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Services aux Autochtones Canada
Thunder Bay

Michipicoten First Nation
Consolidated Financial Statements
For the year ended March 31, 2018

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Michipicoten First Nation Management's Responsibility for Financial Reporting

March 31, 2018

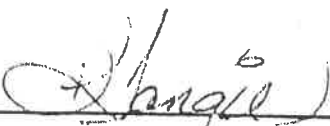
The accompanying consolidated financial statements of Michipicoten First Nation are the responsibility of management and have been approved by Chief and Council.

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.

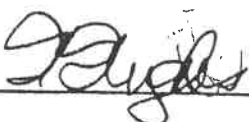
Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

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, 2018 and the statements of operations, change in net financial assets 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, 2018 and the consolidated results of its operations, change in its net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants
Sault Ste. Marie, Ontario
July 26, 2018

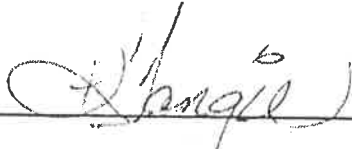
Michipicoten First Nation

Consolidated Statement of Financial Position

March 31	2018	2017
Financial assets		
Cash	\$ 3,284,369	\$ 1,838,143
Accounts receivable	570,262	925,220
Investments (Note 2)	2	2
Funds held in trust with Government of Canada (Note 3)	35,254	34,497
	<u>3,889,887</u>	<u>2,797,862</u>
Liabilities		
Accounts payable and accrued liabilities	163,830	380,233
Deferred revenue (Note 4)	1,298,468	415,872
Future landfill closure and post-closure costs (Note 5)	214,846	214,846
Long term debt (Note 6)	741,157	798,109
	<u>2,418,301</u>	<u>1,809,060</u>
Net financial assets	<u>1,471,586</u>	<u>988,802</u>
Non-financial assets		
Tangible capital assets (Schedule 1)	13,825,114	13,936,816
Prepaid expenses	39,270	32,685
	<u>13,864,384</u>	<u>13,969,501</u>
Accumulated surplus (Note 7)	<u>\$ 15,335,970</u>	<u>\$ 14,958,303</u>

Boundary claim settlement trust (Note 11)	\$ 27,836,087	\$ 28,316,078
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On behalf of the First Nation:


 _____ Chief


 _____ Band Manager

Michipicoten First Nation Consolidated Statement of Operations

For the year ended March 31	Budget	2018	2017
Revenue			
Indigenous and Northern Affairs Canada	\$ 2,103,988	\$ 2,894,746	\$ 1,984,055
Canada	286,429	333,289	293,526
Ontario	131,699	188,784	68,389
Casino Rama	795,000	790,812	780,749
Michipicoten First Nation trusts	1,500,000	1,603,761	1,516,361
Other aboriginal organizations	349,783	394,941	429,994
Rentals, interest and other	115,845	1,077,363	917,931
	5,282,744	7,283,696	5,991,005
Deferred revenue, beginning of year	17,151	385,650	390,768
Deferred revenue, end of year	-	(1,298,468)	(415,873)
	5,299,895	6,370,878	5,965,900
Expenses			
Social and family services	2,271,465	2,066,075	1,886,298
Education	1,265,164	882,991	903,457
Operations and maintenance	533,688	506,810	559,233
Medical and other health services	341,570	503,556	514,338
Administration	410,417	579,287	660,984
Housing and community development	257,706	1,055,059	545,453
Enterprises and economic development	477,325	219,746	152,008
Other	54,459	179,687	55,865
	5,611,794	5,993,211	5,277,636
Annual surplus (deficit)	(311,899)	377,667	688,264
Accumulated surplus, beginning of year	14,958,303	14,958,303	14,270,039
Accumulated surplus, end of year	\$ 14,646,404	\$ 15,335,970	\$ 14,958,303

The notes are an integral part of these financial statements.

