Court File No. CV-18-594281

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS

Plaintiff

and

THE ATTORNEY GENERAL OF CANADA and HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO

Defendants

FIFTH SUPPLEMENTARY MOTION RECORD OF THE HAUDENOSAUNEE DEVELOPMENT INSTITUTE

(*Motion for Joinder/Intervention*)

April 10, 2023

GILBERT'S LLP
125 Queen's Quay East, 8th Floor
P.O. Box 19
Toronto, Ontario M5A 0Z6

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Lawyers for the Moving Party, the
Haudenosaunee Development Institute

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Lawyers for the Plaintiff, Six Nations of the Grand River Band of Indians

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Lawyers for the Proposed Intervener, Mississaugas of the Credit First Nation

AND TO: **JEFFREY KAUFMAN LAW**
Professional Corporation
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Toronto, ON M5R 1B2

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Lawyers for the Proposed Intervener, the Men's Fire of the Six Nations Grand River Territory

Court File No. CV-18-594281

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS

Plaintiff

and

THE ATTORNEY GENERAL OF CANADA and HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO

Defendants

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TAB 1

Court File No. CV-18-594281

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS

Plaintiff

and

THE ATTORNEY GENERAL OF CANADA and HIS MAJESTY THE KING IN RIGHT OF ONTARIO

Defendants

AFFIDAVIT OF CAROL FUNG
(Affirmed April 10, 2023)

I, CAROL FUNG, of the City of Markham, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a legal assistant at Gilbert's LLP, lawyers for the Moving Party, the Haudenosaunee Development Institute (the "**HDI**"), in this matter, and as such have personal knowledge of the facts set out herein except where the facts are stated to be based on information and belief, in which case I believe that the facts stated are true.

2. Attached as **Exhibit "A"** is a copy of a letter from Tim Gilbert, counsel for HDI, to Jeffrey Kaufman, counsel for the Men's Fire of the Six Nations Grand River Territory and to Iris Antonios and Max Shapiro, counsel for the Six Nations of the Grand River Band of Indians, dated April 6, 2023.

3. Attached as **Exhibit "B"** is a copy of the Answers to Undertakings, Under Advisements, and Refusals from the Examination of Richard Saul held March 7, 2023. Also attached are the following documents which are referenced in the Answers:

B1. Production for Item UT1 – Most recent CV of Rick Saul.

B2. Production for Item UA2 – Share Certificate of 2438543 Ontario Inc.

B3. Production for Item R4 – Email from T. General, dated November 7, 2022, with personal contact information redacted.

B4. Production for Item R19 – Financial statements of HDI from 2013 to 2022.

B5. Production for Item R20 – Financial statements of 2438543 Ontario Inc. from 2017-2022.

B6. Production for Item R21 – Financial statements of Ogwawihsta Dedwahsnye from 2017-2022.

4. Attached as **Exhibit "C"** is a copy of Answers to Undertakings, Under Advisements, And Refusals from the Cross Examination of Brian Doolittle held on March 8, 2023. Also attached are the following documents referenced in the Answers:

C1. Production for Item UA2 – Minutes of Council held April 2, 2022, redacted for privilege.

C2. Production for Item UA3 – Letter from Hohahes, Leroy Hill, Secretary for the Haudenosaunee Confederacy Chiefs Council, dated June 16, 2022, redacted for privilege.

5. Attached as **Exhibit "D"** is a copy of the Answers to Undertakings, Under Advisements, and Refusals from the Cross Examination of Aaron Detlor held on March 20 and 24, 2023. Also attached are the following documents referenced in the Answers:

D1. Production for Item UA1 – Shareholder Register of 2438543 Ontario Inc.

D2. Production for Item UA1 – Share Certificate of 2438543 Ontario Inc.

AFFIRMED remotely by CAROL FUNG at the City of Toronto, in the Province of Ontario, before me on this 10th day of April 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.	)	CAROL FUNG
Eric Alexander Fram, a Commissioner, etc., Province of Ontario, while a Student-At-Law. Expires September 28, 2025.	)	

EXHIBIT A

This is Exhibit "A" to the Affidavit of
Carol Fung, affirmed this 10th day of
April, 2023

Commissioner for Taking Affidavits

GILBERT'S

April 6, 2023

Delivered By Email

Iris Antonios & Max Shapiro
Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Toronto, Ontario M5L 1A9

Jeffrey A. Kaufman
Jeffrey Kaufman Law Professional Corporation
15 Prince Arthur Avenue, Suite 200
Toronto, ON, M5R 1B2

Dear Counsel:

Re: ***Six Nations of the Grand River Band of Indians v Canada (AG) et al***
Court File No. CV-18-594281

We write enclosing the answers to undertakings from the examinations of Mr. Doolittle, Mr. Saul, and Mr. Detlor held March 7, 8, 20, and 24. The documents referenced in the charts can be found here: Six Nations v Canada et al (CV-18-594281) HDI's Answers to Undertakings.

We have considered the requests for information about specific personal earnings of those working for HDI. We maintain our refusals. First, the information is not relevant. Second, the questions pose serious personal security concerns. We note, for example, that the parties' evidence highlights the acrimonious relationship between the parties to the motions, and that the Six Nations of the Grand River police had (in respect of a proposal to hear the motions on-reserve) raised legitimate safety concerns based on its assessment that events "may turn physical". Mr. Detlor has also already been the subject of an assault in the name of one of the parties to the intervention—see *R v Green*, 2017 ONCJ 705.

All the best,

GILBERT'S LLP

Tim Gilbert

c. Counsel for His Majesty the King in Right of Ontario
Counsel for The Attorney General of Canada

EXHIBIT B

This is Exhibit "B" to the Affidavit of
Carol Fung, affirmed this 10^{th} day of
April, 2023

Commissioner for Taking Affidavits

Court File No. CV-18-594281

SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS. -and- THE ATTORNEY GENERAL OF CANADA AND HIS MAJESTY THE KING IN RIGHT OF ONTARIO

Plaintiffs | Defendants

ANSWERS TO UNDERTAKINGS, UNDER ADVISEMENTS, and REFUSALS FROM THE EXAMINATION OF RICHARD SAUL HELD MARCH 7, 2023

Item	Q.	P.	Question	Transcript Excerpt	Answer
EXAMINATION BY SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS					
UT1	28-32	13-14	Produce most recent CV or professional bio of Rick Saul	Q. Thank you. And do you have an up-to-date curriculum vitae or a professional bio? A. Not on me, I don't. Q. Okay, I -- A. I -- Q. Sorry, go ahead. A. I really haven't had a use for one in recent years, but I don't have one with me at the moment. Q. There is one in existence, though, even though you don't have it with you right now? A. Yeah, there is one in existence. I would probably need to update it a little bit. Q. May I have a copy of that, please. U/T MR. GILBERT: Well, I mean, the point is I don't want to do a make-work project, so we'll produce the one that exists, and you can have it for what it is. BY MS. ANTONIOS: Q. That is fine.	See attached RickSaulHDI-UT1-Resume.PDF

Item	Q.	P.	Question	Transcript Excerpt	Answer
UA1	18-20	11	Produce Review Engagement from KPMG for Ogwahwista in 2017 and 2018	Q. Yes. A. The Ogwawihsta one, I just wanted to clarify that the first audit for that organization was 2019, and in 2018 and 2017 KPMG did review engagements. Q. In 2017 and 2018 KPMG did review engagements? A. Yes, and then the first audit was 2019. Q. And may I have copies of those review engagements in 2017 and 2018? U/A MR. GILBERT: We'll consider that, yes.	See answer to R21.
UA2	244-245	57	Names of who owns the 243 Ontario Inc shares – who are they held by? They are held in trust for chiefs, but who is the registered holder?	Q. In whose names are the common shares of 243 Ontario now? A. They are in trust for the 50 Chiefs and related Clans, is my understanding, so there is no individual beneficiary. Q. So to put the question in another way - and this may be for Mr. Gilbert - I have seen in other records the Declaration of Trust. I have not seen a record of exactly how these shares are held or in whose names they are held. May we have a copy of that or information related to that? U/A MR. GILBERT: I'll take that under advisement.	See attached share certificate RickSaulHDI-UA2-ShareCertificate.PDF.

Item	Q.	P.	Question	Transcript Excerpt	Answer
R4	327-335	73-75	Produce a copy of any invitation to KPMG's presentation of the audits.	Q. And you are aware that in the Notice of Examination we asked for a copy of any invitation to this presentation? A. Yeah, that is Tracey General who would have all that. I don't -- I just show up to it. I don't get involved in the planning of it. Q. And no such invitation was produced? A. I don't believe so. Q. Is that because it doesn't exist? MR. GILBERT: Well, it is a cross-examination. It is not a discovery. So he doesn't get involved in invitations. He just told you that. BY MS. ANTONIOS: Q. He has represented in his affidavit that these presentations are held for the benefit of the community. We have asked for any information on how these presentations are made known to the community, and you have refused to provide any such information. Are you still refusing that? R/F MR. GILBERT: Yes, I am refusing based on this examination and this process that we have.	Without admission of relevance, HDI is prepared to produce a copy with personal contact information redacted. See attached: RickSaulHDI-R4-Invitation_Redacted.PDF

Item	Q.	P.	Question	Transcript Excerpt	Answer
EXAMINATION BY THE MEN'S FIRE OF THE SIX NATIONS GRAND RIVER TERRITORY					
UA3	628	146	Consider response to Janace Henry letter.	Q. I would next like to show you a letter -- sorry, I would like to show you a -- yes, a letter from Clan Mother Janace Henry that we sent today. I would like to put it on the screen. Counsel, we received some financial disclosure yesterday morning, and as a result, we have generated this letter. I understand that because of the timing, you can't produce it today, but will you undertake to provide financial information that wasn't provided or shown today in the examination to us so we can provide this to Janace Henry, who is a Clan Mother of the Cayuga Clan. U/A MR. GILBERT: I don't know what you are referring to. It is the first time I think I'm seeing it, and I will review it and consider that, and we'll answer by letter what we are going to do. But it is not part of the -- you know, you have an examination. You have the records. You have the witness here, so you can ask the questions you want based upon the affidavits and the process we have.	See answers to R19, R20 and R21.

Item	Q.	P.	Question	Transcript Excerpt	Answer
R7			What is the total amount Mr. Detlor received in success fees from HDI or 243 Ontario?	Q. And do you know the total amount of success fees Mr. Detlor has received from HDI or 243 Ontario? A. From the origin of the entities? Q. Yes. A. No, I don't know that figure. Q. Would you undertake to provide me with that information? R/F MR. GILBERT: No. MR. KAUFMAN: And what is the grounds for the refusal? MR. GILBERT: It is not an examination for discovery. It is a cross-examination. If the witness knows the answer, he can tell you. He doesn't know the answer. MR. KAUFMAN: Well, he is here as a representative of HDI as a CPA who should know the numbers, and he should know - it is not a big organization - how much Mr. Detlor has received in success fees. MR. GILBERT: You have my answer.	See financial statements provided in response to R19, R20, and R21.
R19	629	147	Produce HDI financial statements?	Q. So HDI, would you produce any HDI financial statements that weren't made available today that are in your power, possession and control? R/F MR. GILBERT: No.	HDI's audited financial statements go back to 2013. See attached: RickSaulHDI-R19-FS-HDI.zip See also Answer to UA1 from Brian Doolittle.
R20	630	147-148	Produce 243 Ontario financial statements?	Q. Would you produce any financial statements of 243 Ontario from 2014 to present other than the ones that were produced today? R/F MR. GILBERT: No.	See attached: RickSaulHDI-R20-FS-243.zip

Item	Q.	P.	Question	Transcript Excerpt	Answer
R21	631	148	Produce ODI financial statements?	Q. Would you produce any of the ODI financial statements from 2016 to date other than the ones produced today? R/F MR. GILBERT: No.	See attached: RickSaulHDI-R21-FS-ODI.zip

TAB 1

Richard Saul

WORK EXPERIENCE

Consultant, Ancaster, Ontario (October 2000 – Present)

Accounting & Finance:

- Financial Consultant for the Haudenosaunee Confederacy Chiefs Council's operating entities (June 2017 to present)
  - Provided financial accounting support and reporting and facilitated the annual audit process.
  - Implemented data systems and provided operational support and analytics.
- Financial Consultant – implemented and maintained accounting systems for various businesses and not-for-profit organizations (2000 to present).

Grants and Contributions Management:

- Financial Consultant – National Aboriginal Capital Corporations Association
  - Assisted with the delivery and management of the Indigenous Business Stabilization Program throughout the Aboriginal Financial Institution network across Canada relating to the impacts of Covid.

Teaching/Training (curriculum development and/or course delivery):

- Ogwehoweh Skills and Trades Training Centre – 7-week Business Plan Development (2017 to 2019, 2021-2022)
- Fanshawe College – delivered through Ogwehoweh Skills and Trades Training Centre, Six Nations
  - Accounting Program: Principles of Accounting 1 & 2, Fall semester (2018,2019)
- Mohawk College – delivered through Ogwehoweh Skills and Trades Training Centre, Six Nations
  - Small Business Management Program:
    - Financial Accounting (2009, 2010, 2011, 2013, 2017)
    - Personal Financial Management (2009, 2010, 2014, 2017)
  - Office Administration Program: Financial Foundations (2018, 2019)
- Canada Mortgage and Housing Corporation – First Nations Housing Manager Training (2016)
- Economic Development Corporation Board of Directors – How to Read Financial Statements (2015)
- Various First Nations across Ontario – 9-week Economic Development Officer Training (2003, 2007, 2009, 2016)
- Indian & Northern Affairs Canada – Business Plan Analysis (2014)
- University of Windsor – Budgeting & Accounting for Non-Accountants (2004, 2005)

Development of Business Plans, Community Plans, & Funding Proposals:

- Prepared business plans for numerous Indigenous businesses, First Nations, and First Nation organizations in various business sectors, consisting of all marketing, financial, management, and operational aspects. Also prepared community plans, and funding proposals for numerous Indigenous organizations (2000 to 2018).

Compliance Audits:

- Performed financial compliance audits on behalf of Human Resources & Skills Development Canada for various Aboriginal Human Resource Development Agreements (2008 to 2010).

Third Party Assessment of Funding Proposals:

- Performed third party assessments of funding proposals for the Department of Indian & Northern Affairs Canada and the Ontario Aboriginal Economic Development Program to determine project eligibility and viability of numerous economic development applications (2000 to 2006).

Richard Saul

WORK EXPERIENCE (continued)

Software Applications
- Created Microsoft Excel solutions for clients, including training, Power BI, Power Query, and pivot tables (2016 to present).
- Created Microsoft Access data solutions for clients (2016 to present).

Financial Controller, GREAT (October 2014 – March 31, 2016)
- Responsible for the overall accounting and finance operations of the organization.

Vice President, Aboriginal Centre of Excellence, Ohsweken, Ontario (May 2013 – October 2014)
- Developed and implemented an online learning platform for the membership.
- Supervised the finance, marketing and administration staff and reported to the board of directors.

Manager, FedDev Ontario, Toronto, Ontario (June 2009 – May 2010)
- Assessed high profile business and economic development plans for funding proposals submitted to the Community Adjustment Fund and the Southern Ontario Development Program.
- Prepared investment decision-making reports and briefing notes for senior management and the Minister's Office.

Vice President Finance & Admin., Richkote Metal Finishing, Dresden, Ontario (March 2008 - June 2009)
- Participated in planning the short-term and long-term financial objectives of the company.
- Supervised the accounting and administration staff and prepared monthly and year-end financial reports.

Development Officer & Quality Assurance Officer, Aboriginal Business Canada, Toronto, Ontario (April 1998 - September 2000)
- Managed a portfolio of grant & contribution projects relating to economic development initiatives.
- Assisted management with ongoing support regarding the effective management of its grants & contributions budget, financial monitoring, payment & contract verification, and quality assurance.

Small Business Consultant, Montreal, Quebec (August 1994 - March 1998)
- Assisted clients with finance and accounting related issues.

Financial Controller, Destination a la Carte Inc., St-Lambert, Quebec (August 1990 - August 1994)
- Managed the financial accounting activities of the organization.

Account Manager, Château Travel, St-Lambert, Quebec (September 1988 - August 1990)
- Managed the travel arrangements for various corporate clients.

PROFESSIONAL MEMBERSHIPS

- **Chartered Professional Accountant (CPA)**, (October 2014 to present) of the Chartered Professional Accountants Association of Ontario, Toronto, ON
- **Certified General Accountant (CGA),** (November 1997 to October 2014) of the Certified General Accountants Association of Ontario, Toronto, ON (the CGA organization became part of the CPA organization in 2014)

EDUCATION & TRAINING

- **Bachelor of Commerce, Major in Accountancy**, graduated in May 1992 (part-time studies) from Concordia University, Montreal, Quebec
- Attended McGill University, Montreal, QC, September 1986 - May 1988 (Bachelor of Arts, Major in Economics), credits were transferred towards the completion of the Bachelor of Commerce degree at Concordia University
- **Diploma of Collegial Studies - Major in Commerce**, graduated in 1986 from Champlain Regional College (CEGEP), St-Lambert, Quebec

LANGUAGES:

English & French

REFERENCES:

Available upon request

TAB 2

NO. C-1

INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO

50 SHARES

2438543 ONTARIO INC.

This is to Certify HAUDENOSAUNEE DEVELOPMENT INSTITUTE, IN TRUST
is the registered holder of fifty
common shares in the capital of
2438543 ONTARIO INC.

The class or series of shares represented by this Certificate has rights, privileges, restrictions or conditions attached thereto and the Corporation will furnish to a shareholder, on demand and without charge, a full copy of the text of:

(i) the rights, privileges, restrictions and conditions attached to the shares represented by this certificate and to each class authorized to be issued and to each series insofar as the same have been fixed by the directors; and

(ii) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable.

The Corporation has a lien on the shares represented by this Certificate for the indebtedness of the Shareholder to the Corporation.

The right of the shareholder to transfer the shares represented by this Certificate is subject to restrictions.

IN WITNESS WHEREOF the Corporation has caused this Certificate to be signed by its duly authorized officers.

DATED this 20th day of October, 2014

B Doolittle

President (Brian Doolittle)

TAB 3

[redacted]
Subject: Fwd: HDI/HCCC WORKSHOP
Sensitivity: Normal
Attachments:
AGENDA HDI_HCCC WORKSHOP 2022.docx ;

Begin forwarded message:

From: Tracey General <traceyghdi@gmail.com>
Subject: Re: HDI/HCCC WORKSHOP
Date: November 7, 2022 at 10:30:52 AM EST
To: Blake Bomberry Sr [redacted] "Robert C. Brown" [redacted] Al Day [redacted] "howard.elijah [redacted], Sam George [redacted] Arnold Hill [redacted] Arlene Hill [redacted] Howard Thompson [redacted] Arnold Jacobs [redacted] Steven Jacobs [redacted] "William.jacobs [redacted] "tomjonathan [redacted] Allen MacNaughton [redacted] Roger Silversmith [redacted] Cleveland Thomas [redacted] Toby Williams [redacted] "williamskervin [redacted] Yogi Williams [redacted] Steve Maracle [redacted] Markus Doxtater [redacted] "Mpowless [redacted] Chris Smoke [redacted] Julie Bomberry [redacted] Laurie Froman [redacted] Carol Jacobs [redacted] Mary Sandy [redacted] Pam Tallchief [redacted] Gloria Thomas [redacted] Dawn Chrisjohn [redacted] Marlene Doxtator [redacted] Jill Greene [redacted] Kathy Smoke [redacted]

Good Morning:

Please see the attachment.

Thank you

On Nov 2, 2022, at 9:20 AM, Tracey General <traceyghdi@gmail.com> wrote:

Good Morning:

Just following up with the attached email.

If you plan on attending the workshop and need accommodations please reply to this email so I can get my numbers submitted by Friday November 4, 2022.

Thank you!
Tracey

On Oct 12, 2022, at 11:36 AM, Tracey General <traceyghdi@gmail.com> wrote:

Good Morning:

Once again I have rescheduled the HDI/HCCC Workshop for November 18, 19 & 20, 2022 to be held at the Home2 Suites by Hilton at 27 Sinclair Boulevard, Building 2, in Brantford, Ontario from 9:00 a.m. to 4:00 p.m. each day.

Anyone requiring overnight accommodations, please advise so that arrangements can be made.

If I do not have a Chief or Clanmother on this list and you have contact information for them, I would appreciate hearing from you so that I can update my list.

I will send the agenda once finished and hope that you all are able to attend.

Thank you!
Tracey

TAB 4

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

FINANCIAL STATEMENTS

For the year ended March 31, 2013

Millards
Chartered Accountants

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

For the year ended March 31, 2013

INDEX

Millards
Chartered Accountants

P.O. Box 367, 96 Nelson Street
Brantford, Ontario N3T 5N3
Telephone: (519) 759-3511
Facsimile: (519) 759-7961.

INDEPENDENT AUDITORS' REPORT

To the Directors of
Haudenosaunee Development Institute

We have audited the accompanying financial statements of Haudenosaunee Development Institute, which comprise the balance sheet as at March 31, 2013, and the statements of income and retained earnings 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 financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

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

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

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

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Haudenosaunee Development Institute as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Millards Rouse & Rosebrugh LLP

June 27, 2013

CHARTERED ACCOUNTANTS
Licensed Public Accountants

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

BALANCE SHEET

As at March 31, 2013

ASSETS	
Current Assets	
Cash	116,596
Accounts receivable (net)	218,954
	335,550

LIABILITIES	
Current Liabilities	
WSIB payable	335
Accounts payable and accrued liabilities	54,328
Deferred revenue	280,887
	335,550

Approved on behalf of the Board

Hazel E. Hill
.... *Director* .... *Date*

.... *Director* .... *Date*

See accompanying notes

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

COMBINED STATEMENT OF INCOME AND RETAINED EARNINGS

For the year ended March 31, 2013

Revenue	
Revenue - Haudenosaunee Development Institute (page 4)	120,325
Revenue - Archaeological Study Centre (page 5)	316,433
Revenue - Environmental Monitor Centre (page 6)	64,958
Revenue - Burtch Restoration Project (page 7)	107,135
	608,851
Expenses	
Expenses - Haudenosaunee Development Institute (page 4)	120,325
Expenses - Archaeological Study Centre (page 5)	316,433
Expenses - Environmental Monitor Centre (page 6)	64,958
Expenses - Burtch Restoration Project (page 7)	107,135
	608,851
Net Income	-

See accompanying notes

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

PROGRAM SCHEDULE - HAUDENOSAUNEE DEVELOPMENT INSTITUTE

For the year ended March 31, 2013

Revenue	
Program funding	38,210
Application fees	48,562
Other revenue	33,553
	120,325
Expenses	
Wages and benefits	34,209
Fees for service	17,497
Rent, insurance and occupancy costs	9,180
Office supplies	4,859
Honorarium	5,998
Professional fees	28,875
Telephone, internet and utilities	4,397
Travel	9,867
Advertising and promotion	1,005
Administration fee	4,438
	120,325
Net Income	-

See accompanying notes

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

PROGRAM SCHEDULE - ARCHAEOLOGICAL STUDY CENTRE

For the year ended March 31, 2013

Revenue	
Application fees	56,294
Other revenue	260,139
	316,433
Expenses	
Wages and benefits	251,683
Fees for service	6,294
Honorarium	500
Professional fees	1,375
Travel	33,503
Administration fee	23,078
	316,433
Net Income	-

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

PROGRAM SCHEDULE - ENVIRONMENTAL MONITOR CENTRE

For the year ended March 31, 2013

Revenue	64,958
Expenses	
Wages and benefits	46,352
Fees for service	298
Office supplies	418
Professional fees	1,375
Travel	11,243
Administration fee	5,272
	64,958
Net Income	-

See accompanying notes.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

PROGRAM SCHEDULE - BURTCH RESTORATION PROJECT

For the year ended March 31, 2013

Revenue	107,13
Expenses	
Wages and benefits	72,45
Fees for service	8,77
Office supplies	7
Professional fees	17,37
Administration fee	8,45
	107,13
Net Income	

See accompanying notes

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

STATEMENT OF CASH FLOWS

For the year ended March 31, 2013

Cash Flows From Operating Activities	
Net income	
Net change in non-cash working capital balances related to operations	116,596
Net Loss in Cash and Cash Equivalents	116,596
Opening Cash and Cash Equivalents	
Closing Cash and Cash Equivalents	116,596

See accompanying notes

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook and include the following significant accounting policies:

(a) Purpose of the Organization
Haudenosaunee Development Institute (HDI) is the formal organization created by the Haudenosaunee Confederacy Chiefs Council (HCCC) in September 2007 to grant permission to third parties to undertake development upon lands where the HCCC exercise jurisdiction including that area of land considered by the Haldimand Proclamation of 1784 and the Nanfan Treaty of 1701.

(b) Use of Estimates
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(c) Revenue Recognition Policy
Program funding revenue is recognized in accordance with the contracted payment schedule.

Other revenue is recognized when the service has been performed.

(d) Financial Instruments
The organization initially measures its financial assets an financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash, accounts receivable, an prepaid expenses. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

2. FINANCIAL INSTRUMENTS

The significant financial risk to which the organization is exposed is credit risk.

Credit Risk
The organization's exposure to credit risk relates to its accounts receivable. The risk of significant credit loss is considered remote.

KPMG

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Year ended March 31, 2014

KPMG LLP
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21 King Street West Suite 700
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Telefax (905) 523-2222
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INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

We have audited the accompanying financial statements of Haudenosaunee Development Institute, which comprise the statement of financial position as at March 31, 2014, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Haudenosaunee Development Institute as at March 31, 2014, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG

Other matter

The financial statements of Haudenosaunee Development Institute as at and for the year ended March 31, 2013 were audited by another auditor who expressed an unmodified opinion on those statements on June 27, 2013.

Comparative Information

Without modifying our opinion, we draw attention to Note 8 to the financial statements which indicates that the comparative information in the statement of financial position presented as at and for the year ended March 31, 2013 has been restated.

The financial statements of Haudenosaunee Development Institute as at and for the year ended March 31, 2013, excluding the restatements described in Note 7 to the financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on June 27, 2013.

As part of our audit of financial statements as at and for the year ended March 31, 2014, we audited the restatement described in Note 7 to the financial statements that was applied to restate the comparative information presented as at and for the year ended March 31, 2013. In our opinion, the restatements are appropriate and have been properly applied.

We were not engaged to audit, review, or apply any procedures to the March 31, 2013 financial statements, other than with respect to the restatements described in Note 7 to the financial statements. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

July 11, 2014
Hamilton, Canada

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2014, with comparative financial information for 2013

	2014	(Restated) 2013
Assets		
Current assets:		
Cash and cash equivalents	$ -	$ 116,596
Accounts receivable (note 2)	1,205,807	218,954
Prepaid expenses	5,106	-
	$ 1,210,913	$ 335,550
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 278,380	$ 54,663
Due to GRETI (note 3)	24,676	-
Deferred revenue	100,000	-
	403,056	54,663
Net assets:		
Unrestricted	587,857	280,887
Land lease fund	220,000	-
	807,857	280,887
Commitments (note 6)		
	$ 1,210,913	$ 335,550

See accompanying notes to financial statements.

