

RECEIVED  
JUL 19 2016  
AANDC TBAY

**Michipicoten First Nation  
Consolidated Financial Statements  
For the year ended March 31, 2016**

---

**Contents**

<b>Management's Responsibility for Financial Reporting</b>	2
<b>Independent Auditor's Report</b>	3
<b>Consolidated Financial Statements</b>	
Statement of Financial Position	4
Statement of Operations	5
Statement of Change in Net Financial Assets (Debt)	6
Statement of Cash Flows	7
Notes to Financial Statements	8
Schedule 1 - Tangible Capital Assets	15
Schedule 2 - Segment Disclosure	17

---

## **Michipicoten First Nation**

### **Management's Responsibility for Financial Reporting**

March 31, 2016

---

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:



J. Bunkall  
Chief



M. Rilon  
Band Manager

---

## Independent Auditor's Report

---

### 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, 2016 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, 2016 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.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Sault Ste. Marie, Ontario  
June 23, 2016

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

**March 31**

**2016**

**2015**

**Financial assets**

Cash	\$ 1,290,290	\$ 689,998
Accounts receivable	252,978	195,486
Due from boundary claim settlement trust	184,855	210,941
Investments (Note 2)	2	2
Funds held in trust with Government of Canada (Note 3)	31,777	29,184
	<hr/>	<hr/>
	1,759,902	1,125,611

**Liabilities**

Accounts payable and accrued liabilities	181,262	105,372
Deferred revenue (Note 4)	390,768	
Future landfill closure and post-closure costs (Note 5)	214,846	214,846
Long term debt (Note 6)	854,063	908,945
	<hr/>	<hr/>
	1,640,939	1,229,163

**Net financial assets (debt)**

**118,963**

**(103,552)**

**Non-financial assets**

Tangible capital assets (Schedule 1)	14,109,726	14,198,061
Prepaid expenses	41,350	49,036
	<hr/>	<hr/>
	14,151,076	14,247,097

**Accumulated surplus (Note 7)**

**\$ 14,270,039**

**\$ 14,143,545**

**Boundary claim settlement trust (Note 8)**

**\$ 30,049,446**

**\$ 30,051,976**

On behalf of the First Nation:

 Chief

 Band Manager

**Michipicoten First Nation  
Consolidated Statement of Operations**

<b>For the year ended March 31</b>	<b>Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	\$ 1,971,122	\$ 1,969,519	\$ 1,910,839
Canada	271,549	265,882	269,384
Ontario	272,305	276,419	335,674
Casino Rama	665,000	690,550	686,915
Michipicoten First Nation trusts	1,280,000	1,593,284	1,231,572
Other aboriginal organizations	235,403	186,525	223,026
Rentals, interest and other	378,010	378,844	474,588
	<hr/>	<hr/>	<hr/>
	5,073,389	5,361,023	5,131,998
<b>Expenses</b>			
Social and family services	2,123,999	1,952,843	1,896,782
Education	1,068,300	1,005,373	997,988
Operations and maintenance	700,000	693,842	551,745
Medical and other health services	290,900	320,940	322,945
Administration	419,563	396,269	421,522
Housing and community development	354,588	462,860	455,698
Enterprises and economic development	407,500	317,482	673,316
Other	106,900	84,920	79,824
	<hr/>	<hr/>	<hr/>
	5,471,750	5,234,529	5,399,820
<b>Annual surplus (deficit)</b>	<b>(398,361)</b>	<b>126,494</b>	<b>(267,822)</b>
<b>Accumulated surplus, beginning of year</b>	<b>14,143,545</b>	<b>14,143,545</b>	<b>14,411,367</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 13,745,184</b>	<b>\$ 14,270,039</b>	<b>\$ 14,143,545</b>

