,691	\$ 794,853	\$ 2,252,817	\$ 322,673	\$ 1,522,147	\$ 12,000	\$ 801,360	\$ 6,830,541
Government of Canada - Other	-	-	-	-	177,064	-	-	270,264	447,328
Province of Ontario	-	100,000	84,610	130,910	-	688,615	-	1,322,169	2,326,304
North Shore Tribal Council	937,272	-	-	-	-	32,012	-	304,358	1,273,642
Band operated enterprises	-	-	-	-	-	-	370,243	181,264	551,507
Other	200	188,337	28,320	47,909	69,251	959,425	213,384	1,336,177	2,843,003
Recovery of prior year funds	-	-	-	134,041	-	-	-	12,743	146,784
	937,472	1,413,028	907,783	2,565,677	568,988	3,202,199	595,627	4,228,335	14,419,109
Expenses									
Salaries, wages and benefits	271,168	1,001,812	107,236	587,927	-	1,705,281	363,305	1,844,241	5,880,970
Materials and supplies	197,319	379,379	304,428	(131,830)	97,956	738,235	56,963	942,394	2,584,844
Contracted services	5,903	419,644	264,166	89,150	346,689	75,001	476,209	455,441	2,132,203
Rents and financial expenses	500	53,294	2,519	-	-	11,885	(13,488)	37,332	92,042
External transfers	496,127	-	-	1,870,740	-	-	-	60,855	2,427,722
Travel and training	394	15,629	6,468	6,350	-	63,697	1,962	23,243	117,743
Amortization	18,854	14,513	201,526	14,544	-	64,721	277,818	231,194	823,170
Transfers between segments	(11,604)	(510,298)	217,790	142,063	(93,568)	560,976	(324,764)	19,405	-
	978,661	1,373,973	1,104,133	2,578,944	351,077	3,219,796	838,005	3,614,105	14,058,694
Excess (deficiency) of revenue over expenses	\$ (41,189)	\$ 39,055	\$ (196,350)	\$ (13,267)	\$ 217,911	\$ (17,597)	\$ (242,378)	\$ 614,230	\$ 360,415

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