

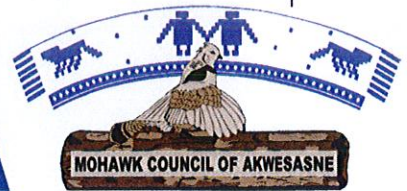
FINANCIAL STATEMENTS
For
MOHAWK COUNCIL OF AKWESASNE
For year ended
MARCH 31, 2015

MOHAWK COUNCIL OF AKWESASNE
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MARCH 31, 2015

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MOHAWK COUNCIL OF AKWESASNE

Tetewaie:na - Honoring the past, facing today's challenges, building a strong future.



Management's Responsibility for the Financial Statements

The accompanying financial statements of the **Mohawk Council of Akwesasne** are the responsibility of management and have been approved by Council.

The 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 of the Canadian Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is 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 Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Welch LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the Mohawk Council of Akwesasne and meet when required.

On behalf of the Mohawk Council of Akwesasne:

Sheree Bonaparte
Executive Director
Mohawk Council of Akwesasne

Abram Benedict
Grand Chief
Mohawk Council of Akwesasne

Dated: October 6, 2015

AKWESASNE-LAND WHERE THE PARTRIDGE DRUMS

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INDEPENDENT AUDITOR'S REPORT

To:

MOHAWK COUNCIL OF AKWESASNE

We have audited the accompanying financial statements of **Mohawk Council of Akwesasne**, which comprise the statement of financial position as at March 31, 2015 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **Mohawk Council of Akwesasne** as at March 31, 2015 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Other Matters

Schedules 1 to 8 accompanying the financial statements are presented as supplementary information only and are unaudited.

Welch LLP

**Chartered Professional Accountants
Licensed Public Accountants**


**Cornwall, Ontario
October 6, 2015.**

MOHAWK COUNCIL OF AKWESASNE
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
Financial Assets		
Cash	\$ 5,049,664	\$ 7,729,912
Due from government and other government organizations (note 3)	12,246,771	8,553,558
Accounts receivable (note 4)	2,479,045	2,578,099
Temporary investments (note 9)	22,811,671	22,339,459
Restricted assets - future settlement trust (note 23)		
Temporary investments (note 10)	10,863,250	40,947,308
Ontario Power Generation Settlement receivable (note 21)	9,106,015	11,089,092
Housing and housing construction loans (note 5)	5,836,586	5,524,921
Funds held in trust by AANDC	<u>84,544</u>	<u>84,544</u>
Total Financial Assets	<u>68,477,546</u>	<u>98,846,893</u>
Financial Liabilities		
Accounts payable and accrued liabilities (note 11)	6,285,780	7,800,493
Employee benefit obligations (note 12)	1,739,189	1,720,950
Due to government and other government organizations (note 13)	2,973,293	2,157,897
Deferred revenue (note 15)	2,168,898	1,680,790
Long-term loans (note 16)	7,362,256	8,141,631
Promissory note / Land Settlement Claim (note 14)	<u>2,732,339</u>	<u>2,732,339</u>
Total Financial Liabilities	<u>23,261,755</u>	<u>24,234,100</u>
Net Financial Assets	<u>45,215,791</u>	<u>74,612,793</u>
Non-Financial Assets		
Tangible capital assets (note 6)	104,209,679	107,140,912
Tangible capital assets under construction (note 7)	6,601,880	5,177,149
Other assets held for sale (note 8)	82,565	82,072
Deferred charges	2,461,164	2,458,072
Prepaid expenses	<u>462,116</u>	<u>810,525</u>
Total non-financial assets	<u>113,817,404</u>	<u>115,668,730</u>
Accumulated surplus - Schedule 8 (note 20)	<u>\$159,033,195</u>	<u>\$190,281,523</u>

Contingencies and commitments (note 19)

Approved by the Council


 Sheree Bonaparte, Executive Director
 Mohawk Council of Akwesasne


 Abram Benedict, Grand Chief
 Mohawk Council of Akwesasne

(See accompanying notes)

Welch LLP

An Independent Member of BKR International

MOHAWK COUNCIL OF AKWESASNE
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2015

	<u>Budget</u> (Unaudited)	<u>2015</u>	<u>2014</u>
Revenues			
Government transfers - Schedule 4	\$ 78,999,108	\$ 72,978,983	\$ 69,697,736
Ontario Lottery and Gaming Corporation	7,635,302	4,049,632	3,944,136
Administration fees and user charges	3,073,475	1,015,264	1,095,408
Land leases	530,200	546,597	530,622
Interest	300,000	1,824,399	2,208,617
Other income	8,042,005	3,218,044	3,757,378
Rental	<u>4,087,483</u>	<u>673,021</u>	<u>947,483</u>
	<u>102,667,573</u>	<u>84,305,940</u>	<u>82,181,380</u>
Operating expenses (note 24)			
Akwesasne Mohawk Board of Education	14,299,830	13,776,828	14,366,580
Akwesasne Mohawk Police Service	4,810,734	5,261,470	5,392,768
Community and social services	13,205,932	13,454,890	13,145,383
Economic development	4,655,492	1,944,887	1,844,937
Executive services - core services	10,403,638	3,580,975	5,221,248
Executive services - non core services	4,941,437	5,548,059	5,165,233
Integrated resource management	1,901,024	1,113,502	1,114,992
Health	32,132,127	25,033,592	24,847,361
Housing	3,878,676	1,433,801	1,588,696
Justice	1,506,364	1,435,801	1,366,920
Mohawk government	1,234,588	2,101,146	1,564,395
Technical services	<u>12,104,360</u>	<u>7,419,713</u>	<u>7,308,479</u>
	<u>105,074,202</u>	<u>82,104,664</u>	<u>82,926,992</u>
Annual surplus (deficit) before transfer	(2,406,629)	2,201,276	(745,612)
Transfer to Mohawks of Akwesasne			
Community Settlement Trust (note 23)	<u>-</u>	<u>(33,449,604)</u>	<u>-</u>
Annual deficit	(2,406,629)	(31,248,328)	(745,612)
Accumulated surplus at beginning of year	<u>191,027,135</u>	<u>190,281,523</u>	<u>191,027,135</u>
Accumulated surplus at end of year - Schedule 8 (note 20)	<u>\$188,620,506</u>	<u>\$159,033,195</u>	<u>\$190,281,523</u>

(See accompanying notes)

MOHAWK COUNCIL OF AKWESASNE
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED MARCH 31, 2015