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

<u>For the year ended March 31</u>	<u>Budget</u>	<u>2016</u>	<u>2015</u>
<b>Annual surplus (deficit)</b>	\$ (398,361)	<b>\$ 126,494</b>	\$ (267,822)
Acquisition of tangible capital assets	-	(160,287)	(76,187)
Amortization of tangible capital assets	226,000	238,990	253,001
Loss on disposal of tangible capital assets	-	5,957	-
Proceeds on sale of tangible capital assets	-	3,675	-
Prepaid expenses	-	7,686	3,027
<b>Net change in net financial assets (debt)</b>	<b>(172,361)</b>	<b>222,515</b>	(87,981)
<b>Net debt, beginning of year</b>	<b>(103,552)</b>	<b>(103,552)</b>	(15,571)
<b>Net financial assets (debt), end of year</b>	<b>\$ (275,913)</b>	<b>\$ 118,963</b>	<b>\$ (103,552)</b>

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

**For the year ended March 31**

**2016**

**2015**

<b>Operating transactions</b>		
Annual surplus (deficit)	\$ 126,494	\$ (267,822)
Items not involving cash		
Amortization	238,990	253,001
Loss on disposal of tangible capital assets	5,957	-
Unfunded landfill site costs	-	20,846
	<hr/>	<hr/>
	371,441	6,025
Changes in non-cash operating balances		
Accounts receivable	(57,492)	101,543
Due from boundary claim settlement trust	26,086	(210,941)
Prepaid expenses	7,686	3,027
Funds held in trust	(2,593)	(4,735)
Accounts payable and accrued liabilities	75,890	(101,682)
Deferred revenue	390,768	-
	<hr/>	<hr/>
	811,786	(206,763)
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(160,287)	(76,187)
Proceeds on sale of tangible capital assets	3,675	-
	<hr/>	<hr/>
	(156,612)	(76,187)
<b>Financing activities</b>		
Long term debt	(54,882)	(51,824)
<b>Net change in cash</b>	<b>600,292</b>	<b>(334,774)</b>
<b>Cash, beginning of year</b>	<b>689,998</b>	<b>1,024,772</b>
<b>Cash, end of year</b>	<b>\$ 1,290,290</b>	<b>\$ 689,998</b>

---

# Michipicoten First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

---

### 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.

#### f. 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, 2016

---

### 1. Significant accounting policies (continued)

#### g. 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 the following years, which approximate estimated useful life of the tangible capital asset:

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

Assets under construction are not amortized until the asset is available for service.

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.

---

### 2. Investments

	2016	2015
Bamkushwada General Partner Inc.		
Common share (1 of 6 shares issued)	\$ 1	\$ 1
Bamkushwada Limited Partnership		
Limited partner unit (1 of 6 units issued)	<hr/> 1	<hr/> 1
	<hr/> \$ 2	<hr/> \$ 2

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

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

**March 31, 2016**

**3. Trust funds**

	<b>Beginning</b>	<b>Additions</b>	<b>Withdrawals</b>	<b>Ending</b>
Revenue Capital	\$ 26,700 2,484	\$ 2,593 -	\$ - -	\$ 29,293 2,484
	<b>\$ 29,184</b>	<b>\$ 2,593</b>	<b>\$ -</b>	<b>\$ 31,777</b>

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. Deferred revenue**

	<b>2016</b>	<b>2015</b>
Per capita distributions	\$ 377,600	\$ -
Language initiatives	8,440	-
Other	4,728	-
	<b>\$ 390,768</b>	<b>\$ -</b>

**5. 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 one year, 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 \$214,846 (2015 - \$214,846). As at March 31, 2016, \$214,846 (2015 - \$214,846) of the total estimated expenditures have been recognized based on the cumulative capacity of 100% (2015 - 100%) 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, 2016**

**6. Long term debt**

	<b>2016</b>	<b>2015</b>
Mortgage payable, Canada Mortgage and Housing Corporation, repayable \$5,919 monthly including interest at 1.83%, maturing December 1, 2019	<b>\$ 854,063</b>	<b>\$ 908,945</b>

Interest paid on long term debt during the year amounted to \$16,228 (2015 - \$22,730). Principal payments required on long term debt for the next five years are as follows:

<b>Year</b>	<b>Amount</b>
2017	\$ 55,865
2018	56,896
2019	57,946
2020	59,016
2021	60,082
Thereafter	<b>564,258</b>
	<b>\$ 854,063</b>

