

**Consolidated Financial Statements of**

**DOKIS FIRST NATION**

**Year ended March 31, 2024**

**DOKIS FIRST NATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

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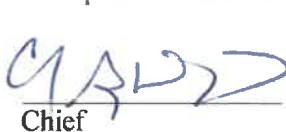
## MANAGEMENT'S RESPONSIBILITY STATEMENT

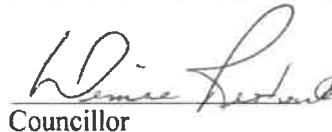
The accompanying consolidated financial statements of the **Dokis First Nation** are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 2 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.

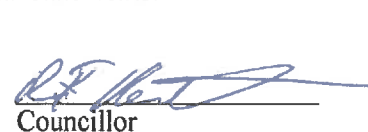
The Dokis First Nation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and reliable financial information is available 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, 2024, 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, 2024, 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, Ontario  
December 9, 2024

**DOKIS FIRST NATION**

## Consolidated Statement of Financial Position

March 31, 2024, with comparative figures for 2023

	2024	2023
<b>Financial assets:</b>		
Cash	\$ 8,839,252	\$ 7,917,492
Restricted cash - CMHC replacement and operating surplus reserves (note 3)	37,818	37,818
Short-term investments (note 4)	2,500	2,500
Accounts receivable (note 5)	2,537,263	3,572,717
RHT past compensation settlement receivable (note 5 and 23)	358,844,313	-
Funds held in trust by Indigenous Services Canada (note 6)	733,742	733,742
Due from Migisi Hydro L.P. (note 7)	295,288	1,621,054
Investment in Migisi Hydro L.P. (note 7)	-	699,433
Investment in Migisi Hydro L.P. General Partner Units	5	5
Investment in Okikendawt Hydro L.P. (note 7)	-	2,027,539
Investment in Migisi Development Corporation (note 8)	-	-
Investment in Ontario First Nation Sovereign Wealth L.P. (note 9)	2	2
Total financial assets	371,290,183	16,612,302
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities (note 16)	1,326,013	594,142
Deferred contributions (note 10)	11,062,667	11,601,193
Advances (to)/from Migisi Hydro L.P.	-	(18,098)
Investments held in trust for Migisi Hydro L.P. (note 7)	-	2,027,539
Long-term debt (note 11)	1,028,629	1,097,108
Total financial liabilities	13,417,309	15,301,884
<b>Net financial assets</b>	<b>357,872,874</b>	<b>1,310,418</b>
<b>Non-financial assets (note 12):</b>		
Tangible capital assets (note 18)	24,313,591	20,225,109
Inventory	1,329,188	791,905
Prepaid expenses	293,181	294,229
Total non-financial assets	25,935,960	21,311,243
<b>Accumulated surplus (note 13)</b>	<b>\$ 383,808,834</b>	<b>\$ 22,621,661</b>

Contingent liabilities (note 14)

Economic dependence (note 15)

Subsequent event (note 23)

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

# DOKIS FIRST NATION

## Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31, 2024, with comparative figures for 2023

	Budget	2024	2023
<b>Revenues:</b>			
Indigenous Services Canada (note 17)	\$ 9,994,103	\$ 4,815,177	\$ 4,355,501
Other (note 21)	11,753,475	9,955,742	10,178,916
Repayable to funders	-	(34,930)	(103,616)
Deferred contributions, beginning of year	6,742,115	11,601,193	11,424,333
	28,489,693	26,337,182	25,855,134
<b>Expenses (by program area):</b>			
Band Government	964,236	814,108	777,482
Maintenance Management	1,659,646	874,289	868,594
Education	3,635,566	2,623,763	2,600,627
Social Services	336,657	394,249	332,384
New Relationship Fund	87,066	73,887	76,433
Community Programs	1,546,273	707,510	624,890
Band Enterprises	480,303	2,032,532	1,739,301
Health Services	2,669,945	2,335,329	1,891,334
Land Management	264,537	301,820	255,667
Housing	6,672,989	207,880	333,388
Ontario First Nations Limited Partnership Distributions	-	200,156	272,203
Consolidated Revenue Fund	-	16,369	15,269
Community Services	-	220,010	42,411
Culture & Recreation	107,842	69,741	61,089
Capital Projects	3,507,768	1,360,578	1,100,474
Total expenses	21,932,828	12,232,221	10,991,546
Excess of revenues over expenses from general operations	6,556,865	14,104,961	14,863,588
Deferred contributions, end of year	-	(11,062,667)	(11,601,193)
Excess of revenues over expenses before undernoted items	6,556,865	3,042,294	3,262,395
First Nation share of Migisi L.P. earnings (loss) (note 7)	-	264,706	188,102
Excess of revenues over expenses before non-recurring activity	6,556,865	3,307,000	3,450,497
Contribution of Migisi Hydro L.P. to Okikendawt Hydro and Dokis Community Trust	-	(964,140)	-
RHT past compensation settlement (note 23)	-	358,844,313	-
<b>Excess of revenues over expenses for the year</b>	<b>6,556,865</b>	<b>361,187,173</b>	<b>3,450,497</b>
<b>Accumulated surplus, beginning of year</b>	<b>22,621,661</b>	<b>22,621,661</b>	<b>19,171,164</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 29,178,526</b>	<b>\$ 383,808,834</b>	<b>\$ 22,621,661</b>

