

Atikameksheng Anishnawbek
Consolidated Financial Statements
For the year ended March 31, 2016

Atikameksheng Anishnawbek

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For the year ended March 31, 2016

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Management's Responsibility

To the Chief and Council and Members of Atikameksheng Anishnawbek

The accompanying consolidated financial statements of Atikameksheng Anishnawbek are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Atikameksheng Anishnawbek Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Chief and Council and Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

July 15, 2016



Director of
Operations



Director of Finance

Independent Auditors' Report

To the Chief and Council and Members of Atikameksheng Anishnawbek:

We have audited the accompanying consolidated financial statements of Atikameksheng Anishnawbek, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows and related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Atikameksheng Anishnawbek as at March 31, 2016 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements include supplementary financial information on pages 17 to 31 which was derived from the accounting records tested by us as part of the auditing procedures followed in our examination of the financial statements and, in our opinion, it is fairly presented in all material respects in relation to the financial statements taken as a whole. Accordingly, these individual schedules have been marked as unaudited.

Sudbury, Ontario

July 15, 2016

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Atikameksheng Anishnawbek
Consolidated Statement of Financial Position
As at March 31, 2016

| | 2016 | 2015 |
|--|--------------------|--------------------|
| Financial assets | | |
| Current | | |
| Cash and cash equivalents (Note 3) | 1,764,418 | 1,835,608 |
| Accounts receivable (Note 4) | 444,162 | 816,283 |
| Consolidated revenue fund (Note 5) | 367,807 | 367,807 |
| Short-term investment (Note 6) | 290,000 | - |
| Total financial assets | 2,866,387 | 3,019,698 |
| Liabilities | | |
| Current | | |
| Accounts payable and accrued liabilities | 1,969,865 | 1,855,395 |
| Deferred revenue (Note 7) | 259,023 | 77,470 |
| Current portion of long-term debt | 395,455 | 521,083 |
| Current portion of capital lease obligations | 21,171 | 20,362 |
| | 2,645,514 | 2,474,310 |
| Long-term debt (Note 8) | 1,835,699 | 1,930,648 |
| Capital lease obligation (Note 9) | 5,423 | 26,095 |
| Total financial liabilities | 4,486,636 | 4,431,053 |
| Net debt | (1,620,249) | (1,411,355) |
| Contingencies (Note 10) | | |
| Commitment (Note 11) | | |
| Non-financial assets | | |
| Tangible capital assets (Note 12) | 17,132,623 | 17,271,210 |
| Prepaid expenses | 28,453 | 47,598 |
| Total non-financial assets | 17,161,076 | 17,318,808 |
| Accumulated surplus (Note 13) | 15,540,827 | 15,907,453 |

Approved on behalf of the First Nation

x Chief Steve Miller Chief
x Harry Pottayan Councillor
x Nicole Arnes Councillor

x Lesley Macdonald Councillor
x John H. G. Councillor

Atikameksheng Anishnawbek

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2016

| | <i>Schedules</i> | <i>2016 Budget (Note 17)</i> | <i>2016</i> | <i>2015</i> |
|---|------------------|----------------------------------|-------------|-------------|
| Revenue | | | | |
| Indigenous and Northern Affairs Canada | | 3,064,923 | 3,309,591 | 3,201,458 |
| Health Canada | | 799,386 | 885,805 | 833,698 |
| Canada Mortgage and Housing Corporation | | 155,661 | 137,445 | 162,636 |
| Other revenue | | | | |
| Ministry of Aboriginal Affairs | | 90,000 | 90,000 | 89,878 |
| Ministry of Transportation | | 16,524 | 16,524 | 16,524 |
| Ontario Library Service | | 14,002 | 14,002 | 14,002 |
| Ministry of Environment | | - | 14,455 | 15,000 |
| Rentals | | 358,188 | 474,260 | 442,467 |
| North Shore Tribal Council | | 525,389 | 593,571 | 551,918 |
| Other | | 635,987 | 973,114 | 886,104 |
| Ontario First Nations Limited Partnership | | 1,794,139 | 716,358 | 707,916 |
| Nog-Da-Win-Da-Min | | 98,235 | 102,316 | 106,421 |
| Union of Ontario Indians | | 77,024 | 88,462 | 98,369 |
| FNX Mining | | - | 250,000 | 500,000 |
| Repayment to funder | | - | (135,841) | (98,896) |
| Deferred revenue - prior year (Note 7) | | 35,000 | 77,470 | 144,715 |
| Deferred revenue - current year (Note 7) | | - | (246,523) | (77,470) |
| | | 7,664,458 | 7,361,009 | 7,594,740 |
| Expenses | | | | |
| Administration | 2 | 1,181,432 | 1,149,722 | 1,087,857 |
| Social Services | 3 | 426,314 | 575,130 | 562,379 |
| Education | 4 | 1,896,036 | 1,843,559 | 1,871,535 |
| Infrastructure and Capital | 5 | 619,249 | 1,296,410 | 1,396,149 |
| Health | 6 | 1,226,794 | 1,501,026 | 1,505,943 |
| Employment and Economic Development | 7 | 1,926,438 | 321,128 | 221,973 |
| Business Enterprises | 8 | 106,676 | 145,562 | 120,025 |
| Housing - Other | 9 | 128,594 | 165,213 | 188,802 |
| CMHC Housing | 10 | 244,771 | 428,456 | 240,525 |
| Lands Management | 11 | 171,545 | 234,336 | 290,429 |
| Land Claims | 12 | - | 27,394 | 95,335 |
| Restricted Activities | 13 | - | 34,967 | 7,950 |
| Total expenses (Schedule 1) | | 7,927,849 | 7,722,903 | 7,588,902 |
| Surplus (deficit) before other items | | (263,391) | (361,894) | 5,838 |
| Loss on disposal of tangible capital assets | | - | (4,732) | - |
| Operating surplus (deficit) | | (263,391) | (366,626) | 5,838 |
| Accumulated surplus, beginning of year | | 15,907,454 | 15,907,453 | 15,901,615 |
| Accumulated surplus, end of year | | 15,644,063 | 15,540,827 | 15,907,453 |

