

Financial Statements of

CHAPLEAU CREE FIRST NATION

Year ended March 31, 2017

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Council maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Council's assets are appropriately accounted for and adequately safeguarded.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Council reviewed the Chapleau Cree First Nation's financial statements and recommends their approval. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditors' report. The Council takes this information into consideration when approving the financial statements for issuance to the Members. The Council also considers the engagement of the external auditors.

The financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. KPMG LLP has full access to the Council.

Approved on behalf of council:



Chief



Band Manager



KPMG LLP
Claridge Executive Centre
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Sudbury Ontario P3C 1X3
Canada
Telephone (705) 675-8500
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INDEPENDENT AUDITORS' REPORT

To the members of Chapleau Cree First Nation

We have audited the accompanying financial statements of Chapleau Cree First Nation which comprise the statement of financial position as at March 31, 2017, the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Basis for Qualified Opinion

The First Nation has not been provided with information for investments in certain First Nation business enterprises and investments in joint ventures held by certain First Nation business enterprises accounted for by the modified equity method. As a result, the investment in First Nation business enterprises, advances from First Nation business enterprises, net debt and accumulated surplus for the year ended March 31, 2017 may be understated or overstated.

Opinion

In our opinion, except for the extent of the effect of the matters described in the Basis for Qualified opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Chapleau Cree First Nation as at March 31, 2017 and its results of operations and accumulated surplus, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

A handwritten signature in black ink that reads 'KPMG LLP' above a horizontal line.

Chartered Professional Accountants, Licensed Public Accountants

July 12, 2017
Sudbury, Canada

CHAPLEAU CREE FIRST NATION

Index to Financial Statements

Year ended March 31, 2017

Financial Statements

Exhibit A	Statement of Financial Position	1
Exhibit B	Statement of Operations and Accumulated Surplus	2
Exhibit C	Statement of Changes in Net Financial Assets	3
Exhibit D	Statement of Cash Flows	4
	Notes to Financial Statements	5 - 18

CHAPLEAU CREE FIRST NATION

Exhibit A - Statement of Financial Position

March 31, 2017, with comparative information for 2016

	2017	2016
Financial assets		
Cash and term deposits	\$ 2,463,919	2,626,964
Restricted cash - Mukeso Cree Home	40,480	69,071
Accounts receivable	427,542	526,262
Land claim receivable	-	1,631,108
Portfolio investments (note 3)	755,487	399,760
Investment in First Nations business enterprises (note 4)	295,882	-
Inventory	99,801	96,937
	<u>4,083,111</u>	<u>5,350,102</u>
Financial liabilities		
Line of credit (note 5)	-	155,000
Accounts payable and accrued liabilities	563,914	599,940
Deferred revenue (note 6)	345,749	142,822
Loans payable to INAC - Land Claim	-	1,631,108
Long-term debt (note 7)	526,889	364,289
	<u>1,436,552</u>	<u>2,893,159</u>
Net financial assets	2,646,559	2,456,943
Non-financial assets		
Prepaid expenses	16,570	26,318
Consolidated revenue fund	34	34
Tangible capital assets (note 2)	4,070,855	3,628,141
	<u>4,087,459</u>	<u>3,654,493</u>
Contingent liabilities (note 8)		
Accumulated surplus (note 10)	\$ 6,734,018	6,111,436

See accompanying notes to financial statements.

