

**Thessalon First Nation**  
**Financial Statements**  
For the year ended March 31, 2015

**Thessalon First Nation**  
**Consolidated Financial Statements**  
For the year ended March 31, 2015

**Contents**

---

<b>Management's Responsibility for Financial Reporting</b>	2
<b>Independent Auditor's Report</b>	3
<b>Consolidated Financial Statements</b>	
Statement of Financial Position	4
Statement of Operations and Accumulated Surplus	5
Statement of Change in Net Financial Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8
Schedule 1 - Tangible Capital Assets	15
Schedule 2 - Segment Disclosure	17
<b>Independent Auditor's Comments on Supplementary     Financial Information</b>	19
<b>Supplementary Financial Information</b>	
Social Assistance	20
Administration	21
Infrastructure Maintenance	22
Education	23
Housing and Community Development	24
Enterprises and Economic Development	25
Medical and Other Health Services	26
Medical and Other Health Services - Summary of Integrated Health Programs	27
Other Programs	28
Set Contribution Funding - Aboriginal Affairs and Northern Development Canada	29

---

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

March 31, 2015

---

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

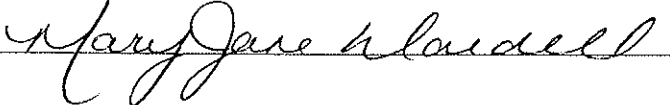
These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board. Management is responsible for such internal control as management determines is necessary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

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

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

On behalf of Thessalon First Nation:

  
\_\_\_\_\_ Chief

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



Tel: 705 945 0990  
Fax: 705 942 7979  
Toll-Free: 800 520 3005  
www.bdo.ca

BDO Canada LLP  
747 Queen Street E  
PO Box 1109  
Sault Ste. Marie ON P6A 5N7 Canada

---

## Independent Auditor's Report

---

To the Members of  
Thessalon First Nation

We have audited the accompanying consolidated financial statements of Thessalon First Nation, which comprise the consolidated statement of financial position as at March 31, 2015 and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 consolidated financial statements present fairly, in all material respects, the financial position of Thessalon First Nation as at March 31, 2015 and the results of its operations, change in its net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Other Matters**

These consolidated financial statements have been prepared to assist Thessalon First Nation to meet the reporting requirements of various funding agencies. Our report is intended solely for Thessalon First Nation and various funding agencies. As a result, the financial statements may not be suitable for another purpose.

Thessalon First Nation has also prepared consolidated financial statements for the year ended March 31, 2015 in accordance with Canadian public sector accounting standards on which we issued an auditor's report to the members of Thessalon First Nation dated August 11, 2015.

Chartered Professional Accountants, Licensed Public Accountants

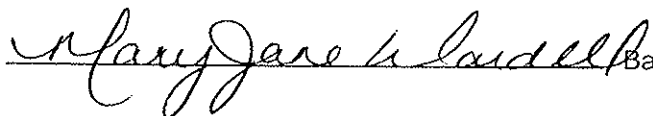
Sault Ste. Marie, Ontario  
August 11, 2015

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

March 31, 2015	2015	2014
<b>Financial assets</b>		
Cash and short term investment	\$ -	\$ 37,961
Short term investment (Note 3)	300,000	-
Accounts receivable	593,919	463,058
Funds held in trust with Government of Canada (Note 2)	220,366	214,376
	<u>1,114,285</u>	<u>715,395</u>
<b>Liabilities</b>		
Bank indebtedness (Note 3)	92,546	-
Accounts payable and accrued liabilities	350,153	213,141
Due to Aboriginal Affairs and Northern Development Canada	196,384	129,301
Deferred revenue (Note 4)	75,202	259,822
Long term debt (Note 5)	209,076	63,488
Future landfill closure and post-closure costs (Note 6)	762,732	708,797
	<u>1,686,093</u>	<u>1,374,549</u>
<b>Net financial assets</b>	<u>(571,808)</u>	<u>(659,154)</u>
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	3,725,305	3,494,331
Prepaid advances on housing renovations (Note 7)	358,993	686,442
Prepaid expenses and inventory of supplies	140,825	55,100
	<u>4,225,123</u>	<u>4,235,873</u>
<b>Accumulated surplus (Note 8)</b>	<u>\$ 3,653,315</u>	<u>\$ 3,576,719</u>

