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Aboriginal Affairs and Northern Development Canada
Sudbury Business Center
40 Elm Street, Suite 290
Sudbury, ON P3C 1S8

Attention: Bradley Stewart, Sr. Funding Services Officer

August 19, 2016

Re: Thessalon First Nation

Dear Sir

We enclose herewith for your information and retention, one copy of each of the following:

1. Financial statements for the year ended March 31, 2016.
2. Schedule of Remuneration and Expenses (Chief and Council) for the year ended March 31, 2016.

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

Yours sincerely

BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

Jennifer Archambault, CPA, CA
Partner
/sb

Enclosures

COURIER

c. Thessalon First Nation

**Thessalon First Nation
Consolidated Financial Statements
For the year ended March 31, 2016**

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Thessalon First Nation Management's Responsibility for Financial Reporting

March 31, 2016

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

These 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.

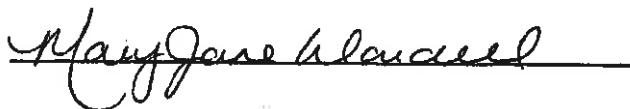
Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

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 Thessalon First Nation and meet when required.

On behalf of Thessalon First Nation:



Chief



Band Manager



Tel: 705 945 0990
Fax: 705 942 7979
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BDO Canada LLP
747 Queen Street E
PO Box 1109
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Independent Auditor's Report

To the Members of Thessalon First Nation

We have audited the accompanying consolidated financial statements of Thessalon First Nation, which comprise the consolidated statement of financial position as at March 31, 2016 and the consolidated statements of operations, change in net financial assets 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial position of Thessalon First Nation as at March 31, 2016 and the results of its operations, change in its net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
August 17, 2016

Thessalon First Nation
Consolidated Statement of Financial Position

March 31, 2016

	2016	2015
Financial assets		
Cash	\$ 110,607	\$ -
Short term investment (Note 3)	303,900	300,000
Accounts receivable	410,199	593,919
Due from band members	68,642	- -
Funds held in trust with Government of Canada (Note 2)	<u>224,482</u>	<u>220,366</u>
	<u>1,117,830</u>	<u>1,114,285</u>
Liabilities		
Bank indebtedness (Note 3)		92,546
Accounts payable and accrued liabilities	196,308	350,153
Due to Indigenous and Northern Affairs Canada	210,106	196,384
Deferred revenue (Note 4)	48,559	75,202
Long term debt (Note 5)	159,162	209,076
Future landfill closure and post-closure costs (Note 6)	<u>820,684</u>	<u>762,732</u>
	<u>1,434,819</u>	<u>1,686,093</u>
Net financial debt	<u>(316,989)</u>	<u>(571,808)</u>
Non-financial assets		
Tangible capital assets (Schedule 1)	3,609,567	3,725,305
Prepaid advances on housing renovations		358,993
Prepaid expenses	<u>138,835</u>	<u>140,825</u>
	<u>3,748,402</u>	<u>4,225,123</u>
Accumulated surplus (Note 7)	<u>\$ 3,431,413</u>	<u>\$ 3,653,315</u>

On behalf of the First Nation:

Chief Alfred Brault Chief

Maylene Lalonde Band Manager

Thessalon First Nation
Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	Budget	2016	2015
Revenue			
Indigenous and Northern Affairs Canada	\$ 1,608,411	\$ 1,575,558	\$ 1,611,440
Canada	313,339	335,475	614,791
Ontario	392,473	415,226	377,561
Casino Rama	574,000	584,054	580,105
Other aboriginal organizations	505,703	517,028	539,157
Interest, rentals and other	311,898	338,397	386,547
Due from (to) Indigenous and Northern Affairs Canada	3,705,824	3,765,738	4,109,621
Deferred revenue, beginning of year	75,202	(13,722)	(66,820)
Deferred revenue, end of year	-	75,202	259,822
	3,781,026	3,778,659	4,227,421
Expenses			
Social assistance	349,346	342,054	377,627
Administration	318,412	348,232	318,691
Infrastructure maintenance	511,445	467,923	447,804
Education	904,797	839,811	873,166
Housing and community development	456,700	455,917	411,623
Enterprises and economic development	666,781	701,161	949,064
Medical and other health services	631,381	715,378	661,274
Other programs	112,477	130,085	111,576
	3,951,339	4,000,561	4,150,825
Annual surplus (deficit)	(170,313)	(221,902)	76,596
Accumulated surplus, beginning of year	3,653,315	3,653,315	3,576,719
Accumulated surplus, end of year	\$ 3,483,002	\$ 3,431,413	\$ 3,653,315

