

RECEIVED

NOV 28 2022

Indigenous Services Canada  
Services aux Autochtones Canada  
Thunder Bay

**Consolidated Financial Statements of  
DOKIS FIRST NATION**

**Year ended March 31, 2022**



**DOKIS FIRST NATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

**INDEX**

MANAGEMENT'S RESPONSIBILITY STATEMENT  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS  
CONSOLIDATED STATEMENT OF CASH FLOWS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



## MANAGEMENT'S RESPONSIBILITY STATEMENT

The accompanying consolidated financial statements of the **Dokis First Nation** are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to these consolidated financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

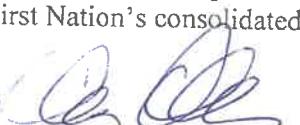
The Dokis First Nation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Chief and Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Freelandt Caldwell Reilly LLP, independent external auditors appointed by the Dokis First Nation. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Dokis First Nation's consolidated financial statements.



Chief



Councillor



Councillor



Councillor



Councillor



Councillor





## INDEPENDENT AUDITORS' REPORT

To: **The Members of the Dokis First Nation**

### *Opinion*

We have audited the consolidated financial statements of the Dokis First Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, changes in net 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Dokis First Nation as at March 31, 2022, and the consolidated results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' 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 First Nation 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.

*Continued on next page*



### *Auditors' 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 auditors' 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 auditors' 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 auditors' report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.

*Continued on next page*



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.

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.

**FREELANDT CALDWELL REILLY LLP**

*Freelandt Caldwell Reilly LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Sudbury, Canada

October 6, 2022



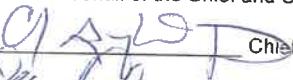
**DOKIS FIRST NATION**  
 Consolidated Statement of Financial Position

March 31, 2022, with comparative figures for 2021

	2022	2021
<b>Financial assets:</b>		
Cash	\$ 11,137,010	\$ 7,628,178
Restricted cash - CMHC replacement and operating surplus reserves (note 2)	37,818	37,818
Short-term investments (note 3)	2,500	2,500
Accounts receivable (note 4)	3,002,906	705,334
ILMF settlement receivable (note 22)	-	26,923,951
Funds held in trust by Indigenous Services Canada (note 6)	733,742	733,742
Due from Migisi Hydro L.P. (note 5)	1,621,054	1,621,049
Investment in Migisi Hydro L.P. (note 7)	511,331	1,067,374
Investment in Migisi L.P. General Partner Units	5	5
Investment in Okikendawt Hydro L.P. (note 5)	2,027,539	2,027,539
Investment in Ontario First Nation Sovereign Wealth L.P. (note 9)	2	2
<b>Total financial assets</b>	<b>19,073,907</b>	<b>40,747,492</b>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities (note 16)	1,285,502	1,105,918
Deferred contributions (note 10)	11,424,333	6,742,115
Due to Okikendawt Hydro and Dokis Community Trust (note 22)	-	26,000,000
Advances from Migisi Hydro L.P.	995	995
Investments held in trust for Migisi Hydro L.P (note 5)	2,027,539	2,027,539
Long-term debt (note 11)	1,164,934	613,653
<b>Total financial liabilities</b>	<b>15,903,303</b>	<b>36,490,220</b>
<b>Net financial assets</b>	<b>3,170,604</b>	<b>4,257,272</b>
<b>Non-financial assets (note 12):</b>		
Tangible capital assets (note 18)	15,837,791	12,212,277
Prepaid expenses	162,769	132,711
<b>Total non-financial assets</b>	<b>16,000,560</b>	<b>12,344,988</b>
<b>Accumulated surplus (note 13)</b>	<b>\$ 19,171,164</b>	<b>\$ 16,602,260</b>
Contingent liabilities (note 14)		
Economic dependence (note 15)		

See accompanying notes to consolidated financial statements

Approved on behalf of the Chief and Council of the Dokis First Nation:

 Chief  
 Councillor  Councillor  Councillor  
 Councillor  Councillor  Councillor  
 Councillor



## DOKIS FIRST NATION

### Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31, 2022, with comparative figures for 2021