On behalf of the First Nation:

  
\_\_\_\_\_  
Chief

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

**Thessalon First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**

For the year ended March 31	Budget	2015	2014
<b>Revenue</b>			
Aboriginal Affairs	\$ 1,598,411	\$ 1,611,440	\$ 1,659,323
Canada	549,839	614,791	494,690
Ontario	392,473	377,581	652,306
Casino Rama	574,000	580,105	563,358
Other aboriginal organizations	449,703	539,157	464,535
Interest, rentals and other	311,898	386,547	300,426
	3,876,324	4,109,621	4,134,638
Due from (to) Aboriginal Affairs	-	(66,820)	(16,812)
Deferred revenue, beginning of year	259,822	259,822	207,338
Deferred revenue, end of year	-	(75,202)	(259,822)
	4,136,146	4,227,421	4,065,342
<b>Expenses</b>			
Social assistance	350,346	377,627	320,405
Administration	318,712	318,691	325,749
Infrastructure maintenance	389,445	447,804	406,738
Education	1,020,706	873,166	895,543
Housing and community development	455,240	411,623	633,434
Enterprises and economic development	799,452	949,064	650,672
Medical and other health services	541,881	661,274	663,762
Other programs	112,477	111,576	108,632
	3,988,259	4,150,825	4,004,935
<b>Annual surplus</b>	147,887	76,596	60,407
<b>Accumulated surplus, beginning of year</b>	3,576,719	3,576,719	3,516,312
<b>Accumulated surplus, end of year</b>	\$ 3,724,606	\$ 3,653,315	\$ 3,576,719

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

**Thessalon First Nation**  
**Consolidated Statement of Change in Net Financial Assets**

<b>For the year ended March 31</b>	<b>Budget</b>	<b>2015</b>	<b>2014</b>
<b>Annual surplus</b>	\$ 147,887	\$ 76,596	\$ 60,407
Acquisition of tangible capital assets	(500,000)	(434,995)	(745,650)
Amortization of tangible capital assets	182,800	204,021	176,862
Prepaid expenses and inventory of supplies	-	(85,725)	48,721
Prepaid advances on housing renovations	354,000	327,449	176,344
<b>Net change in net financial assets (debt)</b>	<b>184,687</b>	<b>87,346</b>	<b>(283,316)</b>
<b>Net financial assets (debt), beginning of year</b>	<b>(659,154)</b>	<b>(659,154)</b>	<b>(375,838)</b>
<b>Net financial assets (debt), end of year</b>	<b>\$ (474,467)</b>	<b>\$ (571,808)</b>	<b>\$ (659,154)</b>

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

## Thessalon First Nation Consolidated Statement of Cash Flows

For the year ended March 31	2015	2014
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 76,596	\$ 60,407
Adjustment for non-cash items		
Amortization of capital assets	204,021	176,862
Amount to be recovered in future	53,935	50,193
	<u>334,552</u>	<u>287,462</u>
Changes in non-cash working capital balances		
Accounts receivable	(130,861)	(106,192)
Due from (to) Aboriginal Affairs	67,083	(51,591)
Prepaid expenses	(85,725)	48,721
Accounts payable and accrued liabilities	137,012	(56,257)
Deferred revenue	(184,620)	52,484
Prepaid advances on housing renovations	327,449	176,344
	<u>464,890</u>	<u>350,971</u>
<b>Capital transactions</b>		
Short term investments	(300,000)	-
Purchase of tangible capital assets	(434,995)	(745,650)
Increase in funds held in trust	(5,990)	(5,626)
	<u>(740,985)</u>	<u>(751,276)</u>
<b>Financing activities</b>		
Bank indebtedness	92,546	-
Long term debt obtained	180,000	-
Reduction in long term debt	(19,039)	-
Reduction in obligation under capital lease	(15,373)	(14,603)
	<u>238,134</u>	<u>(14,603)</u>
<b>Decrease in cash</b>	<b>(37,961)</b>	<b>(414,908)</b>
<b>Cash, beginning of year</b>	<u>37,961</u>	<u>452,869</u>
<b>Cash, end of year</b>	<u>\$ -</u>	<u>\$ 37,961</u>

