

**Mohawk Council of Kahnawà:ke**  
**Consolidated Financial Statements**  
*March 31, 2020*

# Mohawk Council of Kahnawà:ke

## Contents

For the year ended March 31, 2020

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	Page
<b>Management's Responsibility</b>	
<b>Independent Auditors' Report</b>	
<b>Consolidated Financial Statements</b>	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
<b>Notes to the Consolidated Financial Statements.....</b>	<b>5</b>
<b>Schedules</b>	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	20
Schedule 2 - Consolidated Schedule of Expenses by Object.....	23
Schedule 3 - Consolidated Schedule of Revenue and Expenses.....	24
Schedule 4 - Government Operations.....	25
Schedule 5 - Economic Development.....	28
Schedule 6 - Health and Community Services.....	29
Schedule 7 - Education.....	30
Schedule 8 - Fire Services.....	31
Schedule 9 - Service Complex.....	32
Schedule 10 - Cultural Center.....	33
Schedule 11 - Ottawa Trust Funds.....	34

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## Management's Responsibility

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To the Community Members and Chief and Council of Mohawk Council of Kahnawà:ke:

The accompanying consolidated financial statements of Mohawk Council of Kahnawà:ke are the responsibility of management and have been approved by Chief and Council.


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

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

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

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

  
E-SIGNED by Erica Delisle  
\_\_\_\_\_  
**Executive Finance &  
Administration Officer**

  
E-SIGNED by Kevin Kennedy  
\_\_\_\_\_  
**Executive  
Operations Officer**

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## Independent Auditor's Report

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To the Community Members of Mohawk Council of Kahnawà:ke:

### Opinion

We have audited the consolidated financial statements of Mohawk Council of Kahnawà:ke and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Montréal, Québec

July 8, 2020

MNP<sup>1</sup> SENCRL, s.r.l.

<sup>1</sup> CPA auditor, CA, public accountancy permit no. A124849

# Mohawk Council of Kahnawà:ke Consolidated Statement of Financial Position

As at March 31, 2020

	2020	2019
<b>Financial assets</b>		
Cash and cash equivalents (Note 4)	75,911,737	19,370,826
Term deposits (Note 5)	14,204,047	61,419,362
Accounts receivable (Note 6)	10,935,406	13,101,182
Short-term loan receivable (Note 7)	24,758,000	23,978,000
Investment in loans (Note 8)	7,998,722	9,632,449
Investments in government partnerships and business entities (Note 9)	6,110,759	2,986,619
Mortgage and housing loans (Note 10)	12,790,844	12,956,855
<b>Total financial assets</b>	<b>152,709,515</b>	<b>143,445,293</b>
<b>Liabilities</b>		
Accounts payable and accruals (Note 12)	10,699,768	9,126,538
Deferred revenue (Note 13)	4,091,323	2,665,811
Short-term loan payable (Note 7)	24,758,000	23,978,000
Amounts held in trust (Note 14)	96,486	87,346
Long-term debt (Note 15)	3,289,932	2,483,271
Capital lease obligations (Note 16)	-	4,645
<b>Total liabilities</b>	<b>42,935,509</b>	<b>38,345,611</b>
<b>Net financial assets</b>	<b>109,774,006</b>	<b>105,099,682</b>
<b>Contingencies (Note 17)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 18) (Schedule 1)	91,702,521	87,964,138
Inventories held for use	42,998	28,156
Prepaid expenses	935,599	560,153
<b>Total non-financial assets</b>	<b>92,681,118</b>	<b>88,552,447</b>
<b>Accumulated surplus (Note 19)</b>	<b>202,455,124</b>	<b>193,652,129</b>

**Approved on behalf of Council**

E-SIGNED by Joseph T. Norton

**Grand Chief**

E-SIGNED by Michael Delisle Jr

**Chief, FAO Chairperson**

# Mohawk Council of Kahnawà:ke

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2020*

	Schedules	2020 Budget	2020	2019
<b>Revenue</b>				
Indigenous Services Canada (Note 23), (Note 25)		51,857,490	54,770,429	49,371,784
Health Canada (Note 23)		8,902,272	11,853,975	9,935,696
Additional government funding (Note 23)		3,390,751	5,284,241	3,781,653
Canada Mortgage and Housing Corporation (Note 23)		302,604	256,458	332,602
First Nations Education Council		4,103,606	4,135,272	4,361,241
Province of Québec (Note 23)		9,440,755	5,748,444	6,855,404
National Aboriginal Capital Corporations Association		570,000	547,784	609,479
First Nations Human Resource Development Commission of Québec		1,845,195	1,853,904	1,753,879
Other community income		13,301,692	17,432,110	17,343,297
Investment income		4,227,385	2,632,756	2,179,065
Deferred revenue - prior year (Note 13)		946,695	2,642,167	2,554,724
Deferred revenue - current year (Note 13)		158,468	(4,091,323)	(2,642,167)
Recovery of prior year funding		-	9,126	104,142
Repayment of government funding		-	(139,236)	(232,864)
		<b>99,046,913</b>	<b>102,936,107</b>	<b>96,307,935</b>
<b>Expenses</b>				
Government operations	4	54,613,741	50,240,118	44,682,365
Economic development	5	7,344,765	6,922,332	7,983,472
Health and community services	6	20,193,617	21,754,011	18,046,395
Education	7	20,017,850	18,434,572	18,013,538
Fire services	8	1,169,897	1,420,474	1,182,101
Service complex	9	201,020	372,447	379,319
Cultural center	10	800,553	913,349	869,763
Ottawa trust funds	11	-	26,886	11,740
		<b>104,341,443</b>	<b>100,084,189</b>	<b>91,168,693</b>
<b>Total expenses (Schedule 2)</b>		<b>104,341,443</b>	<b>100,084,189</b>	<b>91,168,693</b>
<b>Surplus before other items</b>		<b>(5,294,530)</b>	<b>2,851,918</b>	<b>5,139,242</b>
<b>Other income (expense)</b>				
Income from investments in government business entities (Note 9)		-	4,883,420	1,462,579
Income from Investment in Government Business Partnerships (Note 9)		-	(186,303)	-
Foreign exchange		2,746,249	1,035,277	826,371
Allocation to other community organizations		(160,000)	(158,791)	(178,000)
Deferred expenses		-	220,174	505
Gain on disposal of capital assets		-	157,300	26,083
Breakup fees and other related costs		-	-	(1,559,247)
		<b>2,586,249</b>	<b>5,951,077</b>	<b>578,291</b>
<b>Surplus</b>		<b>(2,708,281)</b>	<b>8,802,995</b>	<b>5,717,533</b>
<b>Accumulated surplus, beginning of year</b>		<b>193,652,129</b>	<b>193,652,129</b>	<b>187,934,596</b>
<b>Accumulated surplus, end of year</b>		<b>190,943,848</b>	<b>202,455,124</b>	<b>193,652,129</b>

The accompanying notes are an integral part of these consolidated financial statements

**Mohawk Council of Kahnawà:ke**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Annual surplus</b>	<b>(2,708,281)</b>	<b>8,802,995</b>	5,717,533
Purchases of tangible capital assets	-	<b>(10,123,219)</b>	(8,141,437)
Amortization of tangible capital assets	<b>2,000</b>	<b>6,384,836</b>	5,913,589
Gain on sale of tangible capital assets	-	<b>(157,300)</b>	(26,083)
Acquisition of fuel inventory	-	<b>(14,842)</b>	(14,010)
Proceeds of disposal of tangible capital assets	-	<b>157,300</b>	26,083
Write off of development costs	-	-	590,404
	<b>2,000</b>	<b>(3,753,225)</b>	(1,651,454)
Acquisition of prepaid expenses	-	<b>(446,742)</b>	(560,153)
Use of prepaid expenses	-	<b>71,296</b>	773,514
	-	<b>(375,446)</b>	213,361
<b>Increase in net financial assets</b>	<b>(2,706,281)</b>	<b>4,674,324</b>	4,279,440
<b>Net financial assets, beginning of year</b>	<b>105,099,682</b>	<b>105,099,682</b>	100,820,242
<b>Net financial assets, end of year</b>	<b>102,393,401</b>	<b>109,774,006</b>	105,099,682

*The accompanying notes are an integral part of these consolidated financial statements*