	Budget (Unaudited)	<u>2015</u>	<u>2014</u>
Annual deficit	\$ <u>(2,406,629)</u>	\$ <u>(31,248,328)</u>	\$ <u>(745,612)</u>
Acquisition of tangible capital assets	(780,000)	(726,351)	(1,435,250)
Acquisition of tangible capital assets under construction	(3,000,000)	(1,424,731)	(1,653,209)
Loss on disposal of tangible capital assets	-	31,677	9,990
Amortization of tangible capital assets	3,800,000	3,619,153	3,640,998
Loss on disposal of other assets held for sale	-	6,261	22,369
	<u>20,000</u>	<u>1,506,009</u>	<u>584,898</u>
Acquisition of prepaid expenses	(124,214)	(462,116)	(810,525)
Acquisition of deferred charges	470,863	(3,092)	(78,238)
Use of prepaid expenses	746,234	810,525	124,214
Proceeds on disposition of other assets held for sale	-	-	162,328
	<u>1,092,883</u>	<u>345,317</u>	<u>(602,221)</u>
Decrease in net financial assets	(1,293,746)	(29,397,002)	(762,935)
Net financial assets at beginning of year	<u>74,612,793</u>	<u>74,612,793</u>	<u>75,375,728</u>
Net financial assets at end of year	<u>\$ 73,319,047</u>	<u>\$ 45,215,791</u>	<u>\$ 74,612,793</u>

(See accompanying notes)

MOHAWK COUNCIL OF AKWESASNE
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
Cash provided by (used for):		
Operating activities		
Annual surplus (deficit) before transfer to Community Trust	\$ 2,201,276	\$ (745,612)
Items not affecting cash:		
Amortization	3,619,153	3,640,996
Loss on disposal of other assets held for sale	6,261	22,369
Loss on disposal of tangible capital assets	31,677	9,990
Net change in non-cash working capital items:		
Due from government and other government organizations	(3,693,213)	3,597,282
Accounts receivable	99,054	2,025,574
Prepaid expenses	348,409	(686,311)
Ontario Power Generation Settlement receivable	1,983,077	1,880,360
Accounts payable and accrued liabilities	(1,514,713)	1,427,577
Employee benefit obligations	18,239	74,198
Due to government and other government organizations	815,396	(261,163)
Deferred revenue	488,108	53,423
Cash applied to operating transactions	<u>4,402,724</u>	<u>11,038,685</u>
Capital activities		
Proceeds on disposal of other assets held for sale	-	162,328
Purchase of tangible capital assets and under construction	<u>(2,151,081)</u>	<u>(3,088,459)</u>
Cash applied to capital transactions	<u>(2,151,081)</u>	<u>(2,926,131)</u>
Investing activities		
Advances for housing and housing construction loans	(1,122,764)	(1,064,489)
Housing loans repaid	811,099	762,089
Deferred charges	(3,092)	(78,238)
Redemption of investments	56,958,880	14,477,929
Purchases of investments	<u>(27,347,034)</u>	<u>(21,764,145)</u>
	<u>29,297,089</u>	<u>(7,666,854)</u>
Financing activities		
Repayments of long-term loans	(779,376)	(769,346)
Net proceeds from promissory note	<u>(33,449,604)</u>	<u>-</u>
	<u>(34,228,980)</u>	<u>(769,346)</u>
Decrease in cash	(2,680,248)	(323,646)
Cash at beginning of year	<u>7,729,912</u>	<u>8,053,558</u>
Cash at end of year	<u>\$ 5,049,664</u>	<u>\$ 7,729,912</u>
Supplementary cash flow information		
Interest received in year	\$ 1,247,476	\$ 1,528,977
Interest paid in year	\$ 156,377	\$ 176,799

(See accompanying notes)

Welch LLP

An Independent Member of BKR International

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

NATURE OF OPERATIONS

The Mohawk Council of Akwesasne (Council) is the body which administers various programs to the Akwesasne community. Activities are funded by Aboriginal Affairs and Northern Development Canada (AANDC) (formerly known as Indian and Northern Affairs Canada) (INAC) under a multi-year agreement which will expire March 31, 2015 and other agreements with federal and provincial government bodies. The operations of the Council are dependent upon continued funding under these agreements. The Council is responsible for ensuring compliance with agreements.

The Council is not subject to income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

The Council prepares its financial statements in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA). These financial statements include the following significant accounting policies:

a) *Basis of accounting*

These financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon cost of goods and services acquired.

b) *Asset classification*

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

c) *Deferred charges*

Costs related to the Dundee land claim negotiations which are ongoing and expected to continue into the foreseeable future are recorded as deferred charges until such time as settlement of the land claims have been confirmed by Canada and ratified by the Community. Accumulated deferred charges will then be recorded in operations and matched against settlement receipts. Should it become apparent that the anticipated settlement will not be received, the accumulated charges, at that point, will be recognized in the statement of financial activities.

d) *Tangible capital assets*

Purchased tangible capital assets are recorded at cost less accumulated amortization. The costs of constructing tangible capital assets, including direct overhead and carrying costs, are recorded as tangible capital assets under construction until the assets are substantially complete, at which time they are transferred from tangible capital assets under construction to tangible capital assets and amortization is commenced. Government funding related to tangible capital assets is recorded using the percentage of completion method.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) *Tangible capital assets (continued)*

Amortization is recorded using the declining balance method at the following annual rates:

Buildings and major infrastructures	2.5%
Computer hardware	20%
Computer software	50%
Equipment	20%
Equipment under capital lease	20%
Furniture and fixtures	10%
Roads	10%
Vehicles	25%

Amortization is charged at 50% of the amount in the year of acquisition but no amortization is charged in the year of disposal.

e) *Net financial assets*

The Mohawk Council of Akwesasne's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Mohawk Council of Akwesasne is determined by its financial assets less its financial liabilities. Net assets are comprised of two components, net financial assets and non-financial assets.

The Council restricts funds to recognize the investment in tangible capital assets, tangible capital assets under construction and housing and housing construction loans to meet reserve requirements of certain funding arrangements and to reflect internal restrictions placed on the use of certain funds by Council.

f) *Revenue recognition*

Government transfers are recognized as revenues 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. Revenue is recognized in the statement of operations as the stipulation liabilities are settled

Unrestricted contributions and Ontario Lottery and Gaming Corporation ("OLG") revenue are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred.

Where the terms of the agreement require unexpended contributions to be returned to the funder, the unexpended amount is recorded as a contribution repayable and not included in the determination of annual surplus for the year.