Thessalon First Nation
Consolidated Statement of Change in Net Financial Debt

<u>For the year ended March 31</u>	<u>Budget</u>	<u>2016</u>	<u>2015</u>
Annual surplus (deficit)	\$ (170,313)	\$ (221,902)	\$ 76,596
Acquisition of tangible capital assets	(100,000)	(93,476)	(434,995)
Amortization of tangible capital assets	208,000	209,214	204,021
Prepaid expenses	-	1,990	(85,725)
Prepaid advances on housing renovations	358,000	358,993	327,449
Net change in net financial assets (debt)	295,687	254,819	87,346
Net financial assets (debt), beginning of year	(571,808)	(571,808)	(659,154)
Net financial assets (debt), end of year	\$ (276,121)	\$ (316,989)	\$ (571,808)

Thessalon First Nation
Consolidated Statement of Cash Flows

<u>For the year ended March 31</u>	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Annual surplus (deficit)	\$ (221,902)	\$ 76,596
Adjustment for non-cash items		
Amortization of capital assets	209,214	204,021
Amount to be recovered in future	57,952	53,935
	<u>45,264</u>	<u>334,552</u>
Changes in non-cash working capital balances		
Accounts receivable	183,720	(130,861)
Due from members	(68,642)	
Due from (to) Indigenous and Northern Affairs Canada	13,722	67,083
Prepaid expenses	1,990	(85,725)
Accounts payable and accrued liabilities	(153,845)	137,012
Deferred revenue	(26,643)	(184,620)
Prepaid advances on housing renovations	358,993	327,449
	<u>354,559</u>	<u>464,890</u>
Capital transactions		
Short term investments	(3,900)	(300,000)
Purchase of tangible capital assets	(93,476)	(434,995)
Increase in funds held in trust	(4,116)	(5,990)
	<u>(101,492)</u>	<u>(740,985)</u>
Financing activities		
Bank indebtedness	(92,546)	92,546
Long term debt obtained	-	180,000
Reduction in long term debt	(33,730)	(19,039)
Reduction in obligation under capital lease	(16,184)	(15,373)
	<u>(142,460)</u>	<u>238,134</u>
Increase (decrease) in cash	110,607	(37,961)
Cash, beginning of year	-	37,961
Cash, end of year	\$ 110,607	\$ -

Thessalon First Nation
Notes to Consolidated Financial Statements

March 31, 2016

1. Significant accounting policies

a. Basis of accounting

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

b. Reporting entity

The Thessalon First Nation reporting entity includes the First Nation government and all entities that are controlled by the First Nation.

c. Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for commercial enterprises which meet the definition of a government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

d. Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Government transfers are recognized as revenue 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 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 being performed, is deferred and recognized when the fee is earned or service performed.

e. Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and term deposits having a maturity of three months or less at acquisition which are held for the purposes of meeting short term cash commitments.

f. Leased assets

Leased assets that transfer substantially all the benefits and risks of ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the First Nation, and the obligation, including interest thereon, is repaid over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

g. Pension plan

Thessalon First Nation provides a defined contribution pension plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee.

Thessalon First Nation
Notes to Consolidated Financial Statements

March 31, 2016

1. Significant accounting policies (continued)

h. Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Amortization is provided for on a straight-line basis over the estimated lives as follows:

Land improvements	10 to 30
Buildings	30 to 40
Housing	30
Machinery and equipment	5 to 30
Vehicles	10
Infrastructure	7 to 100

Tangible capital assets are written down when conditions indicate that they no longer contribute to Thessalon First Nation's ability to provide goods and service, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write downs are accounted for as expenses in the consolidated financial statements.

Contributed tangible capital assets are recorded into revenues at their fair values on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case, they are recognized at nominal value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.

Assets under construction are not amortized until the asset is available to be put into service.

2. Trust funds

	Beginning	Additions	Withdrawals	Ending
Revenue Capital	\$ 205,700 14,666	\$ 4,116	\$ -	\$ 209,816 14,666
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 220,366	\$ 4,116	\$ -	\$ 224,482

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 Sections 63 to 69 of the Indian Act.

Thessalon First Nation
Notes to Consolidated Financial Statements

March 31, 2016

3. Bank indebtedness

	2016	2015
Bank overdraft	\$ -	\$ 77,546
Bank revolving line of credit	\$ -	\$ 15,000
	<hr/>	<hr/>
	\$ -	\$ 92,546

The First Nation has available a \$300,000 revolving demand credit facility at prime plus 1.4%, secured by general security agreement and \$300,000 guaranteed investment certificate which bears interest at 0.9% and matures October 2016. In addition, the First Nation has credit card coverage to maximum of \$60,000.