The accompanying notes are an integral part of these financial statements

Atikameksheng Anishnawbek
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2016

| | <i>2016 Budget (Note 17)</i> | <i>2016</i> | <i>2015</i> |
|---|----------------------------------|--------------------|--------------------|
| Annual surplus (deficit) | (263,391) | (366,626) | 5,838 |
| Purchases of tangible capital assets | - | (619,288) | (811,836) |
| Amortization of tangible capital assets | - | 753,143 | 803,549 |
| Loss on disposal of tangible capital assets | - | 4,732 | - |
| Use of prepaid expenses | - | 19,145 | 76,844 |
| Decrease (increase) in net debt | (263,391) | (208,894) | 74,395 |
| Net debt, beginning of year | (1,411,355) | (1,411,355) | (1,485,750) |
| Net debt, end of year | (1,674,746) | (1,620,249) | (1,411,355) |

The accompanying notes are an integral part of these financial statements

Atikameksheng Anishnawbek
Consolidated Statement of Cash Flows
For the year ended March 31, 2016

| | 2016 | 2015 |
|---|------------------|------------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Operating surplus (deficit) | (366,626) | 5,838 |
| Non-cash items | | |
| Amortization | 753,143 | 803,549 |
| Loss on disposal of tangible capital assets | 4,732 | - |
| | 391,249 | 809,387 |
| Changes in working capital accounts | | |
| Accounts receivable | 372,121 | (126,104) |
| Prepaid expenses | 19,145 | 76,844 |
| Short-term investment | (290,000) | - |
| Accounts payable and accruals | 114,470 | 51,622 |
| Deferred revenue | 181,553 | (69,845) |
| | 788,538 | 741,904 |
| Financing activities | | |
| Advances of long-term debt | - | 811,463 |
| Repayment of long-term debt | (220,577) | (555,733) |
| Repayment of capital lease obligation | (19,863) | (19,584) |
| | (240,440) | 236,146 |
| Capital activities | | |
| Purchases of tangible capital assets | (619,288) | (811,836) |
| Increase (decrease) in cash resources | (71,190) | 166,214 |
| Cash resources, beginning of year | 1,835,608 | 1,669,394 |
| Cash resources, end of year | 1,764,418 | 1,835,608 |

The accompanying notes are an integral part of these financial statements

Atikameksheng Anishnawbek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

1. Operations

Atikameksheng Anishnawbek (the "First Nation") provides various services to its members. Atikameksheng Anishnawbek includes the Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting entity

The reporting entity includes the activities of all committees of Council under the control of the First Nation.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt and is matched with the related expenses in the year of their occurrence.

Funds held in Ottawa Trust Fund

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received. The First Nation may have submitted band council resolutions requesting the receipt of trust funds as at March 31, 2016. However, as at July 14, 2016 no funds have been received and therefore no revenue has been reported or accrued as at year end.

Other revenue

Other revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Payable to funding agencies is based on anticipated repayment requirements; however, actual repayments will be determined upon funding agencies' review of the financial statements.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in surplus (deficit) in the year in which they become known.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Atikameksheng Anishnawbek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

2. Significant accounting policies *(Continued from previous page)*

Net financial assets (net debt)

The First Nation's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

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.

Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

Amortization

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

| | Rate |
|--------------------------------|---------------|
| Buildings | 40 - 50 years |
| Water system | 50 years |
| Infrastructure | 20 - 40 years |
| Computer hardware and software | 4 years |
| Vehicles and heavy equipment | 5 - 15 years |
| Assets under construction | |

Long-term debt and capital lease obligation

Long-term financing received to fund tangible capital asset purchases is recognized in the period the financing is acquired and recorded as an increase in long-term debt.

Repayments of long-term financing are recognized as a decrease in long-term debt.

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on the straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

2. Significant accounting policies *(Continued from previous page)*

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in operations for the year.

Retirement benefits

The First Nation has a defined contribution pension plan covering substantially all full-time employees who have completed one year of service. There are no prior service costs. Contributions are discretionary, and are based on participants' contributions, up to a maximum of 5%. The First Nation follows the policy of funding retirement plan contributions as accrued. The First Nation contributions totaled \$75,453 (2015 - \$68,049).

Segments

The First Nation conducts its business through twelve reportable segments:

- Administration
- Social Services
- Education
- Infrastructure and Capital
- Health
- Employment and Economic Development
- Business Enterprises
- Housing - Other
- CMHC Housing
- Lands Management
- Land Claims
- Restricted Activities

These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2 the *Significant accounting policies*.

Inter-segment transfers are recorded at the exchange amount.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses, with the exception of gains and losses on externally restricted financial assets measured at fair value, which are recognized as an increase or decrease to the associated liability until the resources are used in accordance with their specified purpose. Interest income is recognized in the statement of operations; however, interest income on externally restricted financial assets is recognized as an increase or decrease to the associated liability until the resources are used in accordance with their specified purpose. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus (deficit). Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers various criteria in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

Assets measured at amortized cost include accounts receivable and short-term investment.

Liabilities measured at amortized cost include accounts payable and accrued liabilities, long-term debt, and capital lease obligation.

Liability for contaminated sites

A liability for remediation of contaminated sites is recognized at the best estimate of the amount required to remediate the contaminated sites when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2016.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

3. Restricted cash

Cash and cash equivalents includes restricted cash related to CMHC reserves created in accordance with the funding agreements for various CMHC projects. At March 31, 2016 the balance in these reserve accounts amounted to \$223,376 (2015 - \$221,592).

Atikameksheng Anishnawbek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

4. Accounts receivable

Accounts receivable consists of the following amounts:

| | 2016 | 2015 |
|---------------------------------------|----------------|----------------|
| Accounts receivable | 742,560 | 910,658 |
| Harmonized Sales Tax receivable | 19,345 | 43,056 |
| Less: Allowance for doubtful accounts | (317,743) | (137,431) |
| | 444,162 | 816,283 |

5. Consolidated revenue fund

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Aboriginal Affairs and Northern Development Canada, with the consent of the First Nation's Council. The balance consists of capital funds.