	Budget	2022	2021
<b>Revenues:</b>			
Indigenous Services Canada (note 17)	\$ 7,291,318	\$ 6,259,795	\$ 3,891,685
Other	7,574,345	10,768,969	7,450,133
Repayable to funders	-	(30,631)	(94,601)
Deferred contributions, beginning of year	6,742,115	6,742,115	5,735,522
	21,607,778	23,740,248	16,982,739
<b>Expenses (by program area):</b>			
Band Support	789,219	818,872	693,845
Maintenance Management	1,588,283	830,291	690,552
Education	2,535,673	1,870,505	1,721,631
Social Services	201,398	309,008	309,403
New Relationship Fund	85,000	80,588	77,933
Community Programs	1,572,519	911,497	474,548
Band Enterprises	54,600	1,021,860	1,537,559
Health Services	2,081,330	1,617,319	1,463,357
Land Management	239,718	238,974	246,245
Housing	5,419,137	370,865	458,010
Ontario First Nations Limited Partnership Distributions	-	181,772	168,213
Consolidated Revenue Fund	-	15,269	14,169
Community Services	-	12,278	9,221
Culture & Recreation	56,205	55,487	56,348
Capital Projects	2,582,364	832,688	589,638
Total expenses	17,205,446	9,167,273	8,510,672
Excess of revenues over expenses from general operations	4,402,332	14,572,975	8,472,067
Deferred contributions, end of year	-	(11,424,333)	(6,742,115)
Excess of revenues over expenses before undenoted items	4,402,332	3,148,642	1,729,952
First Nation share of Migisi L.P. earnings (loss)	-	(549,777)	615,768
Loss on disposal of tangible capital assets	-	(29,961)	-
ILMF claim settlement (note 22)	-	-	26,000,000
Contribution to the Okikendawt Hydro and Dokis Community Trust (note 22)	-	-	(26,000,000)
Excess of revenues over expenses for the year	4,402,332	2,568,904	2,345,720
Accumulated surplus, beginning of year	16,602,260	16,602,260	14,256,540
Accumulated surplus, end of year	\$ 21,004,592	\$ 19,171,164	\$ 16,602,260

See accompanying notes to consolidated financial statements



**DOKIS FIRST NATION****Consolidated Statement of Changes in Net Assets**

Year ended March 31, 2022 with comparative figures for 2021

	Budget	2022	2021
<b>Excess of revenues over expenses for the year</b>	\$ 4,402,332	\$ 2,568,904	\$ 2,345,720
Amortization of tangible capital assets	-	802,327	622,810
Acquisition of tangible capital assets	-	(4,457,802)	(2,172,532)
Loss on disposal of tangible capital assets	-	29,961	-
Change in prepaid expenses	-	(30,058)	(8,214)
<b>Increase (decrease) in net assets for the year</b>	<b>4,402,332</b>	<b>(1,086,668)</b>	<b>787,784</b>
<b>Net assets, beginning of year</b>	<b>4,257,272</b>	<b>4,257,272</b>	<b>3,469,488</b>
<b>Net assets, end of year</b>	<b>\$ 8,659,604</b>	<b>\$ 3,170,604</b>	<b>\$ 4,257,272</b>

See accompanying notes to consolidated financial statements



## DOKIS FIRST NATION

### Consolidated Statement of Cash Flows

Year ended March 31, 2022 with comparative figures for 2021

	2022	2021
<b>Cash flows from operating activities:</b>		
Excess of revenues over expenses for the year	\$ 2,568,904	\$ 2,345,720
<b>Non-cash charges to operations:</b>		
Amortization of tangible capital assets	802,327	622,810
First Nation share of Migisi Development L.P. loss (earnings)	549,777	(615,768)
Impairment of capital assets	6,262	-
Loss on disposal of tangible capital assets	29,961	-
	3,957,231	2,352,762
<b>Change in financial assets and liabilities relating to operations:</b>		
Accounts receivable	(2,297,572)	176,046
ILMF settlement receivable	26,923,951	(26,923,951)
Prepaid expenses	(30,058)	(8,214)
Accounts payable and accrued liabilities	179,584	890,773
Due to Okikendawt Hydro and Dokis Community Trust	(26,000,000)	26,000,000
Deferred contributions	4,682,218	1,006,593
<b>Net change in cash from operating activities</b>	7,415,354	3,494,009
<b>Cash flows from capital activities:</b>		
Cash used to acquire tangible capital assets	(4,457,802)	(2,172,532)
<b>Cash flows from financing activities:</b>		
Proceeds of long-term debt	599,440	349,600
Repayment of long-term debt	(48,160)	(39,664)
	551,280	309,936
<b>Cash flows from investing activities:</b>		
Advances to Migisi Development Corporation	-	(1,000)
<b>Net change in cash for the year</b>	3,508,832	1,630,413
Cash, beginning of year	7,628,178	5,997,765
<b>Cash, end of year</b>	\$ 11,137,010	\$ 7,628,178

See accompanying notes to consolidated financial statements



# **DOKIS FIRST NATION**

## Notes to the Consolidated Financial Statements

March 31, 2022

---

The Dokis First Nation is a First Nation community located on the boundaries that separate the Districts of Parry Sound, Sudbury and Nipissing, South-West of Lake Nipissing on the French River. The First Nation, under the direction of its Chief and Council and management, operate various programs for the benefit of its members including municipal services, health services, economic development, housing, education, and other services.