# Mohawk Council of Kahnawà:ke Consolidated Statement of Cash Flows

*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Cash receipts from contributors	102,765,586	87,474,291
Cash paid to suppliers	(41,058,509)	(37,237,795)
Cash paid to employees	(49,963,248)	(46,292,230)
Investment income	2,632,756	2,173,237
Interest on long-term debt	(138,041)	(109,209)
	14,238,544	6,008,294
<b>Financing activities</b>		
Change in amounts held in trust	9,140	14,498
Advances of current portion of long-term debt	1,285,739	366,614
Repayment of long-term debt	(479,078)	(349,789)
Repayment of capital lease obligations	(4,645)	(74,799)
	811,156	(43,476)
<b>Capital activities</b>		
Purchases of tangible capital assets	(10,123,219)	(8,141,437)
Proceeds of disposal of tangible capital assets	157,300	26,083
	(9,965,919)	(8,115,354)
<b>Investing activities</b>		
Purchase of term investments	(14,204,047)	(61,419,360)
Proceeds on disposal of term investments	61,419,362	27,774,643
Cash payments for new housing loans and mortgages granted	(1,098,723)	(752,096)
Principal repayments on mortgages and housing loans	1,604,399	852,373
Investment in business loans receivable	(225,052)	(42,211)
Repayment of business loan receivable	149,179	154,996
Repayment of loan receivable from government business entity	1,709,600	1,744,120
Investment in shares	-	(930)
Dividends received from government business entity	1,900,000	-
	51,254,718	(31,688,465)
<b>Increase (decrease) in cash resources</b>	<b>56,338,499</b>	<b>(33,839,001)</b>
<b>Cash resources, beginning of year</b>	<b>19,370,826</b>	<b>53,209,827</b>
<b>Cash resources, end of year</b>	<b>75,709,325</b>	<b>19,370,826</b>

*The accompanying notes are an integral part of these consolidated financial statements*

# Mohawk Council of Kahnawà:ke

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

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### 1. Operations

Mohawk Council of Kahnawà:ke ("MCK") is located in the province of Quebec and provides various services to its community members. Mohawk Council of Kahnawà:ke includes the government and all related entities which form part of the Government Reporting Unit.

### 2. Significant event

During the year, there was an outbreak of COVID-19 (Coronavirus), which has had a significant impact on businesses and organizations through the restrictions put in place by the Canadian, Provincial, Indigenous and municipal governments regarding travel, business operations and isolation / quarantine measures.

At this time, it is unknown what the extent of the impact of the COVID-19 outbreak may have on MCK as this will depend on future developments that are highly uncertain and cannot be predicted with any degree of confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, the duration of the outbreak, the nature and duration of travel restrictions, business closures or disruptions and quarantine measures that are currently, or may be put, into place by Federal, Provincial and municipal governments to combat the spread of the virus.

MCK is providing significant support with respect to COVID-19 activities and it is expected that this support will continue through the funding it has received from ISC. However, as the outbreak situation continues at the time of these financial statements, complete information on the costs and the support to be received cannot be reasonably estimated.

### 3. Significant accounting policies

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

#### **Reporting entity**

The financial statements consolidate the financial activities of all entities and departments comprising the Mohawk Council of Kahnawà:ke government reporting entity. Trusts administered on behalf of third parties by Mohawk Council of Kahnawà:ke are excluded from the reporting entity.

MCK has consolidated the assets, liabilities, revenue and expenses of the following entities:

- Mohawk Council of Kahnawà:ke
- Kahnawà:ke Shakotiaa'Takehnhas Community Services
- Tewatohni'saktha
- Kahnawà:ke Education Center
- Kanien'kehaka Onkwawen:na Raotitiohkwa
- Kahnawà:ke Fire Brigade
- Kahnawà:ke Service Complex
- Karihwanoron Kanienkeha Owenna Tsi Ionteriwaienstahkwa

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

#### **Inter-entity transactions**

MCK recognizes and records all transactions with entities within the Government reporting entity ("inter-entity transactions") at their carrying amount as determined at the transaction date.

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

***Basis of presentation***

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

***Asset classification***

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

***Net financial assets***

MCK's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of MCK are determined by its financial assets less its liabilities. Net financial assets are comprised of two components, non-financial assets and accumulated surplus.

***Segments***

MCK conducts its business through eight reportable segments. These operating segments are established by senior management to facilitate the achievement of MCK's long-term objectives to aid in resource allocation decisions and to assess operational performance.

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

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

***Foreign currency translation***

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities reflect the exchange rates at the statement of financial position date. Translation gains and losses are included in current year surplus.

***Cash and cash equivalents***

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

***Temporary investments***

Temporary investments are valued at the lower of cost and market value.

***Loans receivable***

Loans are recorded at principal amounts, less any allowance for anticipated losses, plus accrued interest. Interest revenue is recorded on the accrual basis.

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

**Allowance for loan impairment**

MCK maintains an allowance for loan impairment that reduces the carrying value of loans to their estimated realizable amount. The allowance is increased by a charge for loan impairment which is charged to income and reduced by write-offs, net of recoveries.

A specific allowance is established on an individual loan basis to reduce the carrying values to estimated realizable amounts. Estimated realizable values are determined by discounting the expected future cash flows at the effective interest rate inherent in the loans. When the amount and timing of future cash flows cannot be reliably established, estimated realizable values are determined by reference to market prices for the loans of their underlying security value.

In addition, a general allowance may be established where, in management's opinion, it is required to absorb losses inherent in the loan portfolio, for which a specific allowance cannot yet be determined. A general provision is established when doubt exists within groups of loans but is not sufficient to allow identification of individually doubtful loans. Provision for loss is estimated based on historical credit loss experience, known portfolio risks and current economic conditions and trends.

**Loan guarantees**

MCK records a provision for losses on loan guarantees when it determines that a loss is likely.

The provision is determined based on the current circumstances of the individual borrowers; based on historical experience; based on current economic conditions facing the individual borrower; and is reviewed on an ongoing basis as new events occur, as more experience is acquired, or as additional information is obtained. Any changes in the provision is charged or credited to expenses. A provision for loss on a loan guarantee is removed from the statement of financial position when the guaranteed loan has been discharged or the term of the loan guarantee has expired.

**Amortization**

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<i>Methods</i>	<i>Rates and periods</i>
Land improvements	straight-line	5 years
Buildings	declining balance	4%
Social housing	declining balance	4%
Water treatment plant	declining balance	4%
Sports Complex	declining balance	4%
Roads and infrastructure	declining balance	5%
School buses	straight-line	10 years
Fire trucks	straight-line	5%
Vehicles	straight-line	5 years
Computer hardware and software	straight-line	3 years
Equipment	straight-line	5 years
Furniture and fixtures	straight-line	5 years

**Capital lease obligations**

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

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

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

***Long-lived assets***

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

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

***Measurement uncertainty***

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

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Loans are stated after allowances for forgiveness (where applicable) and provisions for uncollectible amounts. Amortization is based on the estimated useful lives of tangible capital assets. Other significant areas of estimation include the actuarial estimates used in determining the funding deficit of the pension plan. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the year in which they become known.

***Revenue recognition***

**Government Transfers**

MCK recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, MCK recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

**Externally restricted revenue**

MCK recognizes externally restricted inflows as revenue in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, MCK records externally restricted inflows in deferred revenue.

**Funds held in Ottawa Trust Fund**

Revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

**Investment Income**

Interest is recognized on the accrual basis as it is earned. Dividends are recognized when declared.

**Rental Income**

Rental income is recognized on a straight line basis over the term of the lease.

**Other Income**

Revenue is recognized when a price is agreed and all significant contractual obligations have been satisfied, and collectability is reasonably assured. Management assesses the business environment, customers' financial condition, historical experience, accounts receivable aging and customer disputes to determine whether collectability is reasonably assured. If collectability is not considered reasonably assured at the time of sale, MCK does not recognize revenue until collection occurs.

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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

***Employee future benefits***

MCK's employee future benefit programs consist of a defined benefit plan.

The estimated future cost of providing defined benefit pension is actuarially determined using the projected benefits method pro-rated on service, as future salary levels affect the amount of employee future benefits. The attribution period for such cost begins one year after the date of hire of the employee to the date the employee becomes fully eligible to receive the benefits. MCK determines its discount rates by reference to its plan asset earnings.

The expected return on plan assets is determined by applying the assumed rate of return on plan assets to the average market-related value of assets for the period. Actuarial gains and losses are amortized on a straight-line basis over the average remaining service life of the related employee group. Prior period employee service costs resulting from plan amendments are expensed in the period of the plan amendment.