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



---

# Thessalon First Nation

## Notes to Consolidated Financial Statements

March 31, 2015

---

### 1. Significant accounting policies

#### a. Basis of accounting

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

#### b. Reporting entity

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

#### c. Principles of consolidation

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

#### d. Revenue recognition

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

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

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

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

#### e. Cash and cash equivalents

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

#### f. Leased assets

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

#### g. Pension plan

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

# Thessalon First Nation

## Notes to Consolidated Financial Statements

March 31, 2015

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

**h. Tangible capital assets**

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

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

Land improvements	10 to 30
Buildings	30 to 40
Housing	30
Machinery and equipment	5 to 30
Vehicles	10
Infrastructure	7 to 100

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

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

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

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

2. **Trust funds**

	Beginning	Additions	Withdrawals	Ending
Revenue	\$ 199,710	\$ 5,990	\$ -	\$ 205,700
Capital	14,666	-	-	14,666
	\$ 214,376	\$ 5,990	\$ -	\$ 220,366

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

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

**March 31, 2015**

**3. Bank indebtedness**

	2015	2014
Bank overdraft	\$ 77,546	\$ -
Bank revolving line of credit	15,000	-
	\$ 92,546	\$ -

The First Nation has available a \$300,000 revolving demand credit facility at prime plus 1.4%, secured by general security agreement and \$300,000 guaranteed investment certificate. In addition, the First Nation has credit card coverage to maximum of \$60,000.

**4. Deferred revenue**

	2015	2014
Post-secondary education	\$ 40,173	\$ 68,420
Guidance counsellor	2,241	-
Transportation, allowances and supplies	20,788	20,191
Economic development	-	5,458
Community consultation program	-	23,540
Strategic business development plan	-	142,213
Other medical programs	12,000	-
	\$ 75,202	\$ 259,822

**5. Long term debt**

	2015	2014
Capital lease, secured by equipment, repayable \$1,524 monthly including interest at 5.152%, maturing February 2018	\$ 48,115	\$ 63,488
Term loan, secured by general security agreement, repayable \$3,348 monthly including interest at 4.40%, due August 2019	160,961	-
	\$ 209,076	\$ 63,488

Principal payments required on long term debt for the next five years are due as follows:

Year	Amount
2016	\$ 49,953
2017	52,323
2018	51,762
2019	38,524
2020	16,514
	\$ 209,076

Interest paid on long term debt during the year was \$7,309 (2014 - \$3,682).

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

**March 31, 2015**

**6. Accrued landfill closure and post-closure costs**

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

Based on an up-dated study conducted during the year, the estimated remaining useful life of the landfill site is 3 years, after which the period for post-closure care costs is estimated to be 30 years. The estimated liability for landfill closure and post-closure costs is recognized as the landfill site's capacity is used.

The estimated total net present value of expenditures to close and maintain the landfill site is approximately \$786,321 (2014 - \$738,329). As at March 31, 2015, 97.0% (2014 - 96.0%) of the total estimated expenditures have been recognized based on the cumulative capacity used at that date compared to the total estimated landfill capacity. The First Nation has not designated any source of revenue to fund the cost of closing and maintaining the landfill site.

**7. Prepaid advances on housing renovations**

During the 2012 fiscal year, chief and council committed to providing \$6,000 per year for housing renovations to band members to the fiscal year ending March 31, 2016 at an annual total cost of \$354,000 to be funded from Casino Rama revenues. Members were advanced future allotments.