### **1. Significant accounting policies**

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards for local government entities established by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada. The significant accounting policies are summarized as follows:

(a) Reporting entity and basis of consolidation:

These consolidated financial statements include the assets, liabilities, accumulated surpluses/deficits, revenues and expenses of the entities that have been determined to be accountable to Dokis First Nation (“the First Nation”) and are either owned or under the control of the First Nation.

The consolidated financial statements include the assets, liabilities, and results of operations of the following entities which are currently inactive:

- Dokis Forestry Corporation Inc.
- Migisi Power Corporation
- Migisi Power Authority Inc.
- Migisi Utility Authority Inc.
- Migisi Tax Authority Inc.
- Migisi Development Corporation

Government business enterprises are accounted for using the modified equity method of accounting. The business enterprise’s accounting principles are not adjusted to conform with those of the First Nation and inter-organizational transactions and balances are not eliminated. The investments in the Migisi Hydro L.P. is accounted for using this method.

Other investments in non-controlled entities are recorded at the lower of cost and net realizable value and include the investment in Ontario First Nation Sovereign Wealth L.P.



# **DOKIS FIRST NATION**

## Notes to the Consolidated Financial Statements

March 31, 2022

---

### **1. Significant accounting policies, continued**

#### **(b) Basis of accounting:**

Revenues and expenses are reported using the accrual basis of accounting. Revenues are recognized as they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### **(c) Tangible capital assets:**

Tangible capital assets are recorded at cost. The First Nation provides for amortization using the straight-line method designed to amortize the cost, less any residual value, of the tangible capital assets over their estimated useful lives. The annual amortization rates are as follows:

Buildings	40 years
Water & Sewer	20-40 years
Roads & bridges	30-40 years
Lagoon	20 years
Machinery & equipment	10 years
Powerlines	40 years
Networks	40 years
Parking lot	10 years
Fencing	10 years
Recreation facility	5 years
Office equipment	5 years

#### **(d) Revenue recognition and deferred contributions:**

Revenues from government grants and contributions are recognized in the period that the events giving rise to the government transfer have occurred as long as: the transfer is authorized; the eligibility criteria, if any, have been met; and the amount can reasonably be estimated. Funding received under the funding arrangements, which relate to a subsequent fiscal period and the unexpended portions of contributions received for specific purposes are reflected as deferred contributions in the year of receipt and are recognized as revenue in the period in which all of the recognition criteria have been met. Other revenues are recorded on the accrual basis when earned and the amount can be reasonably estimated, and collection is reasonably assured. Revenue related to fees and services are recognized when the fee is earned, or the service is performed.



# **DOKIS FIRST NATION**

## Notes to the Consolidated Financial Statements

March 31, 2022

---

### **1. Significant accounting policies, continued**

#### **(e) Use of estimates:**

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the consolidated financial statements and reported amounts of certain revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the consolidated financial statements in future periods could be significant. Amounts specifically affected by estimates in these consolidated financial statements are certain accounts receivable, allowance for doubtful accounts, useful lives of tangible capital assets, certain deferred contributions, amounts repayable to certain funders and fair value determinations.

#### **(f) Financial instruments:**

##### *Measurement of financial instruments*

The First Nation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties.

The First Nation subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in operations in the period they occur.

Financial assets measured at amortized cost include cash, restricted cash, short-term investments, accounts receivable, and funds held in trust in by Indigenous Services Canada.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long-term debt.



## **DOKIS FIRST NATION**

Notes to the Consolidated Financial Statements

March 31, 2022

---

### **2. Restricted Cash - CMHC replacement and operating surplus reserves**

Under the terms of agreements with Canada Mortgage and Housing Corporation (“CMHC”) amounts are to be credited annually to replacement reserves and, where applicable, may be credited to the subsidy surplus and operating reserves. These funds must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by Canada Mortgage and Housing Corporation. Withdrawals are credited to interest first and then principal.

### **3. Short-term Investments**

Short-term investments consists of a guaranteed investment certificate with a maturity date of May 2022 at an interest rate of 0.1% per annum.

### **4. Accounts Receivable**

	2021	2021
General accounts receivable	\$ 2,791,320	\$ 889,576
Member loans	1,412,208	1,418,056
Receivable from Okikendawt Hydro and Dokis Community Trust	361,332	-
Housing renovation loans	-	28,582
Government Remittances	42,449	69,210
Allowance for doubtful accounts	(1,604,403)	(1,700,090)
	\$ 3,002,906	\$ 705,334

### **5. Due from Migisi Hydro L.P.**

The amounts due from the Migisi Hydro L.P., a controlled business enterprise of the First Nation, is non-interest-bearing, unsecured and due on demand.

### **6. Funds Held in Trust by Indigenous Services Canada**

Funds Held in Trust by Indigenous Services Canada arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.



# **DOKIS FIRST NATION**

## Notes to the Consolidated Financial Statements

March 31, 2022

---

### **7. Investment in Migisi Hydro L.P.**

Dokis First Nation holds a controlling partnership interest in Migisi Hydro L.P. The partnership is between Dokis First Nation (which holds 99.5% interest) and other corporations. The investment is being accounted for using the modified equity method.