Contributions to the plan are expensed as incurred.

***Funds held in Ottawa Trust Fund***

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

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

**4. Cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
Cash on hand and balances with banks	<b>21,806,700</b>	12,027,897
Internally restricted	<b>53,587,273</b>	6,856,966
Held in trust for community members	<b>96,485</b>	87,346
Ottawa trust funds	<b>12,006</b>	26,886
Externally restricted	<b>409,273</b>	371,731
	<b>75,911,737</b>	19,370,826

Externally restricted cash relates to funds provided for the Business Contribution Fund and is restricted to the operations of the program and cannot be used for any other purpose.

Internally restricted funds have been set aside and designated by Chief and Council and the boards of directors of the various organizations for specific purposes as described in note 19. These funds cannot be used for any other purposes without the prior approval of Chief and Council or the board of directors of the organization which initially restricted those funds.

**5. Term deposits**

Term deposits consist of various Canadian dollar term deposits which are interest bearing at rates ranging from 0.5% to 2.11% annually, and have maturity dates ranging from May 2020 to January 2021. The market value of the term deposits at March 31, 2020 approximates their carrying amount. Term deposits have been restricted as described in Note 19.

# Mohawk Council of Kahnawà:ke

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2020*

### 6. Accounts receivable

	2020	2019
Indigenous Services Canada	1,756,983	2,934,683
Government of Canada	3,548,839	3,329,862
Province of Québec	2,530,538	1,451,594
Contributions and other receivables	1,841,174	2,440,333
First Nations Education Council	844,738	874,191
Dividends receivable	-	1,068,866
Commodity taxes	302,119	405,083
Interest receivable	111,015	596,570
	<b>10,935,406</b>	<b>13,101,182</b>

The accounts receivable balance is net of an allowance for uncollectible amounts of \$4,438,891 (2019 - \$4,661,327).

### 7. Short-term loan receivable (payable)

Mohawk Council of Kahnawà:ke (MCK) agreed to act as the signatory for the Capital Contribution Agreement signed on March 28, 2012 for the capital expansion of the Kateri Memorial Hospital Center (KMHC). A memorandum of understanding was signed whereby MCK transferred administrative and legal liability for the project to KMHC. However, MCK would, under the terms of funding provided to the Ministère de la Santé et des Services Sociaux (MSSS), continue in the capacity as the project manager. The total funding to be provided by the MSSS amounts to \$31,271,000. As part of this project, a short rate term loan agreement was signed between Financement-Québec, Mohawk Council of Kahnawà:ke and MSSS for the purpose of financing the construction costs of the hospital expansion.

As at March 31, 2020, total funding provided directly to KMHC by MSSS with respect to the project amounted to \$24,758,000. Therefore, this amount has been recorded as a loan receivable from KMHC.

Under the terms of the short rate term loan agreement, MCK has been identified as the borrower. Therefore, at March 31, 2020, \$24,758,000 has been recognized as a liability due to Financement-Québec.

As MCK is the guarantor and the loan receivable and payable are with different counter-parties, both an asset and a liability have been recorded for this amount.

### 8. Investment in loans

Investment in loans consist of the following:

	<i>Principal</i>	<i>Provisions and allowances</i>	<b>2020 Net recoverable value</b>	<b>2019 Net recoverable value</b>
Onkwawista Holdings Limited	7,377,240	-	7,377,240	9,086,840
Loans receivable - Business Loan Fund	567,932	-	567,932	502,919
Loans receivable - Youth Business Fund	74,411	(20,861)	53,550	42,690
	<b>8,019,583</b>	<b>(20,861)</b>	<b>7,998,722</b>	<b>9,632,449</b>

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**8. Investment in loans** (Continued from previous page)

The loan receivable from Onkwawista Holdings Limited ("OHL") of \$7,377,240 (US\$5,200,000) (2019 - \$9,086,840 (US\$6,800,000)) is unsecured, interest bearing at 2.5% per annum, and is repayable by way of annual principal payments of US\$1,600,000 to August 1, 2021 and annual principal payments thereafter of US\$400,000 until August 1, 2026.

The primary purpose of the Business Loan Fund (BLF) and the Youth Business Fund (YBF) loans are to help the youth and community of Kahnawà:ke to establish viable businesses. The general terms and conditions differ from conventional loan agreements. Amortization periods range from one to ten years depending on the size of the loan. Interest is charged at annual fixed rates ranging from 6.25% to 7.95% (YBF) and prime plus 4% (BLF) compounded monthly. In addition, Youth Business Fund borrowers have the option of paying interest only during the first year of the loan and the fund will forgive 25% of the loan balance once 75% has been reimbursed and the borrower has met all the terms of the loan agreement to the date of forgiveness.

Recovery of youth loans is dependent upon the success of the related borrowers' businesses as the youth loans require no equity or personal guarantees.

**9. Investments in government partnerships and business entities**

The First Nation has investments in the following entities:

	<i>Investment cost, beginning of year</i>	<i>Investment in shares or units</i>	<i>Share of earnings (loss)</i>	<i>Cash distributions</i>	<i>Dividends</i>	<i>2020 Total investment</i>
<b>Wholly-owned Businesses:</b>						
Mohawk Online Limited	2,868,467	-	4,919,693	-	(1,900,000)	5,888,160
Onkwawista Holdings Limited	117,222	-	(36,273)	-	12,023	92,972
	<b>2,985,689</b>	<b>-</b>	<b>4,883,420</b>	<b>-</b>	<b>(1,887,977)</b>	<b>5,981,132</b>
<b>Significantly Influenced businesses:</b>						
Des Cultures Renewable Energy Inc. - 50.1%	501	-	-	-	-	501
<b>Business Partnership - Modified equity:</b>						
Des Cultures Renewable Energy LP - 30%	429	315,000	(186,303)	-	-	129,126
	<b>2,986,619</b>	<b>315,000</b>	<b>4,697,117</b>	<b>-</b>	<b>(1,887,977)</b>	<b>6,110,759</b>



**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

9. **Investments in government partnerships and business entities** *(Continued from previous page)*

	<i>Investment cost, beginning of year</i>	<i>Investment in shares or units</i>	<i>Share of earnings (loss)</i>	<i>Cash distributions</i>	<i>Dividends</i>	<i>2019 Total investment</i>
<b>Wholly-owned</b>						
<b>Businesses:</b>						
Mohawk Online Limited	1,385,077	-	1,483,390	-	-	2,868,467
Onkwawista Holdings Limited	672,079	-	(20,811)	(534,046)	-	117,222
	<u>2,057,156</u>	<u>-</u>	<u>1,462,579</u>	<u>(534,046)</u>	<u>-</u>	<u>2,985,689</u>
<b>Significantly Influenced businesses:</b>						
Des Cultures Renewable Energy Inc. - 50.1%	-	501	-	-	-	501
<b>Business Partnership - Modified equity:</b>						
Des Cultures Renewable Energy LP - 30%	-	429	-	-	-	429
	<u>2,057,156</u>	<u>930</u>	<u>1,462,579</u>	<u>(534,046)</u>	<u>-</u>	<u>2,986,619</u>

The First Nation's investment in Des Cultures Renewable Energy, Limited Partnership was established for the purpose of building and operating a wind farm in St. Remi, Quebec in partnership with Kruger Energy Inc (KEI).

