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**Michipicoten First Nation**  
**Consolidated Financial Statements**  
For the year ended March 31, 2014

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## Michipicoten First Nation Management's Responsibility for Financial Reporting

March 31, 2014

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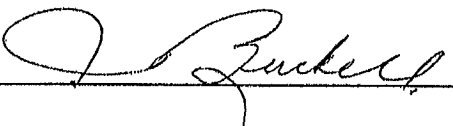
The accompanying consolidated financial statements of Michipicoten First Nation are the responsibility of management and have been approved by Chief and Council.

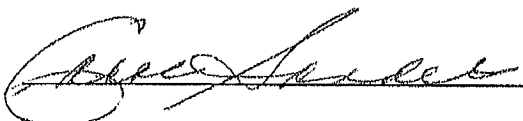
These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The external auditors, BDO Canada LLP, conduct an audit in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have access to financial management of Michipicoten First Nation and meet when required.

On behalf of Michipicoten First Nation:

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Band Manager



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## Independent Auditor's Report

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### To the Members of Michipicoten First Nation

We have audited the accompanying consolidated financial statements of Michipicoten First Nation, which comprise the statement of financial position as at March 31, 2014 and the statements of operations, change in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 consolidated financial position of Michipicoten First Nation as at March 31, 2014 and the consolidated results of its operations, change in its net financial assets (debt) and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants  
Sault Ste. Marie, Ontario  
June 26, 2014

**Michipicoten First Nation**  
**Consolidated Statement of Financial Position**

<b>March 31</b>	<b>2014</b>	<b>2013</b>
<b>Financial assets</b>		
Cash	\$ 1,024,772	\$ 685,263
Short term deposit receipt	-	101,524
Accounts receivable	297,029	530,510
Due from boundary claim settlement trust	-	430,589
Investments (Note 2)	2	2
Funds held in trust with Government of Canada (Note 3)	24,449	23,855
	<u>1,346,252</u>	<u>1,771,743</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	207,054	485,484
Future landfill closure and post-closure costs (Note 4)	194,000	174,897
Long term debt (Note 5)	960,769	1,010,333
	<u>1,361,823</u>	<u>1,670,714</u>
<b>Net financial assets (debt)</b>	<u>(15,571)</u>	<u>101,029</u>
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	14,374,875	14,624,775
Prepaid expenses	52,063	7,018
	<u>14,426,938</u>	<u>14,631,793</u>
<b>Accumulated surplus (Note 6)</b>	<u>\$ 14,411,367</u>	<u>\$ 14,732,822</u>
 <b>Boundary claim settlement trust (Note 8)</b>	 <u>\$ 30,397,896</u>	 <u>\$ 30,534,896</u>

The notes are an integral part of these financial statements.

# Michipicoten First Nation

## Consolidated Statement of Operations

For the year ended March 31	Budget	2014	2013
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	\$ 1,817,132	\$ 1,919,035	\$ 1,923,602
Canada	239,821	266,846	328,235
Ontario	24,122	116,969	22,231
Casino Rama	687,000	667,906	643,851
Michipicoten First Nation trusts	1,200,000	1,547,542	1,156,405
Other aboriginal organizations	271,318	203,225	214,518
Rentals, interest and other	299,412	509,960	386,558
	4,538,805	5,231,483	4,675,400
Deferred revenue, beginning of year	-	-	1,408
	4,538,805	5,231,483	4,676,808
<b>Expenses</b>			
Social and family services	2,138,555	2,111,787	2,263,646
Education	997,510	1,038,407	1,153,335
Operations and maintenance	545,400	636,092	747,766
Medical and other health services	297,300	296,148	294,365
Administration	395,540	541,509	386,628
Housing and community development	265,250	397,013	304,377
Enterprises and economic development	250,300	445,600	284,120
Other	119,336	86,382	417,201
	5,009,191	5,552,938	5,851,438
<b>Annual surplus (deficit)</b>	(470,386)	(321,455)	(1,174,630)
<b>Accumulated surplus, beginning of year</b>	14,732,822	14,732,822	15,907,452
<b>Accumulated surplus, end of year</b>	\$ 14,262,436	\$ 14,411,367	\$ 14,732,822

The notes are an integral part of these financial statements.