The Dokis First Nation recognized a loss of \$549,777 during 2022 related to the activities of the Migisi Hydro L.P. (2021 – gain of \$615,768) in the accompanying consolidated financial statements.

The investment balance consists of the following:

	2022	2021
Balance, beginning of year	\$ 1,067,379	\$ 451,611
Other adjustments (First Nation Share of income (loss))	(6,271)	-
First Nation share of earnings (loss)	(549,777)	615,768
<b>Balance, end of year</b>	<b>\$ 511,331</b>	<b>\$ 1,067,379</b>

The following summarizes the assets, liabilities, equity, revenues and expenses of Migisi Hydro L.P.:

	2022	2021
<b>Financial position</b>		
Current assets	\$ 2,065,062	\$ 799,591
Investments and advances	852,031	2,647,594
<b>Total assets</b>	<b>\$ 2,917,093</b>	<b>\$ 3,447,185</b>
 <b>Liabilities</b>		
Current	\$ -	\$ -
Due to Migisi Development Corporation	2,405,762	2,379,806
Equity	511,331	1,067,379
	<b>\$ 2,917,093</b>	<b>\$ 3,447,185</b>



## **DOKIS FIRST NATION**

Notes to the Consolidated Financial Statements

March 31, 2022

---

### **7. Investment and Advances to Migisi Hydro L.P. – continued**

	2022	2021
<b>Results of operations</b>		
Revenues	\$ -	\$ -
Expenses	24,350	-
Loss before undernoted item	(24,350)	
 Other Income		
Share of partnership earnings (loss)	(531,698)	615,768
Net Earnings (loss)	\$ (556,048)	\$ 615,768

### **8. Investment in Migisi Development Corporation**

The Dokis First Nation is the sole shareholder of the Migisi Development Corporation, which serves as the general partner to the Migisi L.P. The assets, liabilities and activities of the Migisi Development Corporation are consolidated into these financial statements.

### **9. Investment in Ontario First Nations Sovereign Wealth L.P.**

The First Nation is invested in 1 share of the Ontario First Nations Asset Management Corporation, and a 0.5915% interest in the Ontario First Nations Sovereign Wealth Limited Partnership. The Partnership and Corporation control a partnership that owns shares of Hydro One and hold capital wealth funds. The investment has been reflected in the accompanying consolidated financial statements using the cost method at \$2. During the year, there were no other contributions made to the Partnership. Also, the First Nation did not receive any distributions from the Partnership.



## **DOKIS FIRST NATION**

Notes to the Consolidated Financial Statements

March 31, 2022

---

### **10. Deferred contributions**

Deferred contributions consist of the following:

	2022	2021
Social Services	\$ 154,855	\$ 89,608
Band Support Funding	-	82,889
Land Management	241,753	203,766
Maintenance Management	889,780	246,823
Community Services	44,175	30,196
Health Services	1,288,112	832,776
Community Programs	696,404	501,651
Education	3,192,778	2,561,897
Band Enterprise	440,110	418,272
Housing	4,283,591	1,543,516
Capital	192,775	230,721
	<hr/> <b>\$11,424,333</b>	<hr/> <b>\$ 6,742,115</b>



## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

March 31, 2022

---

#### **11. Long-term debt**

	2022	2021
Canada Mortgage and Housing Corporation mortgage. Repayable by monthly blended payments of \$1,257 including interest at 0.76% per annum, maturing December 2025. Insured by Canada Mortgage and Housing Corporation. Secured by a guarantee from Indigenous Services Canada.	\$ 126,497	\$ 140,559
Canada Mortgage and Housing Corporation mortgage. Repayable by monthly blended payments of \$1,394 including interest at 0.68% per annum, maturing October 2025. Insured by Canada Mortgage and Housing Corporation. Secured by a guarantee from Indigenous Services Canada.	118,364	134,230
Canada Mortgage and Housing Corporation mortgage. Repayable by monthly blended payments of \$1,566 including interest at 0.73% per annum, maturing July 2025. Insured by Canada Mortgage and Housing Corporation. Secured by a guarantee from Indigenous Services Canada.	322,493	338,864
Canada Mortgage and Housing Corporation mortgage. Repayable by monthly blended payments of \$2,316 including interest at 1.12% per annum, maturing October 2026. Insured by Canada Mortgage and Housing Corporation. Secured by a guarantee from Indigenous Services Canada.	597,580	-
	<hr/>	<hr/>
	\$ 1,164,934	\$ 613,653



## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

March 31, 2022

---

#### **11. Long-term debt – continued**

Estimated principal re-payments, assuming renewal under similar terms and conditions, are as follows:

2023	67,844
2024	68,419
2025	69,002
2026	69,587
2027	70,180
Subsequent years	819,902
	<hr/>
	\$ 1,164,934

#### **12. Non-financial assets**

Tangible capital assets and prepaid expenses are accounted for as assets by the First Nation because they can be used to provide services to members in future periods. These assets do not normally provide resources to discharge the liabilities of the First Nation unless they are sold.