On behalf of the Board:

_________________________ Director _________________________ Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2014, with comparative financial information for 2013

	2014	2013
Revenues (Schedule):		
Haudenosaunee Development Institute Administration	$ 283,204	$ 149,178
Archaeological Study Centre	1,029,416	422,451
Environmental Monitor Centre	536,309	67,013
Burch Restoration Project	296,813	212,885
Land lease fees	220,000	-
Other revenue	49,836	38,211
	2,415,578	889,738
Expenses (Schedule):		
Salaries, benefits and contract fees	1,007,848	404,698
Professional fees	355,899	67,961
Travel	279,035	54,613
Office and general	226,993	72,204
Rent	8,766	8,370
Training	7,119	-
Advertising	2,948	1,005
	1,888,608	608,851
Excess of revenues over expenses	$ 526,970	$ 280,887

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Net Assets

Year ended March 31, 2014, with comparatives financial information for 2013

	Unrestricted	Land lease fund	Total
Balance, beginning of year (Restated)	$ 280,887	$ -	$ 280,887
Excess of revenues over expenses	306,970	220,000	526,970
Balance, end of year	$ 587,857	$ 220,000	$ 807,857

March 31, 2013	Unrestricted	Land lease fund	(Restated) Total
Balance, beginning of year	$ -	$ -	$ -
Excess of revenues over expenses	280,887	-	280,887
Balance, end of year	$ 280,887	$ -	$ 280,887

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2014, with comparative financial information for 2013

	2014	2013
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 526,970	$ 280,887
Change in non-cash operating working capital		
Accounts receivable	(986,853)	(218,954)
Prepaid expenses	(5,106)	-
Accounts payable and accrued liabilities	223,717	54,663
Due to GRETI	24,676	-
Deferred revenue	100,000	-
Net (decrease) increase in cash and cash equivalents	(116,596)	116,596
Cash and cash equivalents, beginning of year	116,596	-
Cash and cash equivalents, end of year	$ -	$ 116,596

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

Haudenosaunee Development Institute (HDI) (the "Organization") is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund Accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosuanee, as deemed fit by the Royane and Yakoyane on a case by case basis.

Unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

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

(d) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(f) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

2. Accounts receivable:

	2014	2013
Accounts receivable	$ 1,205,807	$ 218,954
Less allowance for doubtful accounts	-	-
	$ 1,205,807	$ 218,954

3. Related entities:

Haudenosaunee Confederacy Chiefs Council ("the Council"):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council's interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

There are no transactions between the Organization and the Council.

Grand River Employment and Training Inc. ("GRETI"):

The Organization has entered into a financial management service agreement with GRETI to administer financial recordings and payroll processing. A fee is collected on a percentage of all revenue pertaining to monitoring contracts.

GRETI maintains a general bank account which includes the Organization's transactions. All transactions are in the normal course of operations and at arm's length. The payable to GRETI is the net result of transactions during the year. No interest is charged when the account is in an overdraft position.

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of $Nil (2013 - $335), which includes amounts payable for WSIB.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2013.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

6. Commitments:

On July 1 2014, the Organization entered into a rental agreement GRETI for a 5 year term to lease office space with minimum payments due as follows:

2015	$	23,247
2016		30,996
2017		30,996
2018		30,996
2019 and thereafter		38,745
	$	154,980

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

7. Prior period adjustments:

The March 31, 2013 comparative statement of financial position has been restated to retroactively correct the accounting related to the Organization's net assets. In prior years, the financial results of the Organization were recognized as deferred revenue. Given there are no restrictions on the revenue and contributions, the ending surplus/deficit represents net assets available to the Organization. This change has been recorded retroactively and accordingly, the comparative statement of financial position has been restated as follows:

Statement of Financial Position, March 31, 2013	Increase (decrease)
Deferred revenue	$ (280,887)
Net assets	280,887

8. Comparative Information

Certain 2013 comparative figures have been reclassified to conform to the financial statement presentation adopted for the current year.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule – Archaeological Study Centre

Year ended March 31, 2014, with comparative financial information for 2013

	HDI Administration	Archeology	Environmental	Burtch	Land lease	2014	2013
Revenues:							
Application fees	$ 283,204	$ 1,029,416	$ 536,309	$ 296,813	$ 220,000	$ 2,365,742	$ 851,527
Other revenue	49,836	-	-	-	-	49,836	38,211
	333,040	1,029,416	536,309	296,813	220,000	2,415,578	889,738
Expenses:							
Salaries and benefits	21,454	523,142	251,694	211,558	-	1,007,848	404,698
Professional fees	300,339	51,200	-	4,360	-	355,899	67,961
Travel	3,592	156,479	116,972	1,992	-	279,035	54,613
Office and general	226,993	-	-	-	-	226,993	72,204
Rent	8,766	-	-	-	-	8,766	8,370
Training	-	4,869	2,250	-	-	7,119	-
Advertising	2,948	-	-	-	-	2,948	1,005
	564,092	735,690	370,916	217,910	-	1,888,608	608,851
Excess of revenues over expenses (expenses over revenues)	$ (231,052)	$ 293,726	$ 165,393	$ 78,903	$ 220,000	$ 526,970	$ 280,887

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Year ended March 31, 2014

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INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

We have audited the accompanying financial statements of Haudenosaunee Development Institute, which comprise the statement of financial position as at March 31, 2014, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Haudenosaunee Development Institute as at March 31, 2014, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG

Other matter

The financial statements of Haudenosaunee Development Institute as at and for the year ended March 31, 2013 were audited by another auditor who expressed an unmodified opinion on those statements on June 27, 2013.

Comparative Information

Without modifying our opinion, we draw attention to Note 8 to the financial statements which indicates that the comparative information in the statement of financial position presented as at and for the year ended March 31, 2013 has been restated.

The financial statements of Haudenosaunee Development Institute as at and for the year ended March 31, 2013, excluding the restatements described in Note 7 to the financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on June 27, 2013.

As part of our audit of financial statements as at and for the year ended March 31, 2014, we audited the restatement described in Note 7 to the financial statements that was applied to restate the comparative information presented as at and for the year ended March 31, 2013. In our opinion, the restatements are appropriate and have been properly applied.

We were not engaged to audit, review, or apply any procedures to the March 31, 2013 financial statements, other than with respect to the restatements described in Note 7 to the financial statements. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

July 11, 2014
Hamilton, Canada

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2014, with comparative financial information for 2013

	2014	(Restated) 2013
Assets		
Current assets:		
Cash and cash equivalents	$ -	$ 116,596
Accounts receivable (note 2)	1,205,807	218,954
Prepaid expenses	5,106	-
	$ 1,210,913	$ 335,550
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 278,380	$ 54,663
Due to GRETI (note 3)	24,676	-
Deferred revenue	100,000	-
	403,056	54,663
Net assets:		
Unrestricted	587,857	280,887
Land lease fund	220,000	-
	807,857	280,887
Commitments (note 6)		
	$ 1,210,913	$ 335,550

See accompanying notes to financial statements.

On behalf of the Board:

____________________ Director   ____________________ Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2014, with comparative financial information for 2013

	2014	2013
Revenues (Schedule):		
Haudenosaunee Development Institute Administration	$ 283,204	$ 149,178
Archaeological Study Centre	1,029,416	422,451
Environmental Monitor Centre	536,309	67,013
Burch Restoration Project	296,813	212,885
Land lease fees	220,000	-
Other revenue	49,836	38,211
	2,415,578	889,738
Expenses (Schedule):		
Salaries, benefits and contract fees	1,007,848	404,698
Professional fees	355,899	67,961
Travel	279,035	54,613
Office and general	226,993	72,204
Rent	8,766	8,370
Training	7,119	-
Advertising	2,948	1,005
	1,888,608	608,851
Excess of revenues over expenses	$ 526,970	$ 280,887

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Net Assets

Year ended March 31, 2014, with comparatives financial information for 2013

	Unrestricted	Land lease fund	Total
Balance, beginning of year (Restated)	$ 280,887	$ -	$ 280,887
Excess of revenues over expenses	306,970	220,000	526,970
Balance, end of year	$ 587,857	$ 220,000	$ 807,857

March 31, 2013	Unrestricted	Land lease fund	(Restated) Total
Balance, beginning of year	$ -	$ -	$ -
Excess of revenues over expenses	280,887	-	280,887
Balance, end of year	$ 280,887	$ -	$ 280,887

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2014, with comparative financial information for 2013

	2014	2013
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 526,970	$ 280,887
Change in non-cash operating working capital		
Accounts receivable	(986,853)	(218,954)
Prepaid expenses	(5,106)	-
Accounts payable and accrued liabilities	223,717	54,663
Due to GRETI	24,676	-
Deferred revenue	100,000	-
Net (decrease) increase in cash and cash equivalents	(116,596)	116,596
Cash and cash equivalents, beginning of year	116,596	-
Cash and cash equivalents, end of year	$ -	$ 116,596

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

Haudenosaunee Development Institute (HDI) (the “Organization”) is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund Accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosuanee, as deemed fit by the Royane and Yakoyane on a case by case basis.

Unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

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1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(f) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

2. Accounts receivable:

	2014	2013
Accounts receivable	$ 1,205,807	$ 218,954
Less allowance for doubtful accounts	-	-
	$ 1,205,807	$ 218,954

3. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

There are no transactions between the Organization and the Council.

Grand River Employment and Training Inc. (“GRETI”):

The Organization has entered into a financial management service agreement with GRETI to administer financial recordings and payroll processing. A fee is collected on a percentage of all revenue pertaining to monitoring contracts.

GRETI maintains a general bank account which includes the Organization’s transactions. All transactions are in the normal course of operations and at arm’s length. The payable to GRETI is the net result of transactions during the year. No interest is charged when the account is in an overdraft position.

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of $Nil (2013 - $335), which includes amounts payable for WSIB.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2013.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

6. Commitments:

On July 1 2014, the Organization entered into a rental agreement GRETI for a 5 year term to lease office space with minimum payments due as follows:

2015	$	23,247
2016		30,996
2017		30,996
2018		30,996
2019 and thereafter		38,745
	$	154,980

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2014

7. Prior period adjustments:

The March 31, 2013 comparative statement of financial position has been restated to retroactively correct the accounting related to the Organization's net assets. In prior years, the financial results of the Organization were recognized as deferred revenue. Given there are no restrictions on the revenue and contributions, the ending surplus/deficit represents net assets available to the Organization. This change has been recorded retroactively and accordingly, the comparative statement of financial position has been restated as follows:

Statement of Financial Position, March 31, 2013	Increase (decrease)
Deferred revenue	$ (280,887)
Net assets	280,887

8. Comparative Information

Certain 2013 comparative figures have been reclassified to conform to the financial statement presentation adopted for the current year.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule – Archaeological Study Centre

Year ended March 31, 2014, with comparative financial information for 2013

	HDI Administration	Archeology	Environmental	Burtch	Land lease	2014	2013
Revenues:							
Application fees	$ 283,204	$ 1,029,416	$ 536,309	$ 296,813	$ 220,000	$ 2,365,742	$ 851,527
Other revenue	49,836	-	-	-	-	49,836	38,211
	333,040	1,029,416	536,309	296,813	220,000	2,415,578	889,738
Expenses:							
Salaries and benefits	21,454	523,142	251,694	211,558	-	1,007,848	404,698
Professional fees	300,339	51,200	-	4,360	-	355,899	67,961
Travel	3,592	156,479	116,972	1,992	-	279,035	54,613
Office and general	226,993	-	-	-	-	226,993	72,204
Rent	8,766	-	-	-	-	8,766	8,370
Training	-	4,869	2,250	-	-	7,119	-
Advertising	2,948	-	-	-	-	2,948	1,005
	564,092	735,690	370,916	217,910	-	1,888,608	608,851
Excess of revenues over expenses (expenses over revenues)	$ (231,052)	$ 293,726	$ 165,393	$ 78,903	$ 220,000	$ 526,970	$ 280,887

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Year ended March 31, 2015

KPMG LLP
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INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Haudenosaunee Development Institute as at March 31, 2015, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

July 10, 2015
Hamilton, Canada

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2015, with comparative financial information for 2014

	2015	2014
Assets		
Current assets:		
Due from GRETI (note 3)	$ 1,226,929	$ -
Accounts receivable (note 2)	530,090	1,205,807
Receivable from 2438543 Ontario Inc. (note 3, 4)	6,592	-
Prepaid expenses	608	5,106
	$ 1,764,219	$ 1,210,913
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	$ 48,763	$ 278,380
Due to GRETI (note 3)	-	24,676
Deferred revenue	-	100,000
	48,763	403,056
Investment losses in 2438543 Ontario Inc., net (notes 3, 4)	247,416	-
	296,179	403,056
Net assets:		
Unrestricted	848,915	587,857
Land lease fund	609,750	220,000
Land acquisition fund	9,375	-
	1,468,040	807,857
Commitments (note 7)		
	$ 1,764,219	$ 1,210,913

See accompanying notes to financial statements.

On behalf of the Board:

____________________ Director   ____________________ Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2015, with comparative financial information for 2014

	2015	2014
Revenues (Schedule):		
Haudenosaunee Development Institute Administration	$ 662,275	$ 283,204
Archaeological Study Centre	811,415	1,029,416
Environmental Monitoring Centre	846,524	536,309
Land lease fees	389,750	220,000
Kanonhstaton Project	131,708	-
Land acquisition fees	9,375	-
Burtch Restoration Project	-	296,813
Other revenue	62,501	49,836
	2,913,548	2,415,578
Expenses (Schedule):		
Salaries, benefits and contract fees	996,485	1,007,848
Professional fees	410,926	355,899
Travel	360,543	279,035
Investment loss (note 4)	247,466	-
Office and general	193,133	226,993
Rent	25,416	8,766
Advertising	10,172	2,948
Bad debt expense	5,030	-
Training	4,194	7,119
	2,253,365	1,888,608
Excess of revenues over expenses	$ 660,183	$ 526,970

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Net Assets

Year ended March 31, 2015, with comparatives financial information for 2014

	Unrestricted	Land lease	Land acquisition	Total
Balance, beginning of year	$ 587,857	$ 220,000	$ -	$ 807,857
Excess of revenues over expenses	261,058	389,750	9,375	660,183
Balance, end of year	$ 848,915	$ 609,750	$ 9,375	$ 1,468,040

	Unrestricted	Land lease	Land acquisition	Total
Balance, beginning of year	$ 280,887	$ -	$ -	$ 280,887
Excess of revenues over expenses	306,970	220,000	-	526,970
Balance, end of year	$ 587,857	$ 220,000	$ -	$ 807,857

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2015, with comparative financial information for 2014

	2015	2014
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 660,183	$ 526,970
Change in non-cash operating working capital		
Accounts receivable	675,717	(986,853)
Prepaid expenses	4,498	(5,106)
Due from 2438543 Ontario Inc.	(6,592)	-
Accounts payable and accrued liabilities	(229,617)	223,717
Due to/from GRETI, net	(1,251,605)	24,676
Deferred revenue	(100,000)	100,000
	(247,416)	(116,596)
Financing activities:		
Investment loss In 2438543 Ontario Inc.	247,416	-
	247,416	-
Net decrease in cash and cash equivalents	-	(116,596)
Cash and cash equivalents, beginning of year	-	116,596
Cash and cash equivalents, end of year	$ -	$ -

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2015

Haudenosaunee Development Institute (HDI) (the "Organization") is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2015

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

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Investments:

The Organization applies the equity method as a basis of accounting for investments in companies over which it exercises significant influence. Under the equity method, the Organization records these investments initially at cost and the carrying amounts are adjusted thereafter to include the Organization's pro rata share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Organization, and the investment accounts of the Organization are also increased or decreased to reflect the Organization's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amounts of the investments. Unrealized inter-entity gains or losses are eliminated.

The Organization's determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the Board of Directors, participation in policy-making processes, material inter-entity transactions, interchange of managerial personnel or provision of technical information.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2015

1. Significant accounting policies (continued):

(e) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(g) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2015

2. Accounts receivable:

	2015	2014
Accounts receivable	$ 530,090	$ 1,205,807
Less allowance for doubtful accounts	-	-
	$ 530,090	$ 1,205,807

3. Related entities:

Haudenosaunee Confederacy Chiefs Council ("the Council"):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council's interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

There are no transactions between the Organization and the Council.

Grand River Employment and Training Inc. ("GRETI"):

The Organization has entered into a financial management services agreement with GRETI to administer financial recording and payroll processing. A fee is collected on a percentage of all revenue pertaining to monitoring contracts.

GRETI maintains a general bank account which includes the Organization's transactions. All transactions are in the normal course of operations and at arm's length. The payable to GRETI is the net result of transactions during the year. No interest is charged when the account is in an overdraft position.

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, has formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Notes to Financial Statements

Year ended March 31, 2015

3. Related entities (continued):

HDI has incurred expenditures on behalf of the entity for incorporation costs as it has not generated revenues from its partnership. HDI expects to receive repayment of these funds when the entity starts generating positive cash flows. There are no fixed terms for repayment.

4. Investments:

The Organization controls 2438543 Ontario Inc. and it has been included in the Organization's financial statements using the equity method. A financial summary of this entity as at March 31, 2015 and for the year then ended are as follows:

Financial position:

	2015
Total assets	$ 2,973,243
Total liabilities	$ 3,220,659
Total shareholder's equity	(247,416)
	$ 2,973,243

Included in total liabilities held by 2438543 Ontario Inc. is $6,592 payable to HDI. There are no set terms of repayment and the amounts are non-interest bearing. Also included in total liabilities is long term debt repayable with a total principal balance of $3,000,000 with quarterly compounding interest at a rate of 4.22%. Repayments are based on distributions received from the Wind Farm project, calculated at 90% of the distributions received from the Wind Farm partnership.

Results of operations:

	2015
Total revenues	$ -
Total expenses	(247,466)
	$ (247,466)

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2015

4. Investments (continued):

Cash flows:

		2015
Excess of expenses over revenues	$	(247,466)
Operating activities		6,592
Financing activities		240,924
Change in cash flows	$	50

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of $179 (2014 - $nil), which includes amounts payable for employment insurance and WSIB.

6. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2014.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Notes to Financial Statements

Year ended March 31, 2015

7. Commitments:

On October 3 2014, the Organization entered into a rental agreement with GRETI for a four year term to lease office space, the remaining minimum payments for the next three years are due as follows:

2016	$	30,996
2017		30,996
2018		30,996
	$	92,988

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule – Archaeological Study Centre

Year ended March 31, 2015, with comparative financial information for 2014

	HDI Administration	Archaeology	Environmental	Kanonhstaton	Burtch	Land lease	Land acquisition	2015	2014
Revenues:									
Application fees	$ 662,275	$ 811,415	$ 846,524	$ 131,708	$ -	$ 389,750	$ 9,375	$ 2,851,047	$ 2,365,742
Other revenue	62,501	-	-	-	-	-	-	62,501	49,836
	724,776	811,415	846,524	131,708	-	389,750	9,375	2,913,548	2,415,578
Expenses:									
Salaries and benefits	82,266	462,137	441,713	-	10,369	-	-	996,485	1,007,848
Professional fees	172,422	12,085	-	115,847	75,572	-	35,000	410,926	355,899
Travel	6,392	143,171	210,909	71	-	-	-	360,543	279,035
Investment loss	247,466	-	-	-	-	-	-	247,466	-
Office and general	186,610	-	448	6,075	-	-	-	193,133	226,993
Rent	25,416	-	-	-	-	-	-	25,416	8,766
Advertising	10,172	-	-	-	-	-	-	10,172	2,948
Bad debt expense	5,030	-	-	-	-	-	-	5,030	-
Training	-	-	4,194	-	-	-	-	4,194	7,119
	735,774	617,393	657,264	121,993	85,941	-	35,000	2,253,365	1,888,608
Excess of revenue over expenses (expenses over revenues)	$ (10,998)	$ 194,022	$ 189,260	$ 9,715	$ (85,941)	$ 389,750	$ (25,625)	$ 660,183	$ 526,970

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Year ended March 31, 2016

KPMG LLP
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INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

We have audited the accompanying financial statements of Haudenosaunee Development Institute, which comprise the statement of financial position as at March 31, 2016, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider 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.

KPMG

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Haudenosaunee Development Institute as at March 31, 2016, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

July 28, 2016
Hamilton, Canada

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2016, with comparative financial information for 2015

	2016	2015
Assets		
Current assets:		
Cash	$ 738,303	$ -
Due from GRETI (note 4)	702,748	1,226,929
Accounts receivable (note 2)	744,468	530,090
Receivable from 2438543 Ontario Inc. (note 4, 5)	7,092	6,592
Prepaid expenses	-	608
	2,192,611	1,764,219
Capital assets (note 3)	551,218	-
	$ 2,743,829	$ 1,764,219
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	$ 36,465	$ 48,763
Investment losses in 2438543 Ontario Inc., net (notes 4, 5)	-	247,416
	36,465	296,179
Net assets:		
Invested in capital assets	551,218	-
Unrestricted	1,016,555	848,915
Land lease fund	1,287,220	609,750
Land acquisition fund	(147,629)	9,375
	2,707,364	1,468,040
Commitments (note 8)		
	$ 2,743,829	$ 1,764,219

See accompanying notes to financial statements.

On behalf of the Board:

______________________ Director ______________________ Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2016, with comparative financial information for 2015

	2016	2015
Revenues (Schedule):		
Haudenosaunee Development Institute Administration	$ 229,041	$ 662,275
Archaeological Study Centre	1,132,137	811,415
Environmental Monitoring Centre	584,232	846,524
Land lease fees	677,470	389,750
Kanonhstaton Project	2,995	131,708
Capacity Language/Cultural Development	212,500	-
Land acquisition fees	375,000	9,375
Other revenue	-	62,501
	3,213,375	2,913,548
Expenses (Schedule):		
Salaries, benefits and contract fees	931,724	996,485
Professional fees	459,807	410,926
Cultural development	400,000	-
Travel	187,459	360,543
Office and general	102,260	193,133
Bad debt expense	76,771	5,030
Rent	30,833	25,416
Advertising	22,345	10,172
Depreciation	9,483	-
Training	785	4,194
Investment loss (note 4, 5)	-	247,466
	2,221,467	2,253,365
Excess of revenues over expenses	$ 991,908	$ 660,183

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Net Assets

Year ended March 31, 2016, with comparatives financial information for 2015

	Unrestricted	Invested in capital assets	Land lease	Land acquisition	2016 Total
Balance, beginning of year	$ 848,915	$ -	$ 609,750	$ 9,375	$ 1,468,040
Excess of revenues over expenses	(51,079)	(9,483)	677,470	375,000	991,908
Net change in invested in capital	(28,697)	560,701	-	(532,004)	-
Disposal of investment (note 4)	247,416	-	-	-	247,416
Balance, end of year	$ 1,016,555	$ 551,218	$ 1,287,220	$ (147,629)	$ 2,707,364

	Unrestricted	Invested in capital assets	Land lease	Land acquisition	2015 Total
Balance, beginning of year	$ 587,857	$ -	$ 220,000	$ -	$ 807,857
Excess of revenues over expenses	261,058	-	389,750	9,375	660,183
Balance, end of year	$ 848,915	$ -	$ 609,750	$ 9,375	$ 1,468,040

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2016, with comparative financial information for 2015

	2016	2015
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 991,908	$ 660,183
Items not involving cash:		
Amortization of capital assets	9,483	-
Change in non-cash operating working capital		
Accounts receivable	(214,378)	675,717
Prepaid expenses	608	4,498
Due from 2438543 Ontario Inc.	(500)	(6,592)
Accounts payable and accrued liabilities	(12,298)	(229,617)
Due to/from GRETI, net	524,181	(1,251,605)
Deferred revenue	-	(100,000)
	1,299,004	(247,416)
Investing activities:		
Investment loss In 2438543 Ontario Inc.	-	247,416
Purchase of capital assets	(560,701)	-
	(560,701)	247,416
Net increase in cash	738,303	-
Cash, beginning of year	-	-
Cash, end of year	$ 738,303	$ -

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2016

Haudenosaunee Development Institute (HDI) (the "Organization") is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2016

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

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Investments:

The Organization applies the equity method as a basis of accounting for investments in companies over which it exercises significant influence. Under the equity method, the Organization records these investments initially at cost and the carrying amounts are adjusted thereafter to include the Organization's pro rata share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Organization, and the investment accounts of the Organization are also increased or decreased to reflect the Organization's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amounts of the investments. Unrealized inter-entity gains or losses are eliminated.

The Organization's determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the Board of Directors, participation in policy-making processes, material inter-entity transactions, interchange of managerial personnel or provision of technical information.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Notes to Financial Statements

Year ended March 31, 2016

1. Significant accounting policies (continued):

(e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Furniture and fixtures	20%
Computer software and equipment	33%

(f) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2016

1. Significant accounting policies (continued):

(g) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(h) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2016

2. Accounts receivable:

	2016	2015
Accounts receivable	$ 763,248	$ 530,090
Less allowance for doubtful accounts	18,780	-
	$ 744,468	$ 530,090

3. Capital assets:

	Cost	Accumulated amortization	Net book value
Land	$ 532,004	$ -	$ 532,004
Computer and equipment	18,698	5,484	13,214
Furniture and fixtures	9,999	3,999	6,000
	$ 560,701	$ 9,483	$ 551,218

4. Related entities:

Haudenosaunee Confederacy Chiefs Council ("the Council"):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council's interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

Grand River Employment and Training Inc. ("GRETI"):

The Organization has entered into a financial management services agreement with GRETI to administer financial recording and payroll processing. A fee is collected on a percentage of all revenue pertaining to monitoring contracts.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2016

4. Related entities (continued):

GRETI maintained a general bank account until August 2015 which included the Organization's transactions. All transactions were in the normal course of operations and at arm's length. The payable to GRETI is the net result of transactions during the year. No interest is charged when the account is in an overdraft position.

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project.

On February 10, 2016, HDI entered into a related party transaction with HCCC to transfer the investment in 2438543 Ontario Inc. to HCCC. The common shares were transferred for a nominal amount of $2, given the related party transaction the gain on sale is recorded directly though net assets for a total gain of $247,416.

5. Investments:

In fiscal 2015, the Organization controlled 2438543 Ontario Inc. and it was been included in the Organization's financial statements using the equity method. When the investment was transferred to HCCC, control was renounced and the Organization recognized the net loss up to February 10, 2016, date of transfer of common shares to HCCC.

Financial position:

	2016	2015
Total assets	$ -	$ 2,973,243
Total liabilities	$ -	$ 3,220,659
Total shareholder's equity	-	(247,416)
	$ -	$ 2,973,243

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Notes to Financial Statements

Year ended March 31, 2016

5. **Investments (continued):**

Results of operations:

		2016		2015
Total revenues	$	-	$	-
Total expenses		(899,136)		(247,466)
	$	(899,136)	$	(247,466)

Cash flows:

		2016		2015
Excess of expenses over revenues	$	(899,136)	$	(247,466)
Operating activities		401,300		6,592
Financing activities		506,386		240,924
Change in cash flows	$	8,550	$	50

6. **Accounts payable and accrued liabilities:**

Included in accounts payable and accrued liabilities are government remittances payable of $nil (2015 - $179), which includes amounts payable for employment insurance and WSIB.