**Michipicoten First Nation**  
**Consolidated Statement of Change in Net Financial Assets (Debt)**

<u>For the year ended March 31</u>	<u>Budget</u>	<u>2014</u>	<u>2013</u>
Annual deficit	\$ (470,386)	\$ (321,455)	\$ (1,174,630)
Acquisition of tangible capital assets	-	-	(45,485)
Amortization of tangible capital assets	240,000	249,900	246,869
Loss on disposal of tangible capital assets	-	-	19,434
Proceeds on sale of tangible capital assets	-	-	7,000
Prepaid expenses	-	(45,045)	54,672
<b>Net change in net financial assets (debt)</b>	<b>(230,386)</b>	<b>(116,600)</b>	<b>(892,140)</b>
<b>Net financial assets, beginning of year</b>	<b>101,029</b>	<b>101,029</b>	<b>993,169</b>
<b>Net financial assets (debt), end of year</b>	<b>\$ (129,357)</b>	<b>\$ (15,571)</b>	<b>\$ 101,029</b>

The notes are an integral part of these financial statements.

**Michipicoten First Nation**  
**Consolidated Statement of Cash Flows**

**For the year ended March 31**

**2014**

**2013**

**Operating transactions**

Annual deficit	\$ (321,455)	\$ (1,174,630)
Items not involving cash		
Amortization	249,900	246,869
Loss on disposal of tangible capital assets	-	19,434
Unfunded landfill site costs	19,103	17,494

	(52,452)	(890,833)
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Changes in non-cash operating balances

Accounts receivable	233,481	(352,508)
Due from boundary claim settlement trust	430,589	166,320
Prepaid expenses	(45,045)	54,672
Funds held in trust	(594)	(562)
Accounts payable and accrued liabilities	(278,430)	266,620
Deferred revenue	-	(1,408)

	287,549	(757,699)
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**Capital transactions**

Acquisition of tangible capital assets	-	(45,485)
Proceeds on sale of tangible capital assets	-	7,000
	-	(38,485)

**Financing activities**

Long term debt	(49,564)	(48,368)
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**Net change in cash and cash equivalents**

	237,985	(844,552)
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**Cash and cash equivalents, beginning of year**

	786,787	1,631,339
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**Cash and cash equivalents, end of year**

	\$ 1,024,772	\$ 786,787
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**Represented by**

Cash	\$ 1,024,772	\$ 685,263
Short term deposit receipt	-	101,524

	\$ 1,024,772	\$ 786,787
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The notes are an integral part of these financial statements.

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## Michipicoten First Nation

### Notes to Consolidated Financial Statements

March 31, 2014

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**1. Significant accounting policies**

**a. Basis of Accounting**

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

**b. Reporting Entity**

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

**c. Principles of Consolidation**

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

Under the modified equity method of accounting, only the First Nation's investment in the government business enterprise and its portion of the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the First Nation and inter-organizational balances and transactions are not eliminated.

Organizations consolidated in the First Nation's financial statements include:

The First Nation of Michipicoten Cultural Association

Michipicoten First Nation Economic Development Corporation

**d. Revenue Recognition**

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

Government transfers are recognized as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions, other than government transfers, are deferred when restrictions are placed on their use by external contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service being performed, is deferred and recognized when the fee is earned or service performed.