Approved on behalf of Council



Chief



Band Administrator

CHAPLEAU CREE FIRST NATION

Exhibit B - Statement of Operations and Accumulated Surplus

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Indigenous and Northern Affairs Canada (note 9)	\$ 1,447,346	1,575,345
Ontario First Nations Limited Partnership	563,923	497,724
Health Canada	272,035	334,437
Canada Mortgage and Housing Corporation	85,120	15,576
Ministry of Health	75,533	75,269
Gas Bar sales	2,539,938	2,496,590
Other	2,895,640	4,521,228
<u>Share of earnings from First Nation business enterprises (note 4)</u>	<u>269,832</u>	<u>-</u>
	8,149,367	9,516,169
Expenses:		
Ontario First Nations Limited Partnership	102	96
Band Administration	964,424	972,601
Economic Development	129,584	113,559
Education Fund	608,573	607,192
Employment and Training	82,085	77,625
Culture and Recreation	301,791	121,878
Community Infrastructure	565,056	542,369
Business Enterprises	84,539	89,832
Medical Services	530,394	499,373
Minor Capital	-	387
Social Housing	189,772	89,747
Chapleau Cree Garage	421,396	395,712
Northeast Superior Regional Chiefs' Forum	873,220	1,251,488
Land Claims	299,624	301,950
Chapleau Cree Gas Bar	2,448,450	2,466,231
<u>Payukotanyo</u>	<u>27,775</u>	<u>34,017</u>
	7,526,785	7,564,057
Excess of revenue over expenses	622,582	1,952,112
Accumulated surplus, beginning of year	6,111,436	4,159,324
Accumulated surplus, end of year	\$ 6,734,018	6,111,436

See accompanying notes to financial statements.

CHAPLEAU CREE FIRST NATION

Exhibit C - Statement of Changes in Net Financial Assets

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Excess of revenue over expenses	\$ 622,582	1,952,112
Acquisition of tangible capital assets	(955,691)	(388,261)
Amortization of tangible capital assets	352,977	337,545
<u>Loss on disposal of tangible capital assets</u>	<u>160,000</u>	-
	179,868	1,901,396
Consolidated revenue fund	-	(1)
<u>Acquisition of prepaid expenses</u>	<u>9,748</u>	<u>(16,608)</u>
Change in net financial assets	189,616	1,884,787
Net financial assets, beginning of year	2,456,943	572,156
<u>Net financial assets, end of year</u>	<u>\$ 2,646,559</u>	<u>2,456,943</u>

See accompanying notes to financial statements.

CHAPLEAU CREE FIRST NATION

Exhibit D - Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Operating transactions:		
Excess of revenue over expenses	\$ 622,582	1,952,112
Adjustments for:		
Income from First Nation business enterprises	(269,832)	-
Amortization of tangible capital assets	352,977	337,545
	<u>705,727</u>	<u>2,289,657</u>
Change in non-cash working capital:		
Accounts receivable	98,720	(83,041)
Land claim receivable	1,631,108	(1,631,108)
Accounts payable and accrued liabilities	(36,028)	63,092
Deferred revenue	202,927	8,460
Inventory	(2,864)	20,781
Prepaid expenses	9,748	(16,608)
	<u>2,609,338</u>	<u>651,233</u>
Capital transactions:		
Acquisition of tangible capital assets	(955,691)	(388,261)
Loss on disposal of capital assets	160,000	-
	<u>(795,691)</u>	<u>(388,261)</u>
Financing transactions:		
Bank loan advanced	(155,000)	30,000
Long-term debt advanced	238,401	-
Principal payments on long-term debt	(1,706,910)	(141,827)
	<u>(1,623,509)</u>	<u>(111,827)</u>
Investing transactions:		
Purchase of investments	(352,686)	(71,502)
Investment in First Nation business enterprises	(26,050)	-
Consolidated revenue fund	-	(1)
Unrealized gain on investments	(3,038)	(249,133)
	<u>(381,774)</u>	<u>(320,636)</u>
Net decrease in cash position	(191,636)	(169,491)
Cash, beginning of year	2,696,035	2,865,526
Cash, end of year	\$ 2,504,399	2,696,035
Cash position consists of:		
Cash and term deposits	\$ 2,463,919	2,626,964
Restricted cash - Mukeso Cree Home	40,480	69,071
	<u>\$ 2,504,399</u>	<u>2,696,035</u>

See accompanying notes to financial statements.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

The Chapleau Cree First Nation (the “First Nation”), located in Chapleau, Ontario administers programs and provides services to First Nation members.