**8. Accumulated surplus**

	2015	2014
<b>Allocation of annual surplus (deficit)</b>		
Reserves and reserve funds:		
Casino Rama - future generations	\$ (27,916)	\$ (513,433)
Equity in tangible capital assets	246,347	583,390
General surplus (deficit)	67,071	35,017
Unfunded liabilities	(214,896)	(50,193)
Funds held in trust	5,990	5,626
	\$ 76,596	\$ 60,407
 <b>Accumulated surplus, end of year</b>		
Reserve set aside for specific purposes		
Casino Rama - future generations fund	\$ 577,120	\$ 605,036
Equity in tangible capital assets	3,677,188	3,430,841
General surplus (deficit)	102,333	35,262
Unfunded liabilities	(923,693)	(708,797)
Funds held in trust	220,367	214,377
	\$ 3,653,315	\$ 3,576,719

---

# Thessalon First Nation

## Notes to Consolidated Financial Statements

March 31, 2015

---

### 9. Pension agreement

The First Nation provides a defined contribution plan for eligible members of its staff. The First Nation matches employees' contributions. The amount to be received by employees will be the amount of retirement gratuity that could be purchased based on the employees share of the pension plan at the time of the employee's withdrawal from the plan. The First Nation contributed \$35,846 (2014 - \$37,219) during the year for retirement benefits.

---

### 10. Contingencies and commitments

The First Nation is contingently liable to Canada Mortgage and Housing Corporation for housing renovations loans extended to band members. Loans are forgivable on a straight-line basis over four years as long as the occupant remains the same over the term. Any outstanding balance becomes payable by the First Nation if the terms of forgiveness are not met. Also, the First Nation is contingently liable in the amount of approximately \$15,700 in respect to an on-reserve housing loan.

The First Nation is disputing the assessment of municipal taxes, interest and penalties of approximately \$627,000 at March 31, 2015 on property it acquired from a land claim settlement. The outcome of this matter is not presently determinable. Any loss resulting therefrom will be recorded in the year of settlement.

---

### 11. AANDC funding

The Thessalon First Nation has a comprehensive funding arrangement with Aboriginal Affairs and Northern Development Canada (AANDC). The funds are used by the Band to administer its operations and provide service to its members in accordance with the terms of the funding arrangement. There were no adjustments to amounts confirmed by AANDC.

---

### 12. Segmented information

The Thessalon First Nation is a diversified government institution that provides a wide range of services to its members. For management reporting purposes the First Nation's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

#### **Social assistance**

The social assistance department is responsible for administering assistance payments as well as providing homemaking and other services directed towards members.

---

## Thessalon First Nation Notes to Consolidated Financial Statements

March 31, 2015

---

### 12. Segmented information (continued)

#### **Education**

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

#### **Infrastructure maintenance**

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

#### **Medical and other health services**

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

#### **Administration**

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

#### **Housing and community development**

This department is responsible for community development activities occurring in the First Nation during the year, including housing renovations.

#### **Enterprises and economic development**

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

#### **Other programs**

The First Nation provides a wide array of other services, including the library, Rama and other activities.

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

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

---

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

**March 31, 2015**

---

**13. Budget**

The budget adopted by the First Nation was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Board standards now require a full accrual basis. The budget figures anticipated use of reserves to reduce current year expenditures. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense, and expensed principal payments of debt. As a result, the budget figures presented in the statements of operations and change in net financial assets (debt) represent the budget adopted by the First Nation with adjustments as follows:

<b>Budget surplus (deficit) for the year</b>	\$ (4,313)
<b>Add:</b>	
Capital expenditures	500,000
Unfunded liabilities	65,000
<b>Less:</b>	
Net inter-fund transfers from reserves	(230,000)
Amortization	<u>(182,800)</u>
<b>Budget surplus (deficit) per statement of operations</b>	<u>\$ 147,887</u>