7. **Financial risks and concentration of credit risk:**

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2015.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2016

8. Commitments:

On October 3, 2014, the Organization entered into a rental agreement with GRETI for a four year term to lease office space, the remaining minimum payments for the next two years are due as follows:

2017	$	30,996
2018		30,996
	$	61,992

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule – Archaeological Study Centre

Year ended March 31, 2016, with comparative financial information for 2015

	HDI Administration	Archaeology	Environmental	Kanonstaton	Capacity Language	Land lease	Land acquisition	2016	2015
Revenues:									
Application fees	$ 229,041	$ 1,132,137	$ 584,232	$ 2,995	$ 212,500	$ 677,470	$ 375,000	$ 3,213,375	$ 2,851,047
Other revenue	-	-	-	-	-	-	-	-	62,501
	229,041	1,132,137	584,232	2,995	212,500	677,470	375,000	3,213,375	2,913,548
Expenses:									
Salaries and benefits	95,635	560,720	275,369	-	-	-	-	931,724	996,485
Professional fees	459,327	-	-	480	-	-	-	459,807	410,926
Cultural development	-	-	-	-	400,000	-	-	400,000	-
Travel	244	108,633	78,582	-	-	-	-	187,459	360,543
Office and general	92,871	-	6,874	2,515	-	-	-	102,260	193,133
Rent	30,833	-	-	-	-	-	-	30,833	25,416
Advertising	22,345	-	-	-	-	-	-	22,345	10,172
Bad debt expense	76,771	-	-	-	-	-	-	76,771	5,030
Depreciation	9,483	-	-	-	-	-	-	9,483	-
Training	785	-	-	-	-	-	-	785	4,194
Investment loss	-	-	-	-	-	-	-	-	247,466
	788,294	669,353	360,825	2,995	400,000	-	-	2,221,467	2,253,365
Excess of revenue over expenses (expenses over revenues)	$ (559,253)	$ 462,784	$ 223,407	$ -	$ (187,500)	$ 677,470	$ 375,000	$ 991,908	$ 660,183

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Year ended March 31, 2017

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

We have audited the accompanying financial statements of Haudenosaunee Development Institute, which comprise the statement of financial position as at March 31, 2017, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Haudenosaunee Development Institute as at March 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada
March 24, 2018

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Statement of Financial Position

Year ended March 31, 2017, with comparative financial information for 2016

	2017	2016
		(Restated note 10)
Assets		
Current assets:		
Cash	$ 1,189,625	$ 738,303
Investments	1,000,308	-
Due from GRETI (note 4)	-	702,748
Accounts receivable (note 2)	394,746	744,468
Receivable from 2438543 Ontario Inc. (note 4, 5)	869,273	539,096
Prepaid expenses	1,977	-
	3,455,929	2,724,615
Capital assets (note 3)	13,504	19,214
	$ 3,469,433	$ 2,743,829
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	$ 409,452	$ 36,465
Due to Ogwawihsta Dedwahsnye (note 4)	22,570	-
Deferred revenue	65,000	-
	497,022	36,465
Net assets:		
Invested in capital assets	13,504	19,214
Unrestricted	823,479	1,016,555
Land lease fund	1,386,053	1,287,220
Land acquisition fund	749,375	384,375
	2,972,411	2,707,364
Commitments (note 8)		
	$ 3,469,433	$ 2,743,829

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Director _______________ Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2017, with comparative financial information for 2016

	2017	2016
Revenues (Schedule):		
Archaeological Study Centre	$ 1,820,983	$ 1,132,137
Land lease fees	1,012,336	677,470
Environmental Monitoring Centre	582,156	584,232
Land acquisition fees	365,000	375,000
Haudenosaunee Development Institute Administration	215,693	229,041
Kanonhstaton Project	3,780	2,995
Capacity Language/Cultural Development	-	212,500
Other revenue	95,444	-
	4,095,392	3,213,375
Expenses (Schedule):		
Salaries, benefits and contract fees	1,066,524	931,724
Professional fees	1,009,079	459,807
Cultural development	913,503	400,000
Travel	310,266	187,459
Bad debt expense	281,004	76,771
Office and general	133,599	102,260
Administration fees	53,009	-
Rent	30,996	30,833
Advertising	18,824	22,345
Amortization	9,494	9,483
Training	4,047	785
	3,830,345	2,221,467
Excess of revenues over expenses	$ 265,047	$ 991,908

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Net Assets

Year ended March 31, 2017, with comparatives financial information for 2016

	Unrestricted	Invested in capital assets	Land lease	Land acquisition	2017 Total
Balance, beginning of year (Restated note 10)	$ 1,016,555	$ 19,214	$ 1,287,220	$ 384,375	$ 2,707,364
Excess of revenues over expenses	(189,292)	(9,494)	98,833	365,000	265,047
Net change in invested in capital	(3,784)	3,784	-	-	-
Disposal of investment (note 4)	-	-	-	-	-
Balance, end of year	$ 823,479	$ 13,504	$ 1,386,053	$ 749,375	$ 2,972,411

	Unrestricted	Invested in capital assets	Land lease	Land acquisition	2016 Total
Balance, beginning of year	$ 848,915	$ -	$ 609,750	$ 9,375	$ 1,468,040
Excess of revenues over expenses	(51,079)	(9,483)	677,470	375,000	991,908
Net change in invested in capital	(28,697)	28,697	-	-	-
Disposal of investment (note 4)	247,416	-	-	-	247,416
Balance, end of year	$ 1,016,555	$ 19,214	$ 1,287,220	$ 384,375	$ 2,707,364

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2017, with comparative financial information for 2016

	2017	2016 (Restated note 10)
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 265,047	$ 991,908
Items not involving cash:		
Amortization of capital assets	9,494	9,483
Change in non-cash operating working capital		
Accounts receivable	349,722	(214,378)
Prepaid expenses	(1,977)	608
Due from Ogwawishta Dedwahsnye, net	22,570	-
Due from 2438543 Ontario Inc.	(330,177)	(532,504)
Accounts payable and accrued liabilities	372,987	(12,298)
Due to/from GRETI, net	702,748	524,181
Deferred revenue	65,000	-
	1,455,414	767,000
Investing activities:		
Purchase of capital assets	(3,784)	(28,697)
Investments	(1,000,308)	-
	(1,004,092)	(28,697)
Net increase in cash	451,322	738,303
Cash, beginning of year	738,303	-
Cash, end of year	$ 1,189,625	$ 738,303

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2017

Haudenosaunee Development Institute (HDI) (the “Organization”) is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2017

1. Significant accounting policies (continued):

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Investments:

The Organization applies the equity method as a basis of accounting for investments in companies over which it exercises significant influence. Under the equity method, the Organization records these investments initially at cost and the carrying amounts are adjusted thereafter to include the Organization’s pro rata share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Organization, and the investment accounts of the Organization are also increased or decreased to reflect the Organization's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amounts of the investments. Unrealized inter-entity gains or losses are eliminated.

The Organization’s determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the Board of Directors, participation in policy-making processes, material inter-entity transactions, interchange of managerial personnel or provision of technical information.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Notes to Financial Statements

Year ended March 31, 2017

1. Significant accounting policies (continued):

(e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Furniture and fixtures	20%
Computer software and equipment	33%

(f) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2017

1. Significant accounting policies (continued):

(g) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(h) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2017

2. Accounts receivable:

	2017	2016
Accounts receivable	$ 610,724	$ 763,248
Less allowance for doubtful accounts	(215,978)	(18,780)
	$ 394,746	$ 744,468

3. Capital assets:

March 31, 2017	Cost	Accumulated amortization	Net book value
Computer and equipment	$ 22,482	$ 12,978	$ 9,504
Furniture and fixtures	9,999	5,999	4,000
	$ 32,481	$ 18,977	$ 13,504

March 31, 2016	Cost	Accumulated amortization	Net book value
Computer and equipment	$ 18,698	$ 5,484	$ 13,214
Furniture and fixtures	9,999	3,999	6,000
	$ 28,697	$ 9,483	$ 19,214

4. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2017

4. Related entities (continued):

Grand River Employment and Training Inc. (“GRETI”):

In 2016, the Organization entered into a financial management services agreement with GRETI to administer financial recording and payroll processing. A fee was collected on a percentage of all revenue pertaining to monitoring contracts.

GRETI maintained a general bank account until August 2015 which included the Organization’s transactions. All transactions were in the normal course of operations and at arm’s length. The receivable from GRETI is the net result of transactions during the year. No interest is charged when the account is in an overdraft position.

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project.

On February 10, 2016, HDI entered into a related party transaction with HCCC to transfer the investment in 2438543 Ontario Inc. to HCCC. The common shares were transferred for a nominal amount of $2, given the related party transaction and the gain on sale was recorded directly though net assets for a total gain of $247,416.

In 2016, HDI provided 2438543 Ontario Inc. with the funds to purchase land for $532,004, this amount is included in the receivable from 2438543 Ontario Inc. The 2016 comparative balances were updated to reflect this receivable as HDI previously recorded the land on the financial statements. The adjustments to the financial statements reflect the reclassification of the assets between land and receivables due from 2438543 Ontario Inc. and reclassifications between invested in capital assets and land acquisition fund in the amounts of $532,004.

Ogwawishta Dedwahsnye:

On March 22, 2016, HCCC incorporated Ogwawishta Dedwahsnye under the Canada Not-for-profit Corporation Act of Canada. Ogwawishta Dedwahsnye provides payroll services for HDI and works with the HCCC on the disbursement of its land lease funds. All transactions were in the normal course of operations and at arm’s length. The payable to Ogwawishta Dedwahsnye is the net result of transactions during the year.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Notes to Financial Statements

Year ended March 31, 2017

5. Investments:

In fiscal 2015, the Organization controlled 2438543 Ontario Inc. and it was been included in the Organization's financial statements using the equity method. When the investment was transferred to HCCC, control was renounced and the Organization recognized the net loss up to February 10, 2016, date of transfer of common shares to HCCC.

Financial position:

	2017	2016
Total assets	$ -	$ -
Total liabilities	$ -	$ -
Total shareholder's equity	-	-
	$ -	$ -

Results of operations:

	2017	2016
Total revenues	$ -	$ -
Total expenses	-	(899,136)
	$ -	$ (899,136)

Cash flows:

	2017	2016
Excess of expenses over revenues	$ -	$ (899,136)
Operating activities	-	401,300
Financing activities	-	506,386
Change in cash flows	$ -	$ 8,550

6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of $45 (2016 - $nil), which includes amounts payable for employment insurance and WSIB.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2017

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7. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2016.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

8. Commitments:

On October 3, 2014, the Organization entered into a rental agreement with GRETI for a four year term to lease office space, the remaining minimum payments for the next year is due as follows:

2018	$ 30,996
	$ 30,996

9. Commitments and contingencies:

The nature of the Organization's activities is such that there is usually litigation pending or in prospect at any time. With respect to claims at March 31, 2017, management believes that the Organization has valid defenses and accordingly, no provision for losses has been reflected in the accounts of the Organization for these matters.

10. Correction of immaterial prior period error:

During the year ended March 31, 2017, the Organization became aware that land purchased in fiscal 2016 on its behalf by a related numbered company 2438543 Ontario Inc. was incorrectly capitalized in its statement of financial position. The comparative figures have been restated to recognize a receivable from the related company in the amount of $532,004 and to reduce the capital assets accordingly.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule

Year ended March 31, 2017, with comparative financial information for 2016

	HDI Administration	Archaeology	Environmental	Kanonstaton	Land lease	Land acquisition	2017	2016
Revenues:								
Application fees	$ 215,693	$ 1,820,983	$ 582,156	$ 3,780	$ 1,012,336	$ 365,000	$ 3,999,948	$ 3,213,375
Other revenue	95,444	-	-	-	-	-	95,444	-
	311,137	1,820,983	582,156	3,780	1,012,336	365,000	4,095,392	3,213,375
Expenses:								
Salaries and benefits	115,787	709,357	241,380	-	-	-	1,066,524	931,724
Professional fees	997,530	11,549	-	-	-	-	1,009,079	459,807
Cultural development	-	-	-	-	913,503	-	913,503	400,000
Travel	31,360	208,078	70,828	-	-	-	310,266	187,459
Bad debt expense	281,004	-	-	-	-	-	281,004	76,771
Office and general	129,819	-	-	3,780	-	-	133,599	102,260
Administrative expense	53,009	-	-	-	-	-	53,009	-
Rent	30,996	-	-	-	-	-	30,996	30,833
Advertising	18,824	-	-	-	-	-	18,824	22,345
Amortization	9,494	-	-	-	-	-	9,494	9,483
Training	300	-	3,747	-	-	-	4,047	785
	1,668,123	928,984	315,955	3,780	913,503	-	3,830,345	2,221,467
Excess of revenue over expenses (expenses over revenues)	$ (1,356,986)	$ 891,999	$ 266,201	$ -	$ 98,833	$ 365,000	$ 265,047	$ 991,908

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Year ended March 31, 2018

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

We have audited the accompanying financial statements of Haudenosaunee Development Institute, which comprise the statement of financial position as at March 31, 2018, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider 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.

KPMG

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Haudenosaunee Development Institute as at March 31, 2018, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada
January 9, 2019

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2018, with comparative financial information for 2017

	2018	2017
Assets		
Current assets:		
Cash	$ 2,420,807	$ 1,189,625
Investments	-	1,000,308
Accounts receivable (note 2)	872,461	394,746
Receivable from 2438543 Ontario Inc. (note 4)	843,337	869,273
Receivable from Ogwawihsta Dedwahsnye (note 4)	1,916	-
Prepaid expenses	162,135	1,977
	4,300,656	3,455,929
Capital assets (note 3)	14,377	13,504
	$ 4,315,033	$ 3,469,433
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	$ 127,607	$ 409,452
Due to Ogwawihsta Dedwahsnye (note 4)	-	22,570
Deferred revenue	15,000	65,000
	142,607	497,022
Net assets:		
Invested in capital assets	14,377	13,504
Unrestricted	1,475,206	823,479
Old Council house restoration	349,540	-
Engagement funding	50,000	-
Land lease fund	1,168,928	1,386,053
Land acquisition fund	1,114,375	749,375
	4,172,426	2,972,411
Commitments (note 7)		
	$ 4,315,033	$ 3,469,433

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director

Brian Doolittle Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2018, with comparative financial information for 2017

	2018	2017
Revenues (Schedule):		
Archaeological Study Centre	$ 2,447,639	$ 1,820,983
Land lease fees	986,832	1,012,336
Environmental Monitoring Centre	402,724	582,156
Land acquisition fees	365,000	365,000
Old Council house restoration	350,000	-
Haudenosaunee Development Institute Administration	230,867	215,693
Community engagement funding	50,000	-
Other revenue	35,584	95,444
Joint Stew Board	32,657	-
Kanonhstaton Project	5,700	3,780
	4,907,003	4,095,392
Expenses (Schedule):		
Salaries, benefits and contract fees	1,287,673	1,066,524
Cultural development	748,182	913,503
Legal expense	615,848	465,774
Travel	276,936	310,266
Consulting fees	274,817	528,652
Office and general	163,671	95,159
Communication	115,619	53,093
Bad debt expense	103,047	281,004
Administration fees	67,997	53,009
Rent	26,836	30,996
Amortization	14,084	9,494
Advertising	11,658	18,824
Training	620	4,047
	3,706,988	3,830,345
Excess of revenues over expenses	$ 1,200,015	$ 265,047

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Net Assets

Year ended March 31, 2018, with comparatives financial information for 2017

	Unrestricted	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration	Community engagement	2018 Total
Balance, beginning of year	$ 823,479	$ 13,504	$ 1,386,053	$ 749,375	$ -	$ -	$ 2,972,411
Excess of revenues over expenses	666,683	(14,083)	(217,125)	365,000	349,540	50,000	1,200,015
Net change in invested capital	(14,956)	14,956	-	-	-	-	-
Balance, end of year	$ 1,475,206	$ 14,377	$ 1,168,928	$ 1,114,375	$ 349,540	$ 50,000	$ 4,172,426

	Unrestricted	Invested in Capital assets	Land lease	Land acquisition	Old Council house restoration	Community engagement	2017 Total
Balance, beginning of year	$ 1,016,555	$ 19,214	$ 1,287,220	$ 384,375	$ -	$ -	$ 2,707,364
Excess of revenues over expenses	(189,292)	(9,494)	98,833	365,000	-	-	265,047
Net change in invested capital	(3,784)	3,784	-	-	-	-	-
Balance, end of year	$ 823,479	$ 13,504	$ 1,386,053	$ 749,375	$ -	$ -	$ 2,972,411

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2018, with comparative financial information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 1,200,015	$ 265,047
Items not involving cash:		
Amortization of capital assets	14,084	9,494
Change in non-cash operating working capital		
Accounts receivable	(477,715)	349,722
Prepaid expenses	(160,159)	(1,977)
Due from Ogwawishta Dedwahsnye, net	25,936	22,570
Due from 2438543 Ontario Inc.	(24,486)	(330,177)
Accounts payable and accrued liabilities	(281,845)	372,987
Due to/from GRETI, net	-	702,748
Deferred revenue	(50,000)	65,000
	245,830	1,455,414
Investing activities:		
Purchase of capital assets	(14,956)	(3,784)
Proceeds from sale (purchase of) investment	1,000,308	(1,000,308)
	985,352	(1,004,092)
Net increase in cash	1,231,182	451,322
Cash, beginning of year	1,189,625	738,303
Cash, end of year	$ 2,420,807	$ 1,189,625

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2018

Haudenosaunee Development Institute (HDI) (the “Organization”) is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

Old Council house restoration fund and the engagement fund were established for maintaining relationships by HDI for future mutual benefits. Amounts included are one-time unrestricted funding earned from funders.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2018

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

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Investments:

Investment consists of interest bearing instruments including GICs.

(e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Furniture and fixtures	20%
Computer software and equipment	33%

(f) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2018

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1. Significant accounting policies (continued):

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(h) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2018

2. Accounts receivable:

	2018	2017
Accounts receivable	$ 1,005,243	$ 610,724
Less allowance for doubtful accounts	(132,782)	(215,978)
	$ 872,461	$ 394,746

3. Capital assets:

March 31, 2018	Cost	Accumulated amortization	Net book value
Computer and equipment	$ 37,438	$ 25,061	$ 12,377
Furniture and fixtures	9,999	7,999	2,000
	$ 47,437	$ 33,060	$ 14,377

March 31, 2017	Cost	Accumulated amortization	Net book value
Computer and equipment	$ 22,482	$ 12,978	$ 9,504
Furniture and fixtures	9,999	5,999	4,000
	$ 32,481	$ 18,977	$ 13,504

4. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2018

4. Related entities (continued):

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project.

On February 10, 2016, HDI entered into a related party transaction with HCCC to transfer the investment in 2438543 Ontario Inc. to HCCC. The common shares were transferred for a nominal amount of $2, given the related party transaction and the gain on sale was recorded directly though net assets for a total gain of $247,416.

In 2016, HDI provided 2438543 Ontario Inc. with the funds to purchase land for $532,004, this amount is included in the receivable from 2438543 Ontario Inc. The amounts owing from 2438543 Ontario Inc. are non-interest bearing with no scheduled repayment terms and is due on demand.

Ogwawishta Dedwahsnye:

On March 22, 2016, HCCC incorporated Ogwawishta Dedwahsnye under the Canada Not-for-profit Corporation Act of Canada. Ogwawishta Dedwahsnye provides payroll services for HDI and works with the HCCC on the disbursement of its land lease funds. All transactions were in the normal course of operations and at arm’s length. The receivable (2017 – payable) to Ogwawishta Dedwahsnye is the net result of transactions during the year.

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of $nil (2017 - $45), which includes amounts payable for employment insurance and WSIB.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2018

6. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2017.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

7. Commitments:

On March 31, 2018, the Organization entered into a rental agreement with GRETI for a one year term to lease office space, the remaining minimum payments for the next year is due as follows:

HDI	$ 35,424
Joint Stewardship Board	2,244
	$ 37,668

8. Contingencies:

The nature of the Organization's activities is such that there is usually litigation pending or in prospect at any time. With respect to claims at March 31, 2018, management believes that the Organization has valid defenses and accordingly, no provision for losses has been reflected in the accounts of the Organization for these matters.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule

Year ended March 31, 2018, with comparative financial information for 2017

	HDI Admin	Archaeo Monitor	Enviro Monitor	Kanonstaton	Old Council house restoration	Community engagement funding	Burtch	Land lease	Land Acq	Joint Stew Board	2018	2017
Revenues												
Fees	$ 230,867	$ 2,447,639	$ 402,724	$ 5,700	$ 350,000	$ 50,000	$ -	$ 986,832	$ 365,000	$ 32,657	$ 4,871,419	$ 3,999,948
Other revenue	35,584	-	-	-	-	-	-	-	-	-	35,584	95,444
	266,451	2,447,639	402,724	5,700	350,000	50,000	-	986,832	365,000	32,657	4,907,003	4,095,392
Expenses:												
Salaries, benfits and contract fees	184,186	923,225	180,263	-	-	-	-	-	-	-	1,287,674	1,066,524
Legal	187,745	-	-	-	-	-	428,103	-	-	-	615,848	465,774
Communications	95,619	-	-	-	-	-	20,000	-	-	-	115,619	53,093
Professional fees	238,742	7,741	-	-	-	-	-	-	-	28,333	274,816	528,652
Community language/ cultural development	-	-	-	-	-	-	-	748,182	-	-	748,182	913,503
Travel	23,899	203,536	47,590	-	-	-	1,764	-	-	147	276,936	310,266
Office and general	147,915	-	-	5,700	460	-	5,908	-	-	3,688	163,671	95,160
Administrative expenses	67,997	-	-	-	-	-	-	-	-	-	67,997	53,009
Bad debt expense	103,047	-	-	-	-	-	-	-	-	-	103,047	281,004
Rent	26,347	-	-	-	-	-	-	-	-	489	26,836	30,996
Advertising	11,658	-	-	-	-	-	-	-	-	-	11,658	18,824
Amortization expense	14,084	-	-	-	-	-	-	-	-	-	14,084	9,494
Training	-	-	620	-	-	-	-	-	-	-	620	4,047
	1,101,239	1,134,502	228,473	5,700	460	-	455,775	748,182	-	32,657	3,706,988	3,830,346
Excess of revenues over expense	$ (834,788)	$ 1,313,137	$ 174,251	$ -	$ 349,540	$ 50,000	$ (455,775)	$ 238,650	$ 365,000	$ -	$1,200,015	$ 265,046

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

And Independent Auditors' Report thereon

Year ended March 31, 2019

KPMG LLP
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INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of Haudenosaunee Development Institute (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

  (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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.

KPMG

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity’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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ 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 the 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 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 Entity's internal control.

KPMG

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

October 2, 2019

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2019, with comparative financial information for 2018

	2019	2018
Assets		
Current assets:		
Cash	$ 2,984,867	$ 2,420,807
Accounts receivable (note 2)	323,486	872,461
Due from 2438543 Ontario Inc. (note 4)	349,470	843,337
Due from Ogwawihsta Dedwahsnye (note 4)	-	1,916
Prepaid expenses	342,294	162,135
	4,000,117	4,300,656
Capital assets (note 3)	17,458	14,377
	$ 4,017,575	$ 4,315,033
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	$ 227,223	$ 127,607
Due to Ogwawihsta Dedwahsnye (note 4)	6,054	-
Deferred revenue	55,000	15,000
	288,277	142,607
Net assets:		
Unrestricted	1,047,769	1,475,206
Invested in capital assets	17,458	14,377
Old Council house restoration	349,540	349,540
Engagement funding	50,000	50,000
Land lease fund	785,156	1,168,928
Land acquisition fund	1,479,375	1,114,375
	3,729,298	4,172,426
Commitments (note 6)		
Contingency (note 7)		
	$ 4,017,575	$ 4,315,033

See accompanying notes to financial statements.

On behalf of the Board:

________________ Director   ________________ Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2019, with comparative financial information for 2018

	2019	2018
Revenues (Schedule):		
Archaeological Study Centre	$ 2,086,564	$ 2,447,639
Land lease fees	1,002,899	986,832
Land acquisition fees	365,000	365,000
Environmental Monitoring Centre	235,593	402,724
Haudenosaunee Development Institute Administration	192,484	230,867
Joint Stew Board	28,776	32,657
Kanonhstaton Project	300	5,700
Old Council house restoration	-	350,000
Community engagement funding	-	50,000
Other revenue	-	35,584
	3,911,616	4,907,003
Expenses (Schedule):		
Salaries, benefits and contract fees	1,472,205	1,287,673
Cultural development	1,144,926	748,182
Legal expense	546,965	615,848
Consulting fees	475,447	274,817
Travel	331,087	276,936
Bad debt expense	125,098	103,047
Office and general	172,322	163,671
Rent	32,354	26,836
Communication	18,875	115,619
Amortization	15,065	14,084
Administration fees (note 4)	12,072	67,997
Advertising	7,261	11,658
Training	1,067	620
	4,354,744	3,706,988
(Deficiency) excess of revenues over expenses	$ (443,128)	$ 1,200,015

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Net Assets

Year ended March 31, 2019, with comparatives financial information for 2018

	Unrestricted	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration	Community Engagement	2019 Total
Balance, beginning of year	$ 1,475,206	$ 14,377	$ 1,168,928	$ 1,114,375	$ 349,540	$ 50,000	$ 4,172,426
(Deficiency) excess of revenues over expenses	(409,291)	(15,065)	(383,772)	365,000	-	-	(443,128)
Net change in invested capital	(18,146)	18,146	-	-	-	-	-
Balance, end of year	$ 1,047,769	$ 17,458	$ 785,156	$ 1,479,375	$ 349,540	$ 50,000	$ 3,729,298

	Unrestricted	Invested in Capital assets	Land lease	Land acquisition	Old Council house restoration	Community Engagement	2018 Total
Balance, beginning of year	$ 823,479	$ 13,504	$ 1,386,053	$ 749,375	$ -	$ -	$ 2,972,411
Excess (deficiency) of revenues over expenses	666,683	(14,083)	(217,125)	365,000	349,540	50,000	1,200,015
Net change in invested capital	(14,956)	14,956	-	-	-	-	-
Balance, end of year	$ 1,475,206	$ 14,377	$ 1,168,928	$ 1,114,375	$ 349,540	$ 50,000	$ 4,172,426

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2019, with comparative financial information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
(Deficiency) excess of revenues over expenses	$ (443,128)	$ 1,200,015
Items not involving cash:		
Amortization of capital assets	15,065	14,084
Change in non-cash operating working capital		
Accounts receivable	548,975	(477,715)
Prepaid expenses	(180,158)	(160,159)
Due from Ogwawishta Dedwahsnye, net	7,970	25,936
Due from 2438543 Ontario Inc.	493,867	(24,486)
Accounts payable and accrued liabilities	99,615	(281,845)
Deferred revenue	40,000	(50,000)
	582,206	245,830
Investing activities:		
Purchase of capital assets	(18,146)	(14,956)
Proceeds from sale of investment	-	1,000,308
	(18,146)	985,352
Net increase in cash	564,060	1,231,182
Cash, beginning of year	2,420,807	1,189,625
Cash, end of year	$ 2,984,867	$ 2,420,807

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2019

Haudenosaunee Development Institute (HDI) (the “Organization”) is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Old Council house restoration fund and the community engagement fund were established for maintaining relationships between local parties and HDI for future mutual benefits. Amounts included are one-time unrestricted funding earned from funders.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2019

1. Significant accounting policies (continued):

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold. The primary revenue generating activities involve compensation for archaeological activities and environmental monitoring within the entity's jurisdiction, land lease fees, land acquisition fees for similar instances and administrative activities performed by the Organization.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Computer software and equipment	33%
Furniture and fixtures	20%

(e) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2019

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1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(g) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2019

2. Accounts receivable:

	2019	2018
Accounts receivable	$ 438,085	$ 1,005,243
Less allowance for doubtful accounts	(114,599)	(132,782)
	$ 323,486	$ 872,461

3. Capital assets:

March 31, 2019	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer and equipment	$ 52,770	$ 37,564	$ 15,206	$ 12,377
Furniture and fixtures	12,813	10,561	2,252	2,000
	$ 65,583	$ 48,125	$ 17,458	$ 14,377

4. Related entities:

Haudenosaunee Confederacy Chiefs Council ("the Council"):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council's interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project. On February 10, 2016, HDI entered into a related party transaction with HCCC to transfer its investment in 2438543 Ontario Inc. to HCCC.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2019

4. Related entities (continued):

The amounts owing from 2438543 Ontario Inc. are non-interest bearing with no scheduled repayment terms and is due on demand and primarily involve providing cash flow for operations and administrative and financial services.