1. Significant accounting policies:

These financial statements of Chapleau Cree First Nation are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The following is a summary of the significant accounting policies followed in the preparation of these financial statements:

(a) Reporting entity:

The reporting entity includes activities of all committees of the First Nation under the control of Chief and Council. Commercial enterprises which meet the definition of a business enterprise are included in these financial statements and accounted for on a modified equity basis. Under the modified equity method of accounting, only Chapleau Cree First Nation’s portion of the enterprise that are different from those of the First Nation, and inter-organizational balances and transactions are eliminated.

The First Nation has invested in the Wahkohtowin Development Limited Partnership and Three Nations Drilling LP. The First Nation accounts for its investment in these business partnerships using the modified equity method.

(b) Basis of accounting:

The First Nation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Inventory:

Inventory is measured at the lower of cost and net realizable value by using the weighted average costing methodology. The First Nation uses the same cost formula for all inventory having a similar nature and use to the entity. When circumstances which previously caused inventory to be written down no longer exists the previous impairment is reversed.

(d) Investments:

Investments consisting of publicly traded shares are recorded at market value.

Investments consisting of commercial bonds are recorded at cost, with any premium or discount amortized over the term to maturity.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

1. Significant accounting policies (continued):

(e) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Buildings	25
Roads infrastructure	20 - 50
Machinery and equipment	5 - 10
Furniture, computers and fixtures	3 - 10
Vehicles	5
Social housing	25

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(f) Revenue recognition:

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the statement of financial position.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

1. Significant accounting policies (continued):

(g) Consolidated revenue fund:

Funds held in trust are comprised of funds held in Ottawa Trust accounts and 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.

(h) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the periods specified. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital assets, and valuation allowances for receivables and inventory. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

In addition, the First Nation's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of historical cost and useful lives of tangible capital assets.

Actual results could differ from these estimates.

(i) Employee future benefits:

The First Nation provides pension benefits under a defined contribution pension plan. The cost of the defined contribution plan is recognized based on the contributions required to be made during each year.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

2. Tangible capital assets:

Cost	Balance at March 31, 2016	Additions	Disposals	Balance at March 31, 2017
Land	\$ -	213,194	-	213,194
Buildings	3,752,811	95,503	-	3,848,314
Roads infrastructure	1,594,095	200,000	-	1,794,095
Machinery and equipment	1,045,916	30,075	(200,000)	875,991
Furniture, computers and fixtures	23,574	6,932	-	30,506
Vehicles	1,038,967	-	-	1,038,967
Social housing	355,489	409,987	-	765,476
Total	\$ 7,810,852	955,691	(200,000)	8,566,543
Accumulated Amortization	Balance at March 31, 2016	Disposals	Amortization	Balance at March 31, 2017
Land	\$ -	-	-	-
Buildings	1,802,567	-	146,233	1,948,800
Roads infrastructure	805,743	-	56,221	861,964
Machinery and equipment	626,576	(40,000)	73,568	660,144
Furniture, computers and fixtures	14,419	-	5,010	19,429
Vehicles	815,542	-	56,963	872,505
Social housing	117,864	-	14,982	132,846
Total	\$ 4,182,711	(40,000)	352,977	4,495,688
	Net book value, March 31, 2016		Net book value, March 31, 2017	
Land	\$ -		213,194	
Buildings	1,950,244		1,899,514	
Roads infrastructure	788,352		932,131	
Machinery and equipment	419,340		215,847	
Furniture, computers and fixtures	9,155		11,077	
Vehicles	223,425		166,462	
Social housing	237,625		632,630	
Total	\$ 3,628,141		4,070,855	

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

2. Tangible capital assets (continued):

Cost	Balance at March 31, 2015	Additions	Disposals	Balance at March 31, 2016
Buildings	\$ 3,521,980	230,831	-	3,752,811
Roads infrastructure	1,594,095	-	-	1,594,095
Machinery and equipment	1,003,370	42,546	-	1,045,916
Furniture, computers and fixtures	14,419	9,155	-	23,574
Vehicles	973,980	105,729	(40,742)	1,038,967
Social housing	355,489	-	-	355,489
Total	\$ 7,463,333	388,261	(40,742)	7,810,852