**e. Cash and Cash Equivalents**

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



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**Michipicoten First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

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**1. Significant accounting policies (continued)**

**f. Tangible Capital Assets**

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

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

Land improvements	10 to 30
Buildings	10 to 40
Housing	10 to 40
Machinery and equipment	10 to 50
Vehicles	3 to 5
Infrastructure	10 to 100

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

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

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

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

**g. Leased Assets**

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

**h. Pension Plan**

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

# Michipicoten First Nation

## Notes to Consolidated Financial Statements

March 31, 2014

### 2. Investments

	2014	2013
Bamkushwada General Partner Inc. Common share (1 of 6 shares issued)	\$ 1	\$ 1
Bamkushwada Limited Partnership Limited partner unit (1 of 6 units issued)	1	1
	<u>\$ 2</u>	<u>\$ 2</u>

The First Nation entered into shareholder and limited partnership agreements with five other First Nations to explore business opportunities in electrical transmission.

### 3. Trust funds

	Beginning	Additions	Withdrawals	Ending
Revenue	\$ 21,371	\$ 594	\$ -	\$ 21,965
Capital	2,484	-	-	2,484
	<u>\$ 23,855</u>	<u>\$ 594</u>	<u>\$ -</u>	<u>\$ 24,449</u>

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

### 4. Accrued landfill closure and post-closure costs

Landfill closure and post-closure requirements include final covering and landscaping of the landfill, storm water management, creation of buffer lands, monitoring wells, fees, ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a one hundred year period using the best information currently available to management. Future events may result in significant changes to total estimated expenditures, capacity used or total capacity and estimated liability. Any such changes would be applied prospectively as a change in estimate, when applicable.

An engineering study has determined that the landfill site can accommodate eight trenches of which one has already been used. The engineers have also recommended adopting "best practices" to further extend the life of the whole landfill site to over 70 years.

The estimated remaining useful life of the active trench in the landfill site is 2 years, after which the period for post-closure care costs is estimated to be 30 years. The estimated liability for landfill closure and post-closure costs is recognized as the landfill site's capacity is used.

The estimated total net present value of expenditures to close and maintain the landfill site is approximately \$201,734 (2013 - \$189,421). As at March 31, 2014, \$194,000 (2013 - \$174,897) of the total estimated expenditures have been recognized based on the cumulative capacity of 96% (2013 - 92%) of the active trench utilized at that date compared to the total estimated landfill capacity. The First Nation has not designated any source of revenue to fund the cost of closing and maintaining the landfill site.

# Michipicoten First Nation

## Notes to Consolidated Financial Statements

March 31, 2014

### 5. Long term debt

	2014	2013
Mortgage payable, Canada Mortgage and Housing Corporation, repayable \$6,235 monthly including interest at 2.57%, maturing December 1, 2014	\$ 960,769	\$ 1,010,333

Interest paid on long term debt during the year amounted to \$25,252 (2013 - \$26,447). Assuming renewal on comparable terms, principal payments required on long term debt for the next five years and thereafter are as follows:

Year	Amount
2015	\$ 50,849
2016	52,164
2017	53,514
2018	54,898
2019	56,318
Thereafter	693,026
	<u>\$ 960,769</u>

### 6. Accumulated surplus

	2014	2013
Reserves set aside for specific purposes by Chief and Council		
Land acquisition fund	\$ 997,792	\$ 1,021,489
CMHC reserves	41,975	66,174
Reserve for per capita distributions	404,500	327,500
	1,444,267	1,415,163
Equity in tangible capital assets	13,414,106	13,614,443
General surplus (deficit)	928	406
Better living policies surplus (deficit)	(278,383)	(146,148)
Unfunded landfill liabilities	(194,000)	(174,897)
Funds held in trust	24,449	23,855
	<u>\$ 14,411,367</u>	<u>\$ 14,732,822</u>

### 7. Pension agreement

The First Nation provides defined contribution plan for eligible members of its staff. The First Nation matches employees' contributions. The amount to be received by employees will be the amount of retirement gratuity that could be purchased based on the employees share of the pension plan at the time of the employee's withdrawal from the plan. The First Nation contributed \$45,553 (2013 - \$53,618) during the year for retirement benefits.