Summary financial information for each First Nation business partnership, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>Des Cultures Renewable Energy LP As at March 31, 2020</i>
<b>Assets</b>	
Cash	87
Accounts receivable	1,440
Sales tax receivable	226,402
Construction in progress	918,189
Promissory note receivable	177,500
<b>Total assets</b>	<b>1,323,618</b>
<b>Liabilities</b>	
Accounts payable and accruals	26,388
Due to related parties	866,803
<b>Total liabilities</b>	<b>893,191</b>
<b>Net assets</b>	<b>430,427</b>
<b>Total expenses</b>	<b>621,012</b>
<b>Net loss</b>	<b>(621,012)</b>

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**9. Investments in government partnerships and business entities** *(Continued from previous page)*

Summary financial information for each First Nation business enterprise, accounted for using the modified equity method, for the respective year-end is as follows:

	<i>Mohawk Online Limited As at December 31, 2019</i>	<i>Onkwawista Holdings Limited As at March 31, 2020</i>
<b>Assets</b>		
Cash	3,368,109	104,710
Accounts receivable	851,813	-
Prepayments	14,118	-
Loans receivable	-	7,535,769
Property, plant and equipment	623	-
<b>Total assets</b>	<b>4,234,663</b>	<b>7,640,479</b>
<b>Liabilities</b>		
Accounts payable and accruals	64,648	16,412
Loan payable	-	7,535,769
<b>Total liabilities</b>	<b>64,648</b>	<b>7,552,181</b>
<b>Net assets excluding accumulated other comprehensive income</b>	<b>4,170,015</b>	<b>88,298</b>
<b>Total revenue</b>	<b>3,916,569</b>	<b>229,299</b>
<b>Total expenses</b>	<b>715,121</b>	<b>265,572</b>
<b>Net income (loss)</b>	<b>3,201,448</b>	<b>(36,273)</b>
<b>Comprehensive income (loss)</b>	<b>3,201,448</b>	<b>(36,273)</b>

One of the First Nation's investee has a different year-end than March 31, 2020. The First Nation uses the investee's year-end financial statements to account for its investment in this investee.

<i>Name of investee</i>	<i>Year-end</i>	<i>Significant events and transactions</i>
Mohawk Online Limited	December 31, 2019	During the period of January 1, 2020 to March 31, 2020, the investee earned profits of \$1,718,245 which was included in the balance of the Organization's investment in the investee as at March 31, 2020.

**10. Mortgage loans receivable and housing initiative loans**

Mortgage loans receivable represent funds advanced for the construction of homes for community residents and are secured by the related properties. Initial terms of these mortgages vary, up to a maximum term of approximately thirty years. These mortgages are repayable in monthly instalments and bear interest at 6% per annum.

Housing initiative loans receivable are unsecured loans which are repayable in monthly principal and interest instalments and bear interest at 6% per annum. The loans are generally granted with terms of approximately five years.

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**11. Revolving line of credit**

MCK has access to various unsecured credit facilities amounting to \$3,220,000 (2019 - \$3,220,000) which remains unused as at March 31, 2020 and bear interest at the rates indicated in Note 15, which are renewable on an annual basis. Borrowings under these facilities bear interest at rates ranging from prime plus 0.5% to prime plus 3% per annum.

**12. Accounts payable and accruals**

	<b>2020</b>	<b>2019</b>
Trade payables	<b>6,817,817</b>	5,153,119
Salaries and vacations payable	<b>3,648,221</b>	3,118,112
Government funding repayable	<b>233,730</b>	144,130
Accounts payable - Hydro-Québec TransÉnergie	-	636,796
Provision for loan - Caisse Populaire Kahnawà:ke	-	74,381
	<b>10,699,768</b>	9,126,538

**13. Deferred revenue**

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Amount recognized as revenue</i>	<i>Balance, end of year</i>
<b>Deferred Revenue</b>				
Government operations	1,173,090	2,495,105	1,516,695	2,151,500
Economic development	506,492	1,035,041	1,012,977	528,556
Health & community services	204,142	630,632	547,115	287,659
Education	588,407	4,099,054	3,740,822	946,639
Fire services	58,911	-	58,911	-
Cultural	111,125	178,433	112,588	176,969
	2,642,167	8,438,265	6,989,108	4,091,323
<b>Other</b>				
Education	20,000	-	20,000	-
Service complex	3,644	-	3,645	-
	23,644	-	23,645	-
	2,665,811	8,438,265	7,012,753	4,091,323

**14. Amounts held in trust**

Mohawk Council of Kahnawà:ke holds funds in trust for several Community members and uses those funds to pay for their day to day essential needs. The balance represents the total amount being administered on behalf of those community members as at March 31, 2020. Use of these funds is restricted as described in Note 4.

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**15. Long-term debt**

	2020	2019
Mortgage payable, interest bearing at 3.55% (2019 - 4.29%), repayable in blended monthly installments of \$14,592, with the balance subject to renewal in August 2020, secured by a trust agreement in the lender's favour on the Business Complex having a net book value of \$3,056,673	<b>714,919</b>	1,021,504
Mortgage payable, interest bearing at 4.6% (2019 - 4.65%), repayable in 60 blended monthly installments of \$4,790 with the balance subject to renewal in December 2020, secured by a \$1,000,000 first rank immovable hypothec on the Commercial Complex having a net book value of \$917,006	<b>614,673</b>	643,004
Term loan, unsecured, bearing interest at 3.13% per annum, repayable in monthly principal and interest payments of \$964, due December 2022	<b>30,428</b>	40,860
Term loan, unsecured, bearing interest at 3.13% per annum, repayable in monthly principal and interest payments of \$600, due December 2022	<b>18,957</b>	25,456
Term loan, unsecured, bearing interest at 3.45% per annum, repayable monthly principal and interest payments of \$2,657, due March 2024	<b>116,755</b>	146,249
Term loan, unsecured, bearing interest at 3.76% per annum, repayable in monthly principal and interest payments of \$1,593, due August 2022	<b>44,090</b>	61,281
Term loan, unsecured, bearing interest at 3.58% per annum, repayable in monthly principal and interest payments of \$1,401, due April 2023	<b>47,763</b>	62,576
Term loan, unsecured, bearing interest at 4.23% per annum, repayable in monthly principal and interest payments of \$732, due November 2022	<b>21,456</b>	29,152
Term loan, unsecured, bearing interest at 3.8% per annum, repayable in monthly principal and interest payments of \$643, due April 2023	<b>22,420</b>	29,147
Term loan, unsecured, bearing interest at 3.73% per annum, repayable in monthly principal and interest payments of \$1,422, due June 2025	<b>81,258</b>	95,014
Term loan, unsecured, bearing interest at 3.75% per annum, repayable in monthly principal and interest payments of \$3,070, due February 2026	<b>195,228</b>	224,160
Term Loan, unsecured, bearing interest at 3.20% per annum, repayable in monthly principle and interest payments of \$9,177, maturing December 2020.	<b>45,662</b>	104,868
Term Loan, unsecured, bearing interest at 3.15% per annum, repayable in monthly principle and interest payments of \$6,789 maturing October 2026.	<b>483,783</b>	-
Term Loan, unsecured, bearing interest at 3.58% per annum, repayable in monthly principle and interest payments of \$2,285, maturing March 2026.	<b>147,833</b>	-
Term Loan, unsecured, bearing interest at 3.23% per annum, repayable in monthly principle and interest payments of \$5,886 maturing Mary 2024.	<b>275,015</b>	-
Term Loan, unsecured, bearing interest at 3.08% per annum, repayable in monthly principle and interest payments of \$3,701 maturing June 2026.	<b>252,192</b>	-
Promissory note payable to the limited partnership, unsecured, non-interest bearing and due on demand.	<b>177,500</b>	-
	<b>3,289,932</b>	<b>2,483,271</b>

Principal repayments on long-term debt in each of the next five years, assuming all term debt is subject to renewal is renewed under similar rates and terms, are estimated as follows:

	<b>Total</b>
2021	509,654
2022	527,968
2023	527,069
2024	493,195
2025	353,659

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**16. Capital lease obligations**

	<b>2020</b>	<b>2019</b>
Obligation under capital lease relating to computer hardware and software, repayable in equal monthly instalments of \$2,349 including interest at 4.59%, fully repaid May 2019	-	4,645