Ogwawishta Dedwahsnye:

On March 22, 2016, HCCC incorporated Ogwawishta Dedwahsnye under the Canada Not-for-profit Corporation Act of Canada. Ogwawishta Dedwahsnye works with the HCCC on the disbursement of its land lease funds. Previously, the entity provided payroll services to HDI however the arrangement was ended during the year. All transactions were in the normal course of operations and measured at the exchange amount. The amounts charged are included as administrative fees on the statement of operations. The payable of $6,054 (2018 – $1,916 receivable) to Ogwawishta Dedwahsnye is non-interest bearing and is the net result of transactions during the year.

Delegates and key personnel:

The organization enters into transactions with delegates of the Council as well as the secretary of the Council on an ongoing basis. The delegates of the Council include the entity's Directors. At March 31, 2019, the organization has prepaid success and termination fees to a Director in the amount of $208,866 (2017 - $108,333) and accrued severance for a former Director in the amount of $97,000 (2017 - $nil). In addition to the above, the organization has also paid certain expenses to the delegates and Council secretary during the year.

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2018.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts as described in Note 2.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2019

6. Commitments:

On March 26, 2019, the Organization entered into a rental agreement with GRETI for a one year term to lease office space, the remaining minimum payments for the next year is due as follows:

Rent	$	35,424
Joint Stewardship Board		2,244
	$	37,668

7. Contingencies:

The nature of the Organization's activities is such that there may be litigation pending or in prospect at any time. There are no formally filed claims at March 31, 2019. There is a matter outstanding which has been brought to the attention of the Organization for which the Organization has provided certain amounts which relate to the settlement of an employment related matter.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule

Year ended March 31, 2019, with comparative financial information for 2018

	HDI Admin	Archaeo Monitor	Enviro Monitor	Kanonstaton	Capacity	HRC	Burtch	Land lease	Land Acq	Joint Stew Board	2019	2018
Revenues												
Fees	$ 192,484	$ 2,086,564	$ 235,593	$ -	$ -	$ -	$ -	$ 1,002,899	$ 365,000	$ 28,776	$ 3,911,316	$ 4,871,419
Other revenue	-	-	-	300	-	-	-	-	-	-	300	35,584
	192,484	2,086,564	235,593	300	-	-	-	1,002,899	365,000	28,776	3,911,616	4,907,003
Expenses:												
Salaries, benefits and contract fees	204,810	895,199	101,472	-	-	270,724	-	-	-	-	1,472,205	1,287,674
Legal	75,826	-	-	-	-	-	471,139	-	-	-	546,965	615,848
Communications	8,695	-	-	-	-	-	10,000	-	-	180	18,875	115,619
Professional fees	382,330	1,249	9,101	-	-	61,517	-	-		21,250	475,447	274,816
Community language/ cultural development	-	-	-	-	252,851	-	-	892,075	-	-	1,144,926	748,182
Travel	87,331	205,424	24,616	-	-	12,332	1,384	-	-	-	331,087	276,936
Office and general	147,193	-	190	300	-	19,537	-	-	-	5,102	172,322	163,671
Administrative expenses	-	-	-	-	-	-	-	12,072	-	-	12,072	67,997
Bad debt expense	125,098	-	-	-	-	-	-	-	-	-	125,098	103,047
Rent	30,110	-	-	-	-	-	-	-	-	2,244	32,354	26,836
Advertising	7,261	-	-	-	-	-	-	-	-	-	7,261	11,658
Amortization expense	15,065	-	-	-	-	-	-	-	-	-	15,065	14,084
Training	57	-	1,010	-	-	-	-	-	-	-	1,067	620
	1,083,776	1,101,872	136,389	300	252,851	364,110	482,523	904,147	-	28,776	4,354,744	3,706,988
(Deficiency) Draft excess of revenues over expense	(891,292)	984,692	99,204	-	(252,851)	(364,110)	(482,523)	98,752	365,000	-	$ (443,128)	$1,200,015

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

And Independent Auditors' Report thereon

Year ended March 31, 2020

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
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INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of Haudenosaunee Development Institute (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2020
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

  (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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 Entity's internal control.

KPMG

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

October 5, 2020

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2020, with comparative financial information for 2019

	2020	2019
Assets		
Current assets:		
Cash	$ 3,737,799	$ 2,984,867
Accounts receivable (note 2)	223,112	323,486
Due from 2438543 Ontario Inc. (note 4)	607,963	349,470
Prepaid expenses	265,094	342,294
	4,833,968	4,000,117
Capital assets (note 3)	8,363	17,458
	$ 4,842,331	$ 4,017,575

Liabilities and Fund Balances

	2020	2019
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	$ 125,411	$ 227,223
Due to Ogwawihsta Dedwahsnye (note 4)	7,612	6,054
Deferred revenue	74,707	55,000
	207,730	288,277
Fund balances:		
Unrestricted fund	1,183,809	1,047,769
Invested in capital assets	8,363	17,458
Old Council house restoration fund	321,464	349,540
Engagement funding	50,000	50,000
Land lease fund	1,226,590	785,156
Land acquisition fund	1,844,375	1,479,375
	4,634,601	3,729,298
Commitments (note 6)		
Contingency (note 7)		
Subsequent event (note 8)		
	$ 4,842,331	$ 4,017,575

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director

Brian Doolittle Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2020, with comparative financial information for 2019

	2020	2019
Revenues (Schedule):		
Archaeological Study Centre	$ 2,386,439	$ 2,086,564
Land lease fees	975,275	1,002,899
Land acquisition fees	365,000	365,000
Environmental Monitoring Centre	348,304	235,593
Joint Stew Board	75,244	28,776
Haudenosaunee Development Institute Administration	24,802	192,484
Kanonhstaton Project	-	300
	4,175,064	3,911,616
Expenses (Schedule):		
Salaries, benefits and contract fees	1,607,314	1,472,205
Cultural development	521,345	1,144,926
Travel	379,530	331,087
Consulting fees	320,662	475,447
Office and general	213,503	172,322
Legal expense	88,068	546,965
Rent	55,668	32,354
Bad debt expense	43,124	125,098
Administration fees (note 4)	12,496	12,072
Amortization	11,050	15,065
Advertising	8,438	7,261
Communication	5,841	18,875
Training	2,722	1,067
	3,269,761	4,354,744
(Deficiency) excess of revenues over expenses	$ 905,303	$ (443,128)

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Fund Balances

Year ended March 31, 2020, with comparatives financial information for 2019

	Unrestricted Fund	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration fund	Community Engagement	2020 Total
Balance, beginning of year	$ 1,047,769	$ 17,458	$ 785,156	$ 1,479,375	$ 349,540	$ 50,000	$ 3,729,298
(Deficiency) excess of revenues over expenses	137,995	(11,050)	441,434	365,000	(28,076)	-	905,303
Net change in invested capital	(1,955)	1,955	-	-	-	-	-
Balance, end of year	$ 1,183,809	$ 8,363	$ 1,226,590	$ 1,844,375	$ 321,464	$ 50,000	$ 4,634,601

	Unrestricted Fund	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration fund	Community Engagement	2019 Total
Balance, beginning of year	$ 1,475,206	$ 14,377	$ 1,168,928	$ 1,114,375	$ 349,540	$ 50,000	$ 4,172,426
(Deficiency) excess of revenues over expenses	(409,291)	(15,065)	(383,772)	365,000	-	-	(443,128)
Net change in invested capital	(18,146)	18,146	-	-	-	-	-
Balance, end of year	$ 1,047,769	$ 17,458	$ 785,156	$ 1,479,375	$ 349,540	$ 50,000	$ 3,729,298

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2020, with comparative financial information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenues over expenses	$ 905,303	$ (443,128)
Items not involving cash:		
Amortization of capital assets	11,050	15,065
Change in non-cash operating working capital		
Accounts receivable	100,374	548,975
Prepaid expenses	77,200	(180,158)
Due from 2438543 Ontario Inc.	(258,493)	7,970
Due from Ogwawishta Dedwahsnye	1,558	493,867
Accounts payable and accrued liabilities	(101,812)	99,615
Deferred revenue	19,707	40,000
	754,887	582,206
Investing activities:		
Purchase of capital assets	(1,955)	(18,146)
Net increase in cash	752,932	564,060
Cash, beginning of year	2,984,867	2,420,807
Cash, end of year	$ 3,737,799	$ 2,984,867

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2020

Haudenosaunee Development Institute (HDI) (the "Organization") is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Old Council house restoration fund and the community engagement fund were established for maintaining relationships between local parties and HDI for future mutual benefits. Amounts included are one-time unrestricted funding earned from funders.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees or contracts is recognized when the services are provided or the goods are sold.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Computer software and equipment	33%
Furniture and fixtures	20%

(e) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2020

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1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(g) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2020

2. Accounts receivable:

	2020	2019
Accounts receivable	$ 311,112	$ 438,085
Less allowance for doubtful accounts	(88,000)	(114,599)
	$ 223,112	$ 323,486

3. Capital assets:

March 31, 2020	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer and equipment	$ 52,771	$ 47,660	$ 5,111	$ 15,206
Furniture and fixtures	14,767	11,515	3,252	2,252
	$ 67,538	$ 59,175	$ 8,363	$ 17,458

4. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council” or “HCCC”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project. On February 10, 2016, HDI entered into a related party transaction with HCCC to transfer its ownership investment in 2438543 Ontario Inc. to HCCC.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2020

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4. Related entities (continued):

The amounts owing from 2438543 Ontario Inc. are non-interest bearing with no scheduled repayment terms and is due on demand and primarily involve providing cash flow for operations and administrative and financial services.

Ogwawishta Dedwahsnye:

On March 22, 2016, HCCC incorporated Ogwawishta Dedwahsnye under the Canada Not-for-profit Corporation Act of Canada. Ogwawishta Dedwahsnye works with the HCCC on the disbursement of its land lease funds. Previously, the entity provided payroll services to HDI however the arrangement was ended during the year. All transactions were in the normal course of operations and measured at the exchange amount. The amounts charged are included as administrative fees on the statement of operations. The payable of $7,612 (2019 – $6,054 receivable) to Ogwawishta Dedwahsnye is non-interest bearing and is the net result of transactions during the year.

Delegates and key personnel:

The organization enters into transactions with delegates of the Council as well as the secretary of the Council on an ongoing basis. The delegates of the Council include the entity's Directors. At March 31, 2020, the organization has prepaid success and termination fees to a Director in the amount of $208,866 (2019 - $208,866) and accrued severance for a former Director in the amount of $nil (2019 - $97,000). In addition to the above, the organization has also paid certain expenses to the delegates and Council secretary during the year.

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2019.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts as described in Note 2.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2020

6. Commitments:

On March 26, 2020, the Organization entered into a rental agreement with Grand River Employment and Training Inc. ("GRETI") for a one year term to lease office space, the remaining minimum payments for the next year is due as follows:

Rent	$	35,424
Joint Stewardship Board		2,244
	$	37,668

7. Contingencies:

The nature of the Organization's activities is such that there may be litigation pending or in prospect at any time. Motions and claims have been filed against the Organization in previous years. The Organization continues to defend against and deny all such claims, none of which have a determinable outcomes as at March 31, 2020.

8. Subsequent event:

Subsequent to March 31, 2020, world financial markets have continued to be negatively impacted by the novel Coronavirus or COVID-19, which was declared a pandemic by the World Health Organization on March 12, 2020. This has resulted in significant economic uncertainty, including in Canada, where the Organization operates. The ongoing impact may affect the generation, timing and collection of revenues. Consequently, it is difficult to reliably measure the potential impact of this uncertainty on the future financial results of the Organization.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule

Year ended March 31, 2020, with comparative financial information for 2019

	HDI Admin	Archaeo Monitor	Enviro Monitor	Kanonstaton	HCCC	HRC	HERC	Land lease	Joint Land Acq	Stew Board	Scholars Conference	Old Council House	2020	2019
Revenues														
Fees	$ 24,802	$ 2,386,439	$ 348,304	$ -	$ -	$ -	$ -	$ 975,275	$ 365,000	$ 75,244	$ -	$ -	$ 4,175,064	$ 3,911,316
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	300
	24,802	2,386,439	348,304	-	-	-	-	975,275	365,000	75,244	-	-	4,175,064	3,911,616
Expenses:														
Salaries, benefits and contract fees	215,872	941,065	136,129	-	-	254,248	-	-	-	60,000	-	-	1,607,314	1,472,205
Legal	88,068	-	-	-	-	-	-	-	-	-	-	-	88,068	546,965
Communications	4,680	-	-	-	-	-	-	-	-	1,161	-	-	5,841	18,875
Professional fees	215,070	12,576	3,177	-	-	86,218	-	-	-	3,621	-	-	320,662	475,447
Community language/ cultural development	-	-	-	-	-	-	-	521,345	-	-	-	-	521,345	1,144,926
Travel	156	204,581	51,102	-	38,829	11,801	73,041	-	-	20	-	-	379,530	331,087
Office and general	126,902	1,110	427	1,350	28,244	19,196	-	-	-	8,198	-	28,076	213,503	172,322
Administrative expenses	-	-	-	-	-	-	-	12,496	-	-	-	-	12,496	12,072
Bad debt expense	43,124	-	-	-	-	-	-	-	-	-	-	-	43,124	125,098
Rent	53,424	-	-	-	-	-	-	-	-	2,244	-	-	55,668	32,354
Advertising	8,038	-	-	-	-	-	-	-	-	-	400	-	8,438	7,261
Amortization expense	11,050	-	-	-	-	-	-	-	-	-	-	-	11,050	15,065
Training	-	-	2,722	-	-	-	-	-	-	-	-	-	2,722	1,067
	766,384	1,159,332	193,557	1,350	67,073	371,463	73,041	533,841	-	75,244	400	28,076	3,269,761	4,354,744
(Deficiency) excess of revenues over expense	$ (741,582)	$ 1,227,107	$ 154,747	$ (1,350)	$ (67,073)	$ (371,463)	$ (73,041)	$ 441,434	$ 365,000	$ -	$ (400)	$ (28,076)	$ 905,303	$ (443,128)

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

And Independent Auditor’s Report thereon

Year ended March 31, 2021

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222

INDEPENDENT AUDITOR'S REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of Haudenosaunee Development Institute (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the 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 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.

KPMG

- 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 Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

February 2, 2023

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2021, with comparative financial information for 2020

	2021	2020
Assets		
Current assets:		
Cash	$ 4,682,183	$ 3,737,799
Accounts receivable (note 2)	890,249	223,112
Due from 2438543 Ontario Inc. (note 4)	170,531	607,963
Prepaid expenses	237,623	265,094
	5,980,586	4,833,968
Investment in subsidiary (note 4)	1,365,000	–
Capital assets (note 3)	8,407	8,363
	$ 7,353,993	$ 4,842,331
Liabilities and Fund Balances		
Current liabilities:		
Accounts payable and accrued liabilities	$ 345,453	$ 125,411
Due to 2438543 Ontario Inc. (note 4)	865,000	–
Due to Ogwawihsta Dedwahsnye (note 4)	–	7,612
Deferred revenue	15,000	74,707
	1,225,453	207,730
Fund balances:		
Unrestricted fund	2,276,850	1,183,809
Invested in capital assets	8,407	8,363
Old Council house restoration fund	274,162	321,464
Community engagement fund	–	50,000
Land lease fund	1,359,746	1,226,590
Land acquisition fund	2,209,375	1,844,375
	6,128,540	4,634,601
Commitments (note 6)		
Contingencies (note 7)		
	$ 7,353,993	$ 4,842,331

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director   BrWL HL Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2021, with comparative financial information for 2020

	2021	2020
Revenues (Schedule):		
Archaeological monitoring fees	$ 3,397,110	$ 2,386,439
Land lease fees	975,599	975,275
Land acquisition fees	365,000	365,000
Pipeline monitoring fees	154,123	–
Joint Stewardship Board	150,000	75,244
Environmental monitoring fees	136,420	348,304
Other revenue	500	–
Haudenosaunee Development Institute Administration	–	24,802
	5,178,752	4,175,064
Expenses (Schedule):		
Salaries, benefits and contract fees	1,449,565	1,607,314
Community language and cultural development	852,981	521,345
Consulting and professional fees	412,815	320,662
Legal expense	319,194	88,068
Travel	314,614	379,530
Office and general	167,580	213,503
Bad debt expense	68,745	43,124
Communications	43,225	5,841
Rent	37,668	55,668
Advertising	9,341	8,438
Amortization	9,085	11,050
Administration fees (note 4)	–	12,496
Training	–	2,722
	3,684,813	3,269,761
Excess of revenues over expenses	$ 1,493,939	$ 905,303

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Changes in Fund Balances

Year ended March 31, 2021, with comparatives financial information for 2020

	Unrestricted fund	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration fund	Community engagement	2021 Total
Balance, beginning of year	$ 1,183,809	$ 8,363	$ 1,226,590	$ 1,844,375	$ 321,464	$ 50,000	$ 4,634,601
Excess (deficiency) of revenues over expenses	1,102,170	(9,085)	133,156	365,000	(47,302)	(50,000)	1,493,939
Net change in invested capital	(9,129)	9,129	–	–	–	–	–
Balance, end of year	$ 2,276,850	$ 8,407	$ 1,359,746	$ 2,209,375	$ 274,162	$ –	$ 6,128,540

	Unrestricted Fund	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration fund	Community engagement	2020 Total
Balance, beginning of year	$ 1,047,769	$ 17,458	$ 785,156	$ 1,479,375	$ 349,540	$ 50,000	$ 3,729,298
(Deficiency) excess of revenues over expenses	137,995	(11,050)	441,434	365,000	(28,076)	–	905,303
Net change in invested capital	(1,955)	1,955	–	–	–	–	–
Balance, end of year	$ 1,183,809	$ 8,363	$ 1,226,590	$ 1,844,375	$ 321,464	$ 50,000	$ 4,634,601

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2021, with comparative financial information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 1,493,939	$ 905,303
Items not involving cash:		
Amortization of capital assets	9,085	11,050
Change in non-cash operating working capital		
Accounts receivable	(667,137)	100,374
Prepaid expenses	27,470	77,200
Due from 2438543 Ontario Inc.	1,302,432	(258,493)
Due from Ogwawishta Dedwahsnye	(7,612)	1,558
Accounts payable and accrued liabilities	220,043	(101,812)
Deferred revenue	(59,707)	19,707
	2,318,513	754,887
Investing activities:		
Purchase of capital assets	(9,129)	(1,955)
Investment in subsidiary	(1,365,000)	–
	(1,374,129)	(1,955)
Net increase in cash	944,384	752,932
Cash, beginning of year	3,737,799	2,984,867
Cash, end of year	$ 4,682,183	$ 3,737,799

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2021

Haudenosaunee Development Institute (HDI) (the “Organization”) is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Old Council house restoration fund and the community engagement fund were established for maintaining relationships between local parties and HDI for future mutual benefits. Amounts included are one-time unrestricted funding earned from funders.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue in the unrestricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized in the unrestricted fund using the deferral method when an appropriate restricted fund does not exist.

Revenue from fees or contracts is recognized when the services are provided.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Computer software and equipment	33%
Furniture and fixtures	20%

(e) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2021

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1. Significant accounting policies (continued):

(f) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(g) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

2. Accounts receivable:

	2021	2020
Accounts receivable	$ 996,994	$ 311,112
Less allowance for doubtful accounts	(106,745)	(88,000)
	$ 890,249	$ 223,112

3. Capital assets:

March 31, 2021	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer and equipment	$ 61,729	$ 55,757	$ 5,972	$ 5,111
Furniture and fixtures	14,938	12,503	2,435	3,252
	$ 76,667	$ 68,260	$ 8,407	$ 8,363

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2021

4. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council” or “HCCC”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project. On February 10, 2016, HDI entered into a related party transaction with HCCC to transfer its ownership investment in 2438543 Ontario Inc. to HCCC.

The amounts owing from 2438543 Ontario Inc. are non-interest bearing with no scheduled repayment terms and is due on demand and primarily involve providing cash flow for operations and administrative and financial services.

During the year, $1,365,000 (2020 - $Nil) was provided to 2438543 Ontario Inc. as a capital contribution for the purposes of community development and land acquisition. This amount is presented as an investment in the entity on the statement of financial position.

Ogwawishta Dedwahsnye:

On March 22, 2016, HCCC incorporated Ogwawishta Dedwahsnye under the Canada Not-for-profit Corporation Act of Canada. Ogwawishta Dedwahsnye works with the HCCC on the disbursement of its land lease funds. Previously, the entity provided payroll services to HDI however the arrangement was ended during the year. All transactions were in the normal course of operations and measured at the exchange amount. The amounts charged are included as administrative fees on the statement of operations. The payable of $Nil (2020 – $7,612) to Ogwawishta Dedwahsnye is non-interest bearing and is the net result of transactions during the year.

Delegates and key personnel:

The organization enters into transactions with delegates of the Council as well as the secretary of the Council on an ongoing basis. The delegates of the Council include the entity’s Directors. At March 31, 2021, the organization has prepaid success and termination fees to a Director in the amount of $130,000 (2020 - $208,866). In addition to the above, the organization has also paid certain expenses to the delegates and Council secretary during the year.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2021

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2020.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts as described in Note 2.

6. Commitments:

On March 26, 2020, the Organization entered into a rental agreement with Grand River Employment and Training Inc. (“GRETI”) for a one year term to lease office space, the remaining minimum payments for the next year is due as follows:

Rent	$	35,424
Joint Stewardship Board		2,244
	$	37,668

7. Contingencies:

The nature of the Organization’s activities is such that there may be litigation pending or in prospect at any time. Motions and claims have been filed against the Organization in previous years. The Organization continues to defend against and deny all such claims, none of which have determinable outcomes as at March 31, 2021.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule

Year ended March 31, 2021, with comparative financial information for 2020

	HDI Admin	Archaeo. Monitoring	Enviro. Monitoring	Land Research	HCCC	Land lease	Land Acq.	Joint Stewardship Board	HRC	Pipeline Monitoring	Old Council House	2021	2020
Revenues													
Fees	$ –	$ 3,397,110	$ 136,420	$ –	$ –	$ 975,599	$ 365,000	$ 150,000	$ –	$ 154,123	$ –	$5,178,252	$4,175,064
Other revenue	–	–	–	–	500	–	–	–	–	–	–	500	–
	–	3,397,110	136,420	–	500	975,599	365,000	150,000	–	154,123	–	5,178,752	4,175,064
Expenses:													
Salaries, benefits and - contract fees	79,713	1,204,441	74,681	23,962	–	–	–	–	245,687	66,768	–	1,695,252	1,607,314
Legal expenses	319,194	–	–	–	–	–	–	–	–	–	–	319,194	88,068
Communications	41,995	–	–	–	–	–	–	1,230	–	–	–	43,225	5,841
Consulting and professional fees	225,070	21,756	4,807	16,432	–	–	–	141,000	93,126	3,750	–	505,941	320,662
Community language/ cultural development	–	–	–	–	10,538	484,698	–	–	–	–	–	495,236	521,345
Travel	4,452	282,714	16,725	–	450	–	–	74	1,191	10,199	–	315,805	379,530
Office and general	81,346	–	–	–	33,479	–	–	5,452	17,741	–	47,302	185,320	213,503
Administrative fees	–	–	–	–	–	–	–	–	–	–	–	–	12,496
Bad debt expense	68,745	–	–	–	–	–	–	–	–	–	–	68,745	43,124
Rent	35,424	–	–	–	–	–	–	2,244	–	–	–	37,668	55,668
Advertising	9,342	–	–	–	–	–	–	–	–	–	–	9,342	8,438
Amortization expense	9,085	–	–	–	–	–	–	–	–	–	–	9,085	11,050
Training	–	–	–	–	–	–	–	–	–	–	–	–	2,722
	874,366	1,508,911	96,213	40,394	44,467	484,698	–	150,000	357,745	80,717	47,302	3,684,813	3,269,761
(Deficiency) excess of revenues over expense	$ (874,366)	$ 1,888,199	$ 40,207	$ (40,394)	$ (43,967)	$ 490,901	$ 365,000	$ –	$ (357,745)	$ 73,406	$ (47,302)	$1,493,939	$ 905,303

Financial Statements of

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

And Independent Auditor's Report thereon

Year ended March 31, 2022

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222

INDEPENDENT AUDITOR'S REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of Haudenosaunee Development Institute (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2022
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

  (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the 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 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.