6. Short-term Investment

| | 2016 | 2015 |
|---|-------------|-------------|
| Guaranteed investment certificate, due October 2016, interest at 0.75% per annum. | 290,000 | - |

7. Deferred revenue

The deferred revenue balance consists of the following amounts:

| | 2016 | 2015 |
|--|----------------|---------------|
| Indigenous and Northern Affairs Canada | 130,351 | 65,471 |
| Health Canada | 102,351 | - |
| Other | 19,693 | - |
| Nog-Da-Win-Da-Min | 6,628 | - |
| Ministry of Environment | - | 7,417 |
| Ministry of Tourism and Culture | - | 3,000 |
| Ontario Power Authority | - | 1,582 |
| | 259,023 | 77,470 |

Atikameksheng Anishnawbek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

8. Long-term debt

| | 2016 | 2015 |
|--|------------------|------------------|
| Canada Mortgage and Housing Corporation mortgage payable \$2,221 monthly including principal and interest, bearing interest at 1.67% per annum, renewal June 2018, due April 2033 | 395,994 | 416,443 |
| Canada Mortgage and Housing Corporation loan payable \$43,839 annually, bearing interest at 2.94%, due July 2040 | 759,551 | 771,827 |
| Canada Mortgage and Housing Corporation mortgage payable \$2,750 monthly including principal and interest, bearing interest at 1.08% per annum, renewal August 2020, due April 2025 | 285,415 | 314,877 |
| Canada Mortgage and Housing Corporation mortgage payable \$2,084 monthly including principal and interest, bearing interest at 1.67% per annum, renewal June 2018, due May 2028 | 275,222 | 295,868 |
| Canada Mortgage and Housing Corporation mortgage payable \$2,009 monthly including principal and interest, bearing interest at 2.63% per annum, renewal June 2016, due March 2026 | 211,940 | 230,741 |
| Bank of Nova Scotia term loan payable \$3,333 monthly principal plus interest at prime of 2.85% plus 0.50% per annum, due November 2018 | 106,667 | 146,667 |
| Five Toronto Dominion Bank mortgages payable \$456 monthly each including principal and interest, bearing interest at 3.7% per annum, due February 2018 | 98,683 | 121,847 |
| Three Toronto Dominion Bank mortgages payable \$304 monthly each including principal and interest, bearing interest at 3.7% per annum, due February 2018 | 52,711 | 61,491 |
| Toronto Dominion Bank mortgages payable \$293 monthly each including principal and interest, bearing interest at 2.84% per annum, due August 2017 | 17,578 | 20,540 |
| Ford Credit loan payable \$923 monthly including principal and interest, bearing interest at 5.59%, due November 2018, secured by a specific vehicle with a net book value of \$32,970 | 27,393 | 36,660 |
| Canada Mortgage and Housing Corporation mortgage payable \$3,146 monthly including principal and interest, bearing interest at 2.63% per annum, due January 2016 | - | 31,154 |
| Ally Credit Canada loan payable \$452 monthly, non-interest bearing, due November 2015, secured by specific vehicle with a net book value of \$5,425, repaid in current year | - | 3,616 |
| | 2,231,154 | 2,451,731 |
| Less: current portion | 395,455 | 521,083 |
| | 1,835,699 | 1,930,648 |

Atikameksheng Anishnawbek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

9. Long-term debt (Continued from previous page)

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

| | |
|------|------------------|
| 2017 | 395,455 |
| 2018 | 247,680 |
| 2019 | 690,634 |
| 2020 | 82,857 |
| 2021 | 814,528 |
| | <u>2,231,154</u> |

Interest on long-term debt amounted to \$43,930 (2015 - \$45,158)

CMHC and Toronto Dominion mortgages payable are secured by various properties and guarantees from Council.

9. Capital lease obligations

| | 2016 | 2015 |
|---|---------------|---------------|
| John Deere capital lease obligation payable in equal monthly installments of \$1,819 including interest at 3.99%, due June 2017, secured by equipment under capital lease with a net book value of \$77,200 | 26,594 | 46,457 |
| Less: current portion | <u>21,171</u> | <u>20,362</u> |
| | 5,423 | 26,095 |

Minimum lease payments related to the obligations under capital lease are as follows:

| | |
|------|---------------|
| 2017 | 21,171 |
| 2018 | 5,423 |
| | <u>26,594</u> |

Total interest paid on the obligation under capital lease during the year amounted to \$1,470 (2015 - \$2,248).

10. Contingent liabilities

The First Nation has guaranteed CMHC loans made to various members under the Rural Rehabilitation Assistance Program and is contingently liable. The amount of loans outstanding at March 31, 2016 is \$419,115.

Indigenous and Northern Affairs Canada has guaranteed loans to various members with a balance remaining of \$3,104,032 (2015 - \$3,146,795). If any loans are in default and require payment by the Department, the amount paid will be charged back to the First Nation.

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 adjustments repayable to the government.

The First Nation is defending a legal action brought on by one of its members alleging certain breaches and other claims. The First Nation believes that any loss resulting from this action is not likely and limited to less than \$100,000. Therefore, no accrual for losses relating to the above have been recorded in these financial statements.

Atikameksheng Anishnawbek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

11. Commitments

The First Nation has entered into a short-term contract agreement for engineering and consultancy services. The contract is estimated to be completed in August 2016 and estimated total payments are \$54,000.