**17. Contingencies**

- (a) MCK has entered into contribution agreements with various government departments. Funding received under these contribution agreements may be subject to repayment upon final review and verification of the eligibility of the expenses by the funder.
- (b) Mohawk Council of Kahnawà:ke has been named as a defendant in several lawsuits as part of its ongoing operations with respect to various legal matters that are pending or are before the courts or other regulatory bodies. Damages in certain cases have either not been filed as yet or are not requested or cannot be awarded. Council is unable to accurately estimate the outcome of these actions. No provision has been recorded in the accounts. Any settlement resulting from these claims will be recorded as an expense in the year in which the settlement occurs.
- (c) Mohawk Council of Kahnawà:ke guarantees loans made to Kahnawà:ke residents by Canada Mortgage and Housing Corporation for renovations. As at March 31, 2020, such loans are not significant. Mohawk Council of Kahnawà:ke has also acted as co-signer on mortgage loans to residents from various lending institutions for an aggregate amount of approximately \$9,494,575 (2019 - \$10,226,000) for purchases of houses as part of the On-reserve loan guarantee program.
- (d) Mohawk Council of Kahnawà:ke has incurred certain financial obligations with respect to the research, development and negotiation of its specific claim relating to the Seigneurie of Sault St. Louis Claim (program 1917). ISC has provided MCK with an interim loan to assist them in meeting these obligations. As at March 31, 2020 the outstanding loan is \$4,481,536 (2019 - \$4,481,536). The advance is secured by a promissory note which is payable on the earlier of March 31, 2021 or the date on which the claim is settled.
- (e) Through the Business Loan Fund, Mohawk Council of Kahnawà:ke has guaranteed the Caisse Populaire Kahnawà:ke for a portion of the approved bank borrowings to a maximum of \$156,000 (2019 - \$257,929) for aboriginal entrepreneurs under the loan guarantee program. As at March 31, 2020, the total guaranteed indebtedness amounted to \$156,000 (2019 - \$230,380).
- (f) Through Kahnawà:ke Sustainable Energies Inc. ("KSE"), Mohawk Council of Kahnawà:ke had previously entered into an agreement with a contractor/supplier for a commitment to pay \$35,453,379 to construct a windfarm facility in St. Cyprien. Under the new LOI for the Des Cultures project the St. Cyprien location is no longer referenced in the new supply contract, however the previous supplier disagrees that the prior LOI is no longer in force, and as such has not yet released the company from the original commitment. It is managements' opinion that the original LOI does not apply to the new location in partnership with KEI. Finally, KSE has also entered into an agreement with the distributor of wind energy and has provided a \$480,000 letter of guarantee.
- (g) Through Kahnawà:ke Shakotiiia'Takehnhas Community Services ("KSCS") Mohawk Council of Kahnawà:ke has one human resource matter pending or is before certain regulatory bodies. Management is unable to accurately estimate the outcome of these actions. No provision has been recorded in the accounts. Any settlement resulting from this action will be recorded as an expense in the year in which the settlement occurs.
- (h) Through Kahnawà:ke Education Centre ("KEC") Mohawk Council of Kahnawà:ke has entered into contribution agreements with various government departments. Funding received under these contribution agreements may be subject to repayment upon final verification of the eligibility of the expenses by the program funder. Several human resource matters are pending or are before certain regulatory bodies. While Management is unable to accurately estimate the outcome of these matters, an accrual of \$160,000 has been recorded in the financial statements.

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**18. Tangible capital assets**

The tangible capital assets reconciliation is included in Schedule 1.

**19. Accumulated Surplus**

The accumulated surplus is comprised of the following:

	<b>2020</b>	2019
Tangible Capital Assets	<b>88,723,929</b>	85,476,224
Ottawa Trust Funds	<b>12,006</b>	26,886
Externally Restricted	<b>10,048,323</b>	9,110,567
Appropriated Reserves	<b>103,565,718</b>	98,445,921
Unappropriated	<b>105,148</b>	592,531
	<b>202,455,124</b>	193,652,129

**20. CMHC replacement and operating reserves**

Under agreements with Canada Mortgage and Housing Corporation (CMHC), MCK established a replacement reserve, funded by an annual allocation of \$85,200 (2019 - \$81,700) to ensure replacement of buildings financed by CMHC. At March 31, 2020, \$334,771 (2019 - \$248,700) has been set aside to fully fund this reserve.

Under the terms of the agreement with CMHC, MCK has also established an operational reserve related to the on-reserve housing units funded by CMHC. During the current year, \$82,152 (2019- \$77,909) has been set aside to fully fund this reserve. As at March 31, 2020, \$254,473 (2019 - \$171,020) has been set aside to fully fund this reserve.

In accordance with terms of the agreements, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

**21. Defined benefit pension plan**

Mohawk Council of Kahnawà:ke maintains a defined benefit pension plan covering the employees of Mohawk Council of Kahnawà:ke and other band empowered entities. According to the most recent actuarial valuation of the Plan dated March 31, 2020, the Plan had a funding surplus of approximately \$53,936,000 (2019 - \$75,900,000) on a going concern basis and a funding deficit of approximately \$363,000 (2019 - excess of \$9,600,000) on a solvency basis. The Pension Benefits Standards Act requires that Council fund the benefits determined under the Plan. The determination of the value of these benefits was made on the basis of an actuarial valuation on March 31, 2020.

Under the Pension Benefits Standards Act, a Plan sponsor is permitted to use a letter of credit to reduce any solvency special payments otherwise required to be paid under the Act. In this regard, on July 27, 2015, the Plan sponsor entered into a letter of guarantee agreement with Bank of Montreal, whereby Bank of Montreal provided the sponsor with letters of guarantee. Letters of guarantee outstanding at March 31, 2020 totalled \$12,373,231 (2019 - \$12,373,231) and expire on June 14, 2020.

Other accounts receivable includes an amount of \$1,399,508 (2019 - \$1,228,682), net of a provision of \$1,399,508 (2019 - \$1,228,682) due from the Pension plan for the employees of Mohawk Council of Kahnawà:ke. This comprises administrative expenses paid by Mohawk Council of Kahnawà:ke on behalf of the Plan for current and prior years. Expenses for the current year are \$170,826 (2019 - \$179,748) and these amounts are charged at cost.

# Mohawk Council of Kahnawà:ke

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

### 22. Management contract

Tewatohni'saktha has a management contract with Mohawk Internet Technologies ("MIT"), a band empowered entity, which has an exclusivity operating agreement with a third party. Under the terms of the management contract, Tewatohni'saktha is responsible for the day to day operations and management of MIT. However, based on the terms of the third party agreement, it does not exercise effective control over MIT's assets, liabilities and surplus without the cooperation and approval of the third party. As such, the assets, liabilities and results of the operations of MIT are not included in these consolidated financial statements.

### 23. Government transfers

During the year, the Organization recognized the following government transfers:

#### *Federal government transfers*

	<i>Operating and capital</i>	<i>Deferrals and repayments</i>	<b>2020</b>	<b>2019</b>
Indigenous Services Canada	54,770,429	(867,300)	53,903,129	49,371,784
Public Safety Canada	3,065,552	-	3,065,552	2,618,665
Department of Justice Canada	52,500	-	52,500	133,158
Fisheries and Oceans Canada	50,000	8,744	58,744	36,183
Canadian Heritage	178,945	(18,538)	160,407	(79,920)
Canada Mortgage Housing Corporation	256,458	-	256,458	332,602
Employment and Social Development Canada	691,543	(48,122)	643,421	491,532
Health Canada	11,853,975	-	11,853,975	9,873,828
Canada Revenue Agency	233,171	-	233,171	176,667
Canadian Environment Assessment Agency Canada	12,684	17,005	29,689	45,510
Canada Environmental Agency	10,159	2,648	12,807	-
Transport Canada	143,485	13,501	156,986	10,218
Economic Development Agency of Canada	846,202	(684,625)	161,577	70,000
Minister of Environment and Climate Change	-	-	-	18,538
	<b>72,165,103</b>	<b>(1,576,687)</b>	<b>70,588,416</b>	<b>63,098,765</b>

#### *Provincial government transfers*

	<i>Operating and capital</i>	<i>Deferrals and repayments</i>	<b>2020</b>	<b>2019</b>
Transports Québec	2,436,374	-	2,436,374	3,269,831
Sécurité publique Québec	2,409,023	47,573	2,456,596	1,783,071
Ministère de la Culture	124,325	-	124,325	-
Province of Québec	360,639	-	360,639	1,438,760
Développement durable, Environnement et Lutte contre les changements climatiques	260,717	2,469	263,186	175,250
Département de la justice du Québec	-	-	-	46,666
Québec en Forme	-	-	-	14,925
Secrétariat a l'action communautaire autonome et aux initiatives sociales	-	11,176	11,176	81,901
Secrétariat aux affaires autochtones	3,224	34,323	37,547	124,841
Ministère du Conseil Exécutif	-	-	-	1,250
Ministère de la Justice	-	-	-	-
Ministère des affaires autochtones	-	-	-	-
	<b>5,748,444</b>	<b>108,938</b>	<b>5,857,382</b>	<b>6,936,495</b>
<b>Total government transfers</b>	<b>77,913,547</b>	<b>(1,467,749)</b>	<b>76,445,798</b>	<b>70,035,260</b>

**Mohawk Council of Kahnawà:ke**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**24. Economic dependence**

Mohawk Council of Kahnawà:ke receives 72% (2019 - 70%) of its revenue from Indigenous Services Canada and other agencies of the Government of Canada. The ability of MCK to continue operations is dependent upon the Government of Canada's continued financial commitments.