See accompanying notes to consolidated financial statements



**DOKIS FIRST NATION**

## Consolidated Statement of Changes in Net Assets

Year ended March 31, 2024 with comparative figures for 2023

	Budget	2024	2023
<b>Excess of revenues over expenses for the year</b>	<b>\$ 6,556,865</b>	<b>\$361,187,173</b>	<b>\$ 3,450,497</b>
Amortization of tangible capital assets	-	1,098,480	846,192
Acquisition of tangible capital assets	-	(5,203,410)	(5,233,510)
Disposal of tangible capital assets	-	16,450	-
Change in inventory	-	(537,283)	(791,905)
Change in prepaid expenses	-	1,046	(131,460)
<b>Increase (decrease) in net assets for the year</b>	<b>6,556,865</b>	<b>356,562,456</b>	<b>(1,860,186)</b>
<b>Net assets, beginning of year</b>	<b>1,310,418</b>	<b>1,310,418</b>	<b>3,170,604</b>
<b>Net assets, end of year</b>	<b>\$ 7,867,283</b>	<b>\$357,872,874</b>	<b>\$ 1,310,418</b>

See accompanying notes to consolidated financial statements

**DOKIS FIRST NATION**

## Consolidated Statement of Cash Flows

Year ended March 31, 2024 with comparative figures for 2023

	2024	2023
<b>Cash flows from operating activities:</b>		
Excess of revenues over expenses for the year	\$ 361,187,173	\$ 3,450,497
Non-cash charges to operations:		
Amortization of tangible capital assets	1,098,480	846,192
First Nation share of Migisi Development L.P. (earnings)/loss	(264,706)	(188,102)
Loss on disposal of tangible capital assets	16,450	-
Disposition of Migisi Hydro L.P.	964,140	-
	363,001,537	4,108,587
Change in financial assets and liabilities relating to operations:		
Accounts receivable	1,035,454	(569,811)
RHT past compensation settlement receivable	(358,844,313)	-
Prepaid expenses	1,046	(131,460)
Accounts payable and accrued liabilities	731,871	(691,360)
Inventory	(537,283)	(791,905)
Deferred contributions	(538,526)	176,860
Net change in cash from operating activities	4,849,785	2,100,911
<b>Cash flows from capital activities:</b>		
Cash used to acquire tangible capital assets	(5,203,410)	(5,233,510)
<b>Cash flows from financing activities:</b>		
Repayment of long-term debt	(68,479)	(67,826)
<b>Cash flows from investing activities:</b>		
Receipt of amounts due from Migisi Hydro L.P.	1,325,766	-
Recovery of advances to (advances to) Migisi Development Corporation	18,098	(19,093)
Net change in cash from investing activities	1,343,864	(19,093)
<b>Net change in cash for the year</b>	<b>921,760</b>	<b>(3,219,518)</b>
Cash, beginning of year	7,917,492	11,137,010
<b>Cash, end of year</b>	<b>\$ 8,839,252</b>	<b>\$ 7,917,492</b>

See accompanying notes to consolidated financial statements

# **DOKIS FIRST NATION**

## **Notes to the Consolidated Financial Statements**

Year ended March 31, 2024 with comparative figures for 2023

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### **1. Nature of Operations**

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

### **2. 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. was 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

Year ended March 31, 2024 with comparative figures for 2023

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#### **2. 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

Year ended March 31, 2024 with comparative figures for 2023

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

(e) Inventory

Inventory consists of gravel and asphalt primarily held for consumption in construction projects by the First Nation and are recorded at the lower of cost and replacement value.