12. Tangible capital assets

| | Cost | Additions | Disposals | Accumulated amortization | 2016 Net book value |
|--------------------------------|-------------------|------------------|------------------|-------------------------------------|------------------------------------|
| Buildings | 10,021,148 | 555,037 | - | 3,680,701 | 6,895,484 |
| Vehicles and heavy equipment | 1,216,883 | 42,755 | 42,526 | 964,807 | 252,305 |
| Infrastructure | 15,078,217 | 478,003 | - | 9,155,931 | 6,400,289 |
| Water | 3,838,759 | - | - | 612,173 | 3,226,586 |
| Land | 166,507 | - | - | - | 166,507 |
| Computer hardware and software | 332,167 | 11,321 | 6,309 | 314,990 | 22,189 |
| Assets under construction | 559,892 | 92,063 | 559,892 | - | 92,063 |
| | 31,213,573 | 1,179,179 | 608,727 | 14,728,602 | 17,055,423 |
| Asset under capital lease | 96,500 | - | - | 19,300 | 77,200 |
| | 31,310,073 | 1,179,179 | 608,727 | 14,747,902 | 17,132,623 |

| | Cost | Additions | Disposals | Accumulated amortization | 2015 Net book value |
|--------------------------------|-------------------|------------------|------------------|-------------------------------------|------------------------------------|
| Buildings | 8,751,052 | 1,270,097 | - | 3,422,659 | 6,598,490 |
| Vehicles and heavy equipment | 1,131,623 | 85,260 | - | 911,186 | 305,697 |
| Infrastructure | 15,078,217 | - | - | 8,859,288 | 6,218,929 |
| Water | 3,838,759 | - | - | 534,865 | 3,303,894 |
| Land | 166,507 | - | - | - | 166,507 |
| Computer hardware and software | 303,464 | 28,703 | - | 297,996 | 34,171 |
| Assets under construction | 1,132,115 | 226,115 | 798,341 | - | 559,889 |
| | 30,401,737 | 1,610,175 | 798,341 | 14,025,994 | 17,187,577 |
| Asset under capital lease | 96,500 | - | - | 12,867 | 83,633 |
| | 30,498,237 | 1,610,175 | 798,341 | 14,038,861 | 17,271,210 |

Amortization expense of \$753,143 (2015 - \$803,549) was recorded in the statement of operations. Amortization on equipment under capital lease amounted to \$6,433 (2015 - \$6,434).

No amortization has been recorded on assets under construction as they have not been completed for use as at March 31, 2016.

Assets under construction disposals relates to projects that were completed during the year. This amount was deducted from assets under construction and included as additions to infrastructure assets.

Atikameksheng Anishnawbek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

13. Accumulated surplus

Accumulated surplus consists of the following:

| | 2016 | 2015 |
|---|-------------------|-------------------|
| Members' deficit | (836,815) | (451,423) |
| Land Claims | (2,067,010) | (2,067,010) |
| Annuity Claim | (244,781) | (244,781) |
| Reserves (see below) | 1,669,035 | 1,348,839 |
| Ontario First Nations Limited Partnership | 967,933 | 1,450,964 |
| Consolidated revenue fund | 367,807 | 367,807 |
| Penage leasing | 669,963 | 552,935 |
| Timber dues | 33,153 | 30,433 |
| Invested in tangible capital assets | 14,981,542 | 14,919,689 |
| | 15,540,827 | 15,907,453 |

The total reserves consist of provisions set aside by the Council for the following purposes:

| | | |
|------------------------------|------------------|------------------|
| Externally restricted funds: | | |
| Social Housing Replacement | 274,372 | 279,594 |
| Internally restricted funds: | | |
| Housing | 368,973 | 362,304 |
| Medical Services | 80,431 | 80,431 |
| Health | 7,281 | 7,281 |
| Capital Projects | 94,648 | 94,648 |
| Atikameksheng Trust | 68,749 | |
| Fire protection | 13,143 | 13,143 |
| Niigaaniin | 11,438 | 11,438 |
| Atikameksheng Heritage | 750,000 | 500,000 |
| | 1,669,035 | 1,348,839 |

The reserve for social housing is an externally restricted reserve which is required by the CMHC and which must be funded. As at March 31, 2016, there was a funding shortfall of \$51,113 (2015 - \$58,002). The impact of this under-funding has not been determined.

14. Segments

Atikameksheng Anishnawbek 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 program. Programs 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 functional areas and their activities are reported in these programs. Certain functional areas that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Administration

The administration and governance function area oversees the delivery of all governmental services. The functional area 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 functional area includes the governance activities of chief and council and management, public infrastructure, employment and training, library services, social housing and assistance for computer and communications related projects and services.

15. Segments *(Continued from previous page)*

Education

The education functional area provides education management services to the members of the First Nation as well as overseeing various small incentives, including operation of the library on behalf of the communities.

Health Services

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

Social Assistance

The social assistance functional area provides services directed towards the well being of members in need on non-health related services including such activities as income support, home support and provision of child welfare services.

Housing

The housing functional area provides rental housing to qualifying members of the First Nation.

Infrastructure and Community Property

The infrastructure and community property functional area provides services for the longevity of the First Nation by the acquisition and maintenance and management of the physical assets of the First Nation, excluding housing.

Employment and Economic Development

The employment and economic development functional area provides services employment and training opportunities to members along with encouraging economic development of the First Nation through direct and indirect economic development initiatives.

Business Enterprises

The business enterprises comprises the community centre operations; the centre provides for rentals to both community members, administration and other private functions. Other smaller community initiatives operate within this program.

Lands Management

The lands management is operated under the First Nations Lands Management Act along with the Atikameksheng Anishnawbek Land Code. The program oversees various services for lot allocations, leases and addresses environmental and forestry related activities.

Land Claims

The land claims functional area provides services for the First Nation to pursue various claims on behalf of the members.

Restricted Activities and Reserves

The restricted activities and reserves functional area includes the management and distribution of funds received from the Ontario First Nations Limited Partnership as well as funds held in trust in Ottawa by Aboriginal Affairs and Northern Development Canada.

15. Trusts administered by the First Nation

Trust funds administered by the First Nation, amounting to \$153,546 (2015 - \$183,296) have not been included on the statement of financial position, nor have their operations been included on the statement of operations.

16. Budget information

The disclosed budget information has been approved by the Chief and Council of Atikameksheng Anishnawbek at the Council meeting held on March 26, 2015.