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## Michipicoten First Nation

### Notes to Consolidated Financial Statements

March 31, 2014

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#### 8. Boundary claim settlement trust

On October 5, 2007, Michipicoten First Nation settled a boundary claim with the provincial and federal governments. Compensation received under this settlement was placed with a corporate trustee. The trust agreement contains various covenants and places restrictions on the use of capital and revenue monies.

The investment policy of the boundary claim settlement trust is provide a return of 4% to Michipicoten First Nation, as beneficiary, over the long term. To the extent that investment income is less in any given year, the difference may be withdrawn from capital to be repaid within five years from income earned in excess of the 4% rate. As of March 31, 2014, \$1,923,285 has been withdrawn from capital in relation to the 4% factor.

Chief and council have committed to using distributions from this trust for its Better Living Policies, a program designed to assist members.

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#### 9. Aboriginal Affairs and Northern Canada Development funding

The First Nation has entered into funding arrangements with Aboriginal Affairs and Northern Development Canada. The funds are used by the First Nation to administer its operations and provide service to its members in accordance with the terms of the funding arrangement. There were no adjustments to AANDC funding in the year.

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#### 10. Contingent liability

The First Nation is contingently liable to Canada Mortgage and Housing Corporation for housing renovations loans extended to band members. Loans are forgivable on a straight line basis over four years as long as the occupant remains the same over the term. Any outstanding balance becomes payable by the First Nation if the terms of forgiveness are not met.

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#### 11. Segmented information

The Michipicoten First Nation is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, medical and other health services, administration, capital, enterprises and other services. 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 and family services**

This department is responsible for administering programs focussing on improving the lives of members and families of the First Nation, including: better living, education and funeral policies; promoting awareness of cultural ties by gathering together youth and elders; youth employment projects; and distribution of trust settlement proceeds to members.

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**Michipicoten First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2014**

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**11. Segmented information (continued)**

**Education**

The education department provides services to elementary and secondary students primarily by entering into service contracts with provincially funded area school boards, as well as native language study. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post-secondary institutions.

**Operations and maintenance**

The infrastructure department provides public services that contribute to community development and sustainability through the provision of operating services such as roads, water and sanitation, fire protection, electrical and community buildings.

**Medical and other health services**

The community wellness department provides a diverse bundle of services directed towards the well-being of members including such activities as long term care, medical transportation, pre-natal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

**Administration**

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

**Housing and community development**

This department oversees construction and renovation of housing in the community and as well, operates the CMHC project and other band-owned homes. In addition, this department undertakes planning activities to ensure the long-term improvement of the community.

**Enterprises and economic development**

Band operated enterprises are activities conducted by the First Nation with the objective of promoting economic self-sufficiency. These activities could include income generated from renting out band-owned equipment, lease income and other projects from time to time. This department also oversees economic development programs within the community.

**Other services**

The First Nation provides a wide array of other services, including volunteer fire department, library and land purchases, as well as administering Rama funding.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies. For additional information see Schedule 2 - Consolidated Segment Disclosure.

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**12. Comparative figures**

Comparative figures have been restated where necessary to conform to the presentation adopted during the current fiscal year.

**Michipicoten First Nation**  
**Schedule 1 - Consolidated Tangible Capital Assets**

**For the year ended March 31, 2014**

	Land	Land Improvements	Buildings	Housing	Machinery and Equipment	Vehicles	Infrastructure	Construction In Progress	Total
Cost, beginning of year	\$ 8,951,177	\$ 114,039	\$ 1,696,195	\$ 3,385,537	\$ 955,251	\$ 84,985	\$ 2,931,818	\$ -	\$ 18,119,002
Additions	-	-	-	-	-	-	-	-	-
Cost, end of year	8,951,177	114,039	1,696,195	3,385,537	955,251	84,985	2,931,818	-	18,119,002
Accumulated amortization, beginning of year	-	46,408	719,215	980,244	339,762	8,065	1,400,533	-	3,494,227
Amortization	-	11,405	42,929	84,600	50,323	5,665	54,978	-	249,900
Accumulated amortization, end of year	-	57,813	762,144	1,064,844	390,085	13,730	1,455,511	-	3,744,127
Net carrying amount, end of year	\$ 8,951,177	\$ 56,226	\$ 934,051	\$ 2,320,693	\$ 565,166	\$ 71,255	\$ 1,476,307	\$ -	\$ 14,374,875

The notes are an integral part of these financial statements.