#### **13. Accumulated Surplus**

	2021	2021
Unrestricted operating accumulated surplus (deficit)	\$ (682,408)	\$ (1,018,438)
First Nation Enterprises	516,602	1,066,379
Restricted Ontario First Nations Limited Partnership		
Distributions, 9.1 reporting	4,031,957	3,959,844
Restricted funds held in trust in Ottawa	733,742	733,742
Restricted social housing replacement reserve (CMHC)	54,630	49,714
Claim negotiation reserve (deficit)	(186,177)	212,395
Equity in tangible capital assets	14,702,818	11,598,624
	<hr/>	<hr/>
	\$ 19,171,164	\$ 16,602,260



## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

March 31, 2022

---

#### **14. Contingent liabilities**

##### **a) Loan guarantees:**

The First Nation is contingently liable as a guarantor with the Bank of Montreal for up to \$1,150,000 of band members housing mortgages and member loans. At March 31, 2022 these loans amounted to \$123,854 (2021 - \$134,449).

The First Nation is contingently liable as a guarantor with the Caisse Populaire Alliance Limitee for band members housing mortgages. At March 31, 2022 these loans amounted to \$939,386 (2021 - \$798,583).

Indigenous Services Canada (“ISC”) has guaranteed CMHC loans to the First Nation in the amount of \$1,164,934 (original \$1,893,200). Should the First Nation default on the loans and require payment by ISC, the amount will be deducted from the First Nation’s funds held in trust by the Government of Canada.

##### **b) Government funding:**

The First Nation has entered into accountable contribution arrangements with several government funding agencies. All such programs are subject to audit by the various government agencies. Should these audits result in recoveries of grants, the amount of these recoveries would be recorded in the accounts in the year in which they are determined.

##### **c) Contingencies:**

The First Nation has received a complaint of unjust dismissal during the year. The First Nation intends to defend its actions, but at this time the outcome is undeterminable. Should an amount, if any, become payable, recognition of this amount will be recorded in the period in which it becomes known.

#### **15. Economic dependence**

The First Nation has a funding arrangement with Indigenous Services Canada which provides funds to administer operations and provide services to its members in accordance with the terms of the funding arrangement.

As this funding arrangement provides the First Nation’s major source of revenue, its ability to continue viable operations are dependent upon maintaining this funding arrangement.



## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

March 31, 2022

---

#### **16. Financial instruments**

Transactions in financial instruments may result in an organization assuming or transferring to another party one or more of the financial risks described below. The First Nation is exposed to the following risks associated with financial instruments and transactions it is a party to:

##### *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 a financial obligation. The First Nation's main credit risk relate to its cash, including restricted cash, accounts receivable and note receivable.

Credit risk associated with cash is minimized by ensuring these financial assets are placed with financial institutions with high credit ratings.

The First Nation is exposed to credit risk through its accounts receivables balances (including band member loans) totalling of \$4,607,309 (2021 - \$2,405,424) The First Nation manages this exposure though management's on-going monitoring of accounts receivable balances and collections. An allowance for uncollectible accounts is recorded when applicable.

The First Nation is also exposed to credit risk through amounts due from Migisi Hydro L.P. in the amount of \$1,621,049 (2021 - \$1,621,049). The First Nation evaluates the credit worthiness of any borrower prior to advancing any funds and this note is currently determined to be fully collectible.

##### *Liquidity risk*

Liquidity risk is the risk that the First Nation cannot repay its obligations when they become due to its creditors. The First Nation is exposed to liquidity risk in the accounts payable and accrued liabilities of \$1,285,502 (2021 - \$1,105,918). The First Nation reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and maintains adequate cash resources to pay creditors including scheduled long-term debt payments when required.

#### **17. Contribution arrangement funding provided by Indigenous Services Canada**

In the current year \$6,259,795 in funding was provided to the First Nation by Indigenous Services Canada, including \$144,130 of funding provided under set contribution funding arrangements (2021 - \$4,631) all other amounts received are received under Block, Fixed or Grant funding arrangements and are allowed to be carried forward into the next fiscal year where flexible surpluses have occurred. During the year, the set funding received for funerals and burials was fully expended.