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

For the year ended March 31	Budget	2018	2017
Annual surplus (deficit)	\$ (311,899)	\$ 377,667	\$ 688,264
Acquisition of tangible capital assets	-	(135,759)	(55,661)
Amortization of tangible capital assets	227,500	232,161	228,571
Loss on disposal of tangible capital assets	-	15,300	-
Prepaid expenses	-	(6,585)	8,665
Net change in net financial assets	(84,399)	482,784	869,839
Net financial assets, beginning of year	988,802	988,802	118,963
Net financial assets, end of year	\$ 904,403	\$ 1,471,586	\$ 988,802

The notes are an integral part of these financial statements.

Michipicoten First Nation

Consolidated Statement of Cash Flows

For the year ended March 31

2018

2017

Operating transactions

Annual surplus	\$ 377,667	\$ 688,264
Items not involving cash		
Amortization	232,161	228,571
Loss on disposal of tangible capital assets	15,300	-
	<u>625,128</u>	<u>916,835</u>
Changes in non-cash operating balances		
Accounts receivable	354,958	(672,242)
Due from boundary claim settlement trust	-	184,855
Prepaid expenses	(6,585)	8,665
Funds held in trust	(757)	(2,720)
Accounts payable and accrued liabilities	(216,403)	198,971
Deferred revenue	882,596	25,104
	<u>1,638,937</u>	<u>659,468</u>

Capital transactions

Acquisition of tangible capital assets	(135,759)	(55,661)
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Financing activities

Long term debt	(56,952)	(55,954)
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Net change in cash

1,446,226 547,853

Cash, beginning of year

1,838,143 1,290,290

Cash, end of year

\$ 3,284,369 \$ 1,838,143

Michipicoten First Nation

Notes to Consolidated Financial Statements

March 31, 2018

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.

Michipicoten First Nation

Notes to Consolidated Financial Statements

March 31, 2018

1. Significant accounting policies (continued)

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.

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
Automotive	7

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 artificats, 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.

Michipicoten First Nation

Notes to Consolidated Financial Statements

March 31, 2018

2. Investments

The First Nation entered into shareholder and limited partnership agreements with five other First Nations to explore business opportunities in electrical transmission. The partnerships are Bamkushwada Limited Partnership and Supercomm Industries LP.

Both partnerships are in the early stages of exploring development opportunities and report no significant distributable activities to date.

3. Trust funds

	Beginning	Additions	Withdrawals	Ending
Revenue	\$ 32,013	\$ 757	\$ -	\$ 32,770
Capital	2,484	-	-	2,484
	\$ 34,497	\$ 757	\$ -	\$ 35,254

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

	2018	2017
Per capita distributions	\$ 174,301	\$ 364,103
Landfill remedial work	412,216	-
Business and economic development program	151,905	-
Special education	27,526	17,151
Elementary/Secondary education	155,215	-
Post-Secondary education	145,151	-
Post-secondary student support	102,864	-
Other	-	4,395
Economic development	-	23,000
Integrated health programs	9,967	7,223
Family Support Worker	7,300	-
Wellness Worker	21,000	-
Medical initiatives	81,201	-
Brushing contract	9,822	-
	\$ 1,298,468	\$ 415,872

Reconciliation of deferred revenue

Balance, beginning of year	\$ 415,872	\$ 390,768
Additions during the year	1,298,468	415,872
Applied to operations during the year	(385,650)	(390,768)
Repaid to funding agencies	(30,222)	-
Balance, end of year	\$ 1,298,468	\$ 415,872

Michipicoten First Nation

Notes to Consolidated Financial Statements

March 31, 2018

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 (2017 - \$214,846). As at March 31, 2018, \$214,846 (2017 - \$214,846) of the total estimated expenditures have been recognized based on the cumulative capacity of 100% (2017 - 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.

After the year end, Michipicoten First Nation expended \$412,216 in funding from INAC to address these liabilities and other costs.