Administration fees and user charges and rental revenues represent internal charges to programs which are included in both revenues and expenses. Land lease income are fees collected from rental of land on Council territory and is recognized when it becomes receivable. Interest income represents interest earned on cash and temporary investments. Other income represents actual income earned from various Council operations and is recorded when the services are provided.

g) *Funds held in trust*

The Council receives revenue from the lease of certain Council owned lands and from interest on funds held by AANDC on behalf of Council. This interest and lease revenue is paid directly into trust funds administered by AANDC on Council's behalf. It is recorded as revenue of Council in the year in which it is paid into the AANDC trust accounts irrespective of whether or not Council has permitted the withdrawal of the funds from the trusts.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) *Pension plan*

The Council operates a defined contribution pension plan which offers Council employees a pension benefit upon retirement or termination based on the accumulated contributions made by the individual employee and on the employee's behalf by Council plus any investment earnings on these contributions. The Council's contributions to the plan are based on participants' earnings up to a maximum of 9.00% and are expensed as incurred. Pension expense recorded in the accounts for the 2015 fiscal year amounted to \$2,612,251 (2014 - \$2,724,781).

The Council is not making any past service contributions to the plan.

i) *Use of estimates*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting periods. Significant estimates include Ontario Power Generation settlement receivable, allowance for doubtful accounts receivable, certain accrued funding receivables, certain accrued liabilities and the estimated useful lives of tangible capital assets. Actual results could differ from these estimates.

j) *Temporary investments*

Temporary investments are short-term investments made to obtain a return on a temporary basis and are carried at market value.

k) *Employee benefit obligations*

Employee benefit obligations is the accumulation of vacation pay accrued to all employees of the Mohawk Council of Akwesasne at their current salary as of March 31, 2015.

2. FINANCIAL INSTRUMENTS

Financial instruments recognized in the statement of financial position consist of cash, due from government and other government organizations, accounts receivable, temporary investments, Ontario Power Generation Settlement receivable, housing and housing construction loans, funds held by AANDC, accounts payable and accrued liabilities, due to government and other government organizations, long-term debt and promissory note. The book value of these financial instruments approximate their fair value due to the short-term nature of the current items and the market rates of interest on the long-term items with the exception of housing and housing construction loans, the promissory notes and the Ontario Power Generation Settlement receivable. Ontario Power Generation Settlement receivable is recorded at amortized cost which approximates fair value. Housing and housing construction loans are repayable over 10 to 20 years and are non-interest bearing. Certain mortgages are subsidized by Canada Mortgage and Housing Corporation such that the effective annual rate of interest paid by Council is 2%. The promissory note from AANDC is payable in full upon settlement of the related land claim and is interest free until maturity or unless Council is in default. Management considers it not practicable within the constraints of timeliness and cost to determine the fair value of the housing and housing construction loans and promissory notes with sufficient reliability.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

2. FINANCIAL INSTRUMENTS (continued)

Financial instruments which potentially subject the Council to concentrations of credit risk consist of cash, due from government and other government organizations, accounts receivable, temporary investments, Ontario Power Generation Settlement receivable, housing and housing construction loans and funds held by AANDC. Cash and temporary investments are held at reputable financial institutions and contributions, accounts receivable and Ontario Power Generation settlement receivable are principally due from federal and provincial governments or bodies, therefore the Council believes the risk of non-performance to be remote. Housing and housing construction loans are due from community members and Council believes that an adequate provision has been made for the possibility of these loans proving uncollectible.

Included in temporary investments and restricted assets are financial securities totaling \$21,292,015 (2014 - \$62,047,440) which have a weighted average yield of 1.97% (2014 - 1.94%) and maturing within 2 years (2014 - 3 years) of the year end.

3. DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	<u>2015</u>	<u>2014</u>
Aboriginal Affairs and Northern Development Canada	\$ 4,041,108	\$ 2,997,089
Human Resources Development Canada	213,371	134,834
Health Canada	161,632	387,927
Province of Ontario	695,374	607,712
Province of Quebec	343,718	664,571
Other Federal contributions	<u>6,791,568</u>	<u>3,761,425</u>
	<u>\$ 12,246,771</u>	<u>\$ 8,553,558</u>

4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following

	<u>2015</u>	<u>2014</u>
Future settlement trust receivable	\$ 795,494	\$ 471,659
Interest receivable from temporary investments	230,929	584,225
Miscellaneous receivables	433,186	442,951
Other Grants and Contributions	1,055,124	1,151,787
Rental facilities receivables	<u>296,830</u>	<u>283,851</u>
	2,811,563	2,934,473
Less: allowance for doubtful accounts	<u>332,518</u>	<u>356,374</u>
	<u>\$ 2,479,045</u>	<u>\$ 2,578,099</u>

5. HOUSING AND HOUSING CONSTRUCTION LOANS

Housing and housing construction loans are advanced to residents to finance the purchase of homes constructed by Council. These loans are repayable over 10 to 20 years and are non-interest bearing.

	<u>2015</u>	<u>2014</u>
Principal outstanding	\$ 11,046,637	\$ 11,408,687
Less: allowance for doubtful loans	<u>5,210,051</u>	<u>5,883,766</u>
	<u>\$ 5,836,586</u>	<u>\$ 5,524,921</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