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

For the year ended March 31, 2013 (comparative figures)

	Land	Land Improvements	Buildings	Housing	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
<b>Cost, beginning of year</b>	\$ 8,951,177	\$ 114,039	\$ 1,696,195	\$ 3,385,537	\$ 955,251	\$ 70,000	\$ 2,931,818	\$ -	\$ 18,104,017
Additions	-	-	-	-	-	45,485	-	-	45,485
Disposals	-	-	-	-	-	(30,500)	-	-	(30,500)
<b>Cost, end of year</b>	<b>8,951,177</b>	<b>114,039</b>	<b>1,696,195</b>	<b>3,385,537</b>	<b>955,251</b>	<b>84,985</b>	<b>2,931,818</b>	<b>-</b>	<b>18,119,002</b>
<b>Accumulated amortization, beginning of year</b>	-	35,003	676,286	895,644	289,438	9,498	1,345,555	-	3,251,424
Amortization	-	11,405	42,929	84,800	50,324	2,633	54,978	-	246,869
Disposals	-	-	-	-	-	(4,066)	-	-	(4,066)
<b>Accumulated amortization, end of year</b>	<b>-</b>	<b>46,408</b>	<b>719,215</b>	<b>980,244</b>	<b>339,762</b>	<b>8,065</b>	<b>1,400,533</b>	<b>-</b>	<b>3,494,227</b>
<b>Net carrying amount, end of year</b>	<b>\$ 8,951,177</b>	<b>\$ 67,631</b>	<b>\$ 976,980</b>	<b>\$ 2,405,293</b>	<b>\$ 615,489</b>	<b>\$ 76,920</b>	<b>\$ 1,531,285</b>	<b>\$ -</b>	<b>\$ 14,624,775</b>

The notes are an integral part of these financial statements.

**Michipicoten First Nation**  
**Schedule 2 - Consolidated Segment Disclosure**

For the year ended March 31, 2014

	Social and Family Services	Education	Operations and Maintenance	Medical and other Health Services	Admini- stration	Housing and Community Development	Enterprises and Economic Development	Other	Consolidated Total
<b>Revenue</b>									
Aboriginal Affairs and Northern Development Canada	\$ 14,655	\$ 1,023,614	\$ 362,527	\$ -	\$ 281,354	\$ 80,588	\$ 156,297	\$ -	\$ 1,919,035
Canada	-	-	-	186,701	-	80,145	-	-	266,846
Ontario	4,742	-	9,486	-	-	-	88,838	13,903	116,969
Casino Rama	-	-	-	-	-	-	-	667,906	667,906
Trust Income	1,547,542	-	-	-	-	-	-	-	1,547,542
Other Aboriginal organizations	11,759	-	23,220	155,225	13,021	-	-	-	203,225
Interest, rentals and other	46,946	1,023	6,303	200	220,258	116,898	116,489	2,843	509,960
Transfers between segments	427,000	14,000	100,000	(55,000)	-	53,906	60,000	(599,906)	-
	<u>2,052,644</u>	<u>1,038,637</u>	<u>501,536</u>	<u>287,126</u>	<u>514,633</u>	<u>331,537</u>	<u>420,624</u>	<u>84,746</u>	<u>5,231,483</u>
<b>Expenses</b>									
Salaries, wages and benefits	101,488	99,857	244,336	211,681	536,569	75,989	202,441	37,271	1,509,632
Materials and supplies	71,729	6,329	111,275	33,307	57,610	42,550	43,557	3,838	370,195
Contracted services	3,661	14,516	80,619	7,411	157,689	96,112	87,547	33,592	481,147
Rents and financial expenses	155	22,000	73,462	2,148	96,687	55,575	36,505	-	286,532
External transfers	1,812,337	843,195	-	-	-	-	-	-	2,655,532
Amortization	5,217	-	115,700	9,801	30,201	87,300	-	1,681	249,900
Transfers between segments	117,200	52,510	10,700	31,800	(337,247)	39,487	75,550	10,000	-
	<u>2,111,787</u>	<u>1,038,407</u>	<u>636,092</u>	<u>296,148</u>	<u>541,509</u>	<u>397,013</u>	<u>445,600</u>	<u>86,382</u>	<u>5,552,938</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (59,143)</b>	<b>\$ 230</b>	<b>\$ (134,556)</b>	<b>\$ (9,022)</b>	<b>\$ (26,876)</b>	<b>\$ (65,476)</b>	<b>\$ (24,976)</b>	<b>\$ (1,636)</b>	<b>\$ (321,455)</b>