**25. ISC funding reconciliation**

ISC funding as per the statement of operations and accumulated surplus is reconciled as follows:

	<b>2020</b>	<b>2019</b>
Balance per confirmation	<b>54,679,429</b>	49,371,784
ISC fixed funding for Indigenous IT Summit not included in confirmation	<b>91,000</b>	-
Balance per financial statements	<b>54,770,429</b>	49,371,784

**26. Budget information**

The disclosed budget information has been approved by Chief and Council and the Board of Directors of the related entities which form part of the government reporting entity.

**27. Loan offer**

The Organization has available a loan offer, signed with Investissement Québec, in the amount of \$5,700,000 which bears interest at 5% per annum. As of March 31, 2020, no amount has been drawn.

**28. Supplemental cash flow information**

During the year, 315,000 units in the limited partnership were acquired at an aggregate cost of \$315,000, of which \$137,500 were acquired by settlement of accounts receivable and \$177,500 by a promissory note payable.

**29. Comparative figures**

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



**Mohawk Council of Kahnawà:ke**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2020*

	Land and land improvement	Buildings	Social Housing	Water Treatment Plant	Roads and Infrastructure	Sports Complex	Subtotal
<b>Cost</b>							
Balance, beginning of year	2,991,382	62,597,082	6,708,653	11,100,940	54,408,093	1,545,416	139,351,566
Acquisition of tangible capital assets	215,178	1,248,206	1,216,975	-	3,708,614	469,735	6,858,708
Balance, end of year	3,206,560	63,845,288	7,925,628	11,100,940	58,116,707	2,015,151	146,210,274
<b>Accumulated amortization</b>							
Balance, beginning of year	37,608	33,159,376	1,885,088	2,752,134	17,710,905	465,687	56,010,798
Annual amortization	13,630	2,199,531	217,281	333,952	1,943,983	48,699	4,757,076
Balance, end of year	51,238	35,358,907	2,102,369	3,086,086	19,654,888	514,386	60,767,874
<b>Net book value of tangible capital assets</b>	<b>3,155,322</b>	<b>28,486,381</b>	<b>5,823,259</b>	<b>8,014,854</b>	<b>38,461,819</b>	<b>1,500,765</b>	<b>85,442,400</b>
2019 Net book value of tangible capital assets	2,953,774	29,437,706	4,823,565	8,348,806	36,697,188	1,079,729	83,340,768

**Mohawk Council of Kahnawà:ke**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2020*

	<i>Subtotal</i>	<i>School Buses</i>	<i>Vehicles</i>	<i>Firetrucks</i>	<i>Equipment</i>	<i>Computer Hardware and Software</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	139,351,566	2,230,786	3,754,445	2,492,960	3,795,180	2,051,518	153,676,455
Acquisition of tangible capital assets	6,858,708	169,533	1,332,157	-	716,229	802,975	9,879,602
Balance, end of year	146,210,274	2,400,319	5,086,602	2,492,960	4,511,409	2,854,493	163,556,057
<b>Accumulated amortization</b>							
Balance, beginning of year	56,010,798	1,448,138	2,694,432	1,081,251	2,898,933	1,652,150	65,785,702
Annual amortization	4,757,076	189,046	501,652	111,068	344,462	423,707	6,327,011
Balance, end of year	60,767,874	1,637,184	3,196,084	1,192,319	3,243,395	2,075,857	72,112,713
<b>Net book value of tangible capital assets</b>	<b>85,442,400</b>	<b>763,135</b>	<b>1,890,518</b>	<b>1,300,641</b>	<b>1,268,014</b>	<b>778,636</b>	<b>91,443,344</b>
2019 Net book value of tangible capital assets	83,340,768	782,648	1,060,013	1,411,709	896,247	399,368	87,890,753

**Mohawk Council of Kahnawà:ke**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2020*

	<i>Subtotal</i>	<i>Furniture and Fixtures</i>	<i>2020</i>	<i>2019</i>
<b>Cost</b>				
Balance, beginning of year	153,676,455	675,172	154,351,627	146,210,190
Acquisition of tangible capital assets	9,879,602	243,617	10,123,219	8,141,437
Balance, end of year	<b>163,556,057</b>	<b>918,789</b>	<b>164,474,846</b>	<b>154,351,627</b>
<b>Accumulated amortization</b>				
Balance, beginning of year	65,785,702	601,787	66,387,489	60,473,900
Annual amortization	6,327,011	57,825	6,384,836	5,913,589
Balance, end of year	<b>72,112,713</b>	<b>659,612</b>	<b>72,772,325</b>	<b>66,387,489</b>
<b>Net book value of tangible capital assets</b>	<b>91,443,344</b>	<b>259,177</b>	<b>91,702,521</b>	<b>87,964,138</b>
2019 Net book value of tangible capital assets	87,890,753	73,385	87,964,138	

**Mohawk Council of Kahnawà:ke**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Consolidated expenses by object</b>			
Administration	152,618	117,022	139,413
Amortization	2,000	6,384,836	5,913,589
Assessment costs	-	(18,497)	886,654
Bad debts	283,994	462,365	588,689
Bank charges and interest	71,777	177,992	197,493
CIF allocations	500,000	427,321	258,896
Capital and Infrastructure costs	12,331,294	3,620,209	2,170,343
Community support services	113,603	209,637	381,753
Economic development	182,237	193,955	463,124
Education	1,630,434	2,993,759	2,334,376
Employment and training	1,240,728	1,070,139	1,229,063
Foster, institutional and group home	1,488,248	3,156,667	1,965,381
Health and social services	3,718,764	4,779,923	3,783,194
Honoraria	244,202	133,961	133,988
Information technology	75,018	224,829	100,762
Insurance	332,439	218,972	274,543
Interest on long-term debt	94,641	138,041	109,209
Legal, professional and consulting fees	3,503,577	3,946,801	3,689,911
MSI	430,116	124,955	542,521
Management fees	-	459,000	-
Miscellaneous	15,275	-	-
Office and general	2,228,466	1,958,624	2,024,669
Overhead cost recoveries	857,650	(745,191)	(530,139)
Pension	2,834,907	3,126,006	2,624,345
Professional development	40,833	-	-
Professional development and training	1,289,506	837,701	621,035
Public relations	1,015,152	836,499	993,098
Rent and leasing costs	1,283,144	1,122,439	1,772,542
Repairs and maintenance	2,344,160	1,903,058	1,527,809
Salaries and benefits	54,501,251	49,963,248	45,065,917
Social assistance	6,490,020	7,077,432	6,277,083
Special projects	25,000	-	-
Transportation	18,000	-	-
Travel and transportation	736,175	841,221	807,309
Tuition and allowances	2,069,027	2,061,704	2,481,349
Utilities	1,286,190	1,356,135	1,402,268
Vehicle expenses	910,997	923,426	938,506
	<b>104,341,443</b>	<b>100,084,189</b>	<b>91,168,693</b>

**Mohawk Council of Kahnawà:ke**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

Schedule #	ISC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Adjustments/Transfers From (To)	Current Surplus (Deficit)	Prior Year Surplus (Deficit)
<b>Segment Schedules</b>								
4	24,295,413	31,678,455	(978,410)	54,995,458	50,240,118	1,996,555	6,751,895	4,738,455
5	942,917	5,369,307	(22,064)	6,290,160	6,922,332	(3,077,671)	(3,709,843)	(988,559)
6	10,329,311	12,707,502	(83,517)	22,953,296	21,754,011	-	1,199,285	2,541,069
7	18,701,613	4,821,245	(358,232)	23,164,626	18,434,572	-	4,730,054	(524,933)
8	431,175	66,010	58,911	556,096	1,420,474	681,116	(183,262)	(3,488)
9	-	355,701	-	355,701	372,447	-	(16,746)	(11,207)
10	70,000	555,685	(65,844)	559,841	913,349	400,000	46,492	(68,950)
11	-	12,006	-	12,006	26,886	-	(14,880)	15,146
	54,770,429	55,565,911	(1,449,156)	108,887,184	100,084,189	-	8,802,995	5,717,533