(f) 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.

(g) 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.

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.

Financial assets and liabilities measured at cost include advances to and from related parties.

## DOKIS FIRST NATION

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

#### 2. Significant accounting policies, continued

(g) Asset retirement obligations:

Effective April 1, 2022, the First Nation adopted the requirements of the CPA Canada Public Sector Accounting Handbook section 3280 – Asset Retirement Obligations. This section establishes standards on how to recognize, measure and report a liability associated with future obligations required to retire certain tangible capital assets at the end of their useful lives.

The adoption of section 3280 – Asset Retirement Obligations has had no impact on the assets, liabilities and net assets of the First Nation, and accordingly, no adjustments have been recorded in the consolidated statements of financial position, operations, changes in net assets and cash flows presented in these consolidated financial statements.

#### 3. 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.

#### 4. Short-term Investments

Short-term investments consists of a guaranteed investment certificate with a maturity date of May 2024 at an interest rate of 1.75% per annum.

#### 5. Accounts Receivable

	2024	2023
General accounts receivable	\$ 2,370,192	\$ 3,213,354
Member loans	1,164,487	1,216,879
Receivable from Okikendawt Hydro and Dokis Community Trust	367,035	599,989
Government Remittances	94,268	42,183
Allowance for doubtful accounts	(1,458,719)	(1,499,688)
	2,537,263	3,572,717
Robinson Huron Treaty receivable (note 23)	358,844,313	-
Total Accounts receivable	\$ 361,381,576	\$ 3,572,717

## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

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#### **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.

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

a) 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 gain of \$264,705 during the year (2023 - \$188,102) related to the activities of the Migisi Hydro L.P. in the accompanying consolidated financial statements.

b) Dokis First Nation holds a controlling partnership interest in Okikendawt Hydro L.P. The partnership is between Dokis First Nation (which holds 40% interest) and other corporations. The investment is being accounted for using the modified equity method.

#### **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

Year ended March 31, 2024 with comparative figures for 2023

#### **10. Deferred contributions**

Deferred contributions consist of the following:

	2024	2023
Social Services	\$ 181,838	\$ 188,122
Land Management	285,282	250,396
Maintenance Management	596,937	952,321
Community Services	56,644	49,692
Health Services	1,961,948	1,633,972
Community Programs	640,310	588,588
Education	4,458,344	3,937,539
Band Enterprise	569,259	484,504
Housing	1,722,608	2,785,449
Capital	589,497	730,610
	<b>\$11,062,667</b>	<b>\$ 11,601,193</b>



## DOKIS FIRST NATION

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

#### 11. Long-term debt

	2024	2023
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.	289,328	306,001
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.	86,325	102,408
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.	\$ 98,050	\$ 112,327
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.	554,926	576,372
	\$ 1,028,629	\$ 1,097,108

## DOKIS FIRST NATION

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

#### 11. Long-term debt, continued

Estimated principal repayments, assuming renewal under similar terms and conditions, are as follows:

2025	69,001
2026	69,587
2027	70,179
2028	70,777
2029	71,379
Subsequent years	677,706
	<u>\$ 1,028,629</u>

#### 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

	2024	2023
Unrestricted operating accumulated surplus (deficit)	\$ (3,929,498)	\$ (2,497,208)
First Nation Enterprises	-	704,704
Restricted Ontario First Nations Limited Partnership		
Distributions, 9.1 reporting	4,992,163	4,468,393
Restricted funds held in trust in Ottawa	733,742	733,742
Restricted social housing replacement reserve (CMHC)	65,004	56,668
Claim negotiation reserve (deficit)	(244,777)	(2,600)
Equity in tangible capital assets	23,347,888	19,157,962
RHT past compensation settlement	385,844,313	-
	<u>\$ 383,808,834</u>	<u>\$ 22,621,661</u>

## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

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#### **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, 2024 these loans amounted to \$Nil (2023 - \$95,471).

The First Nation is contingently liable as a guarantor with the Caisse Populaire Alliance Limitee for band members housing mortgages. At March 31, 2024 these loans amounted to \$1,063,777 (2023 - \$1,042,242).

Indigenous Services Canada ("ISC") has guaranteed CMHC loans to the First Nation in the amount of \$1,028,134 (original \$1,593,200). 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 in a previous 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.

During the prior year, the First Nation was named in an action claiming damages in excess of \$2,250,000. At this time, the outcome of this matter is undeterminable, but should an amount, if any, become payable, recognition of a liability will be recorded in the period in which that amount becomes known.

## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

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#### **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.

#### **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) totaling of \$361,381,576 (2023 - \$3,572,717) The First Nation manages this exposure through 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 \$295,288 (2023 - \$1,621,054). 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.

## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

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#### **16. Financial instruments, continued**

##### *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 \$1,326,013 (2023 - \$594,142). 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 \$4,815,177 in funding was provided to the First Nation by Indigenous Services Canada, including \$Nil of funding provided under set contribution funding arrangements (2023 - \$Nil). 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.

**DOKIS FIRST NATION**  
Notes to the Consolidated Financial Statements

**March 31, 2024**

18. Tangible capital assets

2024											
	Buildings	Water & Sewer	Lagoon	Roads/Bridges	Machinery & Equipment	Powerlines	Networks	CMHC Rental Buildings	Recreation Facility	Parking Lot	Fencing
Cost											Office Equipment
Balance, beginning of year	\$ 8,467,151	\$ 2,906,294	\$ 1,055,121	\$ 6,128,915	\$ 3,348,463	\$ 407,131	\$ 212,879	\$ 6,297,178	\$ 580,610	\$ 74,206	\$ 28,070
Additions	370,569	428,670	56,530	518,866	224,063	-	-	2,830,040	559,561	-	-
Balance, end of year	8,837,720	3,334,964	1,111,651	6,647,781	3,572,526	407,131	212,879	9,127,218	1,140,171	74,206	28,070
Accumulated Amortization											
Balance, beginning of year	3,360,336	1,710,136	791,340	681,591	1,765,800	40,712	12,552	554,968	580,610	46,230	28,070
Amortization expense	178,665	61,552	52,756	51,414	256,728	10,178	3,138	216,665	111,912	5,700	149,771
Balance, end of year	3,539,001	1,771,688	844,096	733,005	2,022,528	50,890	15,690	771,633	692,522	51,930	28,070
Net book value	\$ 5,298,719	\$ 1,563,276	\$ 267,555	\$ 5,914,776	\$ 1,549,998	\$ 356,241	\$ 197,189	\$ 8,355,585	\$ 447,649	\$ 22,276	\$ -
											\$ 340,327
											\$ 24,313,591
2023											
	Buildings	Water & Sewer	Lagoon	Roads/Bridges	Machinery & Equipment	Powerlines	Networks	CMHC Rental Buildings	Recreation Facility	Parking Lot	Fencing
Cost											Office Equipment
Balance, beginning of year	\$ 7,961,993	\$ 2,859,284	\$ 1,055,121	\$ 3,990,300	\$ 3,323,578	\$ 407,131	\$ 212,879	\$ 3,951,245	\$ 580,610	\$ 74,206	\$ 28,070
Additions	505,158	47,010	-	2,138,615	24,885	-	-	2,345,933	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance end of year	8,467,151	2,906,294	1,055,121	6,128,915	3,348,463	407,131	212,879	6,297,178	580,610	74,206	28,070
Accumulated Amortization											
Balance, beginning of year	3,148,046	1,648,584	738,584	632,314	1,530,773	30,534	9,414	448,733	580,610	40,530	28,070
Amortization expense	212,290	61,552	52,756	49,277	235,027	10,178	3,138	106,235	-	5,700	-
Balance, end of year	3,360,336	1,710,136	791,340	681,591	1,765,800	40,712	12,552	554,968	580,610	46,230	28,070
Net book value	\$ 5,106,815	\$ 1,196,158	\$ 263,781	\$ 5,447,324	\$ 1,582,663	\$ 366,419	\$ 200,327	\$ 5,742,210	\$ -	\$ 27,976	\$ -
											\$ 291,436
											\$ 20,225,109

## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

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#### **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 \$127,186 (2023 - \$111,040). 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

Year ended March 31, 2024 with comparative figures for 2023

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#### **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.