17. Economic dependence

Atikameksheng Anishnawbek receives a significant portion of its revenue from Indigenous and Northern Affairs Canada (INAC) and Health Canada (HC-FNIH) as a result of Treaties entered into with the Government of Canada. These treaties are administered by AANDC and HC-FNIH under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

18. Financial Instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The First Nation is exposed to interest rate cash flow risk with respect to its bank indebtedness, which is subject to interest at the bank prime's rate plus 0.25%. The First Nation is also exposed to interest rate cash flow risk with respect to some of its long-term debt, which is subject to interest at the bank's prime rate plus 2.85%.

19. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Atikameksheng Anishnawbek

Schedule 1 - Schedule of Consolidated Expenses by Object

For the year ended March 31, 2016

| | 2016 Budget | 2016 | 2015 |
|--|------------------|------------------|------------------|
| Consolidated expenses by object | | | |
| Administration | - | - | 30 |
| Advertising | 2,000 | 553 | 502 |
| Amortization | - | 753,143 | 803,549 |
| Bad debts | 15,438 | 191,718 | 10,383 |
| Bank charges and interest | 5,000 | 4,719 | 8,145 |
| Communications | 45,144 | 45,039 | 47,304 |
| Council honourariums | 152,950 | 175,044 | 173,537 |
| Equipment repairs and maintenance | 149,797 | 464,426 | 432,149 |
| Interest payments | 24,531 | 46,947 | 45,158 |
| Insurance | 82,988 | 89,499 | 69,466 |
| Materials and supplies | 42,347 | 64,946 | 90,912 |
| Meeting | 22,737 | 422 | 11,342 |
| Office and general | 23,600 | 54,985 | 64,271 |
| Office supplies | 34,432 | 13,955 | 12,067 |
| Ontario works | 264,826 | 368,922 | 344,417 |
| Other | 1,575 | 30,574 | 18,397 |
| Professional fees | 397,140 | 416,343 | 426,314 |
| Program expense | 735,308 | 413,522 | 480,082 |
| Rent | 31,503 | 6,548 | 21,078 |
| Repairs and maintenance | 1,485,127 | 7,861 | 91,567 |
| Salaries and benefits | 2,449,401 | 2,524,375 | 2,452,969 |
| Student allowances and books | 7,200 | 268,453 | 296,451 |
| Student transportation | 164,250 | 72,780 | 142,346 |
| Training | 336,363 | 53,280 | 43,028 |
| Travel | 109,513 | 141,871 | 168,565 |
| Tuition | 1,223,168 | 1,344,834 | 1,194,090 |
| Utilities | 121,511 | 168,145 | 140,784 |
| Total expenses | 7,927,849 | 7,722,903 | 7,588,902 |

Atikameksheng Anishnawbek

Administration

Schedule 2 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|---------------------|---------------------|
| Revenue | | |
| Indigenous and Northern Affairs Canada | 489,712 | 499,124 |
| Canada Mortgage and Housing Corporation | 2,106 | - |
| Ministry of Aboriginal Affairs | 90,000 | 89,878 |
| Other | 132,414 | 104,201 |
| Deferred revenue - prior year | 27,894 | 2,971 |
| Deferred revenue - current year | (41,983) | (27,894) |
| | 700,143 | 668,280 |
| Expenses | | |
| Advertising | 553 | 502 |
| Administration (recovery) | (217,314) | (211,497) |
| Amortization | 27,948 | 28,253 |
| Bad debts | - | 1,500 |
| Bank charges and interest | 4,711 | 5,085 |
| Communications | 28,887 | 28,114 |
| Council honourariums | 170,586 | 173,387 |
| Equipment repairs and maintenance | 37,209 | 38,202 |
| Interest payments | (452) | - |
| Insurance | 23,613 | 19,026 |
| Materials and supplies | 19,792 | 20,848 |
| IT computer and support recovery | (40,800) | (40,800) |
| Office and general | 34,783 | 41,228 |
| Office supplies | 13,955 | 12,067 |
| Other | 690 | 170 |
| Professional fees | 173,231 | 144,461 |
| Program expense | 75,693 | 63,073 |
| Rent | 6,548 | 21,078 |
| Repairs and maintenance | - | 3,695 |
| Salaries and benefits | 696,890 | 623,130 |
| Training | 14,520 | 11,757 |
| Travel | 67,839 | 94,545 |
| Utilities | 10,840 | 10,035 |
| | 1,149,722 | 1,087,859 |
| Deficiency of revenue over expenses before transfers | (449,579) | (419,579) |
| Transfers | | |
| Transfer between programs | (1,785) | (22,923) |
| Transfer to reserves | - | (2,078) |
| Transfer from reserves | 158,580 | 145,510 |
| Transfer from restricted activities - OFNLP | 283,958 | 423,367 |
| Transfers between programs - office rent | (32,495) | (28,325) |
| | 408,258 | 515,551 |
| Excess (deficiency) of revenue over expenses | (41,321) | 95,972 |

**Atikameksheng Anishnawbek
Administration**

Schedule 2 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|-----------------------------------|-----------------------------------|
| Excess (deficiency) of revenue over expenses | (41,321) | 95,972 |
| Capital adjustments | | |
| Amortization of tangible capital assets | 27,948 | 28,253 |
| Investment in tangible capital assets | (6,538) | (28,703) |
| | 21,410 | (450) |
| Change in program balance | (19,911) | 95,522 |