KPMG

- 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 Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

February 2, 2023

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Financial Position

Year ended March 31, 2022, with comparative financial information for 2021

	2022	2021
Assets		
Current assets:		
Cash	$ 3,799,637	$ 4,682,183
Accounts receivable (note 2)	771,140	890,249
Due from 2438543 Ontario Inc. (note 4)	664,696	170,531
Due from Ogwawihsta Dedwahsnye (note 4)	4,301	–
Prepaid expenses	155,273	237,623
	5,395,047	5,980,586
Investment in 2438543 Ontario Inc. (note 4)	2,365,000	1,365,000
Capital assets (note 3)	19,066	8,407
	$ 7,779,113	$ 7,353,993
Liabilities and Fund Balances		
Current liabilities:		
Accounts payable and accrued liabilities	$ 824,181	$ 345,453
Due to 2438543 Ontario Inc. (note 4)	-	865,000
Deferred revenue	15,000	15,000
	839,181	1,225,453
Fund balances:		
Unrestricted fund	2,326,638	2,276,850
Invested in capital assets	19,067	8,407
Old Council house restoration fund	211,427	274,162
Land lease fund	1,808,425	1,359,746
Land acquisition fund	2,574,375	2,209,375
	6,939,932	6,128,540
Commitments (note 6)		
	$ 7,779,113	$ 7,353,993

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Director _______________ Director

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statement of Operations

Year ended March 31, 2022, with comparative financial information for 2021

	2022	2021
Revenues (Schedule):		
Archaeological monitoring fees	$ 4,263,099	$ 3,397,110
Land lease fees	975,710	975,599
Land acquisition fees	365,000	365,000
Pipeline monitoring fees	247,250	154,123
Environmental monitoring fees	351,021	136,420
Joint Stewardship Board	150,655	150,000
Burtch farm revenue	72,000	500
Haudenosaunee Development Institute Administration	3,624	–
	6,428,359	5,178,752
Expenses (Schedule):		
Salaries, benefits and contract fees	2,330,653	1,449,565
Legal expenses – business development	1,031,103	255,356
Legal expenses – litigation	257,776	63,838
Community language and cultural development	527,030	852,981
Professional fees	564,279	412,815
Travel	402,718	314,614
Office and general	251,907	167,580
Bad debt expense	96,668	68,745
Communications	89,104	43,225
Rent	37,956	37,668
Advertising	11,125	9,341
Amortization	9,835	9,085
Administration fees (note 4)	3,624	–
Training	3,189	–
	5,616,967	3,684,813
Excess of revenues over expenses	$ 811,392	$ 1,493,939

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE
Statement of Changes in Fund Balances

Year ended March 31, 2022, with comparatives financial information for 2021

	Unrestricted fund	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration fund	Community engagement	2022 Total
Balance, beginning of year	$ 2,276,850	$ 8,407	$ 1,359,746	$ 2,209,375	$ 274,162	$ –	$ 6,128,540
Excess (deficiency) of revenues over expenses	70,283	(9,835)	448,679	365,000	(62,735)	–	811,392
Net change in invested capital	(20,495)	20,495	–	–	–	–	–
Balance, end of year	$ 2,326,638	$ 19,067	$ 1,808,425	$ 2,574,375	$ 211,427	$ –	$ 6,939,932

	Unrestricted Fund	Invested in capital assets	Land lease	Land acquisition	Old Council house restoration fund	Community engagement	2021 Total
Balance, beginning of year	$ 1,183,809	$ 8,363	$ 1,226,590	$ 1,844,375	$ 321,464	$ 50,000	$ 4,634,601
(Deficiency) excess of revenues over expenses	1,102,170	(9,085)	133,156	365,000	(47,302)	(50,000)	1,493,939
Net change in invested capital	(9,129)	9,129	–	–	–	–	–
Balance, end of year	$ 2,276,850	$ 8,407	$ 1,359,746	$ 2,209,375	$ 274,162	$ –	$ 6,128,540

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Statements of Cash Flows

Year ended March 31, 2022, with comparative financial information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	$ 811,392	$ 1,493,939
Items not involving cash:		
Amortization of capital assets	9,835	9,085
Change in non-cash operating working capital		
Accounts receivable	119,109	(667,137)
Prepaid expenses	82,350	27,470
Due from 2438543 Ontario Inc.	(1,359,165)	1,302,432
Due from Ogwawishta Dedwahsnye	(4,301)	(7,612)
Accounts payable and accrued liabilities	478,728	220,043
Deferred revenue	–	(59,707)
	137,948	2,318,513
Investing activities:		
Purchase of capital assets	(20,494)	(9,129)
Investment in subsidiary	(1,000,000)	(1,365,000)
	(1,020,494)	(1,374,129)
Net change in cash	(882,546)	944,384
Cash, beginning of year	4,682,183	3,737,799
Cash, end of year	$ 3,799,637	$ 4,682,183

See accompanying notes to financial statements.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2022

Haudenosaunee Development Institute (HDI) (the "Organization") is a formal, unincorporated Organization established by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Organization established and administers a regulatory framework which identifies, registers and regulates development in compliance with a number of regulatory obligations including the Haudenosaunee Green Plan and the Haudenosaunee Development Protocol.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

(a) Fund accounting:

The Organization follows the restricted fund method of accounting.

The Land lease fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by HCCC to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Land acquisition fund consists of net assets to be used for the sole benefit of the Haudenosaunee people and will be managed by the Haudenosaunee Confederacy Chiefs Council (HCCC). Such funds shall only be used by the HCCC for purposes of acquisition of land to support the advancement and promotion of Haudenosaunee educational programs and initiatives, human health and welfare, promotion of Haudenosaunee educational programs and initiatives, Haudenosaunee ceremonies, language, cultural heritage and education on the conservation of the environment and natural heritage. Expenditures must be for the acquisition of land and for the benefit of the Haudenosaunee, as deemed fit by the Royane and Yakoyane on a case by case basis.

The Old Council house restoration fund and the community engagement fund were established for maintaining relationships between local parties and HDI for future mutual benefits. Amounts included are one-time unrestricted funding earned from funders.

The unrestricted fund is available for general daily operations of the Organization as directed and approved by management.

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue in the unrestricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized in the unrestricted fund using the deferral method when an appropriate restricted fund does not exist.

Revenue from fees or contracts is recognized when the services are provided.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2022

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

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Investments:

The Organization applies the equity method as a basis of accounting for investments in companies over which it exercises significant influence. Under the equity method, the Organization records these investments initially at cost and carrying amounts are adjusted thereafter to include the Organization's pro rata share of post-acquisition earnings of the investees, computed by the consolidation methods. The adjustments are included in the determination of net income by the Organization, and the investment accounts of the Organization are also increased or decreased to reflect the Organization's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amounts of the investments. Unrealized inter-entity gains or losses are eliminated.

The Organization's determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the Board of Directors, participation in policy-making processes, material inter-entity transactions, interchange of managerial personnel or provision of technical information

(e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

	Rate
Computer software and equipment	33%
Furniture and fixtures	20%

(f) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from those estimates.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2022

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1. Significant accounting policies (continued):

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(h) Allocation of expenses:

The Organization records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

2. Accounts receivable:

	2022	2021
Accounts receivable	$ 938,188	$ 996,994
Less: allowance for doubtful accounts	(167,048)	(106,745)
	$ 771,140	$ 890,249

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2022

3. Capital assets:

March 31, 2022	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer and equipment	$ 74,948	$ 63,149	$ 11,799	$ 5,972
Furniture and fixtures	22,213	14,946	7,267	2,435
	$ 97,161	$ 78,095	$ 19,066	$ 8,407

4. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council” or “HCCC”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects.

2438543 Ontario Inc.:

On October 20, 2014, HDI incorporated 2438543 Ontario Inc. under the Canada Corporations Act. This entity was incorporated for purposes of establishing a partnership to hold an investment within the Grand Valley Wind Farm project. This corporation, in partnership with five other entities, formed a limited partnership for a combined ownership of 25% of the Grand Valley Wind Farm project. On February 10, 2016, HDI entered into a related party transaction with HCCC to transfer its ownership investment, at cost, in 2438543 Ontario Inc. to HCCC.

The amounts owing from 2438543 Ontario Inc. are non-interest bearing with no scheduled repayment terms and is due on demand and primarily involve providing cash flow for operations and administrative and financial services.

During the year, $1,000,000 (2021 - $1,365,000) was provided to 2438543 Ontario Inc. as a capital contribution for the purposes of community development and land acquisition. This amount is presented as an investment, at cost, in the entity on the statement of financial position.

During the year, $18,000 (2021 - $nil) was charged to HDI by 2438543 Ontario Inc. for office space rentals provided.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Notes to Financial Statements

Year ended March 31, 2022

4. Related entities (continued):

Ogwawishta Dedwahsnye:

On March 22, 2016, HCCC incorporated Ogwawishta Dedwahsnye under the Canada Not-for-profit Corporation Act of Canada. Ogwawishta Dedwahsnye works with the HCCC on the disbursement of its land lease funds. Previously, the entity provided payroll services to HDI however the arrangement was ended during the year. All transactions were in the normal course of operations and measured at the exchange amount. The amount due of $4,301 is non-interest bearing.

Delegates and key personnel:

The organization enters into transactions with delegates of the Council as well as the secretary of the Council on an ongoing basis. The delegates of the Council include the entity's Directors. The organization has paid success fees to a delegate during the year totalling $130,000 (2021 - $nil).

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2021.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts as described in Note 2.

6. Commitments:

The Organization rents certain equipment from the Joint Stewardship Board, the remaining minimum payment for the next year is due as follows:

Joint Stewardship Board	$ 2,244

7. Contingencies:

The nature of the Organization's activities is such that there may be litigation pending or in prospect at any time. Motions and claims have been filed against the Organization in previous years. The Organization continues to defend against and deny all such claims, none of which have determinable outcomes as at March 31, 2022.

HAUDENOSAUNEE DEVELOPMENT INSTITUTE

Program Schedule

Year ended March 31, 2022, with comparative financial information for 2021

	HD Admin	Archaeo Monitoring	Enviro. Monitoring	Land Research	HCCC	Land Lease	Land Acq.	Joint Stewardship Board	HRC	Pipeline Monitoring	Old Council House	HDI East/ Toronto	Burth Farming	Total 2022	Total 2021
Revenue:															
Fees	$ -	4,263,099	351,021	$ -	$ -	$ 975,710	$ 365,000	$ 150,655	$ -	$ 247,250	$ -	$ -	$ -	$ 6,352,735	$ 5,178,252
Other revenue	3,624	-	-	-	-	-	-	-	-	-	-	-	72,000	75,624	500
	3,624	4,263,099	351,021	-	-	975,710	365,000	150,655	-	247,250	-	-	72,000	6,428,359	5,178,752
Expenses:															
Salaries, benefits and - contract fees	256,789	1,434,992	141,747	-	-	-	-	90,000	261,162	137,567	-	8,397	-	2,330,654	1,449,565
Legal expenses - business development	836,599	33,092	-	-	-	-	-	-	-	-	-	161,412	-	1,031,103	255,356
Legal expenses - litigation	209,150	8,273	-	-	-	-	-	-	-	-	-	40,353	-	257,776	63,838
Communications	76,771	-	-	-	-	-	-	332	-	-	-	12,000	-	89,103	43,224
Consulting and professional fees	266,894	6,714	12,248	50,204	-	-	-	45,525	69,377	-	-	113,318	-	564,280	412,815
Community language/cultural development	-	-	-	-	-	527,030	-	-	-	-	-	-	-	527,030	852,981
Travel	3,865	304,438	57,986	-	7,242	-	-	-	1,623	24,869	-	2,696	-	402,719	314,614
Office and general	145,363	-	-	-	17,250	-	-	7,705	18,854	-	62,735	-	-	251,907	167,580
Administrative fees	-	-	-	-	-	-	-	3,624	-	-	-	-	-	3,624	-
Bad debt expense	96,668	-	-	-	-	-	-	-	-	-	-	-	-	96,668	68,745
Rent	36,834	-	-	-	-	-	-	1,122	-	-	-	-	-	37,956	37,668
Advertising	9,625	-	-	-	1,500	-	-	-	-	-	-	-	-	11,125	9,342
Amortization expense	9,835	-	-	-	-	-	-	-	-	-	-	-	-	9,835	9,085
Training	-	-	840	-	-	-	-	2,347	-	-	-	-	-	3,187	-
	1,948,393	1,787,509	212,821	50,204	25,992	527,030	-	150,655	351,016	162,436	62,735	338,176	-	5,616,967	3,684,813
Excess of revenue over expenses (expenses over revenue)	$ (1,944,769)	$ 2,475,590	$ 138,200	$ (50,204)	$ (25,992)	$ 448,680	$ 365,000	$ -	$ (351,016)	$ 84,814	$ (62,735)	$ (338,176)	$ 72,000	$ 811,392	$ 1,493,939

TAB 5

Financial Statements of

2438543 ONTARIO INC.

Year ended March 31, 2017

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

We have audited the accompanying financial statements of 2438543 Ontario Inc., which comprise the balance sheet as at March 31, 2017, the statements of operations, retained earnings and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider 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.

KPMG

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of 2438543 Ontario Inc. as at March 31, 2017 and its results of operations and its cash flows for the years then ended in accordance with Canadian accounting standards for private enterprises.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

September 26, 2017
Hamilton, Canada

2438543 ONTARIO INC.

Balance Sheet

March 31, 2017, with comparative financial information for 2016

	2017	2016 (unaudited)
Assets		
Current assets:		
Cash and cash equivalents	$ 135,548	$ 8,600
Distributions receivable	100,000	-
	235,548	8,600
Investment in GGV2LP (note 2)	2,095,193	2,571,893
Property (note 3)	2,147,683	532,004
	$ 4,478,424	$ 3,112,497
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 126,479	$ 4,599
Payable to Haudenosaunee Development Institute (note 5)	869,273	538,596
Current portion – mortgage payable (note 6 (a))	281,095	-
	1,276,847	543,195
Loan payable – investment in GGV2LP (note 6 (b))	2,734,608	3,720,453
Mortgage payable – land (note 6 (a))	1,011,885	-
	3,746,493	3,720,453
Total liabilities	5,023,340	4,263,648
Shareholders' equity:		
50 common shares	50	50
Retained earnings (deficit)	(544,966)	(1,151,201)
	(544,916)	(1,151,151)
	$ 4,478,424	$ 3,112,497

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director

B Hill HC Director

2438543 ONTARIO INC.

Statement of Operations

Year ended March 31, 2017, with comparative financial information for 2016

	2017	2016 (unaudited)
Revenue		
Investment gains on GGV2LP	$ 1,003,400	$ -
Expenses:		
Interest expense – loan (GGV2LP investment)	256,155	585,135
Interest expense – mortgage (land)	11,994	-
Success fees	117,384	-
Loss from investment in GGV2LP	-	314,000
Audit fees	9,095	-
Professional fees	2,185	4,599
Bank fees	352	-
	397,165	903,734
Net earnings (loss)	$ 606,235	$ (903,734)

Statement of Retained Earnings (Deficit)

Year ended March 31, 2017, with comparative information for 2016

	2017	2016 (unaudited)
Retained earnings (deficit), beginning of year	$ (1,151,201)	$ (247,467)
Net earnings (loss)	606,235	(903,734)
Retained earnings (deficit), end of year	$ (544,966)	$ (1,151,201)

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Statement of Cash Flows

Year ended March 31, 2017, with comparative financial information for 2016

	2017	2016 (unaudited)
Cash provided by (used in):		
Operating activities:		
Net earnings (loss)	$ 606,235	$ (903,734)
Change in non-cash operating working capital:		
Accounts payable and accrued liabilities	121,880	4,599
Distributions receivable	(100,000)	-
Payable to Haudenosaunee Development Institute	330,677	532,004
	958,792	(367,131)
Financing activities:		
Repayment of loan – investment	(985,845)	506,385
Proceeds from mortgage for land	1,405,988	-
Repayment of mortgage	(113,008)	-
	307,135	506,385
Investing activities:		
Purchase of land	(1,615,679)	(532,004)
Investments, net	476,700	401,300
	(1,138,979)	(130,704)
Increase in cash and cash equivalents	126,948	8,550
Cash and cash equivalents, beginning of year	8,600	50
Cash and cash equivalents, end of year	$ 135,548	$ 8,600

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Notes to Financial Statements

Year ended March 31, 2017

2438543 Ontario Inc. (the "Company") is a private company incorporated under the Canada Business Corporations Act. The Company is 100% owned by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Company’s shares are held in trust by Haudenosaunee Development Institute (“HDI”) an unincorporated organization owned and controlled by HCCC. The Company holds an investment in a wind farm and land with the intention of re-investing earnings in the community for development of resources available to the public.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises (“ASPE”). The Company's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(b) Investments:

The Company applies the equity method as a basis of accounting for investments in a company which it exercises significant influence and does not control, jointly or otherwise. Under the equity method, the Company records these investments initially at cost, less any transaction costs, and the carrying amounts are adjusted thereafter to include the Company’s pro rate share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Company, and the investment accounts of the Company are also increased or decreased to reflect the Company’s share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amount of the investments. Unrealized intercompany gains or losses are eliminated.

The Company’s determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the board of directors, participation in policy-making processes, material intercompany transactions, interchange or managerial personnel or provision of technical information.

The investment in a company subject to significant influence is accounted for using the equity method.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2017

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

(c) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated amortization.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value.

(d) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance and are in the normal course of business are measured at the exchange amount. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

(e) Income taxes:

The Company uses the taxes payable method to account for income taxes whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period, determined in accordance with the rules established by taxation authorities.

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of investments. Actual results could results could differ from those estimates.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2017

1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Company has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Company determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Company expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Investment:

The Company owns a 40% interest in Great Grand Valley 2 Limited Partnership (“GGV2LP”). Great Grand Valley 2 Limited Partnership owns a 25% interest in Grand Valley 2 Limited Partnership, a wind farm project consisting of 25 wind turbines producing 60 megawatts of green energy located in the Town of Grand Valley and the Township of Amaranth. This investment is accounted for using the equity method.

Asset	2017	2016 (unaudited)
Investment	$ 3,000,000	$ 3,000,000
Cumulative share of gains (losses) from investment	662,593	(340,807)
Cumulative return of capital	(760,200)	(87,300)
Distributions from partnership	(807,200)	-
	$ 2,095,193	$ 2,571,893

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2017

3. Property:

			2016	2017 (unaudited)
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 2,147,683	$ -	$ 2,147,683	$ 532,004
	$ 2,147,683	$ -	$ 2,147,683	$ 532,004

4. Accrued liabilities:

Included in accrued liabilities are professional service fees for audit and other related services of $9,095 (2016 - $4,599) and amounts due to a director of HDI for success fees of $117,384 (2016 - $nil). At year-end, there are no amounts outstanding for HST or payroll related taxes.

5. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects. The Organization is controlled by HCCC.

Haudenosaunee Development Institute:

Haudenosaunee Development Institute (‘HDI’), an unincorporated organization also 100% owned by the Haudenosaunee Confederacy Chiefs Council (‘HCCC’), provides services to the Company such as mortgage payments, land purchases and professional service fees made on behalf of the Company. At March 31, 2017, payable to HDI includes $866,698 (2016 - $532,004) relating to land purchases and mortgage payments, and $2,575 (2016 – $6,592) relating to professional service fees.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2017

5. Related entities (continued):

A director of 2438543 Ontario Inc. provide services to the Company. These include but are not limited to success fees paid on any negotiated outcomes in relation to the acquisition of an interest in any wind project. During the year, success fees of $117,684 were accrued to one director of 2438543 Ontario Inc. based on return of capital and distributions received by the GGV2LP investment.

6. Mortgage and loan payable:

(a) Mortgage payable:

	2017	2016 (unaudited)
Mortgage loan to private lender (S.T.), bearing interest at 1.00%, payable in monthly instalments of $21,901, including interest, due April, 29 2022. Payments are reimbursed and completed through HDI.	$ 1,292,980	$ -
Less:		
Current portion of mortgage payable	281,095	-
	$ 1,011,885	$ -

The annual principal payments required on the mortgage debt is as follows:

2018	$ 281,095
2019	283,913
2020	286,759
2021	289,634
2022	151,579
	$ 1,292,980

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2017

6. Mortgage and loan payable (continued):

(b) Loan payable:

	2017	2016 (unaudited)
Loan payable to private lender (C.S), bearing interest at 8.44%, payable as GGV2LP distributes to funds to the Company at a rate of 90% of the distribution received from the investment	$ 2,734,608	$ 3,720,453
Less:		
Current portion of loan payable	-	-
	$ 2,734,608	$ 3,720,453

7. Income taxes:

At March 31, 2017, the Organization has the following amounts available to reduce future years' income for tax purposes. The potential tax benefit of these losses/costs has not been recorded in the financial statements.

Unused non-capital losses for tax purposes expiring:	
2034	$ 210,698
2035	700,856
2036	397,665
	$ 1,309,219

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2017

8. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Company will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Company manages its liquidity risk by monitoring its operating requirements. The Company prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2016.

(b) Credit risk:

Credit risk refers to the risk that a counterpart may default on its contractual obligations resulting in a financial loss. The Company deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Company monitors the credit risk of its investment in the GGV2LP.

Financial Statements of

2438543 ONTARIO INC.

Year ended March 31, 2018

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

We have audited the accompanying financial statements of 2438543 Ontario Inc., which comprise the balance sheet as at March 31, 2018, the statements of operations, deficit and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of 2438543 Ontario Inc. as at March 31, 2018 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada
January 9, 2019

2438543 ONTARIO INC.

Balance Sheet

March 31, 2018, with comparative financial information for 2017

	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	$ 918,256	$ 135,548
Distributions receivable	-	100,000
	918,256	235,548
Investment in GGV2LP (note 2)	1,965,688	2,095,193
Property (note 3)	2,105,583	2,147,683
	$ 4,989,527	$ 4,478,424
Liabilities and Shareholders' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 50,900	$ 126,479
Payable to Haudenosaunee Development Institute (note 5)	843,337	869,273
Current portion – mortgage payable (note 6 (a))	288,368	281,095
Loan payable on demand (note 6 (b))	3,628,072	-
	4,810,678	1,276,847
Loan payable – investment in GGV2LP (note 6 (b))	-	2,734,608
Mortgage payable (note 6 (a))	278,105	1,011,885
	278,105	3,746,493
Total liabilities	5,088,783	5,023,340
Shareholders' deficit:		
50 common shares	50	50
Deficit	(99,306)	(544,966)
	(99,256)	(544,916)
	$ 4,989,527	$ 4,478,424

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director

B Hill Director

2438543 ONTARIO INC.

Statement of Operations and Deficit

Year ended March 31, 2018, with comparative financial information for 2017

	2018	2017
Revenue		
Investment gains on GGV2LP	$ 1,167,200	$ 1,003,400
Land lease revenue	28,200	-
	1,195,400	1,003,400
Expenses:		
Success fees	366,378	117,384
Legal fees (note 5)	116,238	-
Interest expense – loan (GGV2LP investment)	55,590	256,155
Amortization expense	42,100	-
Communications (note 5)	40,000	-
Management fees (note 5)	33,287	-
Business development (note 5)	30,000	-
Land related fees	19,731	-
Audit fees	14,645	9,095
Interest expense – mortgage payable	10,204	11,994
Professional fees	10,050	2,185
Rent	4,649	-
Office expenses	4,087	-
Insurance	2,700	-
Bank fees	81	352
	749,740	397,165
Net earnings	445,660	606,235
Deficit, beginning of year	(544,966)	(1,151,201)
Deficit, end of year	$ (99,306)	$ (544,966)

See accompanying notes to financial statements.

2438543 ONTARIO INC.
Statement of Cash Flows

Year ended March 31, 2018, with comparative financial information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Net earnings	$ 445,660	$ 606,235
Change in non-cash items:		
Amortization expense	42,100	-
Change in non-cash operating working capital:		
Accounts payable and accrued liabilities	(75,578)	121,880
Distributions receivable	100,000	(100,000)
Payable to Haudenosaunee Development Institute	(25,936)	330,677
	486,246	958,792
Financing activities:		
Proceeds from mortgage payable	-	1,405,988
Proceeds from new demand loan	3,628,072	-
Repayment of loan to private lender	(2,734,608)	(985,845)
Repayment of mortgage payable	(726,507)	(113,008)
	166,957	307,135
Investing activities:		
Purchase of land	-	(1,615,679)
Proceeds of investment in GGV2LP, net	129,505	476,700
	129,505	(1,138,979)
Increase in cash and cash equivalents	782,708	126,948
Cash and cash equivalents, beginning of year	135,548	8,600
Cash and cash equivalents, end of year	$ 918,256	$ 135,548

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Notes to Financial Statements

Year ended March 31, 2018

2438543 Ontario Inc. (the "Company") is a private company incorporated under the Canada Business Corporations Act. The Company is 100% owned by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Company’s shares are held in trust by Haudenosaunee Development Institute (“HDI”) an unincorporated organization owned and controlled by HCCC. The Company holds an investment in a wind farm and land with the intention of re-investing earnings in the community for development of resources available to the public.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises (“ASPE”). The Company's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(b) Investments:

The Company applies the equity method as a basis of accounting for investments in a company which it exercises significant influence and does not control, jointly or otherwise. Under the equity method, the Company records these investments initially at cost, less any transaction costs, and the carrying amounts are adjusted thereafter to include the Company’s pro rate share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Company, and the investment accounts of the Company are also increased or decreased to reflect the Company’s share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amount of the investments. Unrealized intercompany gains or losses are eliminated.

The Company’s determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the board of directors, participation in policy-making processes, material intercompany transactions, interchange or managerial personnel or provision of technical information.

The investment in a company subject to significant influence is accounted for using the equity method.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

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

(c) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated amortization.

Depreciation is provided on a straight-line basis over the estimated useful life of the assets, which are as follows:

Asset	Years
Building	20

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value.

(d) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance and are in the normal course of business are measured at the exchange amount. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

(e) Income taxes:

The Company uses the taxes payable method to account for income taxes whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period, determined in accordance with the rules established by taxation authorities.

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of investments. Actual results could results could differ from those estimates.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

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

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Company has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Company determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Company expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. **Investment:**

The Company owns a 40% interest in Great Grand Valley 2 Limited Partnership (“GGV2LP”). GGV2LP owns a 25% interest in Grand Valley 2 Limited Partnership, a wind farm project consisting of 25 wind turbines producing 60 megawatts of green energy located in the Town of Grand Valley and the Township of Amaranth. This investment is accounted for using the equity method.

Asset as at March 31	2018	2017
Investment	$ 3,000,000	$ 3,000,000
Cumulative share of gains (losses) from investment	1,929,593	662,593
Cumulative return of capital	(760,200)	(760,200)
Distributions from partnership	(2,203,705)	(807,200)
	$ 1,965,688	$ 2,095,193

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

3. Property:

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Land	$ 1,726,683	$ -	$ 1,726,683	$ 2,147,683
Building	421,000	42,100	378,900	-
	$ 2,147,683	$ 42,100	$ 2,105,583	$ 2,147,683

4. Accrued liabilities:

Included in accrued liabilities are professional service fees for audit and other related services of $10,900 (2017 - $9,095) and amounts due to a director of HDI for legal fees of $40,000 (2017 - $117,384 for success fees). At year-end, there are no amounts outstanding for HST or payroll related taxes.

5. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects. The Organization is controlled by HCCC.

Haudenosaunee Development Institute:

Haudenosaunee Development Institute (‘HDI’), an unincorporated organization also 100% owned by the Haudenosaunee Confederacy Chiefs Council (‘HCCC’), provides services to the Company such as mortgage payments, land purchases and professional service fees made on behalf of the Company. At March 31, 2018, payable to HDI includes $759,514 (2017 - $866,698) relating to land purchases and mortgage payments, and $83,823 (2017 – $2,575) relating to professional service fees. For the year ended March 31, 2018, amounts charged by HDI for services provided to the entity included communication fees in the amount of $40,000 (2017 - $nil), management fees in the amount of $33,287 (2017 - $nil) and business development expenses in the amount of $30,000 (2017 - $nil).