**Mohawk Council of Kahnawà:ke**  
**Government Operations**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Indigenous Services Canada			
Block funding	19,550,091	22,189,452	20,451,469
Target funding	125,954	76,654	-
Fixed	1,843,398	2,029,307	3,885,620
Flexible	327,165	-	365,066
Set	-	-	4,800
Canada Mortgage and Housing Corporation	302,604	256,458	332,602
Additional government funding			
Fisheries and Oceans	-	50,000	42,000
Justice	52,500	52,500	133,158
Natural Resources	70,000	78,000	70,000
Environment Canada	-	790,803	39,332
Canadian Heritage	-	38,352	-
Public Safety Canada	2,398,498	3,065,552	2,618,665
Transport Canada	-	143,485	-
Province of Québec	9,400,755	5,263,090	5,416,644
Investment income	4,070,780	2,356,116	1,971,298
Other revenues	1,683,537	4,059,061	6,641,086
MSI	2,206,019	1,985,900	2,111,249
Kahnawà:ke Gaming Commission			
Tickets and fines	875,554	630,711	722,178
Rental income	717,542	670,318	585,210
Royalties	963,611	1,047,870	894,015
User fees	590,278	528,665	568,271
Snack bar	133,600	138,924	136,365
Registration fees	95,400	116,790	93,523
Poker room	-	84,330	136,809
EGD revenue	190,313	220,925	196,654
Advertising revenue	1,029,000	4,013,503	950,795
Recovery of prior year funding	29,000	21,600	33,783
Deferred revenue - prior year	-	9,126	104,142
Deferred revenue - current year	766,012	1,173,090	1,634,359
Repayment of government funding	(558,615)	(2,151,500)	(1,173,090)
	-	(80,681)	(85,389)
<b>Total revenue</b>	<b>46,862,996</b>	<b>48,858,401</b>	<b>48,880,614</b>

*Continued on next page*

**Mohawk Council of Kahnawà:ke**  
**Government Operations**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Total revenue</b> <i>(Continued from previous page)</i>	<b>46,862,996</b>	<b>48,858,401</b>	48,880,614
<b>Expenses</b>			
Administration	167,965	113,087	152,587
Amortization	-	4,034,179	3,455,111
Assessment costs	-	(18,497)	886,654
Bad debts	283,994	462,368	582,723
Bank charges and interest	21,427	130,413	74,473
CIF allocations	500,000	427,321	258,896
Capital and Infrastructure costs	12,323,294	3,606,135	2,157,429
Community support services	111,603	201,523	368,541
Education	-	14,873	-
Employee benefits	2,260,385	2,334,008	2,184,361
Health and social services	54,036	66,232	48,315
Honoraria(um)	36,451	23,506	18,265
Insurance	221,037	123,354	179,806
Interest on long-term debt	17,148	78,480	33,044
Legal, professional and consulting fees	2,266,948	2,406,699	2,086,974
MSI	430,116	124,955	542,521
Management fees	-	459,000	-
Office and general	1,111,487	1,152,295	1,166,935
Overhead cost recoveries	1,349,119	(308,876)	(124,639)
Pension	2,834,907	3,100,327	2,596,729
Professional development and training	484,764	499,858	342,426
Public relations	174,766	155,665	139,959
Rent and leasing costs	529,994	599,118	1,303,942
Repairs and maintenance	1,389,969	851,659	707,285
Salaries	19,598,064	20,566,093	17,455,229
Social assistance	6,490,020	7,077,432	6,277,083
Travel and transportation	404,845	405,451	274,303
Utilities	710,791	716,939	660,850
Vehicle expenses	840,611	836,521	852,563
	<b>54,613,741</b>	<b>50,240,118</b>	44,682,365
<b>Surplus (deficit) before other income</b>	<b>(7,750,745)</b>	<b>(1,381,717)</b>	4,198,249

*Continued on next page*

**Mohawk Council of Kahnawà:ke**  
**Government Operations**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	2020 <i>Budget</i>	2020	2019
<b>Surplus (deficit) before other income</b> <i>(Continued from previous page)</i>	<b>(7,750,745)</b>	<b>(1,381,717)</b>	4,198,249
<b>Other income (expense)</b>			
Gain on disposal of capital assets	-	157,300	26,083
Deferred expenses	-	220,174	505
Income from investments in Government Business Entities	-	4,883,420	1,462,579
Foreign exchange	2,755,849	1,034,954	826,637
Allocation to other community organizations	(160,000)	(158,791)	(178,000)
	<b>2,595,849</b>	<b>6,137,057</b>	2,137,804
<b>Surplus before transfers</b>	<b>(5,154,896)</b>	<b>4,755,340</b>	6,336,053
<b>Transfers</b>			
Kahnawà:ke Fire Brigade	(639,116)	(639,116)	(645,963)
Kanien'kehaka Onkwawen:na Raotitohkwa	(400,000)	(415,000)	(365,000)
Tewatohni'saktha	-	(676,606)	(586,635)
Transfer of office complex building	-	3,727,277	-
	<b>(1,039,116)</b>	<b>1,996,555</b>	(1,597,598)
<b>Surplus</b>	<b>(6,194,012)</b>	<b>6,751,895</b>	4,738,455



**Mohawk Council of Kahnawà:ke**  
**Economic Development**  
**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Indigenous Services Canada			
Block funding	935,282	942,917	955,441
Employment and skills development Canada	694,753	691,543	683,590
Rental income	1,158,168	1,109,374	1,946,754
First Nations Human Resource Development Commission of Quebec	1,845,195	1,853,904	1,753,879
Province of Québec	-	361,029	1,422,755
Registration fees	-	35,250	33,750
Other revenues	80,607	419,472	431,141
Investment income	61,355	78,254	87,246
Management fee income	-	459,000	-
National Aboriginal Capital Corporations Association	570,000	547,784	609,479
Deferred revenue - prior year	137,616	506,492	569,982
Deferred revenue - current year	-	(528,556)	(506,492)
	<b>5,482,976</b>	<b>6,476,463</b>	<b>7,987,525</b>
<b>Expenses</b>			
Administration	3,245	2,531	3,253
Amortization	-	285,062	428,244
Bad debts	-	-	966
Bank charges and interest	18,443	16,214	98,989
Economic development	182,237	193,955	413,124
Employee benefits	450,231	356,884	366,758
Employment and training	1,240,728	1,070,139	1,229,063
Honoraria(um)	25,450	19,233	24,325
Information technology	62,879	66,169	46,603
Insurance	29,681	26,900	25,647
Interest on long-term debt	77,493	59,561	76,165
Legal, professional and consulting fees	494,235	273,675	536,689
Office and general	386,099	196,086	188,843
Overhead cost recoveries	(491,469)	(436,315)	(405,500)
Professional development and training	61,950	24,239	58,192
Public relations	796,518	635,123	779,256
Rent and leasing costs	193,896	235,152	226,395
Repairs and maintenance	380,410	403,549	255,441
Salaries	3,092,442	3,213,531	3,290,844
Travel and transportation	59,974	106,545	136,137
Utilities	280,323	174,099	204,038
	<b>7,344,765</b>	<b>6,922,332</b>	<b>7,983,472</b>
<b>Surplus (deficit) before other expenses</b>	<b>(1,861,789)</b>	<b>(445,869)</b>	<b>4,053</b>
<b>Other expenses</b>			
Breakup fees and other related costs	-	-	(1,559,247)
Income from Investment in Government Business Partnerships	-	(186,303)	-
	-	(186,303)	(1,559,247)
<b>Deficit before transfers</b>	<b>(1,861,789)</b>	<b>(632,172)</b>	<b>(1,555,194)</b>
<b>Transfers</b>	<b>-</b>	<b>(3,077,671)</b>	<b>586,635</b>
<b>Deficit</b>	<b>(1,861,789)</b>	<b>(3,709,843)</b>	<b>(968,559)</b>