Atikameksheng Anishnawbek

Social Services

Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|---------------------|---------------------|
| Revenue | | |
| North Shore Tribal Council | 546,784 | 502,800 |
| Other | 13,739 | 16,304 |
| | 560,523 | 519,104 |
| Expenses | | |
| Administration (recovery) | 21,636 | 21,348 |
| Amortization | 7,769 | 7,769 |
| Bad debts | 5,237 | - |
| Communications | 1,382 | 888 |
| Council honourariums | 2,583 | - |
| Equipment repairs and maintenance | 1,233 | 703 |
| Interest payments | - | (252) |
| Insurance | 1,053 | 823 |
| Materials and supplies | 2,823 | 1,911 |
| IT computer and support recovery | 2,400 | 2,400 |
| Office and general | 1,000 | 1,075 |
| Other | 6,043 | 13,282 |
| Ontario works | 368,922 | 344,417 |
| Professional fees | 10,340 | 1,560 |
| Program expense | 1,326 | 10,869 |
| Salaries and benefits | 113,763 | 128,375 |
| Training | 14,489 | 17,360 |
| Travel | 13,099 | 9,851 |
| Utilities | 32 | - |
| | 575,130 | 562,379 |
| Deficiency of revenue over expenses before transfers | (14,607) | (43,275) |
| Transfers | | |
| Transfer between programs | 8,000 | (1,092) |
| Transfer to reserves | - | (15,833) |
| Transfer from restricted activities - OFNLP | 21,346 | 30,348 |
| Transfers between programs - office rent | (5,004) | (5,004) |
| | 24,342 | 8,419 |
| Deficiency of revenue over expense | 9,735 | (34,856) |
| Capital adjustments | | |
| Amortization of tangible capital assets | 7,769 | 7,769 |
| Change in program balance | 17,504 | (27,087) |

Atikameksheng Anishnawbek

Education

Schedule 4 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|--|---------------------|---------------------|
| Revenue | | |
| Indigenous and Northern Affairs Canada | 1,909,412 | 1,821,872 |
| Ontario Library Service | 14,002 | 14,002 |
| Other | 11,500 | 3,600 |
| Deferred revenue - prior year | 15,793 | - |
| Deferred revenue - current year | - | (15,793) |
| | 1,950,707 | 1,823,681 |
| Expenses | | |
| Administration (recovery) | 27,540 | 28,548 |
| Amortization | 5,706 | 2,173 |
| Communications | 795 | 4,480 |
| Equipment repairs and maintenance | 671 | 119 |
| Materials and supplies | 2,682 | 2,338 |
| Meeting | 422 | 11,342 |
| Office and general | - | 39 |
| IT computer and support recovery | 3,600 | 3,600 |
| Program expense | 13,998 | 60,778 |
| Salaries and benefits | 96,836 | 115,271 |
| Student allowances and books | 268,453 | 296,451 |
| Student transportation | 72,781 | 142,346 |
| Training | 718 | 2,450 |
| Travel | 4,523 | 7,511 |
| Tuition | 1,344,834 | 1,194,089 |
| | 1,843,559 | 1,871,535 |
| Excess (deficiency) of revenue over expenses before transfers | 107,148 | (47,854) |
| Transfers | | |
| Transfer between programs | (7,084) | (6,864) |
| Transfer from restricted activities - OFNLP | 28,609 | 24,131 |
| Transfers between programs - office rent | (7,488) | (7,488) |
| | 14,037 | 9,779 |
| Excess (deficiency) of revenue over expenses | 121,185 | (38,075) |
| Capital adjustments | | |
| Amortization of tangible capital assets | 5,706 | 2,173 |
| Investment in tangible capital assets | (11,321) | (219,006) |
| | (5,615) | (216,833) |
| Change in program balance | 115,570 | (254,908) |

Atikameksheng Anishnawbek

Infrastructure & Capital

Schedule 5 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|---------------------|---------------------|
| Revenue | | |
| Indigenous and Northern Affairs Canada | 495,857 | 380,479 |
| Health Canada | 7,500 | 7,500 |
| Canada Mortgage and Housing Corporation | 699 | 42,214 |
| Ministry of Transportation | 16,524 | 16,524 |
| Rentals | 72,836 | 69,361 |
| North Shore Tribal Council | 4,140 | - |
| Other | 19,050 | 47,436 |
| Deferred revenue - prior year | 3,069 | - |
| Deferred revenue - current year | (10,000) | (3,069) |
| | 609,675 | 560,445 |
| Expenses | | |
| Administration (recovery) | 47,700 | 43,284 |
| Amortization | 501,837 | 571,093 |
| Bad debts | 5,425 | - |
| Bank charges and interest | - | 614 |
| Equipment repairs and maintenance | 207,105 | 190,772 |
| Interest payments | 3,784 | 2,965 |
| Insurance | 22,431 | 17,101 |
| Materials and supplies | 29,272 | 53,476 |
| IT computer and support recovery | 3,600 | 6,000 |
| Office and general | 501 | 411 |
| Professional fees | 4,471 | - |
| Program expense | 56,974 | 22,228 |
| Repairs and maintenance | 7,861 | 60,352 |
| Salaries and benefits | 335,413 | 364,718 |
| Training | 8,878 | 2,516 |
| Travel | 4,872 | 4,602 |
| Utilities | 53,976 | 53,330 |
| Communications | 2,310 | 2,687 |
| | 1,296,410 | 1,396,149 |
| Deficiency of revenue over expenses before transfers | (686,735) | (835,704) |
| Transfers | | |
| Transfer between programs | 25,741 | 39,563 |
| Transfer between programs - office rent | 99,491 | 95,321 |
| Transfer from restricted activities - OFNLP | 67,128 | 345,756 |
| Internal transfers | 15,861 | 43,294 |
| Transfer from reserves | - | 59,314 |
| | 208,221 | 583,248 |
| Deficiency of revenue over expenses | (478,514) | (252,456) |
| Capital adjustments | | |
| Amortization of tangible capital assets | 501,837 | 571,093 |
| Investment in tangible capital assets | (478,003) | (80,264) |
| | 23,834 | 490,829 |
| Change in program balance | (454,680) | 238,373 |