6. Long term debt

	2018	2017
Mortgage payable, Canada Mortgage and Housing Corporation, repayable \$5,919 monthly including interest at 1.83%, maturing December 1, 2019	\$ 741,157	\$ 798,109

Interest paid on long term debt during the year amounted to \$14,077 (2017 - \$15,074). Principal payments required on long term debt for the next five years are as follows:

Year	Amount
2019	\$ 57,946
2020	59,016
2021	60,105
2022	61,214
2023	62,343
Thereafter	<u>440,533</u>
	\$ 741,157

Michipicoten First Nation

Notes to Consolidated Financial Statements

March 31, 2018

7. Accumulated surplus

	2018	2017
Allocation of annual surplus (deficit)		
Reserves	\$ 365,157	\$ 442,957
Equity in tangible capital assets	(54,746)	(116,955)
General surplus (deficit)	66,499	359,542
Funds held in trust	757	2,720
	<u>\$ 377,667</u>	<u>\$ 688,264</u>
Accumulated surplus, end of year		
Reserves set aside for specific purposes by Chief and Council		
Land acquisition fund	\$ 906,055	\$ 919,255
Economic development fund	510,000	370,000
CMHC reserves	28,691	17,974
Reserve for better living policies	575,700	348,060
	<u>2,020,446</u>	<u>1,655,289</u>
Equity in tangible capital assets	13,083,957	13,138,703
General surplus (deficit)	411,159	344,660
Unfunded landfill liabilities	(214,846)	(214,846)
Funds held in trust	35,254	34,497
	<u>\$ 15,335,970</u>	<u>\$ 14,958,303</u>

8. 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 \$43,336 (2017 - \$40,816) during the year for retirement benefits.

9. 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.

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.

Michipicoten First Nation
Notes to Consolidated Financial Statements

March 31, 2018

11. Boundary claim settlement trust

The following is a summary of the trust's operations for the year ended December 31, 2017:

	Revenue	Capital	Total	Total (2016)
Revenue				
Investment	\$ 465,054	\$ -	\$ 465,054	\$ 558,333
Dividends	253,508	-	253,508	280,560
Capital gains	1,093,358	-	1,093,358	907,653
	<u>1,811,920</u>	<u>-</u>	<u>1,811,920</u>	<u>1,746,546</u>
Expenditures				
Administration fees	-	1,610	1,610	1,150
Other	9,755	-	9,755	8,474
Portfolio management fees	104,287	-	104,287	107,712
Professional fees	10,851	-	10,851	21,911
Trustee fees	83,266	-	83,266	92,088
Income distributions	1,603,761	-	1,603,761	1,516,361
Capital distributions	-	-	-	377,600
	<u>1,811,920</u>	<u>1,610</u>	<u>1,813,530</u>	<u>2,125,296</u>
	-	(1,610)	(1,610)	(378,750)
Unrealized gains (losses)	<u>(5,000)</u>	<u>(473,381)</u>	<u>(478,381)</u>	<u>(171,444)</u>
Loss for the year	<u>(5,000)</u>	<u>(474,991)</u>	<u>(479,991)</u>	<u>(550,194)</u>
Balance, beginning of year	<u>(10,500)</u>	<u>28,326,578</u>	<u>28,316,078</u>	<u>28,866,272</u>
Balance, end of year	<u>\$ (15,500)</u>	<u>\$ 27,851,587</u>	<u>\$ 27,836,087</u>	<u>\$ 28,316,078</u>

The following is a summary of the trust's financial position at December 31, 2017:

	Revenue	Capital	Total	Total (2016)
Current assets	\$ 204,845	\$ 3,428,369	\$ 3,633,214	\$ 348,007
Inter fund balances	1,098,902	(1,098,902)	-	-
Investments	300,000	25,522,120	25,822,120	29,494,919
Current liabilities	(1,619,247)	-	(1,619,247)	(1,526,848)
Fund balances	<u>\$ (15,500)</u>	<u>\$ 27,851,587</u>	<u>\$ 27,836,087</u>	<u>\$ 28,316,078</u>
Fund balances represented by:				
Unrealized gains (losses)	\$ (15,500)	\$ (1,817,499)	\$ (1,832,999)	\$ (1,344,118)
Fund balances	-	29,669,086	29,669,086	29,660,196
Total	<u>\$ (15,500)</u>	<u>\$ 27,851,587</u>	<u>\$ 27,836,087</u>	<u>\$ 28,316,078</u>

Michipicoten First Nation

Notes to Consolidated Financial Statements

March 31, 2018

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 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.