Accumulated Amortization	Balance at March 31, 2015	Disposals	Amortization	Balance at March 31, 2016
Buildings	\$ 1,660,741	-	141,826	1,802,567
Roads infrastructure	759,522	-	46,221	805,743
Machinery and equipment	550,264	-	76,312	626,576
Furniture, computers and fixtures	14,419	-	-	14,419
Vehicles	797,318	(40,742)	58,966	815,542
Social housing	103,644	-	14,220	117,864
Total	\$ 3,885,908	(40,742)	337,545	4,182,711

	Net book value, March 31, 2015	Net book value, March 31, 2016
Buildings	\$ 1,861,239	1,950,244
Roads infrastructure	834,573	788,352
Machinery and equipment	453,106	419,340
Furniture, computers and fixtures	-	9,155
Vehicles	176,662	223,425
Social housing	251,845	237,625
Total	\$ 3,577,425	3,628,141

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

3. Portfolio investments:

	2017		2016	
	Cost	Market	Cost	Market
Public company shares	\$ 150,627	402,799	\$ 150,627	399,760
Commercial bonds	352,688	352,688	—	—
	\$ 503,315	755,487	\$ 150,627	399,760

4. Investment in First Nation business enterprises:

Chapleau Cree First Nation has the following investments in business enterprises:

A direct 33.33% interest in the Wahkohtowin Development Limited Partnership ("WDLP") and its general partner Wahkohtowin Development General Partner Inc. ("WDGP"). WDLP is engaged in community economic development and is accounted for using the modified equity method.

A direct 33.33% interest in the Three Nations Drilling LP ("TND") and its general partner 2454357 Ontario Inc. ("TNDGP"). TND is engaged in community economic development and is accounted for using the modified equity method.

A direct interest in the Mushkegowuk Regional Economic Development Limited Partnership ("MREDLP"). MREDLP is engaged in community economic development and is accounted for using the modified equity method. The partnership accepted contributions in March 2017 and did not begin operations until June 2017. As of March 31, 2017 there was no activity in the partnership.

The First Nation's equity interest in these business enterprises is summarized as follows:

WDLP (250 Class A, 250 Class B Limited Partner Units)	\$ 85,257
WDGP (250 Common Shares)	258
TND (200 Limited Partner Units)	185,248
TNDGP (100 Common Shares)	119
MREDLP (100 Limited Partner Units)	25,000
	\$ 295,882

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

4. Investment in First Nation business enterprises (continued):

The investments at March 31, 2017 consists of the following:

	MREDLP	WDLP	WDGP	TND	TNDGP	Total
Balance, at beginning of year	\$ -	-	-	-	-	-
First Nation contribution	25,000	500	250	200	100	26,050
First Nation's share of earnings	-	84,757	8	185,048	19	269,832
Balance, end of year	\$ 25,000	85,257	258	185,248	119	295,882

Financial information for the business enterprises fiscal year end March 31, 2017 is as follows:

	MREDLP	WDLP	WDGP	TND	TNDGP	Total
Financial position:						
Current assets	\$ -	295,952	750	394,595	300	691,597
Non-current assets	-	12,530	25	227,983	57	240,595
Total assets	-	308,482	775	622,578	357	932,192
Current liabilities	-	52,686	-	66,778		119,464
Long-term debt	-	-	-	-		-
Total liabilities	-	52,686	-	66,778		119,464
Partners' equity	\$ -	255,796	775	555,800	357	812,728

Results of operations:

Revenue	\$ -	405,659	25	607,985	57	1,013,726
Expenses	-	151,364	-	52,786	-	204,150
Net earnings	\$ -	254,295	25	555,199	57	809,576

5. Line of credit:

The First Nation has an available line of credit in the amount of \$200,000 with the Royal Bank which is payable on demand and bears interest at prime plus 0.7% payable monthly and is secured by a general security agreement.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