4. Deferred revenue

	2016	2015
Post-secondary education	\$ 7,308	\$ 40,173
Guidance counsellor	14,821	2,241
Transportation, allowances and supplies	26,430	20,788
Other medical programs	-	12,000
	<hr/>	<hr/>
	\$ 48,559	\$ 75,202

5. Long term debt

	2016	2015
Capital lease, secured by equipment, repayable \$1,524 monthly including interest at 5.15%, maturing February 2018	\$ 31,931	\$ 48,115
Term loan, secured by general security agreement, repayable \$3,348 monthly including interest at 4.40%, due August 2019	127,231	160,961
	<hr/>	<hr/>
	\$ 159,162	\$ 209,076

Principal payments required on long term debt for the next four years are due as follows:

Year	Amount
2017	\$ 52,323
2018	51,762
2019	38,524
2020	<hr/> 16,553
	<hr/>
	\$ 159,162

Interest paid on long term debt during the year was \$8,546 (2015 - \$7,309).

Thessalon First Nation
Notes to Consolidated Financial Statements

March 31, 2016

6. Accrued landfill closure and post-closure costs

Landfill closure and post-closure requirements include final covering and landscaping of the landfill, storm water management, creation 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 thirty 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 estimated remaining useful life of the landfill site is 2 years, after which the period for post-closure care costs is estimated to be 30 years. The estimated liability for landfill closure and post-closure costs is recognized as the landfill site's capacity is used.

The estimated total net present value of expenditures to close and maintain the landfill site is approximately \$837,432 (2015 - \$786,321). As at March 31, 2016, 98.0% (2015 - 97.0%) of the total estimated expenditures have been recognized based on the cumulative capacity used at that date compared to the total estimated landfill capacity. The First Nation has not designated any source of revenue to fund the cost of closing and maintaining the landfill site.

7. Accumulated surplus

	2016	2015
Allocation of annual surplus (deficit)		
Reserves and reserve funds:		
Casino Rama - future generations	\$ (111,263)	\$ (27,916)
Equity in tangible capital assets	(99,553)	246,347
General surplus (deficit)	9,021	67,071
Unfunded liabilities	(24,222)	(214,896)
Funds Held in Trust	4,115	5,990
	<hr/>	<hr/>
	\$ (221,902)	\$ 76,596
Accumulated surplus, end of year		
Reserve set aside for specific purposes		
Casino Rama - future generations fund	\$ 465,857	\$ 577,120
Equity in tangible capital assets	3,577,635	3,677,188
General surplus (deficit)	111,354	102,333
Unfunded liabilities	(947,915)	(923,693)
Funds held in trust	224,482	220,367
	<hr/>	<hr/>
	\$ 3,431,413	\$ 3,653,315

8. Pension agreement

The First Nation provides a defined contribution plan for eligible members of its staff. The First Nation matches employees' contributions. The amount to be received by employees will be the amount of retirement gratuity that could be purchased based on the employees share of the pension plan at the time of the employee's withdrawal from the plan. The First Nation contributed \$38,553 (2015 - \$35,846) during the year for retirement benefits.

Thessalon First Nation Notes to Consolidated Financial Statements

March 31, 2016

9. Contingencies and commitments

The First Nation is contingently liable to Canada Mortgage and Housing Corporation for housing renovations loans extended to band members. Loans are forgivable on a straight-line basis over four years as long as the occupant remains the same over the term. Any outstanding balance becomes payable by the First Nation if the terms of forgiveness are not met. Also, the First Nation is contingently liable in the amount of approximately \$9,600 in respect to an on-reserve housing loan.

The First Nation is disputing the assessment of municipal taxes, interest and penalties of approximately \$693,000 at March 31, 2016 on property it acquired from a land claim settlement. The outcome of this matter is not presently determinable. Any loss resulting therefrom will be recorded in the year of settlement.

The First Nation has committed to providing financial support of \$239,250 to Robinson Huron Treaty Trust to finance costs of legal action against the governments of Canada and Ontario. This amount represents 3.30% of the total budgeted amount of \$7,250,000 being supported by the 21 participating First Nation Communities that are settlors and beneficiaries of the Robinson Huron Treaty Trust.