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.

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.

Michipicoten First Nation
Notes to Consolidated Financial Statements

March 31, 2018

12. Segmented information (continued)

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.

Michipicoten First Nation
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended March 31, 2018

	Land	Land Improvements	Buildings	Housing	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 8,951,177	\$ 114,039	\$ 1,832,238	\$ 3,385,537	\$ 934,366	\$ 213,787	\$ 2,931,818	\$ -	\$ 18,362,962
Additions	-	-	-	-	45,907	89,852	-	-	135,759
Disposals	-	-	-	-	-	(25,500)	-	-	(25,500)
Cost, end of year	8,951,177	114,039	1,832,238	3,385,537	980,273	278,139	2,931,818	-	18,473,221
Accumulated amortization, beginning of year	-	84,288	893,058	1,317,434	459,762	51,159	1,620,445	-	4,426,146
Amortization	-	7,534	45,556	83,388	25,157	15,548	54,978	-	232,161
Disposals	-	-	-	-	-	(10,200)	-	-	(10,200)
Accumulated amortization, end of year	-	91,822	938,614	1,400,822	484,919	56,507	1,675,423	-	4,648,107
Net carrying amount, end of year	\$ 8,951,177	\$ 22,217	\$ 893,624	\$ 1,984,715	\$ 495,354	\$ 221,632	\$ 1,256,395	\$ -	\$ 13,825,114

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, 2017 (comparative figures)

	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	\$ 934,366	\$ 213,787	\$ 2,931,818	\$ 80,382	\$ 18,307,301
Additions	-	-	55,661	-	-	-	-	-	55,661
Capitalized construction	-	-	80,382	-	-	-	-	(80,382)	-
Cost, end of year	<u>8,951,177</u>	<u>114,039</u>	<u>1,832,238</u>	<u>3,385,537</u>	<u>934,366</u>	<u>213,787</u>	<u>2,931,818</u>	<u>-</u>	<u>18,362,962</u>
Accumulated amortization, beginning of year	-	76,753	847,502	1,234,046	436,900	36,907	1,565,467	-	4,197,575
Amortization	-	7,535	45,556	83,388	22,862	14,252	54,978	-	228,571
Accumulated amortization, end of year	<u>-</u>	<u>84,288</u>	<u>893,058</u>	<u>1,317,434</u>	<u>459,762</u>	<u>51,159</u>	<u>1,620,445</u>	<u>-</u>	<u>4,426,146</u>
Net carrying amount, end of year	<u>\$ 8,951,177</u>	<u>\$ 29,751</u>	<u>\$ 939,180</u>	<u>\$ 2,068,103</u>	<u>\$ 474,604</u>	<u>\$ 162,628</u>	<u>\$ 1,311,373</u>	<u>\$ -</u>	<u>\$ 13,936,816</u>

The notes are an integral part of these financial statements.