6. TANGIBLE CAPITAL ASSETS

	Land	Building & Major Infrastructure	Computer Hardware	Computer Software	Equipment	Equipment under a Capital Lease	Furniture and Fixtures	Roads	Vehicles	Total 2015	Total 2014
Cost											
Opening Costs	\$ 713,505	\$ 141,641,418	\$ 3,491,511	\$ 604,444	\$ 6,456,671	\$ 504,822	\$ 2,021,354	\$ 5,771,873	\$ 6,930,024	\$ 168,135,622	\$ 158,854,302
Additions	2,336	282,075	-	-	-	-	-	-	441,940	726,351	1,435,250
Transfers from WIP	-	-	-	-	-	-	-	-	-	-	7,932,195
Disposals	-	(10,025)	-	-	-	-	-	-	(141,409)	(151,434)	(86,125)
Closing Costs	<u>715,841</u>	<u>141,913,468</u>	<u>3,491,511</u>	<u>604,444</u>	<u>6,456,671</u>	<u>504,822</u>	<u>2,021,354</u>	<u>5,771,873</u>	<u>7,230,555</u>	<u>168,710,539</u>	<u>168,135,622</u>
Accumulated Amortization											
Opening	-	41,863,216	2,913,700	564,890	4,796,622	448,725	1,261,728	3,550,657	5,595,172	60,994,710	57,405,273
Disposals	-	-	-	-	-	-	-	-	(113,003)	(113,003)	(51,561)
Amortization Expense	-	2,494,229	115,563	19,782	332,012	11,219	75,964	222,178	348,206	3,619,153	3,640,998
Closing	-	44,357,445	3,029,263	584,672	5,128,634	459,944	1,337,692	3,772,835	5,830,375	64,500,860	60,994,710
Net Book Value	<u>\$ 715,841</u>	<u>\$ 97,556,023</u>	<u>\$ 462,248</u>	<u>\$ 19,772</u>	<u>\$ 1,328,037</u>	<u>\$ 44,878</u>	<u>\$ 683,662</u>	<u>\$ 1,999,038</u>	<u>\$ 1,400,180</u>	<u>\$ 104,209,679</u>	<u>\$ 107,140,912</u>
Opening Balance	\$ 713,505	\$ 99,778,202	\$ 577,811	\$ 39,554	\$ 1,660,049	\$ 56,097	\$ 759,626	\$ 2,221,216	\$ 1,334,852	\$ 107,140,912	\$ 101,449,029
Closing Balance	<u>715,841</u>	<u>97,556,023</u>	<u>462,248</u>	<u>19,772</u>	<u>1,328,037</u>	<u>44,878</u>	<u>683,662</u>	<u>1,999,038</u>	<u>1,400,180</u>	<u>104,209,679</u>	<u>107,140,912</u>
Increase (Decrease) in Net Book Value	<u>\$ 2,336</u>	<u>\$ (2,222,179)</u>	<u>\$ (115,563)</u>	<u>\$ (19,782)</u>	<u>\$ (332,012)</u>	<u>\$ (11,219)</u>	<u>\$ (75,964)</u>	<u>\$ (222,178)</u>	<u>\$ 65,328</u>	<u>\$ (2,931,233)</u>	<u>\$ 5,691,883</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

7. TANGIBLE CAPITAL ASSETS UNDER CONSTRUCTION

	Total Remaining Commitment (unaudited)	<u>2015</u>	<u>2014</u>
Kanonhkwatsheri:io Renovations - Phase I	\$ 1,800,000	\$ 3,361,479	\$ 3,358,411
Kawenoke Water Line Construction Extension	386,923	3,151,814	1,818,738
Hamilton Island Bridge	30,540	13,790	-
Snye Administrative Facility	105,383	<u>74,797</u>	<u>-</u>
		<u>\$ 6,601,880</u>	<u>\$ 5,177,149</u>

8. OTHER ASSETS HELD FOR SALE

Assets are classified as held for sale when certain criteria are met including Council's commitment to a plan, and availability of the asset for immediate sale in its present condition.

In fiscal year 2006, Council designated the Stanley Island log cabins as held for sale. The carrying value of these log cabins have been written down to approximate fair value. As at March 31, 2015 the carrying value recorded for both the Stanley Island Cabins and the property acquired from the BMO housing program are \$82,565 (2014 - \$82,072). Two cabins remain and none were sold during the year. No impairment write down was considered necessary or recorded for 2015.

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

9. TEMPORARY INVESTMENTS

<u>Holder</u>	<u>Type</u>	<u>Maturity</u>	<u>Interest</u>	<u>Amount</u>
Bank of Montreal	GIC	April 2015	1.250%	\$ 3,000,000
Canadian Western Bank	GIC	October 2015	1.800%	3,000,000
Vancity	GIC	October 2015	1.700%	2,513,000
Montreal Trust Co.	GIC	June 2016	3.000%	1,270,000
Montreal Trust Co.	GIC	December 2015	3.150%	82,250
Royal Bank of Canada	GIC	June 2015	3.500%	1,072,000
Canadian Western Bank	GIC	October 2015	2.150%	1,600,000
Montreal Trust Co.	GIC	June 2015	2.300%	896,960
Montreal Trust Co.	GIC	June 2017	2.150%	2,096,000
Canadian Western Bank	GIC	June 2015	2.300%	163,423
Advisors Advantage	GIC	December 2015	2.000%	1,361,600
National Bank	GIC	March 2016	2.050%	919,178
Royal Bank of Canada	GIC	May 2015	1.700%	66,470
TD Mortgage Corp.	GIC	May 2015	1.700%	1,545,551
Municipality of Petite Riviere	Fixed income fund	May 2016	3.050%	196,662
Town of Levis	Fixed income fund	December 2016	2.700%	201,033
Town of Kativik	Fixed income fund	May 2017	2.500%	221,268
Community Funds				
Fund 650-02095-12	Shares			559,814
Fund 650-02095-12	Shares			177,151
Fund 650-02094-13	Shares			555,220
BMO High Interest Savings				1,086,597
Cash balances in accounts				227,494
				<u>\$ 22,811,671</u>

10. RESTRICTED ASSETS - TEMPORARY INVESTMENTS

These temporary investments represent assets that have been transferred to the Mohawks of Akwesasne Community Settlement Trust subsequent to the year-end. These assets are not available for general Council operations.

<u>Holder</u>	<u>Type</u>	<u>Maturity</u>	<u>Interest</u>	<u>Amount</u>
Advisors Advantage	GIC	December 2015	3.150%	\$ 387,250
Advisors Advantage	GIC	December 2015	3.300%	560,000
Canadian Western Bank	GIC	October 2015	2.300%	2,036,000
National Bank of Canada	GIC	October 2016	2.610%	2,560,000
Royal Bank of Canada	GIC	December 2015	2.350%	2,000,000
National Bank of Canada	GIC	December 2016	2.660%	3,000,000
Advisors Advantage	GIC	December 2015	2.000%	320,000
				<u>\$ 10,863,250</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2015</u>	<u>2014</u>
Trade payables	\$ 3,170,034	\$ 4,421,460
Accrued salaries and employee benefits payable	388,190	478,132
Other accrued liabilities	2,727,556	2,900,901
Total accounts payable	<u>\$ 6,285,780</u>	<u>\$ 7,800,493</u>

12. EMPLOYEE BENEFIT OBLIGATIONS

	<u>2015</u>	<u>2014</u>
Vacation pay obligation	<u>\$ 1,739,189</u>	<u>\$ 1,720,950</u>

13. DUE TO GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	<u>2015</u>	<u>2014</u>
AANDC repayables	\$ 550,089	\$ 468,510
Ontario repayables	1,233,252	715,001
Health Canada repayables	1,075,464	859,898
Other federal repayables	114,488	114,488
	<u>\$ 2,973,293</u>	<u>\$ 2,157,897</u>

14. PROMISSORY NOTE / LAND CLAIM SETTLEMENT

The Council has entered into a loan funding agreement with Aboriginal Affairs and Northern Development Canada for legal and administrative costs in pursuing settlement of a land claim. The promissory note becomes immediately payable upon settlement of the land claim.