10. Indigenous and Northern Affairs Canada funding

The Thessalon First Nation has a comprehensive funding arrangement with Indigenous and Northern Affairs Canada (INAC). The funds are used by the Band to administer its operations and provide service to its members in accordance with the terms of the funding arrangement.

The following is a reconciliation of INAC funding:

INAC funding per confirmation	\$ 1,589,364
Adjustments - tuition agreements	<u>(13,806)</u>
INAC revenue per financial statements	<u>\$ 1,575,558</u>

11. Segmented Information

The Thessalon First Nation is a diversified government institution that provides a wide range of services to its members. 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 homemaking and other services directed towards members.

Thessalon First Nation Notes to Consolidated Financial Statements

March 31, 2016

11. 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.

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.

Medical and other health services

The health services 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.

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.

Housing and community development

This department is responsible for community development activities occurring in the First Nation during the year, including housing renovations.

Enterprises and economic development

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 programs

The First Nation provides a wide array of other services, including the library, Rama and other activities.

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 Schedule 2 - Consolidated Segment Disclosure.

Thessalon First Nation
Notes to Consolidated Financial Statements

March 31, 2016

12. Budget

Budgets are adopted by the First Nation based on the terms of agreements which do no vary significantly from year to year. This basis of preparation is not consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Board standards 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 (deficit) for the year	\$ (4,313)
Add:	
Capital expenditures	100,000
Less:	
Amortization	(208,000)
Unfunded liabilities	<u>(58,000)</u>
Budget surplus (deficit) per statement of operations	<u>\$ (170,313)</u>

Thessalon First Nation
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended March 31, 2016

	Land	Land Improvements	Buildings	Housing	Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 330,001	\$ 15,257	\$ 2,929,268	\$ 683,898	\$ 786,349	\$ 246,648	\$ 1,356,234	\$ 69,808	\$ 6,417,463
Additions	-	-	-	-	-	-	-	-	-
Capitalized construction	-	-	-	-	-	-	-	-	93,476
Cost, end of year	330,001	15,257	2,929,268	683,898	786,349	246,648	1,359,518	-	69,808
Accumulated amortization, beginning of year	-	15,257	955,468	83,303	626,253	147,258	864,619	-	2,692,158
Amortization	-	-	85,208	22,870	24,696	13,841	62,599	-	209,214
Accumulated amortization, end of year	-	15,257	1,040,676	106,173	650,949	161,099	927,218	-	2,901,372
Net carrying amount, end of year	\$ 330,001	\$ -	\$ 1,888,592	\$ 577,725	\$ 135,400	\$ 85,549	\$ 592,300	\$ -	\$ 3,609,567

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

For the year ended March 31, 2015 (comparative figures)

	Land	Land Improvements	Buildings	Housing	Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 330,001	\$ 15,257	\$ 2,675,869	\$ 416,978	\$ 786,349	\$ 246,648	\$ 1,356,234	\$ 155,132	\$ 5,982,468
Additions	-	-	253,399	111,788	-	-	-	-	69,808
Capitalized construction	-	-	-	155,132	-	-	-	-	(155,132)
Cost, end of year	330,001	15,257	2,929,268	683,898	786,349	246,648	1,356,234	69,808	6,417,463
 Accumulated amortization, beginning of year	 - 15,257	 890,969	 64,881	 595,070	 131,875	 790,085	 - -	 - -	 2,488,137
Amortization	-	64,499	18,422	31,183	15,383	74,534	-	-	204,021
 Accumulated amortization, end of year	 - 15,257	 955,468	 83,303	 626,253	 147,258	 864,619	 - -	 - -	 2,692,158
 Net carrying amount, end of year	 \$ 330,001	 \$ -	 \$ 1,973,800	 \$ 600,595	 \$ 160,096	 \$ 99,390	 \$ 491,615	 \$ 69,808	 \$ 3,725,305