**7. Accumulated surplus**

	<b>2016</b>	<b>2015</b>
<b>Allocation of annual surplus (deficit)</b>		
Reserves	\$ (27,394)	\$ (204,541)
Equity in tangible capital assets	(33,454)	(124,991)
General surplus (deficit)	(19,612)	3,799
Better living policies surplus (deficit)	204,361	74,022
Unfunded landfill liabilities	-	(20,846)
Funds held in trust	<b>2,593</b>	<b>4,735</b>
	<b>\$ 126,494</b>	<b>\$ (267,822)</b>

**Accumulated surplus, end of year**

Reserves set aside for specific purposes by Chief and Council		
Land acquisition fund	\$ 936,432	\$ 958,459
CMHC reserves	8,800	36,767
Reserve for per capita distributions	104,500	244,500
Reserve for better living policies	<b>162,600</b>	<b>-</b>
Equity in tangible capital assets	1,212,332	1,239,726
General surplus (deficit)	13,255,661	13,289,115
Better living policies surplus (deficit)	(14,885)	4,727
Unfunded landfill liabilities	-	(204,361)
Funds held in trust	<b>(214,846)</b>	<b>(214,846)</b>
	<b>31,777</b>	<b>29,184</b>
	<b>\$ 14,270,039</b>	<b>\$ 14,143,545</b>

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

**March 31, 2016**

**8. Boundary claim settlement trust**

The following is a summary of the trust's operations for the year ended December 31, 2015:

	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>	<b>Total (2014)</b>
<b>Balance, beginning of year</b>	<b>\$ - \$ 30,051,976</b>	<b>\$ 30,051,976</b>	<b>\$ 30,397,896</b>	
<b>Revenue</b>				
Interest	619,422	-	619,422	414,986
Dividends	314,461	-	314,461	308,036
Capital gains	1,118,568	-	1,118,568	2,593,487
	<b>2,052,451</b>	<b>-</b>	<b>2,052,451</b>	<b>3,316,509</b>
<b>Expenditures</b>				
Administration fees		2,530	2,530	920
Trustee fees	86,454		86,454	94,452
Other	11,772		11,772	11,645
Portfolio management fees	110,979		110,979	109,893
Professional fees	10,735		10,735	38,439
Income distributions	1,832,511		1,832,511	3,062,080
Capital distributions				345,000
	<b>2,052,451</b>	<b>2,530</b>	<b>2,054,981</b>	<b>3,662,429</b>
<b>Balance, end of year</b>	<b>\$ - \$ 30,049,446</b>	<b>\$ 30,049,446</b>	<b>\$ 30,051,976</b>	

The following is a summary of the trust's financial position at December 31, 2015:

	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>	<b>Total (2014)</b>
Current assets	\$ 171,774	\$ 44,083	\$ 215,857	\$ 229,384
Inter fund balances	1,122,435	(1,122,435)	-	-
Due from beneficiary	-	210,940	210,940	2,069,752
Investments	510,000	30,916,858	31,426,858	30,814,920
Current liabilities	(1,804,209)	-	(1,804,209)	(3,062,080)
Fund balances	<b>\$ - \$ 30,049,446</b>	<b>\$ 30,049,446</b>	<b>\$ 30,051,976</b>	

The investment policy of the boundary claim settlement trust is to provide an annual 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.

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

---

## Michipicoten First Nation Notes to Consolidated Financial Statements

**March 31, 2016**

---

### **9. 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 \$49,999 (2015 - \$51,900) during the year for retirement benefits.

---

### **10. Indigenous and Northern Affairs Canada funding**

The First Nation has entered into funding arrangements with Indigenous and Northern Affairs 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 INAC funding in the year.

---

### **11. 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.

---

### **12. 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 administrating programs focusing 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.

#### *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 maintenance services for roads, water and sanitation, fire protection, electrical and community buildings.

---

## Michipicoten First Nation Notes to Consolidated Financial Statements

March 31, 2016

---

### **12. Segmented information (continued)**

#### *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 medical transportation, pre-natal and early childhood care, brighter futures, building healthy communities, traditional healing, family violence prevention and other 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 administrating 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.

