

Mississauga First Nation
Consolidated Financial Statements
For the year ended March 31, 2024

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

March 31, 2024


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, 2024, 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, 2024, 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, 2024 and 2023, tangible capital assets and the asset retirement obligation as at March 31, 2024 and 2023, and accumulated surplus as at April 1 and March 31 for both the 2024 and 2023 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
January 30, 2025

Mississauga First Nation

Consolidated Statement of Financial Position

March 31	2024	2023
Financial assets		
Cash (Note 2)	\$ 7,580,012	\$ 8,124,662
Accounts receivable (Note 4)	4,386,734	3,144,771
Robinson Huron Treaty settlement receivable (Note 5)	369,066,634	-
Housing loans (Note 6)	151,260	191,655
Portfolio investments (Note 7)	168,310	168,105
Investment in government business enterprise (Note 9)	478,165	395,099
Due from funders (Note 13)	215,344	-
Due from the Mississagi Trust - restricted (Note 8)	1,887,412	1,895,441
Trust Funds held by Federal Government (Note 10)	103,655	159,526
	<u>384,037,526</u>	<u>14,079,259</u>
Liabilities		
Accounts payable and accrued liabilities (Note 11)	1,160,655	1,014,171
Deferred revenue (Note 12)	6,619,001	5,915,401
Due to funders (Note 13)	-	381,823
Long term debt (Note 14)	1,809,502	1,998,727
	<u>9,589,158</u>	<u>9,310,122</u>
Net financial assets	<u>374,448,368</u>	<u>4,769,137</u>
Non-financial assets		
Tangible capital assets (Schedule 1)	15,256,111	12,574,653
Prepaid expenses and inventory of supplies	150,678	168,314
	<u>15,406,789</u>	<u>12,742,967</u>
Accumulated surplus, end of year (Note 15)	<u>\$389,855,157</u>	<u>\$ 17,512,104</u>


 Chief


 Director of Operations

Mississauga First Nation

Consolidated Statement of Operations

For the year ended March 31	Budget	2024	2023
Revenue			
Indigenous Services Canada	\$ 13,920,307	\$ 10,570,807	\$ 9,739,262
Government of Canada - Other	1,104,272	624,647	1,903,521
Province of Ontario	2,010,668	2,214,256	2,130,001
North Shore Tribal Council	1,275,157	1,353,793	1,421,605
Band operated enterprises	805,724	547,344	615,450
OFNLP	763,992	1,126,064	788,850
Robinson Huron Treaty Litigation Fund (Note 5)	-	369,066,634	-
Other revenue	3,148,851	3,431,607	2,404,342
Mississagi Trust Funds	-	107,709	65,191
Amounts earned in Trust Funds (Note 10)	-	18,364	323,599
Income from government business entities (Note 9)	-	129,286	28,491
Gain on sale of portfolio investments	-	205	1,243
Recovery of prior year funds	-	-	(4,257)
	23,028,971	389,190,716	19,417,298
Expenses			
Social assistance	1,055,308	1,147,484	992,377
Administration	1,762,521	1,320,816	1,906,181
Infrastructure maintenance	1,033,180	1,490,750	1,013,734
Education	3,004,065	3,206,119	3,077,067
Capital	389,742	102,857	483,496
Medical	2,536,509	2,745,527	2,243,126
Social Services	2,011,184	1,684,865	1,346,049
Enterprises	1,338,537	1,279,476	1,099,071
Other	2,304,339	3,735,667	3,250,990
Amounts released from Trust Funds (Note 10)	-	18,364	323,599
Mississagi Trust distributions	-	115,738	88,874
	15,435,385	16,847,663	15,824,564
Annual surplus	7,593,586	372,343,053	3,592,734
Accumulated surplus, beginning of year	17,512,104	17,512,104	13,919,370
Accumulated surplus, end of year	\$ 25,105,690	\$389,855,157	\$ 17,512,104

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

Mississauga First Nation

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	Budget	2024	2023
Annual surplus	\$ 7,593,586	\$372,343,053	\$ 3,592,734
Acquisition of tangible capital assets	(3,681,816)	(3,836,372)	(3,562,632)
Amortization of tangible capital assets	-	1,154,914	861,603
Prepaid expenses and inventory of supplies	-	17,636	(120,365)
Net change in net financial assets	3,911,770	369,679,231	771,340
Net financial assets, beginning of year	4,769,137	4,769,137	3,997,797
Net financial assets, end of year	\$ 8,680,907	\$374,448,368	\$ 4,769,137