Thessalon First Nation
Schedule 2 - Consolidated Segment Disclosure

For the year ended March 31, 2016

	Social Assistance	Education	Infrastructure	Medical/ Health	Administration	Housing/ Community	Enterprises/ Economic	Other	Consolidated Total
Revenue									
Indigenous and Northern Affairs Canada	\$ 24,166	\$ 834,429	\$ 152,149	\$ 332,351	\$ 211,312	\$ 227,502	\$ 95,000	\$ 31,000	\$ 1,575,558
Canada	-	-	19,176	100,140	-	-	3,124	-	-
Ontario	79,449	-	-	-	-	202,756	13,705	-	335,475
Casino Rama	-	-	-	-	-	-	-	-	415,226
Other Aboriginal organizations	211,090	245	5,085	242,034	-	-	58,574	584,054	584,054
Interest, rentals and other	220	-	2,450	3,648	12,194	26,790	289,544	-	517,028
Transfers between segments	21,000	-	96,857	-	135,379	322,243	42,000	3,551	338,397
335,925	834,674	275,717	678,173	358,885	576,535	690,998	14,831	3,765,738	
1,060	(14,782)	-	-	-	-	-	-	-	(13,722)
Due from (to) INAC	-	63,202	-	12,000	-	-	-	-	75,202
Deferred revenue, beginning of year	-	(48,559)	-	-	-	-	-	-	(48,559)
336,985	834,535	275,717	690,173	358,885	576,535	690,998	14,831	3,778,659	
Expenses									
Salaries, wages and benefits	226,441	147,315	105,918	539,414	367,278	25,634	494,248	50,615	1,956,863
Materials and supplies	13,029	48,088	91,910	94,230	53,854	381,112	77,559	47,638	807,420
Contracted services	-	-	32,360	22,358	71,912	18,255	82,374	8,732	235,991
Rents and financial expenses	-	-	93,042	12,201	17,898	6,446	13,815	-	143,402
External transfers	90,662	558,572	6,560	-	-	-	-	-	-
Amortization	5,362	5,276	134,233	25,434	6,253	22,870	9,785	-	655,794
Transfers between segments	6,560	80,560	3,900	21,741	(168,963)	1,600	23,380	23,100	209,213
342,054	839,811	467,923	715,378	348,232	455,917	701,161	130,085	4,000,561	
Excess (deficiency) of revenue over expenses									
	\$ (5,069)	\$ (5,276)	\$ (192,206)	\$ (25,205)	\$ 10,653	\$ 120,618	\$ (10,163)	\$ (115,254)	\$ (221,902)

Thessalon First Nation
Schedule 2 - Consolidated Segment Disclosure (Continued)

For the year ended March 31, 2015 (comparative figures)

	Social Assistance	Education	Infrastructure	Medical/ Health	Administration	Housing/ Community	Enterprises/ Economic	Other	Consolidated Total
Revenue									
Indigenous and Northern Affairs Canada	\$ 24,400	\$ 909,072	\$ 164,794	\$ 609,694	\$ 207,882	\$ 175,892	\$ 97,300	\$ 32,100	\$ 1,611,440
Canada	-	-	-	19,176	97,067	15,000	-	5,097	-
Ontario	76,900	-	-	-	-	-	155,733	13,705	614,791
Casino Rama	-	-	-	1,881	197,129	-	-	580,105	377,581
Other Aboriginal organizations	245,042	-	-	6,191	2,125	25,316	1,734	-	580,105
Interest, rentals and other	6,975	-	-	-	-	-	93,371	-	539,157
Transfers between segments	18,000	-	63,879	-	-	137,226	2,330	339,198	4,412
	-	-	-	-	-	201,521	126,595	(547,221)	386,547
	371,317	909,072	255,921	906,015	385,424	381,477	817,294	83,101	4,109,621
Due from (to) INAC	-	(66,820)	-	-	-	-	-	-	(66,820)
Deferred revenue, beginning of year	-	88,611	-	-	-	32,263	138,948	-	259,822
Deferred revenue, end of year	-	(63,202)	-	(12,000)	-	-	-	-	(75,202)
	371,317	867,661	255,921	894,015	385,424	413,740	956,242	83,101	4,227,421
Expenses									
Salaries, wages and benefits	239,227	148,557	96,037	500,978	362,360	23,769	643,601	45,246	2,059,775
Materials and supplies	10,258	46,375	69,232	82,975	39,289	364,018	147,115	39,353	798,615
Contracted services	-	-	36,830	23,424	72,326	1,017	92,141	3,777	229,515
Rents and financial expenses	-	-	96,838	14,901	24,116	4,397	17,626	-	157,878
External transfers	115,713	584,685	6,000	-	-	-	-	-	-
Amortization	5,869	5,499	137,947	20,246	6,253	18,422	9,786	-	706,398
Transfers between segments	6,560	88,050	4,920	18,750	(185,653)	-	38,795	23,200	204,022
	377,627	873,166	447,804	661,274	318,691	411,623	949,064	111,576	4,150,825
Excess (deficiency) of revenue over expenses	\$ (6,310)	\$ (5,505)	\$ (191,883)	\$ 232,741	\$ 66,733	\$ 2,117	\$ 7,178	\$ (28,475)	\$ 76,596

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