The notes are an integral part of these financial statements.



**Michipicoten First Nation**  
**Schedule 2 - Consolidated Segment Disclosure**

For the year ended March 31, 2013 (comparative figures)

	Social and Family	Education	Operations and Maintenance	Medical and other Health Services	Admini- stration	Housing and Community Development	Enterprises and Economic Development	Other	Consolidated Total
<b>Revenue</b>									
Aboriginal Affairs and Northern Development Canada	\$ 13,589	\$ 918,336	\$ 327,594	\$ -	\$ 249,518	\$ 71,469	\$ 49,927	\$ 293,169	\$ 1,923,602
Canada	830	-	-	206,900	-	96,497	24,008	-	328,235
Ontario	7,820	-	9,486	-	4,925	-	-	-	22,231
Casino Rama	-	-	-	-	-	-	-	643,851	643,851
Trust Income	1,156,405	-	-	-	-	-	-	-	1,156,405
Other Aboriginal organizations	8,377	-	28,463	142,629	5,940	-	29,109	-	214,518
Interest, rentals and other	40,777	-	39,025	(17,912)	95,419	82,641	120,830	25,778	386,558
Transfers between segments	537,000	235,000	210,000	(15,000)	-	29,000	33,939	(1,029,939)	-
	1,764,798	1,153,336	614,568	316,617	355,802	279,607	257,813	(67,141)	4,675,400
Deferred revenue, beginning of year	-	-	-	-	-	1,408	-	-	1,408
	1,764,798	1,153,336	614,568	316,617	355,802	281,015	257,813	(67,141)	4,676,808
<b>Expenses</b>									
Salaries, wages and benefits	120,890	117,197	361,827	212,432	464,479	67,031	191,169	59,294	1,594,319
Materials and supplies	101,496	8,496	92,775	44,381	52,991	19,976	25,545	12,107	357,767
Contracted services	6,347	48,289	59,515	5,783	130,661	60,319	8,128	287,618	606,660
Rents and financial expenses	98	7,000	79,149	2,000	34,396	51,751	40,678	1,500	216,572
External transfers and other	1,936,098	893,153	-	-	-	-	-	-	2,829,251
Amortization	5,217	-	115,700	6,769	30,201	87,300	-	1,682	246,869
Transfers between segments	93,500	79,200	38,800	23,000	(326,100)	18,000	18,600	55,000	-
	2,263,646	1,153,335	747,766	294,365	386,628	304,377	284,120	417,201	5,851,438
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (498,848)</b>	<b>\$ 1</b>	<b>\$ (133,198)</b>	<b>\$ 22,252</b>	<b>\$ (30,826)</b>	<b>\$ (23,362)</b>	<b>\$ (26,307)</b>	<b>\$ (484,342)</b>	<b>\$ (1,174,630)</b>

The notes are an integral part of these financial statements.