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

5. Related entities (continued):

A director of 2438543 Ontario Inc. provides services to the Company. These include but are not limited to success fees paid on any negotiated outcomes in relation to the acquisition of an interest in any wind project. During the year, legal fees in the amount of $40,000 and success fees in the amount of $366,378 (2017 - $117,684 for success fees) were accrued and/or paid to one director of 2438543 Ontario Inc.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6. Mortgage and loan payable:

(a) Mortgage payable:

	2018	2017
Mortgage loan to private lender (S.T.), bearing interest at 1.00%, payable in monthly instalments of $21,901, including interest, due April, 29 2022. Payments are reimbursed and completed through HDI.	$ 566,473	$ 1,292,980
Less:		
Current portion of mortgage payable	288,368	281,095
	$ 278,105	$ 1,011,885

The annual principal payments required on the mortgage debt is as follows:

2019	$ 288,368
2020	278,105
	$ 566,473

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

6. Mortgage and loan payable (continued):

(b) Loan payable:

	2018	2017
Loan payable to private lender (C.S), bearing interest at 8.44%, payable as GGV2LP distributes to funds to the Company at a rate of 90% of the distribution received from the investment, repaid.	$ -	$ 2,734,608
Loan payable to GGV2LP, interest-free and due on demand	3,628,072	-
	$ 3,628,072	$ 2,734,608

7. Income taxes:

At March 31, 2018, the Organization has the following amounts available to reduce future years' income for tax purposes. For the year ended March 31, 2018, the entity used $1,278,770 (2017 - $nil) in existing loss carry forwards accumulated in prior period against income related to distributions from GGV2LP.

The potential tax benefit of remaining non-capital losses has not been recorded in the financial statements.

Unused non-capital losses for tax purposes expiring:	
2037	$ 30,449

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

8. **Financial risks and concentration of credit risk:**

(a) Liquidity risk:

Liquidity risk is the risk that the Company will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Company manages its liquidity risk by monitoring its operating requirements. The Company prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2017.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Company deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Company monitors the credit risk of its investment in the GGV2LP.

Financial Statements of

2438543 ONTARIO INC.

And Independent Auditors' Report thereon

Year ended March 31, 2019

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
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INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of 2438543 Ontario Inc. (the Entity), which comprise:

- the balance sheet as at March 31, 2019
- the statement of operations for the year then ended
- the statement of retained earnings for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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 Entity's internal control.

KPMG

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

October 2, 2019

2438543 ONTARIO INC.

Balance Sheet

March 31, 2019, with comparative financial information for 2018

		2019		2018
Assets				
Current assets:				
Cash and cash equivalents	$	142,947	$	918,256
Distributions receivable		2,300		-
Prepaid expense		900		-
		146,147		918,256
Investment in GGV2LP (note 2)		2,332,488		1,965,688
Property (note 3)		2,165,084		2,105,583
	$	4,643,719	$	4,989,527
Liabilities and Shareholders' Deficit				
Current liabilities:				
Accounts payable and accrued liabilities (note 4)	$	52,035	$	50,901
Payable to Haudenosaunee Development Institute (note 5)		349,470		843,337
Current portion – mortgage payable (note 6 (a))		278,105		288,368
Loan payable on demand (note 6 (b))		4,000,816		3,628,072
		4,680,426		4,810,678
Mortgage payable (note 6 (a))		-		278,105
Total liabilities		4,680,427		5,088,783
Shareholders' deficit:				
50 common shares		50		50
Deficit		(36,757)		(99,306)
		(36,707)		(99,256)
	$	4,643,719	$	4,989,527

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director

Brian Hill Director

2438543 ONTARIO INC.

Statement of Operations and Deficit

Year ended March 31, 2019, with comparative financial information for 2018

	2019	2018
Revenue		
Investment gains on GGV2LP	$ 436,856	$ 1,167,200
Land lease revenue	14,100	28,200
	450,956	1,195,400
Expenses:		
Legal fees (note 5)	72,200	116,238
Business development (note 5)	65,000	30,000
Management fees (note 5)	61,884	33,287
Property expenses	50,889	-
Land related fees	41,284	19,731
Professional fees	27,637	10,050
Amortization expense	25,290	42,100
Audit fees	18,024	14,645
Insurance	11,253	2,700
Rent	5,314	4,649
Office expenses	5,037	4,087
Interest expense – mortgage payable	4,449	10,204
Bank fees	146	81
Success fees	-	366,378
Interest expense – loan (GGV2LP investment)	-	55,590
Communications (note 5)	-	40,000
	388,407	749,740
Net earnings	62,549	445,660
Deficit, beginning of year	(99,306)	(544,966)
Deficit, end of year	$ (36,757)	$ (99,306)

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Statement of Cash Flows

Year ended March 31, 2019, with comparative financial information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Net earnings	$ 62,549	$ 445,660
Change in non-cash items:		
Amortization expense	25,290	42,100
Change in non-cash operating working capital:		
Accounts payable and accrued liabilities	1,133	(75,578)
Prepaid expenses	(900)	-
Distributions receivable	(2,300)	100,000
Payable to Haudenosaunee Development Institute	(493,867)	(25,936)
	(408,095)	486,246
Financing activities:		
Proceeds from demand loan	442,800	3,628,072
Repayment of loan to private lender	-	(2,734,608)
Repayment of mortgage payable	(288,368)	(726,507)
	154,432	166,957
Investing activities:		
Renovation of building	(84,790)	-
Proceeds of investment in GGV2LP, net	(436,856)	129,505
	(521,646)	129,505
(Decrease) increase in cash and cash equivalents	(775,309)	782,708
Cash and cash equivalents, beginning of year	918,256	135,548
Cash and cash equivalents, end of year	$ 142,947	$ 918,256

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Notes to Financial Statements

Year ended March 31, 2018

2438543 Ontario Inc. (the "Company") is a private company incorporated under the Canada Business Corporations Act. The Company is 100% owned by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Company’s shares are held in trust by Haudenosaunee Development Institute (“HDI”) an unincorporated organization owned and controlled by HCCC. The Company holds an investment in a wind farm and land with the intention of re-investing earnings in the community for development of resources available to the public.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises (“ASPE”). The Company's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(b) Investments:

The Company applies the equity method as a basis of accounting for investments in a company which it exercises significant influence and does not control, jointly or otherwise. Under the equity method, the Company records these investments initially at cost, less any transaction costs, and the carrying amounts are adjusted thereafter to include the Company’s pro rate share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Company, and the investment accounts of the Company are also increased or decreased to reflect the Company’s share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amount of the investments. Unrealized intercompany gains or losses are eliminated.

The Company’s determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the board of directors, participation in policy-making processes, material intercompany transactions, interchange or managerial personnel or provision of technical information.

The investment in a company subject to significant influence is accounted for using the equity method.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2019

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

(c) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated amortization.

Depreciation is provided on a straight-line basis over the estimated useful life of the assets, which are as follows:

Asset	Years
Building	20

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value.

(d) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance and are in the normal course of business are measured at the exchange amount. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

(e) Income taxes:

The Company uses the taxes payable method to account for income taxes whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period, determined in accordance with the rules established by taxation authorities.

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of investments. Actual results could results could differ from those estimates.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2019

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1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Company has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Company determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Company expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Investment:

The Company owns a 40% interest in Great Grand Valley 2 Limited Partnership ("GGV2LP"). GGV2LP owns a 25% interest in Grand Valley 2 Limited Partnership, a wind farm project consisting of 25 wind turbines producing 60 megawatts of green energy located in the Town of Grand Valley and the Township of Amaranth. This investment is accounted for using the equity method.

Asset as at March 31	2019	2018
Investment	$ 3,000,000	$ 3,000,000
Cumulative share of gains from investment	2,296,593	1,929,593
Cumulative return of capital	(760,200)	(760,200)
Distributions from partnership	(2,203,905)	(2,203,705)
	$ 2,332,488	$ 1,965,688

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2019

3. Property:

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Land	$ 1,726,683	$ -	$ 1,726,683	$ 1,726,683
Building	505,791	67,390	438,401	378,900
	$ 2,232,474	$ 67,390	$ 2,165,084	$ 2,105,583

4. Accrued liabilities:

Included in accrued liabilities are professional service fees for audit and other related services of $10,750 (2018 - $10,901), amounts payable for municipal tax bills of $41,284 (2018 - $nil) and amounts due to a director of HDI for legal fees of $nil (2018 - $40,000 for success fees).

5. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects. The Organization is controlled by HCCC.

Haudenosaunee Development Institute:

Haudenosaunee Development Institute (‘HDI’), an unincorporated organization also 100% owned by the Haudenosaunee Confederacy Chiefs Council (‘HCCC’), provides services to the Company such as mortgage payments, land purchases and professional service fees made on behalf of the Company. At March 31, 2019, the entity has balance due to HDI in the amount of $349,470 (2018 - $843,337) relating to land purchases, mortgage payments and professional service fees. For the year ended March 31, 2019, amounts charged by HDI for services provided to the entity included communication fees in the amount of $nil (2018 - $40,000), management fees in the amount of $61,884 (2018 - $33,287), legal fees in the amount of $112,200 (2018 – $116,238), business development expenses in the amount of $65,000 (2018 - $30,000) and other expenses of $8,685 (2018 - $8,735).

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2019

5. Related entities (continued):

A director of 2438543 Ontario Inc. provides services to the Company. These include but are not limited to success fees paid on any negotiated outcomes in relation to the acquisition of an interest in any wind project. During the year, success fees in the amount of $nil (2018 - $366,378 for success fees) were accrued and/or paid to the director.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6. Mortgage and loan payable:

(a) Mortgage payable:

	2019	2018
Mortgage loan to private lender (S.T.), bearing interest at 1.00%, payable in monthly instalments of $21,901, including interest, due April, 29 2022. Payments are reimbursed and completed through HDI.	$ 278,105	$ 566,473
Less:		
Current portion of mortgage payable	278,105	288,368
	$ -	$ 278,105

The annual principal payments required on the mortgage debt is as follows:

2020	$ 278,105

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2019

6. Mortgage and loan payable (continued):

(b) Loan payable:

The entity has a loan payable to GGV2LP in the amount of $4,000,816 (2018 - $3,628,072). The loan is interest-free and due upon demand.

7. Income taxes:

At March 31, 2019, the Organization has the following amounts available to reduce future years' income for tax purposes. For the year ended March 31, 2019, the entity used $nil (2018 - $1,278,770) in existing loss carry forwards accumulated in prior period against income related to distributions from GGV2LP.

The potential tax benefit of remaining non-capital losses has not been recorded in the financial statements.

Unused non-capital losses for tax purposes expiring:	
2037	$ 30,449
2039	240,824
	$ 271,273

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2019

8. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Company will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Company manages its liquidity risk by monitoring its operating requirements. The Company has a working capital deficiency that arises due to the structure of the investment in GGV2LP. The Company prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2018.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Company deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Company monitors the credit risk of its investment in the GGV2LP.

Financial Statements of

2438543 ONTARIO INC.

And Independent Auditor’s Report thereon

Year ended March 31, 2020

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222

INDEPENDENT AUDITOR'S REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of 2438543 Ontario Inc. (the Entity), which comprise:

- the balance sheet as at March 31, 2020
- the statement of operations for the year then ended
- the statement of retained earnings for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

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

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 Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the 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 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.

KPMG

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 Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

February 2, 2023

2438543 ONTARIO INC.

Balance Sheet

March 31, 2020, with comparative financial information for 2019

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	$ 2,229,905	$ 142,947
Distributions receivable	2,300	2,300
Prepaid expense	–	900
	2,232,205	146,147
Investment in GGV2LP (note 2)	1,305,288	2,332,488
Property (note 3)	2,226,101	2,165,084
	$ 5,763,594	$ 4,643,719
Liabilities and Shareholders' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 80,151	$ 52,035
Income taxes payable (note 7)	309,485	–
Payable to Haudenosaunee Development Institute (note 5)	607,963	349,470
Mortgage payable (note 6 (a))	–	278,105
	997,599	679,610
Loan payable (note 6 (b))	6,520,316	4,000,816
	7,517,915	4,680,426
Shareholders' deficit:		
50 common shares	50	50
Deficit	(1,754,371)	(36,757)
	(1,754,321)	(36,707)
	$ 5,763,594	$ 4,643,719

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director

Brian Hill Director

2438543 ONTARIO INC.

Statement of Operations and Deficit

Year ended March 31, 2020, with comparative financial information for 2019

	2020	2019
Revenue:		
Investment (loss) gain on GGV2LP	$ (1,027,200)	$ 436,856
Office rent	18,000	–
Land lease revenue	14,100	14,100
	(995,100)	450,956
Expenses:		
Legal fees (note 5)	112,200	72,200
Business development (note 5)	65,000	65,000
Property expenses	55,092	50,889
Professional fees	45,590	27,637
Management fees (note 5)	45,299	61,884
Amortization expense	33,454	25,290
Land related fees	23,616	41,284
Insurance	12,666	11,253
Audit fees	12,250	18,024
Office expenses	5,424	5,037
Interest expense – mortgage payable	1,558	4,449
Travel	838	–
Bank fees	42	146
Rent	–	5,314
	413,029	388,407
Net (loss) earnings before income taxes	(1,408,129)	62,549
Income tax expense (note 7)	309,485	–
Net (loss) income	$ (1,717,614)	$ 62,549
Deficit, beginning of year	(36,757)	(99,306)
Deficit, end of year	$ (1,754,371)	$ (36,757)

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Statement of Cash Flows

Year ended March 31, 2020, with comparative financial information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Net (loss) income	$ (1,717,614)	$ 62,549
Change in non-cash items:		
Amortization expense	33,454	25,290
Change in non-cash operating working capital:		
Accounts payable and accrued liabilities	28,116	1,133
Prepaid expenses	900	(900)
Distributions receivable	–	(2,300)
Income taxes payable	309,485	–
Payable to Haudenosaunee Development Institute	258,492	(493,867)
	(1,087,167)	(408,095)
Financing activities:		
Proceeds from demand loan	2,519,500	442,800
Repayment of loan to private lender	–	–
Repayment of mortgage payable	(278,105)	(288,368)
	2,241,395	154,432
Investing activities:		
Renovation of building	(94,470)	(84,790)
Proceeds of investment in GGV2LP, net	1,027,200	(436,856)
	932,730	(521,646)
Increase (decrease) in cash and cash equivalents	2,086,958	(775,309)
Cash and cash equivalents, beginning of year	142,947	918,256
Cash and cash equivalents, end of year	$ 2,229,905	$ 142,947

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Notes to Financial Statements

Year ended March 31, 2020

2438543 Ontario Inc. (the "Entity") is a private Entity incorporated under the Canada Business Corporations Act. The Entity is 100% owned by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Entity's shares are held in trust by Haudenosaunee Development Institute ("HDI") an unincorporated organization owned and controlled by HCCC. The Entity holds an investment in a wind farm and land with the intention of re-investing earnings in the community for development of resources available to the public.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"). The Entity's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(b) Investments:

The Entity applies the equity method as a basis of accounting for investments in a Entity which it exercises significant influence and does not control, jointly or otherwise. Under the equity method, the Entity records these investments initially at cost, less any transaction costs, and the carrying amounts are adjusted thereafter to include the Entity's pro rate share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Entity, and the investment accounts of the Entity are also increased or decreased to reflect the Entity's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amount of the investments. Unrealized intercompany gains or losses are eliminated.

The Entity's determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the board of directors, participation in policy-making processes, material intercompany transactions, interchange or managerial personnel or provision of technical information.

The investment in a Entity subject to significant influence is accounted for using the equity method.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

1. Significant accounting policies (continued):

(c) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated amortization.

Depreciation is provided on a straight-line basis over the estimated useful life of the assets, which are as follows:

Asset	Years
Building	20
Building improvements	20

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value.

(d) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance and are in the normal course of business are measured at the exchange amount. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

(e) Income taxes:

The Entity uses the taxes payable method to account for income taxes whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period, determined in accordance with the rules established by taxation authorities.

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of investments. Actual results could results could differ from those estimates.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Entity has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Entity determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Entity expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Investment:

The Entity owns a 40% interest in Great Grand Valley 2 Limited Partnership (“GGV2LP”). GGV2LP owns a 25% interest in Grand Valley 2 Limited Partnership, a wind farm project consisting of 25 wind turbines producing 60 megawatts of green energy located in the Town of Grand Valley and the Township of Amaranth. This investment is accounted for using the equity method.

Asset as at March 31	2020	2019
Initial investment	$ 3,000,000	$ 3,000,000
Cumulative share of gains from investment	1,269,193	2,296,593
Cumulative return of capital	(760,000)	(760,200)
Distributions from partnership	(2,203,905)	(2,203,905)
	$ 1,305,288	$ 2,332,488

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

3. Property:

			2020	2019
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 1,726,683	$ –	$ 1,726,683	$ 1,726,683
Building	600,262	100,844	499,418	438,401
	$ 2,326,945	$ 100,844	$ 2,226,101	$ 2,165,084

4. Accrued liabilities:

Included in accrued liabilities are amounts payable for municipal tax bills of $64,900 (2019 - $41,284).

5. Related entities:

Haudenosaunee Confederacy Chiefs Council (“the Council”):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council’s interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects. The Organization is controlled by HCCC.

Haudenosaunee Development Institute:

Haudenosaunee Development Institute (‘HDI’), an unincorporated organization also 100% owned by the Haudenosaunee Confederacy Chiefs Council (‘HCCC’), provides services to the Entity such as mortgage payments, land purchases and professional service fees made on behalf of the Entity. At March 31, 2020, the entity has balance due to HDI in the amount of $607,963 (2019 - $349,470) relating to land purchases, mortgage payments and professional service fees. For the year ended March 31, 2020, amounts charged by HDI for services provided to the entity included communication fees in the amount of $nil (2019 - $nil), management fees in the amount of $45,299 (2019 - $61,884), legal fees in the amount of $112,200 (2019 - $72,200), business development expenses in the amount of $65,000 (2019 - $65,000) and other expenses of $1,791 (2019 - $8,685).

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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5. Related entities (continued):

A director of 2438543 Ontario Inc. provides services to the Entity. These include but are not limited to success fees paid on any negotiated outcomes in relation to the acquisition of an interest in any wind project. During the year, success fees in the amount of $nil (2019 - $nil for success fees) were accrued and/or paid to the director.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6. Mortgage and loan payable:

(a) Mortgage payable:

		2020		2019
Mortgage loan to private lender (S.T.), bearing interest at 1.00%, payable in monthly instalments of $21,901, including interest, due April, 29 2022. Payments are reimbursed and completed through HDI.	$	–	$	278,105
Less:				
Current portion of mortgage payable		–		278,105
	$	–	$	–

(b) Loan payable:

The entity has a loan payable to GGV2LP in the amount of $6,520,316 (2019 - $4,000,816). The loan is interest-free and has scheduled repayments beginning in 2024. The full amount is scheduled to be repaid in full by 2035.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

7. Income taxes:

For the year ended March 31, 2020, the Entity used $271,273 in loss carry forwards accumulated in prior periods (2019 - $nil) against taxable income related to distributions from GGV2LP which are deemed taxable capital gains for tax purposes in the amount of $2,519,500 (2019 - $440,500).

As a result, the Entity has no remaining loss carry forwards remaining for future use (2019 - $271,273).

8. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Entity will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Entity manages its liquidity risk by monitoring its operating requirements. The Entity has a working capital deficiency that arises due to the structure of the investment in GGV2LP. The Entity prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2019.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Entity deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Entity monitors the credit risk of its investment in the GGV2LP.

Financial Statements of

2438543 ONTARIO INC.

And Independent Auditors' Report thereon

Year ended March 31, 2021

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of 2438543 Ontario Inc. (the Entity), which comprise:

- the balance sheet as at March 31, 2021
- the statement of operations and deficit for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

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 ***"Auditors' Responsibilities for the Audit of the Financial Statements"*** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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.

KPMG

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

February 2, 2023

2438543 ONTARIO INC.

Balance Sheet

March 31, 2021, with comparative financial information for 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	$ 1,143,827	$ 2,229,905
Distributions receivable	2,300	2,300
Receivable from Haudenosaunee Development Institute (note 5)	865,000	–
	2,011,127	2,232,205
Investment in GGV2LP (note 2)	3,250,488	1,305,288
Property (note 3)	3,382,498	2,226,101
	$ 8,644,113	$ 5,763,594
Liabilities and Shareholders' Equity (Deficit)		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 108,613	$ 80,151
Income taxes payable (note 7)	–	309,485
Payable to Haudenosaunee Development Institute (note 5)	170,531	607,963
	279,144	997,599
Loan payable (note 6)	7,258,316	6,520,316
	7,537,460	7,517,915
Shareholders' equity (deficit):		
50 common shares	50	50
Capital contribution from Haudenosaunee Development Institute	1,365,000	–
Deficit	(258,397)	(1,754,371)
	1,106,653	(1,754,321)
COVID-19 (note 9)		
	$ 8,644,113	$ 5,763,594

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor Director

B Hill HC Director

2438543 ONTARIO INC.

Statement of Operations and Deficit

Year ended March 31, 2021, with comparative financial information for 2020

	2021	2020
Revenue:		
Investment gain (loss) on GGV2LP	$ 1,945,200	$ (1,027,200)
Office rent	–	18,000
Land lease revenue	6,100	14,100
	1,951,300	(995,100)
Expenses:		
Legal fees (note 5)	134,955	112,200
Amortization expense	79,537	33,454
Business development (note 5)	65,000	65,000
Management fees (note 5)	45,492	45,299
Professional fees	43,795	45,590
Property expenses	39,536	55,092
Land related fees	20,067	23,616
Audit fees	13,000	12,250
Office expenses	6,953	5,424
Insurance	6,738	12,666
Interest expense – CRA	211	–
Bank fees	42	42
Interest expense – mortgage payable	–	1,558
Travel	–	838
	455,326	413,029
Net earnings (loss) before income taxes	1,495,974	(1,408,129)
Income tax expense (note 7)	–	309,485
Net income (loss)	1,495,974	(1,717,614)
Deficit, beginning of year	(1,754,371)	(36,757)
Deficit, end of year	$ (258,397)	$ (1,754,371)

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Statement of Cash Flows

Year ended March 31, 2021, with comparative financial information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Net income (loss)	$ 1,495,974	$ (1,717,614)
Change in non-cash items:		
Amortization expense	79,537	33,454
Change in non-cash operating working capital:		
Accounts payable and accrued liabilities	28,461	28,116
Prepaid expenses	–	900
Income taxes payable	(309,485)	309,485
Receivable from Haudenosaunee Development Institute	(865,000)	–
Payable to Haudenosaunee Development Institute	(437,432)	258,492
	(7,945)	(1,087,167)
Financing activities:		
Proceeds from demand loan	738,000	2,519,500
Capital contribution from Haudenosaunee Development Institute	1,365,000	–
Repayment of mortgage payable	–	(278,105)
	2,103,000	2,241,395
Investing activities:		
Investment in land and building	(1,235,933)	(94,470)
Proceeds of investment in GGV2LP, net	(1,945,200)	1,027,200
	(3,181,133)	932,730
(Decrease) increase in cash and cash equivalents	(1,086,078)	2,086,958
Cash and cash equivalents, beginning of year	2,229,905	142,947
Cash and cash equivalents, end of year	$ 1,143,827	$ 2,229,905

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Notes to Financial Statements

Year ended March 31, 2021

2438543 Ontario Inc. (the "Entity") is a private Entity incorporated under the Canada Business Corporations Act. The Entity is 100% owned by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Entity's shares are held in trust by Haudenosaunee Development Institute ("HDI") an unincorporated organization owned and controlled by HCCC. The Entity holds an investment in a wind farm and land with the intention of re-investing earnings in the community for development of resources available to the public.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"). The Entity's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(b) Investments:

The Entity applies the equity method as a basis of accounting for investments in a Entity which it exercises significant influence and does not control, jointly or otherwise. Under the equity method, the Entity records these investments initially at cost, less any transaction costs, and the carrying amounts are adjusted thereafter to include the Entity's pro rate share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Entity, and the investment accounts of the Entity are also increased or decreased to reflect the Entity's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amount of the investments. Unrealized intercompany gains or losses are eliminated.

The Entity's determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the board of directors, participation in policy-making processes, material intercompany transactions, interchange or managerial personnel or provision of technical information.

The investment in a Entity subject to significant influence is accounted for using the equity method.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(c) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated amortization.

Depreciation is provided on a straight-line basis over the estimated useful life of the assets, which are as follows:

Asset	Years
Building	20
Building improvements	20

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value.

(d) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance and are in the normal course of business are measured at the exchange amount. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

(e) Income taxes:

The Entity uses the taxes payable method to account for income taxes whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period, determined in accordance with the rules established by taxation authorities.

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of investments. Actual results could results could differ from those estimates.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Entity has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Entity determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Entity expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Investment:

The Entity owns a 40% interest in Great Grand Valley 2 Limited Partnership (“GGV2LP”). GGV2LP owns a 25% interest in Grand Valley 2 Limited Partnership, a wind farm project consisting of 25 wind turbines producing 60 megawatts of green energy located in the Town of Grand Valley and the Township of Amaranth. This investment is accounted for using the equity method.

Asset as at March 31	2021	2020
Investment	$ 3,000,000	$ 3,000,000
Cumulative share of gains from investment	3,214,393	1,269,193
Cumulative return of capital	(760,000)	(760,000)
Distributions from partnership	(2,203,905)	(2,203,905)
	$ 3,250,488	$ 1,305,288

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2021

3. Property:

			2021	2020
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 2,005,782	$ –	$ 2,005,782	$ 1,726,683
Building	1,557,097	180,381	1,376,716	499,418
	$ 3,562,879	$ 180,381	$ 3,382,498	$ 2,226,101

4. Accrued liabilities:

Included in accrued liabilities are professional service fees for audit and other related services of $13,000 (2020 - $12,250) and amounts payable for municipal tax bills of $84,967 (2020 - $64,900).

5. Related entities:

Haudenosaunee Confederacy Chiefs Council ("the Council"):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council's interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects. The Organization is controlled by HCCC.

Haudenosaunee Development Institute:

Haudenosaunee Development Institute ('HDI'), an unincorporated organization also 100% owned by the Haudenosaunee Confederacy Chiefs Council ('HCCC'), provides services to the Entity such as mortgage payments, land purchases and professional service fees made on behalf of the Entity. At March 31, 2021, the entity has a net balance receivable from HDI in the amount of $694,469 (2020 - due to HDI in amount of $607,963) relating to land purchases, mortgage payments and professional service fees. For the year ended March 31, 2021, amounts charged by HDI for services provided to the entity included management fees in the amount of $45,492 (2020 - $45,299), legal fees in the amount of $134,728 (2020 - $112,200), business development expenses in the amount of $65,000 (2020 - $65,000) and other expenses of $2,101 (2020 - $1,791). During the year, the Organization received a capital contribution in the amount of $1,365,000 from HDI, which was used for community development by way of land purchases.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2021

5. Related entities (continued):

A director of 2438543 Ontario Inc. provides services to the Entity. These include but are not limited to success fees paid on any negotiated outcomes in relation to the acquisition of an interest in any wind project. During the year, success fees in the amount of $nil (2020 - $nil for success fees) were accrued and/or paid to the director.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6. Loan payable:

The entity has a loan payable to GGV2LP in the amount of $6,520,316 (2020 - $4,000,816). The loan is interest-free and has scheduled repayments beginning in 2024. The full amount is expected to be repaid in full by 2035.