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

**For the year ended March 31, 2016**

	Land	Land Improvements	Buildings	Housing	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
<b>Cost, beginning of year</b>	<b>\$ 8,951,177</b>	<b>\$ 114,039</b>	<b>\$ 1,696,195</b>	<b>\$ 3,385,537</b>	<b>\$ 982,541</b>	<b>\$ 133,882</b>	<b>\$ 2,931,818</b>	<b>\$ 80,382</b>	<b>\$ 18,195,189</b>
Additions	-	-	-	-	-	-	79,905	-	160,287
Disposals	-	-	-	-	(48,175)	-	-	-	(48,175)
<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>934,366</b>	<b>213,787</b>	<b>2,931,818</b>	<b>80,382</b>	<b>18,307,301</b>
<b>Accumulated amortization, beginning of year</b>	<b>-</b>	<b>69,218</b>	<b>805,073</b>	<b>1,149,444</b>	<b>440,249</b>	<b>22,655</b>	<b>1,510,489</b>	<b>-</b>	<b>3,997,128</b>
Amortization	-	7,535	42,429	84,602	35,194	14,252	54,978	-	238,990
Disposals	-	-	-	-	(38,543)	-	-	-	(38,543)
<b>Accumulated amortization, end of year</b>	<b>-</b>	<b>76,753</b>	<b>847,502</b>	<b>1,234,046</b>	<b>436,900</b>	<b>36,907</b>	<b>1,565,467</b>	<b>-</b>	<b>4,197,575</b>
<b>Net carrying amount, end of year</b>	<b>\$ 8,951,177</b>	<b>\$ 37,286</b>	<b>\$ 848,693</b>	<b>\$ 2,151,491</b>	<b>\$ 497,466</b>	<b>\$ 176,880</b>	<b>\$ 1,366,351</b>	<b>\$ 80,382</b>	<b>\$ 14,109,726</b>

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, 2015 (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	\$ 84,985	\$ 2,931,818	\$ -	\$ 18,119,002
Additions	-	-	-	-	27,290	48,897	-	-	76,187
<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>982,541</b>	<b>133,882</b>	<b>2,931,818</b>	<b>-</b>	<b>18,195,189</b>
<b>Accumulated amortization, beginning of year</b>	-	57,813	762,144	1,064,844	390,085	13,730	1,455,511	-	3,744,127
Amortization	-	11,405	42,929	84,600	50,164	8,925	54,978	-	253,001
<b>Accumulated amortization, end of year</b>	-	<b>69,218</b>	<b>805,073</b>	<b>1,149,444</b>	<b>440,249</b>	<b>22,655</b>	<b>1,510,489</b>	<b>-</b>	<b>3,997,128</b>
<b>Net carrying amount, end of year</b>	<b>\$ 8,951,177</b>	<b>\$ 44,821</b>	<b>\$ 891,122</b>	<b>\$ 2,236,093</b>	<b>\$ 542,292</b>	<b>\$ 111,227</b>	<b>\$ 1,421,329</b>	<b>\$ -</b>	<b>\$ 14,198,061</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, 2016**