	<u>2015</u>	<u>2014</u>
Due on settlement of land claim	<u>\$ 2,732,339</u>	<u>\$ 2,732,339</u>

The promissory note is interest free until maturity or unless Council is in default under the agreement. As of March 31, 2015 AANDC has approved a promissory note advance of \$2,732,339 (2014 - \$2,732,339) of which Council has expended \$2,436,664 (2014 - \$2,282,923) for purposes of the intended use.

15. DEFERRED REVENUE

	<u>2015</u>	<u>2014</u>
Aboriginal Affairs and Northern Development Canada	\$ 1,122,005	\$ 626,295
Health Canada	622,279	623,876
Province of Ontario	221,645	267,256
Province of Quebec	74,431	-
Other	128,538	163,363
	<u>\$ 2,168,898</u>	<u>\$ 1,680,790</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

16. LONG-TERM LOANS

	<u>2015</u>	<u>2014</u>
1.65% mortgage, due August 2016, payable in equal monthly installments of \$6,669 including principal and interest (Kawenoke Riverview Apartments - Net Book Value \$641,617).	\$ 111,982	\$ 189,473
1.65% mortgage, due September 2016, payable in equal monthly installments of \$10,086 including principal and interest (Kawenoke Riverview Apartments - Net Book Value \$916,597).	179,214	296,260
1.52% mortgage, due February 2018, payable in equal monthly installments of \$2,294 including principal and interest (Family Violence Centre - Net Book Value \$315,106).	78,474	104,596
1.52% mortgage, due February 2018, payable in equal monthly installments of \$2,294 including principal and interest (Adolescent Treatment Centre - Net Book Value \$276,015).	78,474	104,596
2.56% mortgage, due December 2015, payable in equal monthly installments of \$3,900 including principal and interest (CMHC Section 95 Project 97/98 - Net Book Value \$482,735).	428,106	463,454
2.84% mortgage, due April 2015, payable in equal monthly installments of \$4,874 including principal and interest (CMHC Section 95 Project 03/04 - Net Book Value \$886,103).	717,718	755,362
1.53% mortgage, due December 2017, payable in equal monthly installments of \$5,134 including principal and interest (CMHC Section 95 Project 02/03 - Net Book Value \$824,277).	713,500	763,772
1.67% mortgage, due April 2017, payable in equal monthly installments of \$3,653 including principal and interest (CMHC Section 95 Project 04/05 - Net Book Value \$1,111,215).	648,672	681,416
2.35% mortgage, due September 2018, payable in equal monthly installments of \$5,730 including principal and interest. 17 Units (CMHC Section 95 Project 05/06 - Net Book Value \$1,858,031).	1,028,156	1,072,313
1.53% mortgage, due December 2017, payable in equal monthly installments of \$4,433 including principal and interest. 9 Units (CMHC Section 95 Project 05/06 - Net Book Value \$1,048,698).	820,000	860,310
1.98% mortgage, due May 2014, payable in equal monthly installments of \$6,450 including principal and interest. 19 Units (CMHC Section 95 Project 06/07 - Net Book Value \$2,484,951).	1,233,515	1,285,837
2.63% mortgage, due June 2016, payable in equal monthly installments of \$2,226 including principal and interest. 4 Units (CMHC Section 95 Project Oak Court - Net Book Value \$488,522).	435,007	450,120
1.61% mortgage, due November 2017, payable in equal monthly installments of \$2,170 including principal and interest. 4 Units (CMHC Section 95 Project Hawthorne - Net Book Value \$633,466).	494,107	512,028
Prime plus 1% loan, due March 2016, payable in equal monthly principal installments of \$8,333 plus interest (Tsiionkwanonhsote Nursing Home - Net Book Value \$5,273,999).	200,052	300,047
Loans - Caisse Populaire Desjardins de Kahnawake - 5.4 - 6.4%, due February 2017, payable in semi-annual installments of \$61,730 including principal and interest	<u>195,279</u>	<u>302,047</u>
	<u>\$ 7,362,256</u>	<u>\$ 8,141,631</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

16. LONG-TERM LOANS (continued)

Interest expense for the year on long-term debt is \$156,376 (2014 - \$176,799)

The aggregate amount of principal payments required in each of the next five years and beyond, assuming renewal at similar rates and terms, to meet loan retirement provision is as follows:

2016	\$	696,808
2017		668,728
2018		396,564
2019		353,676
2020		361,000
2021 and beyond		4,885,480

Management has a practice of refinancing long-term loans in advance of maturity.

The mortgage loans are guaranteed by AANDC in lieu of a normal mortgage lien on properties. Canada Mortgage and Housing Corporation (CMHC) subsidizes the interest rate on certain mortgages such that the effective annual rate paid by the Council on these loans is 2%. CMHC also offers a housing development subsidy program such that approximately 50% of the operating expenses, including interest is subsidized. Interest expense on long-term loans, net of subsidies, totaled \$24,280 (2014 - \$30,129).

Council has entered into a Tri-Partite agreement with The Secretariat aux Affaires Autochtones-Quebec (SAA) and La Caisse Populaire Desjardins de Kahnawake (La Caisse). Under the terms of this agreement, SAA agrees to finance various minor capital projects put forward by Council. This enables Council to obtain financing by means of long-term loans from La Caisse, supported by the SAA's undertaking to assume the repayment of the principal, interest and other expenses of these loans.

17. ASSETS HELD IN TRUST FOR OTHERS

The Council acts as trustee for a number of third parties, holding assets and administering them on their behalf. These assets held in trust are not included on the statement of financial position as assets of the Council. Amounts held in trust at the year-end are:

	<u>2015</u>	<u>2014</u>
Akwesasne Settlement Fund	\$ <u>59,911</u>	\$ <u>59,286</u>

18. INTERNAL CHARGES

Added to tangible capital assets and deferred charges during the year are certain administrative and salary amounts totaling \$15,651 (2014 - \$62,345).

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

19. CONTINGENCIES AND COMMITMENTS

The Council has a loan facility of up to \$7,000,000 with the Bank of Montreal which may be drawn on by qualified borrowers for the purchase, renovation or construction of owner-occupied homes.

Under the terms of this facility, the borrowers are responsible for the repayment of the loans and Council provides a guarantee for the amounts outstanding under the facility. As at March 31, 2015 the Council had guarantees outstanding under this program of \$5,511,632 (2014 - \$5,593,139). These amounts have not been recognized in these financial statements.