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

2024

2023

Cash flows from operating activities

Annual surplus	\$372,343,053	\$ 3,592,734
Items not involving cash		
Amortization	1,154,914	861,603
Loss on sale of portfolio investments	(205)	(1,243)
	<u>373,497,762</u>	<u>4,453,094</u>

Changes in non-cash operating balances

Accounts receivable	(1,241,963)	(351,342)
Robinson Huron Treaty settlement receivable	369,066,634	-
Prepaid expense	17,636	(120,365)
Deferred revenue	703,600	(1,130,503)
Due from the Mississagi Trust	8,029	23,683
Trust Funds held by Federal Government	55,871	(61,821)
Accounts payable	146,484	(262,283)
Due to funders	(597,167)	137,021
	<u>3,523,618</u>	<u>2,687,484</u>

Capital transactions

Acquisition of tangible capital assets	(3,836,372)	(3,562,632)
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Investing activities

Housing loans	40,395	79,759
Investment in Mississaugi Retail Cannabis Corporation	(83,066)	30,677
	<u>(42,671)</u>	<u>110,436</u>

Financing activities

Payments on long term debt	(189,225)	(186,831)
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Decrease in cash

(544,650) (951,543)

Cash, beginning of year

8,124,662 9,076,205

Cash, end of year

\$ 7,580,012 \$ 8,124,662

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2024

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 Mississauga 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, 2024

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, 2024

2. Cash

	2024	2023
Externally restricted - CMHC reserves	\$ 386,236	\$ 353,916
Unrestricted	7,193,776	7,770,746
	\$ 7,580,012	\$ 8,124,662

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, 2024 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 \$300,000 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, 2024 the balance outstanding on these facilities was zero.

4. Accounts receivable

	2024	2023
Due from members - CMHC Housing arrears	\$ 411,628	\$ 394,908
Less: allowance for doubtful accounts	(390,100)	(384,603)
	21,528	10,305
Due from members - Housing Rent to Own arrears	239,589	242,906
Less: allowance for doubtful accounts	(230,754)	(236,057)
	8,835	6,849
Indigenous Services Canada	1,119,948	939,931
Government of Canada - Other	169,826	126,518
Province of Ontario	846,750	478,264
North Shore Tribal Council	365,026	729,457
Union of Ontario Indians	645,369	386,316
Nogdawindamin	568,254	146,829
Other	777,281	418,258
Less: allowance for doubtful accounts	(136,083)	(97,956)
	4,356,371	3,127,617
	\$ 4,386,734	\$ 3,144,771

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2024

5. Robinson Huron Treaty Litigation Fund

On August 31, 2023, the First Nation, as a member of the Robinson Huron Treaty Litigation Fund ("RHTLF") entered into a settlement agreement with the Federal Government and Ontario Provincial Government for past compensation arising from obligations to the First Nations from the Robinson Huron Treaty of 1850. The settlement arises from claims put forward by the First Nations in 2012, that the Crown breached its obligations under the treaty.

As a result, a receivable of \$369,066,634 has been recorded in these financial statements. The funds owing will be divided into tranches, paid to the First Nation over time.

Subsequent to year end, the First Nation committed to the payment of a per capita distribution to each of its members and the balance of the funds would be contributed to a trust for the benefit of the First Nation and its members.

6. Housing loans

	<u>2024</u>	<u>2023</u>
Housing proceeds receivable	\$ 251,775	\$ 290,955
Present value write down	(100,515)	(99,300)
	<u>\$ 151,260</u>	<u>\$ 191,655</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.

7. Portfolio Investments

	<u>2024</u>	<u>2023</u>
Cost		
CEW Superior VI Limited Partnership - 5,099 Class A units	\$ 51	\$ 51
Market value		
Equities and mutual funds	<u>168,259</u>	<u>168,054</u>
	<u>\$ 168,310</u>	<u>\$ 168,105</u>

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.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2024

8. 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.