7. Income taxes:

Income tax expenses differ from the amount that would be computed by applying the federal and provincial statutory tax rates of 26.5% (2020 – 26.5%) to earnings before income taxes. The reasons for the differences and related tax effects are as follows:

	2021	2020
Earnings before income taxes	$ 1,495,974	$ (1,408,129)
Income tax expense at applicable tax rate	396,433	(373,154)
Partnership income (loss)	(515,478)	272,621
Taxable capital gains	111,049	333,834
Non-capital losses	5,833	71,887
Other	2,163	4,298
Income tax expense	$ –	$ 309,486

As at March 31, 2021, there are no non capital losses remaining.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2021

8. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Entity will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Entity manages its liquidity risk by monitoring its operating requirements. The Entity has a working capital deficiency that arises due to the structure of the investment in GGV2LP. The Entity prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from prior year.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Entity deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Entity monitors the credit risk of its investment in the GGV2LP.

9. COVID-19:

Subsequent to March 31, 2021, world financial markets have continued to be negatively impacted by the novel Coronavirus or COVID-19, which was declared a pandemic by the World Health Organization on March 12, 2020. This has resulted in significant economic uncertainty, including in Canada, where the Entity operates. The ongoing impact may affect the generation, timing and collection of revenues. Consequently, it is difficult to reliably measure the potential impact of this uncertainty on the future financial results of the Organization.

Financial Statements of

2438543 ONTARIO INC.

And Independent Auditors' Report thereon

Year ended March 31, 2022

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Haudenosaunee Confederacy Chiefs Council

Opinion

We have audited the financial statements of 2438543 Ontario Inc. (the Entity), which comprise:

- the balance sheet as at March 31, 2022
- the statement of operations and retained earnings (deficit) for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

  (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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.

KPMG

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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 Entity's internal control.

KPMG

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

February 2, 2023

2438543 ONTARIO INC.

Balance Sheet

March 31, 2022, with comparative financial information for 2021

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	$ 137,253	$ 1,143,827
Distributions receivable	2,300	2,300
Receivable from Haudenosaunee Development Institute (note 5)	–	865,000
	139,553	2,011,127
Investment in GGV2LP (note 2)	5,168,488	3,250,488
Property (note 3)	6,769,578	3,382,498
	$ 12,077,619	$ 8,644,113
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 152,799	$ 108,614
Deferred revenue	6,000	–
Payable to Haudenosaunee Development Institute (note 5)	664,696	170,531
	823,495	279,145
Loan payable (note 6)	7,807,316	7,258,316
	8,630,811	7,537,461
Shareholders' equity:		
50 common shares	50	50
Capital contribution from Haudenosaunee Development Institute	2,365,000	1,365,000
Shareholders' equity (deficit)	1,081,758	(258,398)
	3,446,808	1,106,652
	$ 12,077,619	$ 8,644,113

See accompanying notes to financial statements.

On behalf of the Board:

Aaron Detlor _____ Director   B/wl HL _____ Director

2438543 ONTARIO INC.

Statement of Operations and Retained Earnings (Deficit)

Year ended March 31, 2022, with comparative financial information for 2021

	2022	2021
Revenue:		
Investment gain (loss) on GGV2LP	$ 1,918,000	$ 1,945,200
Office rent	30,100	–
Land lease revenue	7,150	6,100
	1,955,250	1,951,300
Expenses:		
Amortization expense	170,786	79,537
Property expenses	105,333	39,536
Legal fees (note 5)	75,183	134,955
Professional fees	63,981	43,795
Business development (note 5)	60,000	65,000
Land related fees and property taxes	48,609	20,067
Management fees (note 5)	45,281	45,492
Insurance	15,015	6,738
Audit fees	13,500	13,000
Office expenses	11,321	6,953
Bank fees	6,085	42
Interest expense – CRA	–	211
	615,094	455,326
Net earnings before income taxes	1,340,156	1,495,974
Income tax expense (note 7)	–	–
Net income	1,340,156	1,495,974
Deficit, beginning of year	(258,398)	(1,754,372)
Retained earnings (deficit), end of year	$ 1,081,758	$ (258,398)

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Statement of Cash Flows

Year ended March 31, 2022, with comparative financial information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Net income	$ 1,340,156	$ 1,495,974
Change in non-cash items:		
Amortization expense	170,786	79,537
Change in non-cash operating working capital:		
Accounts payable and accrued liabilities	44,186	28,461
Deferred revenue	6,000	–
Income taxes payable	–	(309,485)
Receivable from Haudenosaunee Development Institute	865,000	(865,000)
Payable to Haudenosaunee Development Institute	494,165	(437,432)
	2,920,293	(7,945)
Financing activities:		
Proceeds from demand loan	549,000	738,000
Capital contribution from Haudenosaunee Development Institute	1,000,000	1,365,000
	1,549,000	2,103,000
Investing activities:		
Purchase of land and buildings	(3,557,867)	(1,235,933)
Proceeds of investment in GGV2LP, net	(1,918,000)	(1,945,200)
	(5,475,867)	(3,181,133)
Decrease in cash and cash equivalents	(1,006,574)	(1,086,078)
Cash and cash equivalents, beginning of year	1,143,827	2,229,905
Cash and cash equivalents, end of year	$ 137,253	$ 1,143,827

See accompanying notes to financial statements.

2438543 ONTARIO INC.

Notes to Financial Statements

Year ended March 31, 2022

2438543 Ontario Inc. (the "Entity") is a private Entity incorporated under the Canada Business Corporations Act. The Entity is 100% owned by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Entity's shares are held in trust by Haudenosaunee Development Institute ("HDI") an unincorporated organization owned and controlled by HCCC. The Entity holds an investment in a wind farm and land with the intention of re-investing earnings in the community for development of resources available to the public.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"). The Entity's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(b) Investments:

The Entity applies the equity method as a basis of accounting for investments in a Entity which it exercises significant influence and does not control, jointly or otherwise. Under the equity method, the Entity records these investments initially at cost, less any transaction costs, and the carrying amounts are adjusted thereafter to include the Entity's pro rate share of post-acquisition earnings of the investees, computed by the consolidation method. The adjustments are included in the determination of net income by the Entity, and the investment accounts of the Entity are also increased or decreased to reflect the Entity's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amount of the investments. Unrealized intercompany gains or losses are eliminated.

The Entity's determination of significant influence is based on consideration of voting interest in the investees along with other indicators such as representation on the board of directors, participation in policy-making processes, material intercompany transactions, interchange or managerial personnel or provision of technical information.

The investment in a Entity subject to significant influence is accounted for using the equity method.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2022

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

(c) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated amortization.

Depreciation is provided on a straight-line basis over the estimated useful life of the assets, which are as follows:

Asset	Years
Building	20
Building improvements	20

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value.

(d) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance and are in the normal course of business are measured at the exchange amount. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

(e) Income taxes:

The Entity uses the taxes payable method to account for income taxes whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period, determined in accordance with the rules established by taxation authorities.

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of investments. Actual results could results could differ from those estimates.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2022

1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Entity has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Entity determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Entity expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Investment:

The Entity owns a 40% interest in Great Grand Valley 2 Limited Partnership (“GGV2LP”). GGV2LP owns a 25% interest in Grand Valley 2 Limited Partnership, a wind farm project consisting of 25 wind turbines producing 60 megawatts of green energy located in the Town of Grand Valley and the Township of Amaranth. This investment is accounted for using the equity method.

Asset as at March 31	2022	2021
Investment	$ 3,000,000	$ 3,000,000
Cumulative share of gains from investment	5,132,393	3,214,393
Cumulative return of capital	(760,000)	(760,000)
Distributions from partnership	(2,203,905)	(2,203,905)
	$ 5,168,488	$ 3,250,488

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2022

3. Property:

			2022	2021
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 3,880,782	$ –	$ 3,880,782	$ 2,005,782
Building and improvements	3,239,963	351,167	2,888,796	1,376,716
	$ 7,120,745	$ 351,167	$ 6,769,578	$ 3,382,498

4. Accrued liabilities:

Included in accrued liabilities are professional service fees for audit and other related services of $13,500 (2021 - $13,000) and amounts payable for municipal tax bills of $133,575 (2021 - $84,967).

5. Related entities:

Haudenosaunee Confederacy Chiefs Council ("the Council"):

The Council formed the Organization in 2007 in order to create a process and an institution to ensure certain rights are protected with respect to land development. The Organization represents the Council's interest in development of lands within the Haudenosaunee jurisdiction.

The Organization receives applications for projects on land and recommends approval to the Council and the Council provides final approval. The Organization reports to Council on a regular basis on the status and progress of potential and on-going projects. The Organization is controlled by HCCC.

Haudenosaunee Development Institute:

Haudenosaunee Development Institute ('HDI'), an unincorporated organization also 100% owned by the Haudenosaunee Confederacy Chiefs Council ('HCCC'), provides services to the Entity such as mortgage payments, land purchases and professional service fees made on behalf of the Entity. At March 31, 2022, the entity has balance payable to HDI in the amount of $682,696 (2021 – net receivable of $694,469) relating to land purchases, mortgage payments and professional service fees. For the year ended March 31, 2022, amounts charged by HDI for services provided to the entity included management fees in the amount of $45,281 (2021 - $45,492), legal fees in the amount of $75,184 (2021 - $134,728), business development expenses in the amount of $60,000 (2021 - $65,000) and other expenses of $2,101.33 (2021 - $1,791). During the year, the Organization received a capital contribution in the amount of $1,000,000 from HDI (2021 - $1,365,000), which was used for community development by way of land purchases.

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2022

5. Related entities (continued):

A director of 2438543 Ontario Inc. provides services to the Entity. These include but are not limited to success fees paid on any negotiated outcomes in relation to the acquisition of an interest in any wind project. During the year, there were no success fees accrued and/or paid to the director (2021 - $nil).

During the year, HDI paid $18,000 to 2438543 Ontario Inc. for office space rental in one of the entity's properties (2021 - $nil).

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6. Loan payable:

The entity has a loan payable to GGV2LP in the amount of 7,807,316 (2021 - $7,258,316). The loan is interest-free and has scheduled repayments beginning in 2024. The full amount is expected to be repaid in full by 2035.

7. Income taxes:

Income tax expenses differ from the amount that would be computed by applying the federal and provincial statutory tax rates of 26.5% (2021 – 26.5%) to earnings before income taxes. The reasons for the differences and related tax effects are as follows:

	2022	2021
Earnings before income taxes	$ 1,340,156	$ 1,495,974
Income tax at applicable tax rate	355,141	396,433
Partnership income (loss)	(508,270)	(515,478)
Taxable capital gains	57,553	111,049
Non-capital losses	98,950	5,833
Other	(3,374)	2,163
Income tax expense	$ –	$ –

2438543 ONTARIO INC.

Notes to Financial Statements (continued)

Year ended March 31, 2022

8. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Entity will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Entity manages its liquidity risk by monitoring its operating requirements. The Entity has a working capital deficiency that arises due to the structure of the investment in GGV2LP. The Entity prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from prior period.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Entity deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Entity monitors the credit risk of its investment in the GGV2LP.

TAB 6

Financial Statements of

Ogwawihsta Dedwahsnye

For the period from incorporation on March 22, 2016 to
March 31, 2017
(Unaudited)

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

REVIEW ENGAGEMENT REPORT

To the Board of Directors:

We have reviewed the statement of financial position of Ogwawishta Dedwahsnye (the "Organization") as at March 31, 2017 and the statements of earnings and deficiency and changes in net assets for the period from incorporation on March 22, 2016 to March 31, 2017. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Organization.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada
July 26, 2017

Ogwawihsta Dedwahsnye

Statement of Financial Position

March 31, 2017
(Unaudited)

Assets

Current asset:		
Accounts receivable (note 3)	$	22,570
	$	22,570

Liabilities and Net Assets

Current liability:		
Accounts payable and accrued liabilities (note 2)	$	6,634
Net assets:		
Unrestricted		15,936
	$	22,570

See accompanying notes to financial statements.

Ogwawihsta Dedwahsnye

Statement of Earnings and Deficiency

For the period from incorporation on March 22, 2016 to March 31, 2017
(Unaudited)

Revenue:		
Administration fees (note 3)		$ 53,009
Expenses:		
Office and general expenses (note 3)		26,151
Audit and tax fees		7,771
Professional fees		3,151
		37,073
Excess of revenue over expenses	$	15,936

See accompanying notes to financial statements.

Ogwawihsta Dedwahsnye

Statement of Changes in Net Assets

For the period from incorporation on March 22, 2016 to March 31, 2017
(Unaudited)

Balance, beginning of period	$	-
Excess of revenue over expenses		15,936
Balance, end of year	$	15,936

See accompanying notes to financial statements.

Ogwawihsta Dedwahsnye

Notes to Financial Statements

For the period from incorporation on March 22, 2016 to March 31, 2017
(Unaudited)

Ogwawihsta Dedwahsnye (the "Organization") is a Not-for-Profit Organization incorporated on March 22, 2016, as a corporation without share capital under the Canada Not-for-profit Corporation Act of Canada. The Organization provides payroll services for Haudenosaunee Development Institute ("HDI"), a formal unincorporated organization also established by the Haudenosaunee Confederacy Chiefs Council ("HCCC"). The Organization is a not for profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CICA Handbook.

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions which include donations. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
Revenue from fees, contracts and sales of publications is recognized when the services are provided or the goods are sold. Revenue is directly linked to the payroll expense that flows through the Organization for HDI's employee payroll. Administration fee revenues are recognized in accordance with the agreement with HDI at 5% of all payroll expenses processed during the fiscal year. Payroll expenses processed on behalf of HDI during the fiscal year amounted to $1,060,172.

(b) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of accrued liabilities. Actual results could differ from those estimates.

Ogwawihsta Dedwahsnye

Notes to Financial Statements

For the period from incorporation on March 22, 2016 to March 31, 2017
(Unaudited)

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1. Significant accounting policies (continued):

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are amounts due for financial reporting and tax compliance. At year-end, there are no amounts outstanding payable for HST or payroll related taxes.

3. Related party transactions:

The Organization is controlled by and overseen by HCCC. HDI and the Organization share a common management group who oversee the operating activities of both entities.

Intercompany receivables for the period ended March 31, 2017 amount to $22,570. The amounts are non-interest bearing, unsecured, and due on demand. The fair value of the intercompany receivable approximates the carrying value due to the current nature of the receivable.

Ogwawihsta Dedwahsnye

Notes to Financial Statements

For the period from incorporation on March 22, 2016 to March 31, 2017
(Unaudited)

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3. Related party transactions (continued):

Administration revenues are earned by the Organization based on percentages outlined in the payroll services agreement. An amount of $53,009 representing administrative charges has been received from HDI and recorded as administration revenues.

Office and general expenses of HDI are allocated to the Organization based on percentages outlined in the payroll services agreement. An amount of $26,151 representing administrative charges has been incurred by the Organization and recorded as administration expenses.

4. Cash flow:

The Organization utilizes the accounting systems and infrastructure of HDI to process all transactions. The Organization's transactions with HDI are settled through the intercompany payable/receivable accounts and, therefore, it is not necessary for the Organization to maintain a bank account. The Organization was setup to support HDI, which is an unincorporated association, in processing its payroll. Since the Organization did not generate cash activity for the period ended March 31, 2017, a cash flow statement is not presented.

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Organization is dependent on HDI and the HCCC to achieve its operating objectives including administration revenues and support via cash flows and related accounts receivable.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

Financial Statements of

OGWAWIHSTA DEDWAHSNYE

Year ended March 31, 2018
(Unaudited)

KPMG

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT REVIEW ENGAGEMENT REPORT

To the Board of Directors

We have reviewed the accompanying financial statements of Ogwawishta Dedwahsnye for the year ended March 31, 2018 and notes, comprising a summary of significant accounting policies and other explanatory information (together "the financial statements"). The financial statements have been prepared by management in accordance with the Accounting Standards for Not-for-profit Organizations.

Management's Responsibility for the financial statements

Management is responsible for the preparation of the financial statements in accordance with the Accounting Standards for Not-for-profit Organizations; this includes determining that the applicable financial reporting framework is acceptable for the preparation of the financial statements in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted standards for review engagements. Accordingly, we do not express an audit opinion on this financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements of Ogwawishta Dedwahsnye for the year ended March 31, 2018 is not prepared, in all material respects, in accordance with the Accounting Standard for Not-for-profit Organizations

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada
January 9, 2019

OGWAWIHSTA DEDWAHSNYE

Statement of Financial Position

March 31, 2018, with comparative information for 2017
(Unaudited)

	2018	2017
Assets		
Current asset:		
Cash	$ 40,692	$ -
Accounts receivable (note 4)	-	22,570
	40,692	22,570
Equipment (note 3)	1,658	-
	$ 42,350	$ 22,570
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 2)	$ 10,329	$ 6,634
Due to related party (note 4)	1,916	-
	12,245	6,634
Net assets:		
Unrestricted	30,105	15,936
	$ 42,350	$ 22,570

See accompanying notes to financial statements.

Colin W. Ma

OGWAWIHSTA DEDWAHSNYE

Statement of Operations

For the year ended March 31, 2018, with comparative information for period from incorporation on March 22, 2016 to March 31, 2017
(Unaudited)

	2018	2017
Revenue:		
Administration fees (note 4)	$ 67,997	$ 53,009
Cost of sales:		
Amortization	400	-
	67,597	53,009
Expenses:		
Office and general expenses (note 4)	29,018	26,151
Professional fees	14,385	3,151
Consulting fees	7,439	7,771
Advertising	2,000	-
Bank expense	586	-
	53,428	37,073
Excess of revenue over expenses	$ 14,169	$ 15,936

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Changes in Net Assets

For the year ended March 31, 2018, with comparative information for period from incorporation on March 22, 2016 to March 31, 2017
(Unaudited)

		2018		2017
Balance, beginning of period	$	15,936	$	-
Excess of revenue over expenses		14,169		15,936
Balance, end of year	$	30,105	$	15,936

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Cash Flows

March 31, 2018, with comparative information for 2017
(Unaudited)

	2018	2017
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	$ 14,169	$ 15,936
Items not involving cash:		
Amortization of equipment	400	-
Change in non-cash operating work capital		
Account receivable	22,570	(22,570)
Accounts payable and accrued liabilities	3,695	6,634
	40,834	-
Investing Activities:		
Advance to Haudenosaunee Development Institute	1,916	-
Purchase of property, plant and equipment	(2,058)	-
	(142)	-
Net increase in cash	40,692	-
Cash, beginning of the year	-	-
Cash, end of year	$ 40,692	$ -

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE
Notes to Financial Statements

Year ended March 31, 2018
(Unaudited)

Ogwawihsta Dedwahsnye (the “Organization”) is a Not-for-Profit Organization incorporated on March 22, 2016, as a corporation without share capital under the Canada Not-for-profit Corporation Act of Canada. The Organization provides payroll services for Haudenosaunee Development Institute (“HDI”), a formal unincorporated organization also established by the Haudenosaunee Confederacy Chiefs Council (“HCCC”). The Organization is a not for profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CPA Handbook.

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions which include donations. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
Revenue from fees, contracts and sales of publications is recognized when the services are provided or the goods are sold. Revenue is directly linked to the payroll expense that flows through the Organization for HDI’s employee payroll. Administration fee revenues are recognized in accordance with the agreement with HDI at 5% of all payroll expenses processed during the fiscal year. Payroll expenses processed on behalf of HDI during the fiscal year amounted to approximately 1.3 million

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposit which are highly liquid with original maturities of less than three months.

(c) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital assets are amortized on a straight-line basis using the following expected life:

	Years
Computer software and equipment	5

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2018
(Unaudited)

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1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of accrued liabilities. Actual results could differ from those estimates.

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are amounts due for financial reporting and tax compliance. At year-end, there are no amounts outstanding payable for HST or payroll related taxes.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2018
(Unaudited)

3. Capital assets:

March 31, 2018	Cost	Accumulated amortization	Net book value
Computer equipment	$ 2,058	$ 400	$ 1,658

Ogwawihsta Dedwahsnye purchased $2,058 computer equipment in fiscal year 2018. No capital assets existed in fiscal year 2017.

4. Related party transactions:

The Organization is controlled by and overseen by HCCC. HDI and the Organization share a common management group who oversee the operating activities of both entities.

Intercompany payable for the period ended March 31, 2018 amount is $1,916 (2017 – Receivable $22,570). The amounts are non-interest bearing, unsecured, and due on demand. The fair value of the intercompany payable approximates the carrying value due to the current nature of the payable.

Administration revenues are earned by the Organization based on percentages outlined in the payroll services agreement. An amount of $67,997 (2017 - $53,009) representing administrative charges has been received from HDI and recorded as administration revenues.

Office and general expenses of HDI are allocated to the Organization based on percentages outlined in the payroll services agreement. An amount of $29,018 (2017 - $26,151) representing administrative charges has been incurred by the Organization and recorded as administration expenses.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2018
(Unaudited)

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5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Organization is dependent on HDI and the HCCC to achieve its operating objectives including administration revenues and support via cash flows and related accounts receivable. There have no changes in risk exposures from 2017.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There have no changes in risk exposures from 2017.

Financial Statements of

OGWAWIHSTA DEDWAHSNYE

And Independent Auditors' Report thereon

Year ended March 31, 2019

KPMG LLP
Commerce Place
21 King Street West Suite 700
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Canada
Tel 905 523-8200
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Ogwawihsta Dedwahsnye

Opinion

We have audited the financial statements of Ogwawihsta Dedwahsnye (the "Entity"), which comprise:

- the statement of financial position as at end of March 31, 2019;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

  (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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.

Other Matter – Comparative Information

The comparative information as at and for the year ended March 31, 2018 is unaudited. Accordingly, we do not express an opinion on it.

However, the comparative information as at and for the year ended end of Y1 was previously reviewed by us and our report thereon, dated January 9, 2019, stated that nothing came to our attention that causes us to believe that the financial statements for the year then ended were not prepared, in all material respects, in accordance with the Accounting Standards for Not-for-profit Organizations. A review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the comparative information.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

October 2, 2019

OGWAWIHSTA DEDWAHSNYE

Statement of Financial Position

March 31, 2019, with comparative information for 2018

		2019		2018
Assets				
Current assets:				
Cash	$	32,329	$	40,692
Accounts receivable (note 4)		1,418		-
Due from related party (note 2)		6,054		-
		39,801		40,692
Equipment (note 3)		972		1,658
	$	40,773	$	42,350
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities (note 4)	$	10,668	$	10,329
Due to related party (note 2)		-		1,916
		10,668		12,245
Net assets:				
Unrestricted		30,105		30,105
	$	40,773	$	42,350

See accompanying notes to financial statements.

Colin W. Maracle

OGWAWIHSTA DEDWAHSNYE

Statement of Operations

For the year ended March 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
ALI program contribution (note 4)	$ 28,356	$ -
Administration fees (note 2)	-	67,997
Contribution for operating expenses (note 2)	12,072	-
	40,428	67,997
Expenses:		
ALI program costs (note 4)	28,356	-
Consulting fees	9,494	7,439
Professional fees	1,325	14,385
Bank expense	540	586
Amortization	686	400
Office and general expenses (note 2)	27	29,018
Advertising	-	2,000
	40,428	53,828
Excess of revenue over expenses	$ -	$ 14,169

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Changes in Net Assets

For the year ended March 31, 2019, with comparative information for 2018

		2019		2018
Balance, beginning of year	$	30,105	$	15,936
Excess of revenue over expenses		-		14,169
Balance, end of year	$	30,105	$	30,105

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Cash Flows

March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	$ -	$ 14,169
Items not involving cash:		
Amortization of equipment	686	400
Change in non-cash operating work capital		
Account receivable	(1,418)	22,570
Accounts payable and accrued liabilities	339	3,695
	(393)	40,834
Investing Activities:		
Advance (to) from Haudenosaunee Development Institute	(7,970)	1,916
Purchase of property, plant and equipment	-	(2,058)
	(7,970)	(142)
Net (decrease) increase in cash	(8,363)	40,692
Cash, beginning of the year	40,692	-
Cash, end of year	$ 32,329	$ 40,692

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2019

Ogwawihsta Dedwahsnye (the "Organization") is a Not-for-Profit Organization incorporated on March 22, 2016, as a corporation without share capital under the Canada Not-for-profit Corporation Act of Canada. The Organization works with the Haudenosaunee Confederacy Chiefs Council ("HCCC") on the disbursement of its land lease funds. Previously the organization provided payroll services to Haudenosaunee Development Institute ("HDI"), a formal unincorporated organization also established by the HCCC, however the arrangement was ended during the year. The Organization is a not for profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CPA Handbook.

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions and administrative fee revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue from fees, contracts and agreements is recognized when the services are provided or the goods are sold.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposit which are highly liquid with original maturities of less than three months.

(c) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital assets are amortized on a straight-line basis using the following expected life:

	Years
Computer equipment	3

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2019

1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of accrued liabilities. Actual results could differ from those estimates.

2. Related party transactions:

The Organization is controlled by and overseen by HCCC which also controls and oversees HDI.

Receivables from HDI, a related party, amount to $6,054 (2018 – $1,916 payable) as at March 31, 2019. The amounts are non-interest bearing, unsecured, and due on demand.

Administration revenues were earned by the Organization based on percentages outlined in the payroll services agreement which was terminated effective April 1, 2018. An amount of $nil (2018 - $67,997) has been received from HDI and recorded as administration fees.

Contributions for operating expenses are received by the Organization based on an amount up to 5% of the land lease revenue earned by HDI. An amount of $12,072 (2018 - $nil) has been received from HDI and recorded as contributions for operating expenses.

Office and general expenses of HDI were allocated to the Organization based on percentages outlined in the payroll services agreement which was terminated effective April 1, 2018. An amount of $nil (2018 - $28,393) was allocated to the Organization and recorded as office and general expenses.

The transactions above are made in the normal course of operations and are measured at the exchange amount agreed to by the related parties.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2019

3. Capital assets:

March 31, 2019	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer equipment	$ 2,058	$ 1,086	$ 972	$ 1,658

4. ALI program contribution

Contributions for the Aboriginal Learning Initiative (ALI) are received by the Organization based on an agreement between the Organization and First Nations Confederacy of Cultural Education Centres (FNCCEC). An amount of $28,356 (2018 - $nil) was received by the Organization as revenue and subsequently allocated to ALI for use towards eligible expenditures in line with the agreement terms. During the year, the ALI incurred eligible expenditures in excess of the contribution. At year-end, $1,418 in additional contributions have been recorded as a holdback receivable from FNCCEC with an equal amount payable to ALI.

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Organization is dependent on HDI and the HCCC to achieve its operating objectives including administration revenues, contributions for operating expenses and support via cash flows and related accounts receivable. There have no changes in risk exposures from 2018.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There have no changes in risk exposures from 2018.