**DOKIS FIRST NATION**  
 Notes to the Consolidated Financial Statements  
 March 31, 2022

**18. Tangible capital assets**

	2022											Totals	
	Buildings	Water & Sewer	Lagoon	Roads/Bridges	Machinery & Equipment	Powerlines	Networks	CMHC Rental Buildings	Recreation Facility	Parking Lot	Fencing	Office Equipment	
Cost													
Balance, beginning of year	\$ 7,832,020	\$ 2,786,965	\$ 1,055,121	\$ 2,243,630	\$ 1,950,934	\$ 407,131	\$ 212,879	\$ 2,970,734	\$ 580,610	\$ 74,206	\$ 28,070	\$ 374,048	\$ 20,516,348
Additions	129,373	72,319	-	1,746,670	1,402,805	-	-	980,511	-	-	-	125,723	4,457,801
Disposals	-	-	-	-	(29,961)	-	-	-	-	-	-	-	(29,961)
Balance, end of year	<b>7,961,993</b>	<b>2,859,284</b>	<b>1,055,121</b>	<b>3,990,300</b>	<b>3,323,578</b>	<b>407,131</b>	<b>212,879</b>	<b>3,951,245</b>	<b>580,610</b>	<b>74,206</b>	<b>28,070</b>	<b>499,771</b>	<b>24,944,188</b>
Accumulated Amortization													
Balance, beginning of year	2,948,345	1,588,207	685,828	585,692	1,269,841	20,356	6,276	361,468	580,610	34,830	28,070	194,548	8,304,071
Amortization expense	199,701	60,377	52,756	46,622	260,932	10,178	3,138	87,265	-	5,700	-	75,657	802,326
Balance, end of year	<b>3,148,046</b>	<b>1,648,584</b>	<b>738,584</b>	<b>632,314</b>	<b>1,530,723</b>	<b>30,534</b>	<b>9,414</b>	<b>448,753</b>	<b>580,610</b>	<b>40,530</b>	<b>28,070</b>	<b>270,205</b>	<b>9,106,397</b>
Net book value	<b>\$ 4,813,947</b>	<b>\$ 1,20,700</b>	<b>\$ 316,537</b>	<b>\$ 3,357,986</b>	<b>\$ 1,792,805</b>	<b>\$ 376,597</b>	<b>\$ 203,465</b>	<b>\$ 3,502,512</b>	<b>\$ 33,676</b>	<b>\$ -</b>	<b>\$ 229,566</b>	<b>\$ 15,837,791</b>	
<b>2021</b>													
	Buildings	Water & Sewer	Lagoon	Roads/Bridges	Machinery & Equipment	Powerlines	Networks	CMHC Rental Buildings	Recreation Facility	Parking Lot	Fencing	Office Equipment	Totals
Cost													
Balance, beginning of year	\$ 7,539,638	\$ 2,507,133	\$ 1,055,121	\$ 2,154,967	\$ 1,858,201	\$ 407,131	\$ 125,525	\$ 1,782,144	\$ 580,610	\$ 74,206	\$ 28,070	\$ 231,070	\$ 18,343,816
Additions	292,382	279,832	-	88,663	92,733	-	87,334	1,188,590	-	-	-	142,978	2,172,532
Balance, end of year	<b>7,832,020</b>	<b>2,786,965</b>	<b>1,055,121</b>	<b>2,243,630</b>	<b>1,950,934</b>	<b>407,131</b>	<b>212,879</b>	<b>2,970,734</b>	<b>580,610</b>	<b>74,206</b>	<b>28,070</b>	<b>374,048</b>	<b>20,516,348</b>
Accumulated Amortization													
Balance, beginning of year	2,751,894	1,529,638	633,072	540,964	1,133,017	10,178	3,138	298,716	580,610	27,929	28,070	144,035	7,681,261
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization expense	196,451	38,569	52,756	44,728	136,824	10,178	3,138	62,752	-	6,901	-	50,513	622,810
Balance, end of year	<b>2,948,345</b>	<b>1,588,207</b>	<b>665,828</b>	<b>585,692</b>	<b>1,269,841</b>	<b>20,356</b>	<b>6,276</b>	<b>361,468</b>	<b>580,610</b>	<b>34,830</b>	<b>28,070</b>	<b>194,548</b>	<b>8,304,071</b>
Net book value	<b>\$ 4,883,675</b>	<b>\$ 1,198,758</b>	<b>\$ 369,293</b>	<b>\$ 1,657,938</b>	<b>\$ 681,093</b>	<b>\$ 386,775</b>	<b>\$ 206,603</b>	<b>\$ 2,669,266</b>	<b>\$ 39,376</b>	<b>\$ -</b>	<b>\$ 179,500</b>	<b>\$ 12,212,277</b>	



## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

March 31, 2022

---

#### **19. Employee Future Benefits**

The First Nation provides a defined contribution plan for eligible employees. Members are required to contribute 5.5% of their salary. The Dokis First Nation contributes 5.5% to the member's contribution account. Employer contributions to the plan by the First Nation in the year amounted to \$98,739 (2021 - \$95,542). Employer contributions match the employee's contributions for current service and are expensed during the year in which the services are rendered and represent the total pension obligation of the First Nation.