The nature of the Mohawk Council of Akwesasne's various activities is such that there is usually litigation pending or in prospect at any time. With respect to claims at March 31, 2015, management believes the Mohawk Council of Akwesasne has valid defences and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the Mohawk Council of Akwesasne's financial position.

The Council is committed under various operating lease agreements for office equipment to pay approximately \$22,146 (2014 - \$22,146) annually over the next 4 years.

The Council has committed to pursuing land claims that will require an estimated \$1,000,000 per year in professional fees over the next three to five years.

20. ACCUMULATED SURPLUS

The Council restricts funds to recognize the investment in property, plant and equipment and housing and housing construction loans, to meet reserve requirements of certain funding arrangements and to reflect internal restrictions placed on the use of certain funds by Council.

21. ONTARIO POWER GENERATION SETTLEMENT

On October 2, 2008 the Mohawk Council of Akwesasne and the Ontario Power Generation Inc. (OPG) signed a Past Grievance Final Settlement Agreement (Agreement) in respect of any impact, loss or damage to the Reserve Lands and other lands of Traditional Territory and any infringement or impact on the aboriginal title, rights and treaty rights of the Mohawks of Akwesasne, whether proven or asserted.

Upon execution of the Agreement in November 2008, OPG paid \$20,363,520 to Council and agreed to pay beginning in October 2009, ten annual payments of \$2,560,000 on the respective anniversary of the Execution Date of the Agreement. On October 2, 2014, the sixth of the annual payment of \$2,560,000 was received.

The final settlement agreement was recorded as revenue in 2009 with the remaining future payments being recorded as a receivable using a discount rate of 5.5% based on comparable industry indices. As at March 31, 2015 the net present value of the future payments is recorded as a receivable of \$1,024,000 (2014 - \$11,089,092). Accreted interest of \$576,923 (2014: \$679,640) was recorded in 2015 and is included in the statement of financial activities within interest income.

These temporary investments have been committed to the Mohawks of Akwesasne Community Settlement Trust. It is Council's intention to transfer these funds to the Trust as they are received on an annual basis

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

22. ECONOMIC DEPENDENCE

The Council receives a major portion of its revenue from Aboriginal Affairs and Northern Development Canada and Health Canada. The nature and extent of this revenue is of such significant that the Council is economically dependent on this source of revenue.

23. MOHAWKS OF AKWESASNE COMMUNITY SETTLEMENT TRUST

During the year, the Council created the Mohawks of Akwesasne Community Settlement Trust. The purpose of the Trust was to receive the settlement funds of the OPG and Kawenoke-Easterbrook Settlement Claims and invest those funds on behalf of the community. Those re-invested funds are to be used for community based projects within certain parameters established by the Trust.

The Trust was established on June 17, 2014 and will be administered by an independent Board of Trustees. The Mohawk Council of Akwesasne, or its successor body or entity, acting on behalf of the Mohawks of Akwesasne, is the named beneficiary of the Trust.

The Council transferred \$33,449,604 to the Trust during the fiscal year representing settlement funds received plus accumulated income on those funds over the years. Council has subsequently transferred and additional \$10,863,250 of investments since the end of the year (see Note 10). The remaining OPG settlement funds will be received by the Trust over the next four years. Those funds, as well as any accreted interest, are intended to be transferred to the Trust as they are received by Council (see Note 21).

The Council had incurred approximately \$2 Million in expenditures while negotiating and arriving to a settlement for the OPG and Kawenoke-Easterbrook Settlement Claims which form the basis for the amounts used to establish the Trust. The Council had financed these costs through normal operations prior to the settlements in question. Council's recovery of these funds are currently not reflected in these financial statements as the mechanism to recover these funds has not been established.

24. OPERATING EXPENSES

	<u>2015</u>	<u>2014</u>
Salaries, benefits and honoraria	\$ 41,659,160	\$ 43,351,369
Travel and training	1,685,074	1,511,211
Program supplies	6,827,623	6,448,114
Equipment repairs/lease and small equipment purchases	1,823,562	1,795,986
Professional fees	4,467,492	4,825,476
Non-Insured Health Benefits	7,739,458	7,334,248
Office	883,280	767,029
Facility costs	2,818,671	2,688,971
Student tuition and allowances	5,031,100	5,572,089
Community support	5,389,166	4,886,784
Minor capital	<u>3,780,078</u>	<u>3,745,715</u>
	<u>\$ 82,104,664</u>	<u>\$ 82,926,992</u>

MOHAWK COUNCIL OF AKWESASNE
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2015

25. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.

26. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Mohawk Council of Akwesasne. Budgeted figures are unaudited.

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 1 - REPORT ON MOVEABLE ASSET RESERVE (MAR) (unaudited)
YEAR ENDED MARCH 31, 2015

Health Transfer Services Agreement

	<u>MAR</u>	<u>Restricted For Health Programs</u>	<u>Total</u>
Balance at beginning of year	\$ 436,508	\$ 1,548,632	\$ 1,985,140
Add: Amount provided in Agreement for MAR	18,791	-	18,791
Add: Additional amount for MAR	<u>-</u>	<u>98,466</u>	<u>98,466</u>
	<u><u>\$ 455,299</u></u>	<u><u>\$ 1,647,098</u></u>	<u><u>\$ 2,102,397</u></u>

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 2 - REPORT ON HEALTH EXPENSES (unaudited)
YEAR ENDED MARCH 31, 2015