9. Investment in government business enterprise

The First Nation owns 100% of Mississaugi Retail Cannabis Corporation. The investment at March 31, 2024 consists of the following:

	2024	2023
Issued common shares - 100	\$ 100	\$ 100
Accumulated surplus	228,043	98,757
Loan receivable, 0% interest, repayable \$42,700 annually, due March 31, 2031	250,122	296,342
Advances, interest free, unsecured, no specific terms of repayment	(100)	(100)
	<u>\$ 478,165</u>	<u>\$ 395,099</u>

Summary financial information for Mississaugi Retail Cannabis Corporation for the year ending March 31, 2024 is as follows:

	2024	2023
Assets	\$ 494,226	\$ 407,823
Liabilities	266,083	308,966
Retained earnings	<u>\$ 228,143</u>	<u>\$ 98,857</u>
Revenue	1,530,408	1,228,100
Expenses	1,407,610	1,193,516
Net income for the year	<u>\$ 122,798</u>	<u>\$ 34,584</u>

10. Trust Funds held by Federal Government

	March 31, 2023	Additions 2024	Withdrawals 2024	March 31, 2024
Revenue	\$ 68,526	\$ 18,364	\$ (74,235)	\$ 12,655
Capital	91,000	-	-	91,000
	<u>\$ 159,526</u>	<u>\$ 18,364</u>	<u>\$ (74,235)</u>	<u>\$ 103,655</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.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2024

11. Accounts payable

	2024	2023
Trade payables	\$ 821,511	\$ 802,675
Elementary and Secondary tuition payables	221,195	194,021
Accrued wages and employee benefits payable	117,949	17,475
	\$ 1,160,655	\$ 1,014,171

12. Deferred revenue and government transfers

	Balance March 31, 2023	Funding Received 2024	Revenue Recognized 2024	Balance March 31, 2024
Indigenous Services Canada	\$ 4,273,011	\$ 11,094,583	\$ 10,570,807	\$ 4,796,787
Gov't of Canada - Other	758,836	371,028	624,647	505,217
Province of Ontario	118,490	2,208,906	2,214,256	113,140
North Shore Tribal Council	-	1,353,793	1,353,793	-
Enterprises	-	547,344	547,344	-
OFNLP	-	1,126,064	1,126,064	-
Robinson Huron Treaty	-	369,066,634	369,066,634	-
Other	765,064	4,125,964	3,687,171	1,203,857
	\$ 5,915,401	\$ 389,894,316	\$ 389,190,716	\$ 6,619,001

Deferred revenue is broken down by segment as follows:

	2024	2023
Social Assistance	\$ 3,428	\$ 40,000
Administration	408,832	-
Infrastructure maintenance	375,911	474,263
Education	1,185,761	1,482,391
Capital	1,505,401	936,655
Medical	1,142,189	1,988,573
Enterprises	46,133	28,747
Other	1,339,493	964,772
Social services	611,853	-
	\$ 6,619,001	\$ 5,915,401

13. Due to (from) funders

	2024	2023
Province of Ontario	\$ 530,800	\$ 685,312
Indigenous Services Canada	(746,144)	(303,489)
	\$ (215,344)	\$ 381,823

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2024

14. Long term debt

	2024	2023
Capital loans		
CMHC Mortgage at 1.78%, due in monthly payments of \$3,777 including interest, maturing June 1, 2026, guaranteed by ISC	\$ 100,103	\$ 143,294
CMHC Mortgage at 3.74%, due in monthly payments of \$2,613 including interest, maturing April 1, 2028, guaranteed by ISC	119,032	145,589
CMHC Mortgage at 1.30%, due in monthly payments of \$4,704 including interest, maturing April 1, 2026 guaranteed by ISC	312,939	365,011
CMHC Mortgage at 1.73%, due in monthly payments of \$2,436 including interest, maturing August 1, 2024, guaranteed by ISC	394,278	416,538
CMHC Mortgage at 1.73%, due in monthly payments of \$2,680 including interest, maturing August 1, 2024, guaranteed by ISC	433,639	458,121
CMHC Mortgage at 0.96%, due in monthly payments of \$2,026 including interest, maturing March 1, 2026, guaranteed by ISC	371,274	391,937
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	78,237	78,237
	1,809,502	1,998,727
Less current portion	192,755	189,624
	\$ 1,616,747	\$ 1,809,103

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

Year	Amount
2025	\$ 192,755
2026	195,952
2027	165,244
2028	156,223
2029	131,572
Thereafter	<u>967,756</u>
	\$ 1,809,502