**DOKIS FIRST NATION**  
Notes to the Consolidated Financial Statements

March 31, 2024

**20. Segmented information, continued**

	2024											Totals
	Band Management	Community Infrastructure	Community Programs	Economic Development	Band Enterprises	Education	Social Development	Health Services	Housing	Capital	OFNLP	
Revenue												
Indigenous Services Canada	\$ 741,415	\$ 1,043,971	\$ 146,646	\$ 68,341	\$ 86,413	\$ -	\$ 119,403	\$ 2,052,126	\$ 103,755	\$ 453,107	\$ -	\$ 4,815,177
Kinoomadiwin Education Body	-	-	-	-	-	3,203,886	-	-	-	-	-	3,203,886
Ontario First Nations Limited Partnership	-	-	-	-	-	-	-	-	-	-	1,097,612	1,097,612
CMHC	-	-	-	-	-	-	-	-	72,437	-	-	72,437
Ministry of Children, Community and Social Service	250,396	952,321	49,692	588,588	484,504	3,937,539	267,962	1,633,972	2,785,449	730,610	-	267,962
Deferred contributions, beginning of the year	460,582	265,296	84,489	530,749	2,747,297	120,060	85,600	650,897	392,246	-	-	11,601,193
Other	1,452,393	2,261,588	280,827	1,187,678	3,318,214	7,261,485	661,087	4,336,995	3,353,887	1,183,717	1,097,612	5,337,216
												26,395,483
Expenses												
Wages and benefits	666,062	557,415	96,453	253,123	86,604	780,931	155,656	820,943	40,299	-	-	3,457,486
Materials and program costs	280,870	316,874	190,877	355,177	1,286,071	1,786,744	309,922	1,341,390	137,555	302,324	200,156	6,507,960
Contracted services	155,904	-	2,421	99,210	676,226	56,088	2,558	162,148	-	-	-	1,134,555
Rents and financial expenses	13,092	-	-	-	-	-	-	-	648	-	-	13,740
Amortization expense	-	-	-	-	-	-	-	10,848	29,378	1,058,254	-	1,098,480
Program transfers and administration	(38,974)	790,362	(65,568)	(129,440)	343,187	179,288	11,113	(1,431)	2,795,307	(4,498,865)	373,686	(241,335)
	1,076,954	1,664,651	224,183	578,070	2,392,088	2,803,051	479,249	2,333,898	3,003,187	(3,138,287)	573,842	11,990,886
Loss on disposal of capital asset	-	-	-	-	-	-	-	-	-	-	-	-
Current year funding repayable to funders	-	-	-	-	-	-	-	-	-	-	-	-
Deferred contributions, end of the year	(285,282)	(596,937)	(56,644)	(640,310)	(569,259)	(4,458,344)	(181,838)	(1,961,948)	(1,722,608)	(589,497)	-	(34,930)
	\$ 90,157	\$ -	\$ -	\$ (30,702)	\$ 356,867	\$ 90	\$ -	\$ 6,219	\$ (1,371,908)	\$ 3,732,507	\$ 523,770	\$ 3,307,000
												(11,062,667)

## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

#### **21. Other revenues**

Other revenues consist of the following:

	2024	2023
Kinoomadziwin Education Body	\$ 3,203,886	\$ 3,549,707
Various other funders	2,533,298	2,205,068
Ontario First Nations Limited Partnership	1,097,612	770,352
Ottawa Community Foundation	940,500	737,413
Union of Ontario Indians	580,909	526,585
Rental and related income	435,580	389,232
Okikendawt Hydro and Dokis Community Trust	328,810	311,813
Ministry of Health and Long-Term Care	271,004	252,612
Ministry of Children, Community and Social Services	267,962	262,988
Ministry of Transportation	122,250	1,003,875
Gezhtoojiig Employment and Training	103,723	-
Ministry of Indigenous Affairs	85,000	76,500
Canada Mortgage and Housing Corporation	72,437	92,771
	\$9,955,742	\$ 10,178,916

#### **22. Comparative figures**

Certain 2023 comparative figures have been reclassified from those previously reported to conform to the presentation adopted for the 2024 financial statements. The changes do not affect the First Nation's previously reported excess of revenues over expenses or net assets.

## **DOKIS FIRST NATION**

### Notes to the Consolidated Financial Statements

Year ended March 31, 2024 with comparative figures for 2023

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#### **23. Robinson Huron Treaty Settlement Receivable**

During the year, 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 2014, that the Crown breached its obligations under the treaty. Specifically, the Crown's failure to augment the perpetual six-hundred-pound annuity to be paid to each nation, representing a collective amount and a share of the resource revenues of the territory that the Crown could pay without incurring a loss.

The First Nation's share in the settlement is governed by the Compensation Distribution Agreement ("CDA"), an agreement entered into by the 21 First Nations of the RHTLF prior to commencing legal action, to calculate and determine the share of the compensation each First Nation would receive upon settlement or judgement. As a result, a receivable of \$358,844,313 has been recorded in these financial statements.

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