Health Funding Contribution Agreement

	<u>2015</u>	<u>2014</u>
Funds available		
Funds deferred in previous year - Block Funding	\$ 623,876	\$ 508,910
Funds from Health Services Funding Agreement - Block Funding	5,484,670	5,281,707
Funds deferred to future years - Block Funding	(622,279)	(623,876)
Funds deferred in previous year - Set Funding	-	-
Funds from Health Services Funding Agreement - Set Funding	1,905,433	1,883,035
Funds repayable to Health Canada - Set Funding	(213,122)	(21,392)
Funds allocated to MAR	(18,791)	(18,791)
Funds allocated to additional MAR	(98,466)	(100,000)
	<u>7,061,321</u>	<u>6,909,593</u>
Expenses - Health Agreement - Block Funding Programs		
HCD - Aboriginal Headstart	540,017	523,117
HCD - Canada Prenatal Nutrition	97,590	76,530
HCD - Maternal Child Health	99,028	155,656
CD - Fetal Alcohol Spectrum Disorder	105,892	108,057
Wholistic Health Program - BF/NNADAP/BHC	882,304	858,278
Aboriginal Diabetes Initiatives	300,445	315,377
Community Health Promotions (CHN/CHR)	920,201	959,190
Health Administration	1,023,643	955,375
Environment	68,701	68,701
	<u>4,037,821</u>	<u>4,020,281</u>
Expenses - Health Agreement - Set Funding Programs		
HIV/Aids Program	7,770	8,163
Communicable Disease Emergencies	2,030	2,000
Aboriginal Youth Suicide Prevention Strategy	60,688	54,863
Home and Community Care Program	1,573,999	1,727,416
Drinking Water Safety Program	7,500	7,440
Health Service Accreditation	59,530	88,299
	<u>1,711,517</u>	<u>1,888,181</u>
Surplus	<u>1,311,983</u>	<u>1,001,131</u>
Expenditures - other health related		
Tsionkwanonhso:te - Chronic Care facility	705,806	704,109
Iakhisohtha - Long-Term Care facility	199,592	122,077
Ambulance	228,290	108,760
Non-Insured Health Benefits	-	87,079
MOHLTC Community Support Fund	15,329	99,171
Financial Analyst	150,000	50,000
Health Projects	3,833	8,159
Health Facility Parking Lot	170,598	-
	<u>1,473,448</u>	<u>1,179,355</u>
Deficit	(161,465)	(178,224)
Funds from other sources (for information only)		
Ministry of Community & Social Services	63,455	63,455
Ministry of Community and Youth Services	62,780	75,000
Independent First Nation & AHWS	8,535	19,184
Miscellaneous earned income	8,634	21,969
	<u>135,404</u>	<u>179,608</u>
Closing Balance	<u>\$ (18,061)</u>	<u>\$ 1,384</u>

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 3 - SCHEDULE OF FEDERAL REVENUE TRUST FUNDS (unaudited)
YEAR ENDED MARCH 31, 2015

Schedule of Federal Revenue Trust Funds

Revenue from land leases

Paid to Aboriginal Affairs and Northern Development Canada	\$ <u>546,597</u>
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The revenue received has been applied to Council programs and services as follows:

Executive Services	\$ 70,000
Conservation/Compliance	95,000
Roads	80,000
Information Management	90,000
Emergency Measures	60,000
Environment	90,000
Office of Vital Statistics	<u>61,597</u>
 Total revenue applied to programs	 \$ <u>546,597</u>

Note: In addition to the rental revenues received, interest in the amount of \$124,772 was received in fiscal year ended March 31, 2015. This interest income has been applied to global Council operations and is not disclosed separately on the Statement of Financial Activities.

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 4 - SCHEDULE OF GOVERNMENT TRANSFERS (unaudited)
YEAR ENDED MARCH 31, 2015

Schedule of Government Transfers

	<u>2015</u>	<u>2014</u>
Aboriginal Affairs and Northern Development Canada	\$ 36,473,164	\$ 34,153,969
Human Resources Development Canada	469,188	278,191
Canadian Mortgage and Housing Corporation	401,565	526,318
Health Canada	16,259,204	16,017,692
Canada Border Services Agency	10,000	26,575
Emergency Preparedness Canada	3,085,520	2,957,781
Other Federal	<u>372,802</u>	<u>219,963</u>
	57,071,443	54,180,489
Province of Ontario	13,789,999	13,296,351
Province of Quebec	1,924,096	1,987,976
Other contributions	<u>193,445</u>	<u>232,920</u>
	<u><u>\$ 72,978,983</u></u>	<u><u>\$ 69,697,736</u></u>

MOHAWK COUNCIL OF AKWESASNE

SCHEDULE 5 - SCHEDULE OF FUNDING RECONCILIATION AANDC (unaudited)

YEAR ENDED MARCH 31, 2015

Schedule of Funding Reconciliation AANDC

	<u>2015</u>	<u>2014</u>
AANDC Revenue per Financial Statements	\$ 36,473,164	\$ 34,153,969
Less: prior year deferred revenue	(626,295)	(514,952)
Less: prior year repayable revenue	(468,509)	(1,063,955)
Add: current year deferred revenue	1,122,005	626,295
Add: current year repayable revenue	<u>550,089</u>	<u>468,509</u>
Adjusted AANDC funding received	37,050,454	33,669,866
AANDC revenue per funding confirmation	<u>35,840,950</u>	<u>34,041,674</u>
Difference	<u>\$ 1,209,504</u>	<u>\$ (371,808)</u>

Explanation of differences:

Waterline receivable	\$ 1,300,431	\$ -
Write off of old repayables	(133,755)	(367,183)
Underspent targets (never set up as repayable)	-	(4,625)
Kashechewan reimbursement	<u>42,828</u>	<u>-</u>
	<u>\$ 1,209,504</u>	<u>\$ (371,808)</u>

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 6 - SCHEDULE OF SEGMENT DISCLOSURE (unaudited)
YEAR ENDED MARCH 31, 2015

	Akwesasne Mohawk Board of Education	Akwesasne Mohawk Police	Department of Community & Social Services	Mohawk Government	Health	Housing	Justice	Department of Technical Services	Executive Services - Core	Executive Services - Non Core	Integrated Resource Management	Economic Development	Consolidated Totals
	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015
Revenues													
Federal Government	\$ 13,280,866	\$ 3,085,520	\$ 8,079,943	\$ 52,828	\$ 16,960,268	\$ 1,138,358	\$ 149,547	\$ 6,967,688	\$ 5,481,044	\$ 2,016,805	\$ 267,428	\$ 720,759	\$ 58,200,054
Provincial Government	347,996	2,032,792	4,011,654	2,180,325	6,920,207	150,000	434,479	104,385	541,655	1,623,881	308,593	911,806	19,567,773
Other Revenues	178,998	20,818	844,734	15,668	1,682,969	880,979	113,259	3,573,753	4,251,708	548,909	220,653	503,604	12,836,052
Sub-total	13,807,860	5,139,130	12,936,331	2,248,821	25,563,444	2,169,337	696,285	10,645,826	10,274,407	4,189,595	796,674	2,136,169	90,603,879
Inter-Segment Eliminations	-	-	-	-	-	-	-	(3,402,620)	(2,895,319)	-	-	-	(6,297,939)
Total Revenues	13,807,860	5,139,130	12,936,331	2,248,821	25,563,444	2,169,337	696,285	7,243,206	7,379,088	4,189,595	796,674	2,136,169	84,305,940
Expenses													
Salaries & Benefits	6,791,540	4,009,341	5,067,296	107,861	11,462,776	902,456	1,023,503	3,774,538	4,147,159	3,304,813	789,097	414,373	41,794,753
Operating Costs	6,356,876	741,653	7,196,597	1,867,128	11,725,263	52,462	267,236	3,822,876	1,897,274	1,536,006	224,538	1,018,298	36,706,207
Rent	206,197	185,400	705,335	39,500	954,335	52,500	63,000	131,500	166,980	312,883	43,835	460,384	3,321,849
Amortization Expenses	128,769	172,709	87,715	9,613	206,477	336,980	6,250	2,472,249	-	198,391	-	-	3,619,153
Other Expenses	293,446	152,367	397,947	77,044	684,741	89,403	75,812	621,170	264,881	195,966	56,032	51,832	2,960,641
Sub-total	13,776,828	5,261,470	13,454,890	2,101,146	25,033,592	1,433,801	1,435,801	10,822,333	6,476,294	5,548,059	1,113,502	1,944,887	88,402,603
Inter-Segment Eliminations	-	-	-	-	-	-	-	(3,402,620)	(2,895,319)	-	-	-	(6,297,939)
Total Expenses	13,776,828	5,261,470	13,454,890	2,101,146	25,033,592	1,433,801	1,435,801	7,419,713	3,580,975	5,548,059	1,113,502	1,944,887	82,104,664
Annual Surplus/(Deficit) before Transfer	\$ 31,032	\$ (122,340)	\$ (518,559)	\$ 147,675	\$ 529,852	\$ 735,536	\$ (739,516)	\$ (176,507)	\$ 3,798,113	\$ (1,358,464)	\$ (316,828)	\$ 191,282	\$ 2,201,276