6. Deferred revenue:

Deferred revenue by program is detailed as follows:

	2017	2016
Recreation and Culture - Youth trip	\$ 2,632	1,668
Capital - Housing	75,476	75,476
Other – Housing	77,973	47,218
NWMO	53,476	–
Education – guidance and counselling	76,300	–
Education - direct services	51,541	–
Northern Ontario School of Medicine	5,851	–
Other	2,500	18,460
	<hr/> \$ 345,749	<hr/> 142,822

7. Long-term debt:

	2017	2016
Royal Bank loan payable, Payukotayno, \$3,675 monthly including interest at 3.89% per annum, due in 2020	\$ 104,982	144,156
Royal Bank loan payable, Medical Van, \$666 monthly including interest at 3.36% per annum, due in 2018	7,856	15,449
Royal Bank mortgage payable, Mukeso, \$1,780 monthly including interest at 2.52% per annum, due in 2020	51,545	71,331
Northern Credit Union loan payable, Burkholder, \$771 monthly plus interest at 4.00% per annum secured by Credit Union shares and deposits, due in 2030	124,104	133,353
CMHC mortgage payable, Cachagee Road, payment terms to be negotiated following interest adjustment date	119,201	–
CMHC mortgage payable, Louttit Lane, payment terms to be negotiated following interest adjustment date	119,201	–
	<hr/> \$ 526,889	<hr/> 364,289

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

7. Long-term debt (continued):

All long-term debt obligations have been approved and are secured by Band Council resolution and Social Housing mortgages payable are guaranteed by CMHC.

Principal payments required on long-term debt within each of the next five years are as follows:

2018	\$ 316,563
2019	72,423
2020	41,549
2021	9,250
2022 and thereafter	87,104

8. Contingent liabilities:

(a) Loan guarantees:

The First Nation has guaranteed mortgages made to various members and is contingently liable, the balance of which is \$416,849.

(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 governments, with audit adjustments repayable to the government.

9. Indigenous and Northern Affairs Canada ("INAC"):

	2017	2016
Revenue as reported	\$ 1,447,346	1,575,345
Revenue per funding confirmation	(23,109,178)	(1,602,972)
Specific claims – land claim settlement	21,468,287	–
Tuition adjustments	24,050	25,050
Deferred revenue	158,596	–
Other funding adjustments	10,899	2,577
	\$ –	–

Included in accounts receivable are amounts due from INAC of \$12,424 (2016 – \$13,325).

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2017	2016
Surplus:		
Invested in tangible capital assets	\$ 3,543,966	3,263,851
Operating	(1,097,983)	(412,261)
Investment in business enterprises	295,882	
Land Claim	-	(227,822)
	2,741,865	2,623,768
Reserve and reserve funds set aside for specific purpose by Council:		
Consolidated Revenue Fund (Ottawa Trust Funds)	34	34
Ontario First Nations Limited Partnership	3,511,579	3,259,673
Reserves	480,540	227,961
	3,992,153	3,487,668
Accumulated surplus	\$ 6,734,018	6,111,436

11. Employee future benefits:

The contributions to the defined contribution pension plan were \$57,730 (2016 - \$43,995).

12. Comparative information:

Certain 2016 comparative information has been reclassified to conform to the presentation adopted in 2017.

13. Budget figures:

Budgets established for capital funds are based on a project-oriented basis, the costs of which may be carried out over several years. Current fund budgets are affected on an on-going basis, depending on when various government programs become available to the First Nation. Accordingly, the budgets are not directly comparable with current year actual amounts and therefore, budgets have not been reflected on the statement of financial activities.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

14. Segmented information:

Chapleau Cree First Nation is a diversified governmental institution that provides a wide range of services to its band members, including band support, health services, education, social assistance, and capital. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Social Housing

The housing department manages the operations of the various rental housing owned by the First Nation including both CMHC and other housing. This includes tenant identification, rent collection and maintenance management.