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2024

15. Accumulated surplus

	2024	2023
Reserves set aside for specific purposes by the First Nation		
Robinson Huron Treaty	\$ 369,066,634	\$ -
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	4,334,376	3,809,611
Redpine Complex	3,610	3,610
CMHC Housing Replacement	-	(27,072)
CMHC Housing Operating	-	111,757
Land Resources	62,034	62,034
Day Care	3,247	3,247
Band Vehicles Replacement	16,628	16,628
Patient transportation	53,030	53,030
Fire Protection	-	377,686
Employee Training Development	-	89,647
Negotiations and Implementation	42,225	42,225
Forestry	89,138	89,138
Internal funds held in trust - revenue	994,560	845,073
Reserves	374,728,007	5,539,139
Equity in tangible capital assets	13,524,846	10,654,163
Members' equity (deficit)	(616,906)	(835,022)
Restricted Mississagi Trust reserve	1,887,412	1,895,441
Funds held in trust by Federal Government	103,655	159,526
Equity in enterprises	228,143	98,857
	\$389,855,157	\$ 17,512,104
Allocation of annual surplus (deficit):		
Reserves	\$ 122,234	\$ 823,887
Reserves - Robinson Huron Treaty	\$369,066,634	\$ -
Equity in tangible capital assets	2,870,683	2,887,859
Members' surplus (deficit)	218,116	(185,641)
Restricted Mississagi Trust reserve	(8,029)	(23,683)
Funds held in trust	(55,871)	61,821
Equity in enterprises	129,286	28,491
	\$372,343,053	\$ 3,592,734

16. 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 \$307,318 during the current period (2023 - \$221,354) and were fully expensed.

Mississauga First Nation Notes to Consolidated Financial Statements

March 31, 2024

17. 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 settlors 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 (see note 5).

18. Funding reconciliation

Indigenous Services Canada revenue per the financial statements	\$ 10,570,807
2023 Solid waste and service amount on confirm but recorded in 2023	109,672
2023 Band Representative Services on confirm but recorded in 2023	118,599
2024 Band Representative Services not on confirm	(11,375)
Fire Truck Replacement project amount not on confirm	(10,000)
Medical travel reimbursements	(59,857)
Other	(15,058)
Less: Deferred revenue, beginning of year	(4,273,011)
Add: Deferred revenue, end of year	4,796,787
	<u>\$ 11,226,564</u>
 Indigenous Services Canada revenue per funding confirmation	 <u>\$ 11,226,564</u>

19. 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, 2024

19. 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.

Social Services

The social services department provides a variety of general social services directed towards the well-being of members, especially children, including such activities as child mental health, child and youth journey, community well being, healthy babies, community support services, and after school programs.

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, 2024

20. 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	\$ 4,142,925
Add:	
Capital expenditures	3,681,816
Principal portion of loan payments	186,530
Less:	
Net transfers from reserves	<u>(417,685)</u>
Budget surplus per statement of operations	<u>\$ 7,593,586</u>

21. 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.

Mississauga First Nation

Notes to Consolidated Financial Statements

March 31, 2024

21. Financial instruments (continued)

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.

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 7 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.

22. 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, 2024

		Land	Buildings	Housing	Infra- structure	Roads	Heavy Equipment	Vehicles	Land Improvements/ Furniture & Equipment	Construction in Progress	Total
Cost, beginning 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
Additions		-	332,740	1,672,125	104,347	43,250	-	1,032,723	249,701	401,486	3,836,372
Capitalized construction		-	-	1,617,111	-	-	-	-	132,000	(1,749,111)	-
Cost, end of year		1	10,932,758	12,572,934	2,890,032	2,101,348	398,510	3,027,226	1,521,956	1,389,168	34,833,933
Accumulated amortization, beginning of year		-	6,472,136	5,670,056	2,096,369	1,711,969	337,820	1,464,897	669,661	-	18,422,908
Amortization		-	263,654	419,042	71,792	32,979	12,943	242,626	111,878	-	1,154,914
Accumulated amortization, end of year		-	6,735,790	6,089,098	2,168,161	1,744,948	350,763	1,707,523	781,539	-	19,577,822
Net carrying amount, end of year	\$	1	\$ 4,196,968	\$ 6,483,836	\$ 721,871	\$ 356,400	\$ 47,747	\$ 1,319,703	\$ 740,417	\$ 1,389,168	\$ 15,256,111

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, 2023 (comparative figures)

		Land	Buildings	Housing	Infra- structure	Roads	Heavy Equipment	Vehicles	Land Improvements/ Furniture & Equipment	Construction in Progress	Total
Cost , beginning of year	\$	1	\$ 10,506,077	\$ 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.