Michipicoten First Nation
Schedule 2 - Consolidated Segment Disclosure

For the year ended March 31, 2018

	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
Revenue									
Indigenous and Northern Affairs Canada	\$ 10,659	\$ 1,307,912	\$ 859,579	\$ -	\$ 327,469	\$ 118,797	\$ 217,430	\$ 52,900	\$ 2,894,746
Canada	10,603	-	-	240,827	-	81,859	-	-	333,289
Ontario	-	-	9,486	55,300	-	-	100,000	23,998	188,784
Casino Rama	-	-	-	-	-	-	-	790,812	790,812
Trust income	1,603,761	-	-	-	-	-	-	-	1,603,761
Other Aboriginal organizations	6,000	14,830	-	335,472	35,190	-	-	3,449	394,941
Interest, rentals and other	29,549	25,655	19,523	27,280	38,134	846,165	8,450	82,607	1,077,363
Transfers between segments	440,826	-	-	-	167,500	128,341	33,400	(770,067)	-
	2,101,398	1,348,397	888,588	658,879	568,293	1,175,162	359,280	183,699	7,283,696
Deferred revenue, beginning of year	364,103	17,151	-	-	-	-	-	4,396	385,650
Deferred revenue, end of year	(174,301)	(430,756)	(412,216)	(119,468)	-	-	(151,905)	(9,822)	(1,298,468)
	2,291,200	934,792	476,372	539,411	568,293	1,175,162	207,375	178,273	6,370,878
Expenses									
Salaries, wages and benefits	55,022	120,703	300,212	293,299	595,049	61,296	96,172	36,040	1,557,793
Materials and supplies	203,060	41,122	73,910	97,306	156,782	45,866	7,114	67,126	692,286
Contracted services	3,647	7,231	69,704	22,641	186,102	753,594	78,442	55,000	1,176,361
Rents and financial expenses	690	5,143	19,790	17,644	59,842	34,672	16,499	-	154,280
External transfers	1,606,285	574,045	-	-	-	-	-	-	2,180,330
Amortization	5,216	-	112,240	6,269	21,105	86,718	-	613	232,161
Transfers between segments	192,155	134,747	(69,046)	66,397	(439,593)	72,913	21,519	20,908	-
	2,066,075	882,991	506,810	503,556	579,287	1,055,059	219,746	179,687	5,993,211
Excess (deficiency) of revenue over expenses	\$ 225,125	\$ 51,801	\$ (30,438)	\$ 35,855	\$ (10,994)	\$ 120,103	\$ (12,371)	\$ (1,414)	\$ 377,667

The notes are an integral part of these financial statements.

Michipicoten First Nation
Schedule 2 - Consolidated Segment Disclosure

For the year ended March 31, 2017 (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
Revenue									
Indigenous and Northern Affairs Canada	\$ 15,550	\$ 1,156,753	\$ 344,585	\$ -	\$ 314,268	\$ 90,016	\$ 62,883	\$ -	\$ 1,984,055
Canada	13,982	-	-	203,185	-	76,359	-	-	293,526
Ontario	-	-	9,486	-	-	-	45,000	13,903	68,389
Casino Rama	-	-	-	-	-	-	-	780,749	780,749
Trust income	1,516,361	-	-	-	-	-	-	-	1,516,361
Other Aboriginal organizations	14,181	52,617	24,222	298,076	27,401	-	3,215	10,282	429,994
Interest, rentals and other	40,484	18,189	36,983	9,053	99,511	686,394	11,973	15,344	917,931
Transfers between segments	355,616	-	35,307	11,284	203,966	124,091	41,380	(771,644)	-
	1,956,174	1,227,559	450,583	521,598	645,146	976,860	164,451	48,634	5,991,005
Deferred revenue, beginning of year	377,600	-	-	-	-	-	-	13,168	390,768
Deferred revenue, end of year	(364,103)	(17,151)	-	(7,223)	-	-	(23,000)	(4,396)	(415,873)
Expenses									
Salaries, wages and benefits	51,728	180,240	330,151	292,421	500,620	67,599	108,127	34,585	1,565,471
Materials and supplies	11,904	18,751	75,438	82,320	58,379	27,909	4,251	10,290	289,242
Contracted services	325	6,206	54,194	42,748	359,127	268,756	8,399	60	739,815
Rents and financial expenses	-	5,718	21,181	44,758	55,859	33,674	19,495	-	180,685
External transfers and other	1,720,794	568,058	-	-	-	-	-	-	2,288,852
Amortization	5,216	-	108,650	6,269	21,105	86,718	-	613	228,571
Transfers between segments	96,331	124,484	(30,381)	45,822	(334,106)	60,797	11,736	10,317	(15,000)
	1,886,298	903,457	559,233	514,338	660,984	545,453	152,008	55,865	5,277,636
Excess (deficiency) of revenue over expenses	\$ 83,373	\$ 306,951	\$ (108,650)	\$ 37	\$ (15,838)	\$ 431,407	\$ (10,557)	\$ 1,541	\$ 688,264

The notes are an integral part of these financial statements.