Atikameksheng Anishnawbek

Health

Schedule 6 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|---------------------|---------------------|
| Revenue | | |
| Indigenous and Northern Affairs Canada | 25,488 | 23,604 |
| Health Canada | 878,305 | 826,198 |
| North Shore Tribal Council | 42,647 | 34,464 |
| Other | 325,425 | 332,426 |
| Nog-Da-Win-Da-Min | 102,316 | 106,422 |
| Union of Ontario Indians | 88,462 | 98,369 |
| Deferred revenue - prior year | - | 55,053 |
| Deferred revenue - current year | (114,770) | - |
| | 1,347,873 | 1,476,536 |
| Expenses | | |
| Administration (recovery) | 95,448 | 95,268 |
| Amortization | 13,196 | 16,608 |
| Bad debts | 125,603 | - |
| Communications | 7,447 | 6,553 |
| Equipment repairs and maintenance | 31,000 | 102,951 |
| Insurance | 3,733 | 2,991 |
| Materials and supplies | 3,451 | 8,004 |
| Office and general | 15,958 | 21,270 |
| IT computer and support recovery | 21,600 | 21,600 |
| Other | 22,605 | 4,945 |
| Professional fees | 18,330 | 10,700 |
| Program expense | 253,969 | 316,459 |
| Salaries and benefits | 830,069 | 852,178 |
| Training | 11,358 | 7,642 |
| Travel | 35,352 | 37,876 |
| Utilities | 11,907 | 898 |
| | 1,501,026 | 1,505,943 |
| Deficiency of revenue over expenses before transfers | (153,153) | (29,407) |
| Transfers | | |
| Transfer between programs | 22,913 | 4,180 |
| Transfer to reserves | - | (4,504) |
| Transfer from reserves | - | 23,029 |
| Transfer from restricted activities - OFNLP | 67,900 | 37,334 |
| Transfers between programs - office rent | (36,996) | (36,996) |
| | 53,817 | 23,043 |
| Deficiency of revenue over expenses | (99,336) | (6,364) |

**Atikameksheng Anishnawbek
Health**

Schedule 6 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 <i>(Unaudited)</i> | 2015 <i>(Unaudited)</i> |
|--|-----------------------------------|-----------------------------------|
| Deficiency of revenue over expenses | (88,576) | (6,364) |
| Capital adjustments | | |
| Amortization of tangible capital assets | 13,196 | 16,608 |
| Investment in tangible capital assets | (42,755) | (4,996) |
| | (29,559) | 11,612 |
| Change in program balance | (182,712) | 5,248 |

Atikameksheng Anishnawbek
Employment and Economic Development
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

| | 2016 <i>(Unaudited)</i> | 2015 <i>(Unaudited)</i> |
|---|-----------------------------------|-----------------------------------|
| Revenue | | |
| Indigenous and Northern Affairs Canada | 52,360 | 63,975 |
| Renials | 800 | 1,960 |
| North Shore Tribal Council | - | 14,654 |
| Other | 162,762 | 28,434 |
| Deferred revenue - prior year | 1,582 | - |
| Deferred revenue - current year | - | (1,582) |
| | 217,504 | 107,441 |
| Expenses | | |
| Administration (recovery) | 1,996 | 996 |
| Communications | 670 | 1,110 |
| Equipment repairs and maintenance | 2,083 | 614 |
| Insurance | 451 | 321 |
| Materials and supplies | 5,512 | 2,502 |
| IT computer and support recovery | 2,400 | 2,400 |
| Professional fees | 118,725 | 68,850 |
| Program expense | 11,111 | 3,503 |
| Salaries and benefits | 169,312 | 136,333 |
| Training | 2,783 | 275 |
| Travel | 5,577 | 4,403 |
| Utilities | 508 | 666 |
| | 321,128 | 221,973 |
| Deficiency of revenue over expenses before transfers | (103,624) | (114,532) |
| Transfers | | |
| Transfer between programs | (58,749) | 2,778 |
| Transfer to (from) reserve | (2,720) | 88,774 |
| Transfer from restricted activities - OFNLP | 279,451 | 103,518 |
| Transfers between programs - office rent | (5,004) | (5,004) |
| | 212,978 | 190,066 |
| Excess of revenue over expenses | 109,354 | 75,534 |
| Capital adjustments | | |
| Investment in tangible capital assets | (36,000) | |
| Change in program balance | 73,354 | 75,534 |

Atikameksheng Anishnawbek
Business Enterprises
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

| | 2016 <i>(Unaudited)</i> | 2015 <i>(Unaudited)</i> |
|---|-----------------------------------|-----------------------------------|
| Revenue | | |
| Rentals | 51,530 | 48,564 |
| Expenses | | |
| Administration (recovery) | 996 | 1,551 |
| Amortization | 36,950 | 30,770 |
| Communications | 2,040 | 1,824 |
| Equipment repairs and maintenance | 30,444 | 15,626 |
| Insurance | 4,239 | 3,368 |
| Materials and supplies | 412 | 649 |
| IT computer and support recovery | 1,200 | 1,200 |
| Program expense | 450 | 864 |
| Salaries and benefits | 40,065 | 36,277 |
| Training | (492) | - |
| Travel | 343 | 650 |
| Utilities | 28,915 | 27,246 |
| | 145,562 | 120,025 |
| Deficiency of revenue over expenses before transfers | (94,032) | (71,461) |
| Transfers | | |
| Transfer between programs | 8,000 | 14,021 |
| Transfer from restricted activities - OFNLP | 59,458 | 33,833 |
| | 67,458 | 47,854 |
| Deficiency of revenue over expenses | (26,574) | (23,607) |
| Capital adjustments | | |
| Amortization of tangible capital assets | 36,950 | 30,770 |
| Change in program balance | 10,376 | 7,163 |