	Social and Family Services	Education	Operations and Maintenance	Medical and other Health Services	Administration	Housing and Community Development	Enterprises and Economic Development	Other	Consolidated Total
<b>Revenue</b>									
Indigenous and Northern Affairs Canada	\$ 15,289	\$ 1,098,612	\$ 377,737	\$ 189,523	\$ 304,658	\$ 87,263	\$ 85,960	\$ 1,969,519	
Canada	-	-	-	-	-	\$ 76,359	-	-	265,882
Ontario	5,835	-	9,486	-	-	82,600	130,125	48,373	276,419
Casino Rama	-	-	-	-	-	-	-	690,550	690,550
Trust income	1,593,284	-	-	-	-	-	-	-	1,593,284
Other Aboriginal organizations	6,345	7,831	11,231	154,939	6,179	-	-	-	186,525
Interest, rentals and other	41,230	85	64,235	631	67,272	165,116	9,443	30,832	
Transfers between segments	517,250	-	80,000	(17,250)	-	45,200	59,000	(684,200)	378,844
	<b>2,179,233</b>	<b>1,106,528</b>	<b>542,689</b>	<b>327,843</b>	<b>378,109</b>	<b>456,538</b>	<b>284,528</b>	<b>85,555</b>	<b>5,361,023</b>
<b>Expenses</b>									
Salaries, wages and benefits	103,332	177,548	387,133	218,311	464,035	97,567	119,966	38,726	1,606,618
Materials and supplies	12,944	19,447	44,861	52,410	61,241	41,049	10,335	39,194	281,481
Contracted services	2,458	3,255	74,116	8,618	133,671	170,703	148,064	1,969	542,854
Rents and financial expenses	70	32,949	36,117	-	46,014	26,754	21,817	-	163,721
External transfers	1,720,691	680,174	-	-	-	-	-	-	2,400,865
Amortization	1,348	-	120,915	9,301	18,445	87,300	-	1,681	238,990
Transfers between segments	112,000	92,000	30,700	32,300	(327,137)	39,487	17,300	3,350	-
	<b>1,952,843</b>	<b>1,005,373</b>	<b>693,842</b>	<b>320,940</b>	<b>396,269</b>	<b>462,860</b>	<b>317,482</b>	<b>84,920</b>	<b>5,234,529</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 226,390</b>	<b>\$ 101,155</b>	<b>\$ (151,153)</b>	<b>\$ 6,903</b>	<b>\$ (18,160)</b>	<b>\$ (6,322)</b>	<b>\$ (32,954)</b>	<b>\$ 635</b>	<b>\$ 126,494</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, 2015 (comparative figures)**

	Social and Family	Operations and Education	Medical and other Health Maintenance Services	Administra-tion	Housing and Community Development	Enterprises and Economic Development	Other	Consolidated Total
<b>Revenue</b>								
Indigenous and Northern Affairs Canada	\$ 14,996	\$ 1,073,125	\$ 380,388	\$ 297,560	\$ 85,230	\$ 59,540	\$ -	\$ 1,910,839
Canada								
Ontario	6,207		9,486		78,883			269,384
Casino Rama					10,000	300,000	9,981	335,674
Trust income	1,231,572						686,915	686,915
Other Aboriginal organizations	12,148		3,093	23,696		35,707		1,231,572
Interest, rentals and other	34,495		1,253	61,429	173,432	141,703		223,026
Transfers between segments	512,000		(12,000)	10,200	70,000	97,715	61,276	474,588
	<u>1,811,418</u>	<u>1,073,125</u>	<u>394,220</u>	<u>327,883</u>	<u>392,885</u>	<u>417,545</u>	<u>634,665</u>	<u>80,257</u>
								<u>5,131,998</u>
<b>Expenses</b>								
Salaries, wages and benefits	83,955	159,950	148,918	237,305	476,192	145,290	302,404	46,854
Materials and supplies	8,399	16,840	109,727	39,594	45,192	17,975	9,375	3,390
Contracted services	4,085	1,646	74,277	1,245	97,322	109,293	281,131	250,492
Rents and financial expenses	108	29,583	89,321	2,700	57,715	56,353	36,606	590,639
External transfers and other	1,691,918	737,459						275,442
Amortization	5,217		118,802	9,801	30,201	87,300		2,429,377
Transfers between segments	103,100	52,510	10,700	32,300	(285,100)	39,487	43,800	253,002
	<u>1,896,782</u>	<u>997,988</u>	<u>551,745</u>	<u>322,945</u>	<u>421,522</u>	<u>455,698</u>	<u>673,316</u>	<u>79,824</u>
								<u>5,399,820</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (85,364)</b>	<b>\$ 75,137</b>	<b>\$ (157,525)</b>	<b>\$ 4,938</b>	<b>\$ (28,637)</b>	<b>\$ (38,153)</b>	<b>\$ (38,651)</b>	<b>\$ 433</b>
								<b>\$ (267,822)</b>

The notes are an integral part of these financial statements.