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

For the year ended March 31, 2015

	Land	Land	Buildings	Housing	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
	Improvements	Improvements							
Cost, beginning of year	\$ 330,001	\$ 15,257	\$ 2,675,869	\$ 416,978	\$ 786,349	\$ 246,648	\$ 1,356,234	\$ 155,132	\$ 5,982,468
Additions	-	-	253,399	111,788	-	-	-	69,808	434,995
Capitalized construction	-	-	-	155,132	-	-	-	(155,132)	-
<b>Cost, end of year</b>	<b>330,001</b>	<b>15,257</b>	<b>2,929,268</b>	<b>683,898</b>	<b>786,349</b>	<b>246,648</b>	<b>1,356,234</b>	<b>69,808</b>	<b>6,417,463</b>
Accumulated amortization, beginning of year	-	15,257	890,969	64,881	595,070	131,875	790,085	-	2,488,137
Amortization	-	-	79,699	18,422	31,183	15,383	59,334	-	204,021
Accumulated amortization, end of year	-	15,257	970,668	83,303	626,253	147,258	849,419	-	2,692,158
<b>Net carrying amount, end of year</b>	<b>\$ 330,001</b>	<b>\$ -</b>	<b>\$ 1,958,600</b>	<b>\$ 600,595</b>	<b>\$ 160,096</b>	<b>\$ 99,390</b>	<b>\$ 506,815</b>	<b>\$ 69,808</b>	<b>\$ 3,725,305</b>



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

For the year ended March 31, 2014 (comparative figures)

	Land	Land	Buildings	Housing	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
	Improvements	Improvements							
Cost, beginning of year	\$ 15,257	\$ 2,482,047	\$ 286,437	\$ 786,349	\$ 246,648	\$ 1,105,279	\$ -	\$ 5,252,018	
Additions	-	193,822	130,541	-	-	266,155	155,132	745,650	
Disposals	-	-	-	-	-	(15,200)	-	(15,200)	
<b>Cost, end of year</b>	<b>15,257</b>	<b>2,675,869</b>	<b>416,978</b>	<b>786,349</b>	<b>246,648</b>	<b>1,356,234</b>	<b>155,132</b>	<b>5,982,468</b>	
Accumulated amortization, beginning of year	15,257	801,579	50,908	563,887	114,682	780,162	-	2,326,475	
Amortization	-	89,390	13,973	31,183	17,193	25,123	-	176,862	
Disposals	-	-	-	-	-	(15,200)	-	(15,200)	
<b>Accumulated amortization, end of year</b>	<b>15,257</b>	<b>890,969</b>	<b>64,881</b>	<b>595,070</b>	<b>131,875</b>	<b>790,085</b>	<b>-</b>	<b>2,488,137</b>	
<b>Net carrying amount, end of year</b>	<b>\$ -</b>	<b>\$ 1,784,900</b>	<b>\$ 352,097</b>	<b>\$ 191,279</b>	<b>\$ 114,773</b>	<b>\$ 566,149</b>	<b>\$ 155,132</b>	<b>\$ 3,494,331</b>	

The net book value of tangible capital assets not being amortized because they are under construction (or development or have been removed from service) is \$155,132 (2013 - \$NIL).