Atikameksheng Anishnawbek

Housing - Other

Schedule 9 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|---------------------|---------------------|
| Revenue | | |
| Indigenous and Northern Affairs Canada | 105,514 | 207,868 |
| Rentals | 81,253 | 79,561 |
| Other | 40,417 | - |
| Deferred revenue - current year | (45,120) | - |
| | 182,064 | 287,429 |
| Expenses | | |
| Administration (recovery) | (18,148) | - |
| Amortization | 33,571 | 33,571 |
| Bad debts | 12,595 | 2,920 |
| Communications | 670 | 913 |
| Equipment repairs and maintenance | 20,463 | 49,004 |
| Interest payments | 6,914 | 8,192 |
| Insurance | 9,284 | 8,379 |
| Materials and supplies | 1,473 | 309 |
| IT computer and support recovery | 2,400 | 1,200 |
| Professional fees | - | 1,500 |
| Repairs and maintenance | - | 27,520 |
| Salaries and benefits | 90,259 | 47,932 |
| Training | 119 | - |
| Travel | 4,402 | 5,993 |
| Utilities | 1,211 | 1,369 |
| | 165,213 | 188,802 |
| Excess of revenue over expenses before transfers | 16,851 | 98,627 |
| Transfers | | |
| Transfer between programs | (26,000) | (34,222) |
| Transfer from reserves | - | 52,008 |
| Transfer to reserves | (36,299) | (104,325) |
| Internal transfers | (15,861) | 25,371 |
| Transfers between programs - office rent | (5,004) | (5,004) |
| | (83,164) | (66,172) |
| Excess (deficiency) of revenue over expenses | (66,313) | 32,455 |
| Capital adjustments | | |
| Amortization of tangible capital assets | 33,571 | 33,571 |
| Change in program balance | (32,742) | 66,026 |

Atikameksheng Anishnawbek

CMHC Housing

Schedule 10 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|--|---------------------|---------------------|
| Revenue | | |
| Canada Mortgage and Housing Corporation | 134,641 | 120,422 |
| Rentals | 267,841 | 243,020 |
| | 402,482 | 363,442 |
| Expenses | | |
| Administration (recovery) | 22,124 | - |
| Amortization | 116,221 | 105,252 |
| Bad debts | 37,267 | 5,963 |
| Equipment repairs and maintenance | 132,559 | 34,067 |
| Interest payments | 32,490 | 28,367 |
| Insurance | 20,799 | 14,346 |
| Professional fees | 6,240 | 5,290 |
| Utilities | 60,756 | 47,240 |
| | 428,456 | 240,525 |
| Excess (deficiency) of revenue over expenses before transfers | (25,974) | 122,917 |
| Transfers | | |
| Transfer between programs | 6,732 | - |
| Transfer to reserves | | (24,260) |
| Internal transfers | (11,442) | (68,665) |
| Adjustment to replacement reserve | - | (12,069) |
| | (4,710) | (104,994) |
| Excess (deficiency) of revenue over expenses | (30,684) | 17,923 |
| Capital adjustments | | |
| Amortization of tangible capital assets | 116,221 | 105,252 |
| Investment in tangible capital assets | (44,671) | (478,868) |
| | 71,550 | (373,616) |
| Change in program balance | 40,866 | (355,693) |

Atikameksheng Anishnawbek

Lands Management

Schedule 11 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|--|---------------------|---------------------|
| Revenue | | |
| Indigenous and Northern Affairs Canada | 231,248 | 204,536 |
| Ministry of Environment | 14,455 | 15,000 |
| Deferred revenue - prior year | 29,133 | 86,691 |
| Deferred revenue - current year | (34,650) | (29,133) |
| | 240,186 | 277,094 |
| Expenses | | |
| Administration (recovery) | 18,024 | 20,532 |
| Amortization | 9,945 | 8,060 |
| Communications | 840 | 734 |
| Equipment repairs and maintenance | 1,657 | 90 |
| Insurance | 3,897 | 3,111 |
| Materials and supplies | (472) | 877 |
| Office and general | 2,748 | 250 |
| IT computer and support recovery | 3,600 | 2,400 |
| Other | 1,236 | - |
| Professional fees | 36,589 | 99,169 |
| Program expense | - | 2,308 |
| Salaries and benefits | 151,765 | 148,757 |
| Training | 905 | 1,028 |
| Travel | 3,602 | 3,113 |
| | 234,336 | 290,429 |
| Excess (deficiency) of revenue over expenses before transfers | 5,850 | (13,335) |
| Transfers | | |
| Transfer between programs | (8,000) | (14,184) |
| Transfer from reserves | 3,525 | 34,615 |
| Transfer from restricted activities - OFNLP | 5,975 | - |
| Transfers between programs - office rent | (7,500) | (7,500) |
| | (6,000) | 12,931 |
| Deficiency of revenue over expenses | (150) | (404) |
| Capital adjustments | | |
| Amortization of tangible capital assets | 9,945 | 8,060 |
| Change in program balance | 9,795 | 7,656 |

Atikameksheng Anishnawbek

Lands Claims

Schedule 12 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2016

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|---------------------|---------------------|
| Revenue | | |
| FNX Mining | 250,000 | 500,000 |
| Other | - | 71,836 |
| | 250,000 | 571,836 |
| Expenses | | |
| Bank charges and interest | 8 | 2,446 |
| Council honourariums | 1,875 | 150 |
| Interest payments | 4,210 | 5,885 |
| Professional fees | 19,041 | 86,834 |
| Travel | 2,260 | 20 |
| | 27,394 | 95,335 |
| Excess of revenue over expenses before transfers | 222,606 | 476,501 |
| Transfers | | |
| Transfer to reserves | (250,000) | (519,969) |
| Transfer from reserves | 22,964 | - |
| Transfer from restricted activities | - | 4,351 |
| | (227,036) | (515,618) |
| Deficiency of revenue over expenses | (4,430) | (39,117) |

Atikameksheng Anishnawbek**Restricted Activities****Schedule 13 - Consolidated Schedule of Revenue and Expenses***For the year ended March 31, 2016*

| | 2016 (Unaudited) | 2015 (Unaudited) |
|---|-----------------------------------|-----------------------------------|
| Revenue | | |
| Ontario First Nations Limited Partnership | 716,358 | 707,916 |
| Other | 267,799 | 281,868 |
| | 984,157 | 989,784 |
| Expenses | | |
| Bad debts | 5,591 | - |
| Professional fees | 29,376 | 7,950 |
| | 34,967 | 7,950 |
| Excess of revenue over expenses before transfers | 949,190 | 981,834 |
| Transfers | | |
| Transfer between programs | (1,020,193) | (693,096) |
| Excess (deficiency) of revenue over expenses | (71,003) | 288,738 |