**Mohawk Council of Kahnawà:ke**  
**Health and Community Services**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Indigenous Services Canada			
Block funding	2,146,036	2,118,775	2,146,036
Fixed	7,733,041	8,210,536	7,702,720
Health Canada	8,902,272	11,749,466	9,888,570
Canada Revenue Agency	156,000	233,171	176,667
Other revenues	203,092	360,381	330,302
Rental income	287,900	273,654	309,863
Investment income	89,300	92,710	82,038
Deferred revenue - prior year	43,067	204,142	302,885
Deferred revenue - current year	717,083	(287,659)	(204,142)
Repayment of government funding	-	(1,880)	(147,475)
	<b>20,277,791</b>	<b>22,953,296</b>	<b>20,587,464</b>
<b>Expenses</b>			
Administration	(45,092)	(50,000)	(52,976)
Amortization	-	231,214	196,015
Bank charges and interest	25,200	24,414	24,111
Capital and Infrastructure costs	8,000	14,074	12,914
Economic development	-	-	50,000
Education	-	58,789	-
Employee benefits	2,296,138	1,894,160	1,684,029
Foster, institutional and group home	1,488,248	3,156,667	1,965,381
Health and social services	3,664,728	4,712,541	3,734,879
Honoraria(um)	30,000	26,693	22,881
Information technology	12,139	38,796	14,036
Insurance	13,874	12,875	12,374
Legal, professional and consulting fees	85,000	115,530	96,759
Office and general	250,247	169,808	159,346
Professional development and training	109,200	79,228	66,291
Rent and leasing costs	155,100	151,380	148,780
Repairs and maintenance	171,500	224,421	144,586
Salaries	11,579,211	10,569,482	9,462,360
Travel and transportation	215,755	186,014	167,060
Utilities	87,217	83,808	93,717
Vehicle expenses	47,152	54,117	43,852
	<b>20,193,617</b>	<b>21,754,011</b>	<b>18,046,395</b>
<b>Surplus</b>	<b>84,174</b>	<b>1,199,285</b>	<b>2,541,069</b>

**Mohawk Council of Kahnawà:ke**  
**Education**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Indigenous Services Canada			
Block funding	18,347,880	18,328,376	11,871,622
Fixed	341,044	373,237	1,481,411
Additional government funding			
Canadian Heritage	-	64,706	-
Health Canada	-	104,509	47,126
Investment income	-	94,584	29,523
Other revenues	392,288	478,849	238,591
First Nations Education Council	4,103,606	4,135,272	4,361,241
Deferred revenue - prior year	-	588,407	47,498
Deferred revenue - current year	-	(946,639)	(588,407)
Repayment of government funding	-	(56,675)	-
	<b>23,184,818</b>	<b>23,164,626</b>	<b>17,488,605</b>
<b>Expenses</b>			
Administration	-	2,377	3,421
Amortization	-	1,473,917	1,483,681
Bad debts	-	(3)	5,000
Bank charges and interest	1,995	3,919	(2,913)
Education	1,518,474	2,680,961	2,160,599
Employee benefits	336,656	432,272	397,767
Health and social services	-	1,150	-
Honoraria(um)	147,701	61,094	66,034
Information technology	-	119,864	40,123
Insurance	55,501	44,157	45,538
Legal, professional and consulting fees	630,960	1,112,400	935,635
Miscellaneous	15,275	-	-
Office and general	301,195	249,302	319,745
Professional development	40,833	-	-
Professional development and training	536,506	81,318	78,546
Public relations	30,868	41,854	71,108
Rent and leasing costs	404,154	136,789	93,425
Repairs and maintenance	252,011	262,113	283,573
Salaries	13,487,093	9,253,171	9,006,016
Special projects	25,000	-	-
Transportation	18,000	-	-
Travel and transportation	44,601	124,771	207,153
Tuition and allowances	2,069,027	2,061,704	2,481,349
Utilities	102,000	291,442	337,738
	<b>20,017,850</b>	<b>18,434,572</b>	<b>18,013,538</b>
<b>Surplus (deficit)</b>	<b>3,166,968</b>	<b>4,730,054</b>	<b>(524,933)</b>

**Mohawk Council of Kahnawà:ke**  
**Fire Services**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Indigenous Services Canada			
Block funding	437,599	431,175	437,599
Other revenues	62,700	62,641	151,880
Investment income	1,300	3,046	2,348
Deferred revenue - prior year	-	58,911	-
Deferred revenue - current year	-	-	(58,911)
	<b>501,599</b>	<b>555,773</b>	<b>532,916</b>
<b>Expenses</b>			
Amortization	-	177,515	175,567
Bank charges and interest	4,148	3,227	2,673
Community support services	2,000	8,114	13,212
Employee benefits	110,223	46,537	66,003
Insurance	3,246	2,983	2,801
Legal, professional and consulting fees	14,434	24,589	18,582
Office and general	105,438	97,673	83,122
Professional development and training	95,086	144,596	73,563
Repairs and maintenance	87,000	76,403	40,995
Salaries	698,029	777,833	639,650
Travel and transportation	9,000	12,117	3,566
Utilities	18,059	16,099	20,276
Vehicle expenses	23,234	32,788	42,091
	<b>1,169,897</b>	<b>1,420,474</b>	<b>1,182,101</b>
<b>Deficit before other items</b>	<b>(668,298)</b>	<b>(864,701)</b>	<b>(649,185)</b>
<b>Other items</b>			
Foreign exchange	(9,600)	323	(266)
<b>Deficit before transfers</b>	<b>(677,898)</b>	<b>(864,378)</b>	<b>(649,451)</b>
<b>Transfers</b>	<b>300,000</b>	<b>681,116</b>	<b>645,963</b>
<b>Deficit</b>	<b>(377,898)</b>	<b>(183,262)</b>	<b>(3,488)</b>

**Mohawk Council of Kahnawà:ke**  
**Service Complex**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Rental income	363,058	349,291	362,962
Investment income	4,650	6,410	5,150
	<b>367,708</b>	<b>355,701</b>	368,112
<b>Expenses</b>			
Administration	26,500	22,141	21,388
Amortization	-	174,795	170,715
Insurance	7,000	7,116	6,870
Office and general	50,000	57,889	55,000
Repairs and maintenance	52,520	55,055	61,193
Utilities	65,000	55,451	64,153
	<b>201,020</b>	<b>372,447</b>	379,319
<b>Deficit</b>	<b>166,688</b>	<b>(16,746)</b>	(11,207)

**Mohawk Council of Kahnawà:ke**  
**Cultural Center**  
**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Indigenous Services Canada			
Canadian Heritage	<b>19,000</b>	<b>76,129</b>	18,241
Fixed	<b>70,000</b>	<b>70,000</b>	70,000
Investment income	-	<b>1,141</b>	1,087
Other revenues	<b>272,129</b>	<b>354,090</b>	441,605
Province of Québec	<b>40,000</b>	<b>124,325</b>	16,005
Deferred revenue - prior year	-	<b>111,125</b>	-
Deferred revenue - current year	-	<b>(176,969)</b>	(111,125)
	<b>401,129</b>	<b>559,841</b>	435,813
<b>Expenses</b>			
Amortization	<b>2,000</b>	<b>8,154</b>	4,256
Bank charges and interest	<b>564</b>	<b>(195)</b>	160
Education	<b>111,960</b>	<b>239,136</b>	173,777
Honoraria	<b>4,600</b>	<b>3,435</b>	2,483
Insurance	<b>2,100</b>	<b>1,587</b>	1,507
Legal, professional and consulting fees	<b>12,000</b>	<b>13,908</b>	15,272
Office and general	<b>24,000</b>	<b>35,571</b>	51,678
Pension	-	<b>25,679</b>	27,616
Professional development and training	<b>2,000</b>	<b>8,462</b>	2,017
Public relations	<b>13,000</b>	<b>3,857</b>	2,775
Repairs and maintenance	<b>10,750</b>	<b>29,858</b>	34,736
Salaries	<b>592,779</b>	<b>519,277</b>	512,900
Travel and transportation	<b>2,000</b>	<b>6,323</b>	19,090
Utilities	<b>22,800</b>	<b>18,297</b>	21,496
	<b>800,553</b>	<b>913,349</b>	869,763
<b>Deficit before transfers</b>	<b>(399,424)</b>	<b>(353,508)</b>	(433,950)
<b>Transfers</b>	<b>365,000</b>	<b>400,000</b>	365,000
<b>Surplus (deficit)</b>	<b>576</b>	<b>46,492</b>	(68,950)

**Mohawk Council of Kahnawà:ke**  
**Ottawa Trust Funds**  
**Schedule 11 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>			
Investment income	-	<b>495</b>	375
Rental income	-	<b>11,511</b>	26,511
	-	<b>12,006</b>	26,886
<b>Expense</b>			
Administration	-	<b>26,886</b>	11,740
<b>Surplus (deficit)</b>	-	<b>(14,880)</b>	15,146