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 6 - SCHEDULE OF SEGMENT DISCLOSURE (unaudited)
YEAR ENDED MARCH 31, 2015

	Akwesasne Mohawk Board of Education	Akwesasne Mohawk Police	Department of Community & Social Services	Mohawk Government	Health	Housing	Justice	Department of Technical Services	Executive Services - Core	Executive Services - Non Core	Integrated Resource Management	Economic Development	Consolidated Totals
	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014
Revenues													
Federal Government	\$ 13,378,926	\$ 2,957,781	\$ 8,222,139	\$ -	\$ 16,788,649	\$ 465,954	\$ 113,004	\$ 5,015,592	\$ 4,802,443	\$ 1,677,199	\$ 166,083	\$ 697,700	\$ 54,285,470
Provincial Government	164,905	2,165,108	3,981,418	1,114,512	6,959,388	150,000	401,706	105,156	1,195,326	1,631,279	352,197	696,426	18,917,421
Other Revenues	294,805	15,357	708,735	707,405	1,969,123	787,026	129,053	3,531,853	5,099,621	824,219	155,065	650,565	14,872,827
Sub-total	13,838,636	5,138,246	12,912,292	1,821,917	25,717,160	1,402,980	643,763	8,652,601	11,097,390	4,132,697	673,345	2,044,691	88,075,718
Inter-Segment Eliminations	-	-	-	-	-	-	-	(3,284,635)	(2,609,703)	-	-	-	(5,894,338)
Total Revenues	13,838,636	5,138,246	12,912,292	1,821,917	25,717,160	1,402,980	643,763	5,367,966	8,487,687	4,132,697	673,345	2,044,691	82,181,380
Expenses													
Salaries & Benefits	6,946,016	4,257,484	5,448,497	81,376	11,754,332	993,151	987,404	3,699,020	4,308,044	3,417,387	800,997	427,805	43,121,513
Operating Costs	6,805,040	615,785	6,570,376	1,308,686	11,311,881	99,995	246,192	3,683,182	2,889,495	1,288,565	211,628	920,706	35,951,531
Rent	206,197	161,700	648,121	47,000	922,380	56,280	63,000	138,138	158,423	305,475	43,835	458,500	3,209,049
Amortization Expenses	149,732	197,711	102,854	12,086	238,718	349,566	7,793	2,342,269	240,267	-	-	-	3,640,996
Other Expenses	259,595	160,088	375,535	115,247	620,050	89,704	62,531	730,505	234,722	153,806	58,532	37,926	2,898,241
Sub-total	14,366,580	5,392,768	13,145,383	1,564,395	24,847,361	1,588,696	1,366,920	10,593,114	7,830,951	5,165,233	1,114,992	1,844,937	88,821,330
Inter-Segment Eliminations	-	-	-	-	-	-	-	(3,284,635)	(2,609,703)	-	-	-	(5,894,338)
Total Expenses	14,366,580	5,392,768	13,145,383	1,564,395	24,847,361	1,588,696	1,366,920	7,308,479	5,221,248	5,165,233	1,114,992	1,844,937	82,926,992

Annual Surplus/(Deficit) before Transfer \$ (527,944) \$ (254,522) \$ (233,091) \$ 257,522 \$ 869,799 \$ (185,716) \$ (723,157) \$ (1,940,513) \$ 3,266,439 \$ (1,032,536) \$ 199,754 \$ (441,647) \$ (745,612)

Welch LLP

Certified Public Accountants

MOHAWK COUNCIL OF AKWESASNE
SCHEDULE 8 - STATEMENT OF CHANGES IN ACCUMULATED SURPLUS (unaudited)
YEAR ENDED MARCH 31, 2015

	Investment in property, plant and equipment	Investment in housing and housing construction loans	AANDC	Casino Rama (OLG)	Internally restricted Community Trust	Other	Unrestricted accumulated operating deficit	2015	2014
Balance at beginning of year	\$ 104,558,430	\$ 5,526,053	\$ 2,388,718	\$ 19,890,418	\$ 53,418,869	\$ 8,124,281	\$ (3,625,252)	\$ 190,281,523	\$ 191,027,135
Annual surplus (deficit) before transfers - allocated	2,748,886	769,030	313,741	684,616	-	3,156,794	(5,471,791)	2,201,276	(745,612)
Transfer to Mohawks of Akwesasne Community Settlement Trust	-	-	-	-	(33,449,604)	-	-	(33,449,604)	-
Inter-fund transfer to (from) unrestricted	(3,612,787)	(458,499)	(1,410,925)	(852,012)	-	(335,815)	6,670,038	-	-
Net change in accumulated surplus for the year	(863,901)	310,531	(1,097,184)	(167,396)	(33,449,604)	2,820,979	1,198,247	(31,248,328)	(745,612)
Balance at end of year	\$ 103,694,529	\$ 5,836,584	\$ 1,291,534	\$ 19,723,022	\$ 19,969,265	\$ 10,945,260	\$ (2,427,005)	\$ 159,033,195	\$ 190,281,523

(See accompanying notes)