#### **20. Segmented information**

The Dokis First Nation is a diversified government institution that provides a wide range of services to its members, including band support, community infrastructure, economic development, education, social development, community services, housing, and other services. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds are 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 and are as follows:

##### **Band Support**

The band Support function is responsible for carrying out all general band related services. This includes the setting of policies and procedures to be carried out throughout the First Nation's operations as well as overseeing the financial reporting activities of each department. The band government function also includes the activities of the Chief and Council.

##### **Community Infrastructure**

The community infrastructure department is responsible for providing public services, which include fire protection, road construction and maintenance, sanitation, water and the operation and upkeep of many of the buildings within the First Nation.

##### **Community Programs**

The community program department is responsible for is responsible for the operations of the library, community fundraising, management of the New Relationship Fund.

##### **Economic Development**

The economic development department is responsible for the identification and development of economic opportunities that will benefit the First Nation and its members. It also obtains funding for training and development opportunities to be carried out by its members and the employment of summer students.



# **DOKIS FIRST NATION**

## Notes to the Consolidated Financial Statements

March 31, 2022

---

### **20. Segmented information (Continued)**

#### **Band Enterprises**

This department is responsible for the operations of business activities carried out, including the rental of equipment and other activities.

#### **Education**

The education department is responsible for services provided to elementary and secondary schools primarily through service contracts with provincially funded school boards. The education department is also responsible for the tutoring of members and providing funding for post-secondary initiatives undertaken by students of the First Nation.

#### **Social Development**

The social development department provides services under the Provincial Ontario Works Program which include financial support initiatives as well as employment training initiatives.

#### **Health Services**

The community services department is responsible for the management of health and long-term care programs as well as programs for the development and engagement of the youth of the First Nation.

#### **Housing**

The housing segment reports the activities of the CMHC projects, including revenues, subsidies and expenses of the operation of each of the three phases currently in operation.

#### **Capital**

The capital department is responsible for the construction and purchasing of capital items to be used by the various departments within the First Nation. This department utilizes labour within the First Nation as well as contracts with third party entities.

#### **OFNLP**

The OFNLP segment is responsible for reporting the funds received and spent under the Ontario First Nations (2008) Limited Partnership agreement. The funds must be spent in adherence with the agreement and under the following categories: community development, health, education, economic development, and cultural development.