Health Services

The health services department provides a diverse bundle of services directed toward the well-being of the members of the member First Nations including such activities as long-term care, health centers, diabetes, fetal alcohol syndrome, mental health, smoke free programs, traditional healing, and training designed to enhance the health of members.

Education

The education department provides education management services to the member First Nations as well as overseeing various small incentives on behalf of the members.

Band Support

The band support department oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of chief and council and management and assistance for computer and communications related projects and services.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

14. Segmented information (continued):

Capital

The capital department provides services for the longevity of the First Nation by the acquisition and development of land resources, equipment, roads and housing. Revenue and expenses included in the capital department are generally of long-term in nature, capitalized in the accounts of the First Nation and amortized over their useful life.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocations methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in the summary of significant accounting policies.

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

14. Segmented information (continued):

		Social Housing	Health Services	Education	Band Support	Capital	2017 Total
Revenue:							
Indigenous and Northern Affairs Canada	\$ 29,245	-	596,500	699,111	122,490		1,447,346
Ontario First Nations Limited Partnership	-	-	-	563,923	-		563,923
Health Canada	-	272,035	-	-	-		272,035
Canada Mortgage and Housing Corporation	85,120	-	-	-	-		85,120
Ministry of Health	-	75,533	-	-	-		75,533
Gas Bar Sales	-	-	-	2,539,938	-		2,539,938
Other	24,923	139,526	(8,460)	3,009,483	-		3,165,472
	139,288	487,094	588,040	6,812,455	122,490		8,149,367
Expenses:							
Wages, benefits and honorariums	12,439	270,987	103,379	1,470,603	-		1,857,408
Cost of sales	-	-	-	2,103,648	-		2,103,648
Materials and supplies	72,462	87,594	5,735	962,460	396		1,128,647
Tuition and allowances	-	-	455,193	20,040	-		475,233
Contractual and professional services	54,389	7,690	2,200	893,943	-		958,222
Other	5,207	36,221	10,709	392,898	-		445,035
Interest on long-term debt	6,783	404	-	15,225	-		22,412
Travel and training	12,183	26,905	11,317	132,798	-		183,203
Amortization of tangible capital assets	25,709	39,098	-	288,170	-		352,977
	189,172	468,899	588,533	6,279,785	396		7,526,785
Excess (deficiency) of revenue over expenses	\$ (49,884)	18,195	(493)	532,670	122,094		622,582

CHAPLEAU CREE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2017

14. Segmented information (continued):

	Social Housing	Health Services	Education	Band Support	Capital	2016 Total
Revenue:						
Indigenous and Northern Affairs Canada	\$ -	-	620,766	833,147	121,432	1,575,345
Ontario First Nations Limited Partnership	-	-	-	497,724	-	497,724
Health Canada	-	334,437	-	-	-	334,437
Canada Mortgage and Housing Corporation	15,576	-	-	-	-	15,576
Ministry of Health	-	75,269	-	-	-	75,269
Gas Bar Sales	-	-	-	2,496,590	-	2,496,590
Other	26,600	129,599	-	4,365,029	-	4,521,228
	42,176	539,305	620,766	8,192,490	121,432	9,516,169
Expenses:						
Wages, benefits and honorariums	-	263,149	108,994	1,354,718	-	1,726,861
Cost of sales	-	-	-	2,135,890	-	2,135,890
Materials and supplies	35,047	91,533	9,534	763,009	387	899,510
Tuition and allowances	-	-	439,878	14,290	-	454,168
Contractual and professional services	7,560	8,101	1,700	1,280,502	-	1,297,863
Other	13,391	24,033	10,362	359,635	-	407,421
Interest on long-term debt	9,613	654	-	17,236	-	27,503
Travel and training	-	32,438	11,308	230,847	-	274,593
Capital purchases	-	-	-	2,703	-	2,703
Amortization of tangible capital assets	24,137	30,098	11,045	272,266	-	337,545
	89,748	450,006	592,821	6,431,096	387	7,564,057
Excess (deficiency) of revenue over expenses	\$ (47,572)	89,299	27,945	1,761,394	121,045	1,952,112