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

For the year ended March 31, 2015

Revenue	Social Assistance	Education	Infra-structure	Medical/Health	Admini-stration	Housing/Community	Enterprises/Economic	Other	Consolidated Total
Aboriginal Affairs Canada	\$ 24,400	\$ 909,072	\$ 164,794	\$ -	\$ 207,882	\$ 175,892	\$ 97,300	\$ 32,100	\$ 1,611,440
Ontario	76,900	-	19,176	609,694	-	-	5,097	-	614,791
Casino Rama	-	-	-	97,067	15,000	-	155,733	13,705	377,581
Other Aboriginal organizations	245,042	-	1,881	-	-	-	-	580,105	580,105
Interest, rentals and other	6,975	-	6,191	197,129	-	1,734	93,371	-	539,157
Transfers between segments	18,000	-	63,879	2,125	25,325	2,330	339,198	4,403	386,547
					137,226	201,521	126,595	(547,221)	-
Due from (to) Aboriginal Affairs	371,317	909,072	255,921	906,015	385,433	381,477	817,294	83,092	4,109,621
Deferred revenue, beginning of year	-	(66,820)	-	-	-	-	-	-	(66,820)
Deferred revenue, end of year	-	88,611	-	-	-	32,263	138,948	-	259,822
	-	(63,202)	-	(12,000)	-	-	-	-	(75,202)
	371,317	867,661	255,921	894,015	385,433	413,740	956,242	83,092	4,227,421
<b>Expenses</b>									
Salaries, wages and benefits	239,227	148,557	96,037	470,499	362,360	23,769	643,601	45,246	2,029,296
Materials and supplies	10,258	46,375	69,232	82,975	39,289	364,018	147,115	39,353	798,615
Contracted services	-	-	36,830	23,424	72,326	1,017	92,141	3,777	229,515
Rents and financial expenses	-	-	96,838	14,901	24,116	4,397	17,626	-	157,878
External transfers	115,713	584,685	6,000	30,479	-	-	-	-	736,877
Amortization	5,869	5,499	137,947	20,246	6,253	18,422	9,786	-	204,022
Transfers between segments	6,560	88,050	4,920	18,750	(185,653)	-	38,795	23,200	(5,378)
	377,627	873,166	447,804	661,274	318,691	411,623	949,064	111,576	4,150,825
<b>Excess (deficiency) of revenue over expenses</b>	\$ (6,310)	\$ (5,505)	\$ (191,883)	\$ 232,741	\$ 66,742	\$ 2,117	\$ 7,178	\$ (28,484)	\$ 76,596

**Thesalon First Nation**  
**Schedule 2 - Consolidated Segment Disclosure (Continued)**

For the year ended March 31, 2014 (comparative figures)

Revenue	Social Assistance	Education	Infra-structure	Medical/Health	Admini-stration	Housing/Community	Enterprises/Economic	Other	Consolidated Total
Aboriginal Affairs	\$ 32,800	\$ 889,723	\$ 167,553	\$ -	\$ 196,377	\$ 159,400	\$ 181,970	\$ 31,500	\$1,659,323
Canada	-	-	-	398,649	-	91,409	4,632	-	494,690
Ontario	69,439	-	169,176	94,493	15,000	107,700	182,793	13,705	652,306
Casino Rama	-	-	-	-	-	-	-	563,358	563,358
Other Aboriginal organizations	200,059	-	1,764	152,970	-	32,669	77,073	-	464,535
Interest, rentals and other	1,110	-	3,060	(3,502)	40,282	4,799	253,156	1,521	300,426
Transfers between segments	21,281	-	162,400	-	117,753	685,033	28,324	(1,014,791)	-
Due from (to) Aboriginal Affairs	324,689	889,723	503,953	642,610	369,412	1,081,010	727,948	(404,707)	4,134,638
Deferred revenue, beginning of year	(10,139)	(6,673)	-	-	-	-	-	-	(16,812)
Deferred revenue, end of year	-	94,938	-	-	-	42,000	70,400	-	207,338
	-	(88,611)	-	-	-	(23,540)	(147,671)	-	(259,822)
	314,550	889,377	503,953	642,610	369,412	1,099,470	650,677	(404,707)	4,065,342
<b>Expenses</b>									
Salaries, wages and benefits	209,605	149,258	86,026	417,930	335,713	25,024	460,521	47,085	1,731,162
Materials and supplies	22,776	56,101	64,740	128,689	57,429	575,979	68,808	35,859	1,010,381
Contracted services	-	-	37,995	20,689	60,188	18,458	81,806	3,588	222,724
Rents and financial expenses	-	-	89,841	33,801	17,361	-	15,397	-	156,400
External transfers	74,865	599,185	6,000	27,355	-	-	-	-	707,405
Amortization	5,869	5,499	118,936	16,548	6,253	13,973	9,785	-	176,863
Transfers between segments	7,290	85,500	3,200	18,750	(151,195)	-	14,355	22,100	-
	320,405	895,543	406,738	663,762	325,749	633,434	650,672	108,632	4,004,935
<b>Excess (deficiency) of revenue over expenses</b>	\$ (5,855)	\$ (6,166)	\$ 97,215	\$ (21,152)	\$ 43,663	\$ 466,036	\$ 5	\$ (513,339)	\$ 60,407

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