20. Segmented information (Continued)

	2022										2021									
	Band	Government	Community	Community	Community	Community	Programs	Economic	Development	Band	Enterprises	Education	Development	Social	Health Services	Housing	Capital	OFNLP	Totals	
<b>Revenue</b>																				
Indigenous Services Canada	\$ 603,267	\$ 2,126,113	\$ 40,453	\$ 331,304	\$ 331,304	\$ 40,453	\$ 40,453	\$ 40,453	\$ 40,453	\$ 2,548,099	\$ 2,548,099	\$ 100,266	\$ 1,505,812	\$ 885,685	\$ 174,681	\$ 540,601	\$ 6,267,781			
Kinonadzivin Education Body	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,548,099		
Ontario First Nations Limited Partnership	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	540,601		
CMHC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,699,763		
Ministry of Children, Community and Social Services	286,655	246,823	30,196	501,650	418,272	2,561,897	89,608	832,776	1,543,517	230,721	-	-	-	-	-	-	-	264,159		
Deferred contributions, beginning of the year	441,797	267,144	169,532	746,329	180,267	91,132	9,830	592,651	213,474	1,745,158	-	-	-	-	-	-	-	6,742,115		
Other	1,331,719	2,640,080	180,181	2,079,483	598,539	5,205,128	463,863	2,931,239	5,342,439	2,150,560	540,601	-	-	-	-	-	-	-	4,401,314	
																			23,463,832	
<b>Expenses</b>																				
Wages and benefits	673,676	466,858	101,453	206,832	65,889	450,416	73,008	766,993	10,513	-	-	-	-	-	-	-	-	-	2,815,638	
Materials and program costs	218,901	363,433	42,400	61,532	592,704	1,385,517	236,000	717,457	293,322	70,131	-	-	-	-	-	-	-	-	4,335,597	
Contracted services	153,525	-	4,500	88,733	363,267	34,772	-	122,021	37,243	-	-	-	-	-	-	-	-	-	806,061	
Rents and financial expenses	9,744	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,699	
Amortization expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	802,327	
Program transfers and administration	54,701	934,877	(12,347)	226,277	58,037	141,845	-	10,848	28,922	762,557	-	-	-	-	-	-	-	-	(79,375)	
Program transfers and administration	1,112,547	1,765,168	136,006	1,137,774	1,079,897	2,012,350	309,008	48,163	801,812	(2,801,228)	468,486	-	-	-	-	-	-	-	8,890,857	
Loss on disposal of capital asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(29,961)	
Deferred contributions, end of the year	(241,753)	(839,780)	(44,175)	(606,404)	(440,110)	(3,192,778)	(154,855)	(29,961)	(1,288,112)	(4,283,591)	(192,775)	-	-	-	-	-	-	-	(11,424,333)	
<b>Total</b>	<b>\$ (22,581)</b>	<b>\$ (14,868)</b>	<b>\$ -</b>	<b>\$ 245,305</b>	<b>\$ (521,468)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (52,316)</b>	<b>\$ (113,829)</b>	<b>\$ 3,926,325</b>	<b>\$ 72,113</b>	<b>\$ 3,118,681</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,837,357</b>	
	Band	Government	Community	Community	Community	Community	Programs	Economic	Development	Band	Enterprises	Education	Development	Social	Health Services	Housing	Capital	OFNLP	Totals	
<b>Revenue</b>																				
Indigenous Services Canada	\$ 608,552	\$ 999,872	\$ 42,000	\$ 501,219	\$ 501,219	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 2,046,372	\$ 80,985	\$ 1,197,780	\$ 314,904	\$ 125,754	\$ -	\$ -	\$ -	\$ 3,891,685		
Kinonadzivin Education Body	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,406,372	
Health Canada	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	503	
Ontario First Nations Limited Partnership	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	873,736	
CMHC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,097	
Ministry of Children, Community and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	242,583	
Deferred contributions, beginning of the year	259,652	202,939	41,815	221,655	404,444	1,257,238	58,455	805,884	1,808,413	174,927	-	-	-	-	-	-	-	-	5,735,522	
Other	355,092	188,904	89,837	297,174	1,636,103	249,146	16,988	441,854	2,109,170	2,049,851	2,423,508	2,445,518	399,011	2,445,518	2,409,851	873,736	5,656,859	18,837,357		
<b>Expenses</b>																				
Wages and benefits	564,455	406,557	97,800	168,745	74,326	461,455	73,814	703,969	2,309	-	-	-	-	-	-	-	-	-	2,533,430	
Materials and program costs	214,121	283,995	37,622	253,916	581,386	1,246,297	255,589	621,095	424,846	6,598	-	-	-	-	-	-	-	-	4,311,934	
Contracted services	154,377	-	8,080	47,887	479,308	13,879	-	-	127,505	-	-	-	-	-	-	-	-	-	831,036	
Rents and financial expenses	7,137	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,080	
Amortization expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	632,810	
Program transfers and administration	(11,612)	454,381	(46)	43,849	(138,654)	149,947	-	-	143,933	1,091,089	583,040	-	-	-	-	-	-	-	2,037,000	
Program transfers and administration	928,478	1,144,933	143,456	518,397	1,396,366	1,871,378	309,403	1,607,310	1,549,099	589,638	304,093	-	-	-	-	-	-	-	19,365,290	
Deferred contributions, end of the year	(286,655)	(246,823)	(30,196)	(501,651)	(418,272)	(2,561,897)	(89,608)	(832,776)	(1,543,516)	(230,721)	-	-	-	-	-	-	-	-	(6,742,115)	
<b>Total</b>	<b>\$ 11,163</b>	<b>\$ (41)</b>	<b>\$ -</b>	<b>\$ 225,509</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,432</b>	<b>\$ (669,107)</b>	<b>\$ 1,389,492</b>	<b>\$ 569,643</b>	<b>\$ 1,729,932</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,365,290</b>	



## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

March 31, 2022

---

#### **21. COVID-19**

The COVID-19 global outbreak was declared a pandemic by the World Health Organization in March 2020. The negative impact of COVID-19 in Canada and on the global economy has been significant. The global pandemic has disrupted economic activities and supply chains resulting in governments worldwide, and in Canada, enacting emergency measures to combat the spread of the virus and protect the economy.

These financial statements have been prepared based upon conditions existing at March 31, 2022 and consider those events occurring subsequent to that date, that provide evidence of conditions that existed at that date.

Although the disruption from the pandemic is expected to be temporary, given the dynamic nature of these circumstances, the duration and severity of the disruption and related financial impact cannot be reasonably estimated at this time. Government interventions and public health authority recommendations have resulted in changes to how and what the First Nation delivers to its members.

The Chief and Council and management of the First Nation will continue to monitor the situation and adjust as it sees necessary to maintain the health and safety of its employees and members.

At this time, the full potential impact of COVID-19 on the First Nation is not known.

#### **22. Indian Land Management Fund (ILMF) specific claim settlement**

In 2021, the Dokis First Nation reached a settlement agreement with Canada in the amount of \$26,923,951 for a specific claim relating to the Indian Land Management Fund dating back to 1908. Included in the compensation was \$923,951 for costs incurred by the First Nation in the negotiation of the settlement.

The balance of the settlement, \$26,000,000 was contributed to the Okikendawt Hydro and Dokis Community Trust during the year, to serve the long-term benefit of the beneficiaries of the Trust.