Financial Statements of

OGWAWIHSTA DEDWAHSNYE

And Independent Auditors’ Report thereon

Year ended March 31, 2020

KPMG LLP
Commerce Place
21 King Street West, Suite 700
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Canada
Tel 905-523-8200
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Ogwawihsta Dedwahsnye

Opinion

We have audited the financial statements of Ogwawihsta Dedwahsnye (the "Entity"), which comprise:

- the statement of financial position as at end of March 31, 2020;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

  (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

October 5, 2020

OGWAWIHSTA DEDWAHSNYE

Statement of Financial Position

March 31, 2020, with comparative information for 2019

		2020		2019
Assets				
Current assets:				
Cash	$	32,245	$	32,329
Accounts receivable (note 4)		1,832		1,418
Due from related party (note 2)		7,612		6,054
		41,689		39,801
Equipment (note 3)		286		972
	$	41,975	$	40,773
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities (note 4)	$	11,414	$	10,668
Net assets:				
Unrestricted		30,561		30,105
	$	41,975	$	40,773

See accompanying notes to financial statements.

Colin W. Moore

OGWAWIHSTA DEDWAHSNYE

Statement of Operations

For the year ended March 31, 2020, with comparative information for 2019

		2020		2019
Revenue:				
ALI program contribution (note 4)	$	36,644	$	28,356
Contribution for operating expenses (note 2)		12,496		12,072
		49,140		40,428
Expenses:				
ALI program costs (note 4)		36,644		28,356
Consulting fees		9,400		9,494
Professional fees		1,850		1,325
Amortization		686		686
Bank expense		84		540
Office and general expenses (note 2)		20		27
		48,684		40,428
Excess of revenue over expenses	$	456	$	-

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Changes in Net Assets

For the year ended March 31, 2020, with comparative information for 2019

		2020		2019
Balance, beginning of year	$	30,105	$	30,105
Excess of revenue over expenses		456		-
Balance, end of year	$	30,561	$	30,105

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Cash Flows

March 31, 2020, with comparative information for 2019

		2020		2019
Cash provided by (used in):				
Operations:				
Excess of revenues over expenses	$	456	$	-
Items not involving cash:				
Amortization of equipment		686		686
Change in non-cash operating work capital				
Account receivable		(414)		(1,418)
Accounts payable and accrued liabilities		746		339
		1,474		(393)
Investing Activities:				
Advance (to) from Haudenosaunee Development Institute		(1,558)		(7,970)
Net (decrease) increase in cash		(84)		(8,363)
Cash, beginning of the year		32,329		40,692
Cash, end of year	$	32,245	$	32,329

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2020

Ogwawihsta Dedwahsnye (the “Organization”) is a Not-for-Profit Organization incorporated on March 22, 2016, as a corporation without share capital under the Canada Not-for-profit Corporation Act of Canada. The Organization works with the Haudenosaunee Confederacy Chiefs Council (“HCCC”) on the disbursement of its land lease funds. Previously the organization provided payroll services to Haudenosaunee Development Institute (“HDI”), a formal unincorporated organization also established by the HCCC, however the arrangement was ended during the year. The Organization is a not for profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CPA Handbook.

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions and administrative fee revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue from fees, contracts and agreements is recognized when the services are provided or the goods are sold.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposit which are highly liquid with original maturities of less than three months.

(c) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital assets are amortized on a straight-line basis using the following expected life:

	Years
Computer equipment	3

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of accrued liabilities. Actual results could differ from those estimates.

2. Related party transactions:

The Organization is controlled by and overseen by HCCC which also controls and oversees HDI.

Receivables from HDI, a related party, amount to $7,612 (2019 - $6,054) as at March 31, 2020. The amounts are non-interest bearing, unsecured, and due on demand.

Contributions for operating expenses are received by the Organization based on an amount up to 5% of the land lease revenue earned by HDI. An amount of $12,496 (2019 - $12,072) has been received from HDI and recorded as contributions for operating expenses.

The transactions above are made in the normal course of operations and are measured at the exchange amount agreed to by the related parties.

3. Equipment:

March 31, 2020	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	$ 2,058	$ 1,772	$ 286	$ 972

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2020

4. ALI program contribution:

Contributions for the Aboriginal Learning Initiative (ALI) are received by the Organization based on an agreement between the Organization and First Nations Confederacy of Cultural Education Centres (FNCCEC). An amount of $36,644 (2019 - $28,356) was received by the Organization as revenue and subsequently allocated to ALI for use towards eligible expenditures in line with the agreement terms. During the year, the ALI incurred eligible expenditures in excess of the contribution. At year-end, $1,832 (2019 - $1,418) in additional contributions have been recorded as a holdback receivable from FNCCEC with an equal amount payable to ALI.

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Organization is dependent on HDI and the HCCC to achieve its operating objectives including administration revenues, contributions for operating expenses and support via cash flows and related accounts receivable. There have no changes in risk exposures from 2019.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There have no changes in risk exposures from 2019.

6. COVID-19:

Subsequent to March 31, 2020, world financial markets have continued to be negatively impacted by the novel Coronavirus or COVID-19, which was declared a pandemic by the World Health Organization on March 12, 2020. This has resulted in significant economic uncertainty, including in Canada, where the Organization operates. The ongoing impact may affect the generation, timing and collection of revenues. Consequently, it is difficult to reliably measure the potential impact of this uncertainty on the future financial results of the Organization.

Financial Statements of

OGWAWIHSTA DEDWAHSNYE

And Independent Auditor's Report thereon

Year ended March 31, 2021

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ogwawihsta Dedwahsnye

Opinion

We have audited the financial statements of Ogwawihsta Dedwahsnye (the "Entity"), which comprise:

- the statement of financial position as at end of March 31, 2021;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not- for-profit organizations.

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 Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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.

KPMG

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the 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 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.

KPMG

- 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 Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

February 2, 2023

OGWAWIHSTA DEDWAHSNYE

Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	$ 34,352	$ 32,245
Accounts receivable (note 4)	3,575	1,832
Due from related party (note 2)	–	7,612
	37,927	41,689
Equipment (note 3)	–	286
	$ 37,927	$ 41,975
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	$ 13,375	$ 11,414
Net assets:		
Unrestricted	24,552	30,561
	$ 37,927	$ 41,975

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Operations

For the year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
ALI program contribution (note 4)	$ 71,484	$ 36,644
Contribution for operating expenses (note 2)	–	12,496
	71,484	49,140
Expenses:		
ALI program costs (note 4)	66,125	36,644
Consulting fees	9,500	9,400
Professional fees	1,572	1,850
Amortization	286	686
Bank expense	10	84
Office and general expenses (note 2)	–	20
	77,493	48,684
(Deficiency) excess of revenue over expenses	$ (6,009)	$ 456

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Changes in Net Assets

For the year ended March 31, 2021, with comparative information for 2020

		2021		2020
Balance, beginning of year	$	30,561	$	30,105
(Deficiency) excess of revenue over expenses		(6,009)		456
Balance, end of year	$	24,552	$	30,561

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Cash Flows

March 31, 2021, with comparative information for 2020

		2021		2020
Cash (used in) provided by:				
Operations:				
(Deficiency) excess of revenues over expenses	$	(6,009)	$	456
Items not involving cash:				
Amortization of equipment		286		686
Change in non-cash operating work capital				
Account receivable		(1,743)		(414)
Accounts payable and accrued liabilities		1,961		746
		(5,505)		1,474
Investing Activities:				
Advance from (to) Haudenosaunee Development Institute		7,612		(1,558)
Net increase (decrease) in cash		2,107		(84)
Cash, beginning of the year		32,245		32,329
Cash, end of year	$	34,352	$	32,245

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2021

Ogwawihsta Dedwahsnye (the "Organization") is a Not-for-Profit Organization incorporated on March 22, 2016, as a corporation without share capital under the Canada Not-for-profit Corporation Act of Canada. The Organization works with the Haudenosaunee Confederacy Chiefs Council ("HCCC") on the disbursement of its land lease funds. Previously the organization provided payroll services to Haudenosaunee Development Institute ("HDI"), a formal unincorporated organization also established by the HCCC, however the arrangement was ended during the year. The Organization is a not for profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CPA Handbook.

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions and administrative fee revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue from fees, contracts and agreements is recognized when the services are provided or the goods are sold.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposit which are highly liquid with original maturities of less than three months.

(c) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital assets are amortized on a straight-line basis using the following expected life:

	Years
Computer equipment	3

(d) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of accrued liabilities. Actual results could differ from those estimates.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2021

2. Related party transactions:

The Organization is controlled by and overseen by HCCC which also controls and oversees HDI.

Contributions for operating expenses are received by the Organization based on an amount up to 5% of the land lease revenue earned by HDI. An amount of $nil (2020 - $12,496) has been received from HDI and recorded as contributions for operating expenses.

The transactions above are made in the normal course of operations and are measured at the exchange amount agreed to by the related parties.

3. Equipment:

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	$ 2,058	$ 2,058	$ –	$ 286

4. ALI program contribution:

Contributions for the Aboriginal Learning Initiative (ALI) are received by the Organization based on an agreement between the Organization and First Nations Confederacy of Cultural Education Centres (FNCCEC). An amount of $71,484 (2020 - $36,644) was received by the Organization as revenue and subsequently allocated to ALI for use towards eligible expenditures in line with the agreement terms. During the year, the ALI incurred eligible expenditures in excess of the contribution. At year-end, $3,575 (2020 - $1,832) in additional contributions have been recorded as a holdback receivable from FNCCEC with an equal amount payable to ALI.

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Organization is dependent on HDI and the HCCC to achieve its operating objectives including administration revenues, contributions for operating expenses and support via cash flows and related accounts receivable. There have no changes in risk exposures from 2020.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There have no changes in risk exposures from 2020.

Financial Statements of

OGWAWIHSTA DEDWAHSNYE

And Independent Auditor's Report thereon

Year ended March 31, 2022

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ogwawihsta Dedwahsnye

Opinion

We have audited the financial statements of Ogwawihsta Dedwahsnye (the "Entity"), which comprise:

- the statement of financial position as at end of March 31, 2022
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not- for-profit organizations.

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 Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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.

KPMG

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the 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 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.

KPMG

- 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 Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

February 2, 2023

OGWAWIHSTA DEDWAHSNYE

Statement of Financial Position

March 31, 2022, with comparative information for 2021

		2022		2021
Assets				
Current assets:				
Cash	$	46,727	$	34,352
Accounts receivable (note 4)		105,000		3,575
		151,727		37,927
Equipment (note 3)		–		–
	$	151,727	$	37,927
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities (note 4)	$	115,017	$	13,375
Due to related party (note 2)		4,301		–
Net assets:				
Unrestricted		32,409		24,552
	$	151,727	$	37,927

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Operations

For the year ended March 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
ALI program contribution (note 4)	$ 200,000	$ 71,484
Expenses:		
ALI program costs (note 4)	180,000	66,125
Consulting fees	9,500	9,500
Professional fees	2,643	1,572
Amortization	–	286
Bank expense	–	10
	192,143	77,493
Excess (deficiency) of revenue over expenses	$ 7,857	$ (6,009)

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Changes in Net Assets

For the year ended March 31, 2022, with comparative information for 2021

	2022	2021
Balance, beginning of year	$ 24,552	$ 30,561
Excess (deficiency) of revenue over expenses	7,857	(6,009)
Balance, end of year	$ 32,409	$ 24,552

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Statement of Cash Flows

March 31, 2022, with comparative information for 2021

	2022	2021
Cash (used in) provided by:		
Operations:		
Excess (deficiency) of revenues over expenses	$ 7,857	$ (6,009)
Items not involving cash:		
Amortization of equipment	–	286
Change in non-cash operating work capital		
Account receivable	(101,425)	(1,743)
Accounts payable and accrued liabilities	101,642	1,961
	8,074	(5,505)
Investing Activities:		
Advance from Haudenosaunee Development Institute	4,301	7,612
Net increase in cash	12,375	2,107
Cash, beginning of the year	34,352	32,245
Cash, end of year	$ 46,727	$ 34,352

See accompanying notes to financial statements.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2022

Ogwawihsta Dedwahsnye (the “Organization”) is a Not-for-Profit Organization incorporated on March 22, 2016, as a corporation without share capital under the Canada Not-for-profit Corporation Act of Canada. The Organization works with the Haudenosaunee Confederacy Chiefs Council (“HCCC”) on the disbursement of its land lease funds. Previously the organization provided payroll services to Haudenosaunee Development Institute (“HDI”), a formal unincorporated organization also established by the HCCC, however the arrangement was ended during the year. The Organization is a not for profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CPA Handbook.

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions and administrative fee revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue from fees, contracts and agreements is recognized when the services are provided or the goods are sold.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposit which are highly liquid with original maturities of less than three months.

(c) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital assets are amortized on a straight-line basis using the following expected life:

	Years
Computer equipment	3

(d) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of accrued liabilities. Actual results could differ from those estimates.

OGWAWIHSTA DEDWAHSNYE

Notes to Financial Statements

Year ended March 31, 2022

2. Related party transactions:

The Organization is controlled by and overseen by HCCC which also controls and oversees HDI.

Contributions for operating expenses are received by the Organization based on an amount up to 5% of the land lease revenue earned by HDI, at the discretion of HDI. As agreed upon by the two parties, an amount of $nil (2021 - $nil) has been received from HDI and recorded as contributions for operating expenses.

The transactions above are made in the normal course of operations and are measured at the exchange amount agreed to by the related parties.

As at March 31, 2022, amounts payable to HDI of $4,301 (2021 - $nil) are due upon demand and non-interest bearing.

3. Equipment:

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	$ 2,058	$ 2,058	$ –	$ –

4. ALI program contribution:

Contributions for the Aboriginal Learning Initiative (ALI) are received by the Organization based on an agreement between the Organization and First Nations Confederacy of Cultural Education Centres (FNCCEC). An amount of $200,000 (2021 - $71,484) was received by the Organization as revenue and subsequently allocated to ALI for use towards eligible expenditures in line with the agreement terms. During the year, the ALI incurred eligible expenditures in excess of the contribution. At year-end, $10,000 (2021 - $3,575) in additional contributions have been recorded as a holdback receivable from FNCCEC with an equal amount payable to ALI.

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Organization is dependent on HDI and the HCCC to achieve its operating objectives including administration revenues, contributions for operating expenses and support via cash flows and related accounts receivable. There have no changes in risk exposures from 2021.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There have no changes in risk exposures from 2021.

EXHIBIT C

This is Exhibit "C" to the Affidavit of
Carol Fung, affirmed this 10th day of
April, 2023

Commissioner for Taking Affidavits

Court File No. CV-18-594281

SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS. -and- THE ATTORNEY GENERAL OF CANADA AND HIS MAJESTY THE KING IN RIGHT OF ONTARIO

Plaintiffs Defendants

ANSWERS TO UNDERTAKINGS, UNDER ADVISEMENTS, AND REFUSALS FROM THE CROSS EXAMINATION OF BRIAN DOOLITTLE HELD ON MARCH 8, 2023

Item	Q.	P.	Question	Transcript Excerpt	Answer
EXAMINATION BY THE SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS					
UA1	215-222	40-43	a) Whether Brian has any reason to disagree with anything posted to the HCCC website b) Advise if there is any reason to dispute financial documents at Miller Exhibit L	Q. If I can summarize, sir, what Councillor Miller did here was download the financial documents about the HDI posted to the HCCC website, and she attached them to her affidavit, so that should give you the context. If you look at the first page, just to give you an example, you see a financial statement for the August 2007 to 2009 period; do you see that? A. Yes. Q. You have no reason to dispute the accuracy of any of the HDI financial records that were posted to the HCCC website; correct? MR. GILBERT: Well, hold on, that is a lot of information that you are asking him sitting here to comment on things posted on a website. He has to take time to look at it and use his best recollection. So do you want him to go through Exhibit L? […] Q. This should not be contentious, and so if the witness wants to take this away and let us know in writing if he disagrees with anything that was posted on the website, I am happy to do it that way, but we have limited time today. The question is simple. You have no reason sitting here today, sir, to disagree with anything that was posted to the HCCC website; correct? U/A MR. GILBERT: Well, I will take that under advisement, and you can move on.	Mr. Doolittle has no reason to believe financial information posted to https://www.haudenosauneeconfederacy.com/ is incorrect. The documents at Exhibit L to Ms. Miller's affidavit appear to be copies of the documents posted at https://www.haudenosauneeconfederacy.com/departments/haudenosaunee-development-institute/reports/

Item	Q.	P.	Question	Transcript Excerpt	Answer
UA2	243-245	47-48	Produce resolution of HCCC authorizing HDI to participate in this litigation	Q. Other than the letter from Secretary Hill, which we will discuss in a moment, there isn't a separate resolution of the HCCC authorizing HDI to participate in this litigation; correct? A. No, there is. That is not correct. Q. Well, if there was, you would have provided a copy of it, would you not have? A. Yes, yes. Q. Since you haven't provided us a copy, will you do so now? U/A MR. GILBERT: We'll take it under advisement. MR. SHAPIRO: And just so we are clear on under advisements, Counsel, on crosses I treat those as refusals. MR. GILBERT: Well, you can treat it how you want. If we answer the question, it won't be a refusal.	Please see attached Council minutes, redacted for privilege: BrianDoolittleHDI-UA2-2Apr2022 CouncilMinutes_Redacted.PDF

Item	Q.	P.	Question	Transcript Excerpt	Answer
UA3	259-270	51-57	Produce unredacted copy of June 16 Jock Hill letter	Q. -- and the wording from your affidavit, I noticed a difference, and if you flip back to your affidavit, you will see there is an added line at the end of paragraph 5 in the indented text where it says: "Firekeepers added Cleve T. and Yogi W. to the Chiefs Negotiation Committee." Do you see that? A. Yes. Q. Where does that text come from? […] Q. We are going to carry on, and I will await word from you about the under advisement. But to be clear, the question is where does that text come from and, to the extent there is a separate document with that text which is in the witness's affidavit, the request is to produce a copy of it. MR. GILBERT: Yes, understood. Mr. Dumigan, do you want to clarify if I have misstated anything? U/A MR. DUMIGAN: No. Mr. Shapiro, the separate document is a letter. I believe it is dated June 16th. It has privileged information in it, and we'll take it under advisement as to whether we produce it and in what form, with redactions or whatever is necessary. MR. SHAPIRO: To be clear, I am requesting the complete unredacted document. MR. DUMIGAN: That is fine. MR. GILBERT: By "that is fine" -- U/A MR. DUMIGAN: That is not an undertaking, sorry. That is an under advisement, yes.	See attached June 16, 2022 letter from *Hohahes* Leroy Hill, redacted for privilege: BrianDoolittleHDI-UA3-16Jun2022 HillLetter_Redacted .PDF

Item	Q.	P.	Question	Transcript Excerpt	Answer
EXAMINATION BY THE MEN'S FIRE OF THE SIX NATIONS GRAND RIVER TERRITORY					
UA4	688-696	140-143	a) Produce a copy of the email chain from Leroy Hill letter, or b) names on email chain and date it was sent, or c) names on email chain, excluding counsel, or d) the contents of the email with necessary redactions.	Q. I want to go back to the April 2, 2022, meeting. In your Supplementary Affidavit of Documents, you refer to a letter of Leroy Hill that refers to information to be shared with Chiefs and Clan Mothers on the email chain. A. Yes. Q. Were you copied on that email chain? A. Yes. Q. Can you please produce that email chain? U/A MR. GILBERT: We'll take it under advisement. Q. Thank you. First of all, I'll break that down. Will you provide to me in the email header the list of recipients and the list of senders and the date of that email chain, which is non-privileged information. MR. GILBERT: I'll consider that. You are calling it non-privileged. I don't know. Q. Will you produce the list of recipients and senders on that email chain apart from any Counsel, lawyer/Counsel -- MR. GILBERT: Same answer. MR. KAUFMAN: -- so it is non-privileged. Well, consider doesn't mean anything. Are you refusing -- U/A MR. GILBERT: I told you, I'll take a look at it and get back to you in a reasonable time, say in three days, and tell you whether we are going to produce it or the basis of our objection. Q. Will you also produce the contents of that email with the email header to show its authenticity in full and/or, alternatively, by redacting what you consider privileged information? U/A MR. GILBERT: The same. We'll take it all as part of the same request. Just put your questions on.	Irrelevant. Overbroad. Privileged. Unduly onerous.

TAB 1

Special Council called April 2 2022, to address HDI issue

*Firekeepers opened Council 9:10am

*HDI requested today's Council due to a developing issue of importance. [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

-The Mohawks sent across the suggestion to authorize HDI to engage in the matter, and to work with the Chiefs' negotiations committee and maybe we need to add others. (Allen M. Steve M. Blake B. Roger S. Al D. Hohahes, Toby W.). Are there any others?
Also, for Aaron and his legal team to coordinate the issue [redacted]

--------------------------------Lunch Break--

Decision-All sides agreed for HDI to intervene and for Aaron to coordinate our fight. And for the Chiefs Committee to work closely with Aaron and legal team. Also, for information to be shared with Chiefs and Clanmothers on the email chain, to keep everyone updated. Firekeepers added Cleve T. and Yogi W. to the Chiefs Negotiation Committee.

1 more issue-The Well (Mohawks) sent across a suggestion to write to Marc Miller again. We need to address his mandate. Does he truly have the mandate "to work with existing traditional governments and leaders, whose nations and forms of government were suppressed and ignored historically by the federal government, to restore respectful nation-to-nation relationships, in the spirit of self-determination, by renewing and updating treaty relationships where they exist, including pre-confederation treaties"?

Also, to remind him we are prepared to sit down and address 1924. Hohahes also updated Council that our previous letter was delivered electronically march 9,2022 @6:59am, and the original by mail the same day. (No response has been received yet).

Decision- Aaron drafted and read a letter which all sides agreed should be sent.
All sides agreed to close council today and the Firekeepers encouraged the Council to remember the Council processes when dealing with matters. We're supposed to only deal with one issue at a time. Sometimes we get 2 or 3 matters mixed in together and it gets challenging. We need to be able to focus and stay with 1 issue at a time.

Firekeepers closed council @ 2:50pm and next Council will be on zoom April 9th @ 9am.

TAB 2

Six Nations "Iroquois" Confederacy
GRAND RIVER COUNTRY

June 16, 2022

Ohsweken, Ontario

The Haudenosaunee Confederacy Chiefs Council (HCCC) has directed the Haudenosaunee Development Institute (H.D.I.) to coordinate the effort to protect our land rights being discussed in provincial court. As Secretary, I provide the following excerpt from the council minutes of April 2, 2022;

[redacted]

-The Mohawks sent across the suggestion to authorize HDI to engage in the matter, and to work with the Chiefs' negotiations committee and maybe we need to add others. (Allen M. Steve M. Blake B. Roger S. Al D. Hohahes, Toby W.). Are there any others?
Also, for Aaron and his legal team to coordinate the issue [redacted]

--------------------------------Lunch Break--

Decision-All sides agreed for HDI to intervene and for Aaron to coordinate our fight. And for the Chiefs Committee to work closely with Aaron and legal team. Also, for information to be shared with Chiefs and Clanmothers on the email chain, to keep everyone updated. Firekeepers added Cleve T. and Yogi W. to the Chiefs Negotiation Committee."

Please feel free to contact me if any further information is needed.

In Peace and Friendship,

Hohahes, Leroy Hill

Hohahes, Leroy Hill

2634 Sixth Line, Ohsweken, ON N0A 1M0
Email: 1749resource@gmail.com Phone: 905.765.1749

EXHIBIT D

This is Exhibit “D” to the Affidavit of
Carol Fung, affirmed this 10th day of
April, 2023

Commissioner for Taking Affidavits

Court File No. CV-18-594281

SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS. -and- THE ATTORNEY GENERAL OF CANADA AND HIS MAJESTY THE KING IN RIGHT OF ONTARIO

Plaintiffs Defendants

ANSWERS TO UNDERTAKINGS, UNDER ADVISEMENTS,
AND REFUSALS FROM THE CROSS EXAMINATION OF AARON DETLOR HELD ON MARCH 20 AND 24, 2023

Item	Q.	P.	Question	Transcript Excerpt	Answer
EXAMINATION BY THE MEN'S FIRE OF THE SIX NATIONS GRAND RIVER TERRITORY					
UA1	142-147	44-45	Produce a copy of the 243 Ontario Inc. share register	Q. And the last time you saw the Minute Book, where did you see the Minute Book? A. I believe I saw it in the offices of HDI at Grand River Education and Training. Q. And when was that? A. I don't recall. Q. So is it fair to say the Minute Book was originally kept at Gardiner Roberts, but then it moved to Grand River Education and Training's offices? A. I don't know. Q. Does the Minute Book contain a share register? A. Without looking at the Minute Book, I wouldn't be able to advise. Q. Would you undertake to review the Minute Book and produce the share register? U/A MR. GILBERT: We'll object as it is not a discovery, but I'll take it under advisement.	See attached: • AaronDetlorHDI-UA1-ShareRegister.pdf • AaronDetlorHDI-UA1-ShareCertificate.pdf The share register is not completely accurate, as the shares in 243 Ontario are held by HDI, ***in trust*** for the HCCC.

Item	Q.	P.	Question	Transcript Excerpt	Answer
R7	199-201	56-57	Advise of total money value received by HDI in respect of projects HDI is involved in.	Q. I didn't hear you, sorry. Do you know the total dollar value of monies received by HDI in respect to these projects? R/F MR. GILBERT: Don't answer the question, irrelevant. Q. Well, do you know the information, Mr. Detlor? R/F MR. GILBERT: The same answer, it is not relevant. Q. Of the total amount of project monies received by HDI and/or 243 Ontario, how much of those funds have been used for the purpose of garnering resources for HCCC's use in respect of land rights issues? R/F MR. GILBERT: Don't answer the question. It is onerous and it is not particularly relevant to this action. MR. KAUFMAN: I don't agree with that. MR. GILBERT: I said it is onerous and it is not relevant to this action. MR. KAUFMAN: How is it onerous? MR. GILBERT: Because it requires going back through a whole bunch of records to find that information for you, which is not the purpose of a cross-examination. This is not a discovery. It is not a forensic audit of HDI.	See answer to R19 from Richard Saul.
R10	224	65	Produce all of HDI's financial statements	Q. Would you undertake to produce all the financial statements? R/F MR. GILBERT: No.	See answers to R19, R20 and R21 from Richard Saul

Item	Q.	P.	Question	Transcript Excerpt	Answer
EXAMINATION BY SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS					
UA2	395	110	Would the Confederacy Chiefs make themselves available for discovery?	Q. It is relevant, Mr. Gilbert, to your request to be a participant in this proceeding, and so I am asking again. If your client becomes a party to this proceeding, would the Confederacy Chiefs make themselves available for examinations for discovery? U/A MR. GILBERT: We'll take it under advisement. I don't know at this point. I don't know what is necessary. Nobody has made a request.	Premature.

Item	Q.	P.	Question	Transcript Excerpt	Answer
UA3	433-439	120-121	Produce emails with Jock Hill regarding the letters produced in the affidavit of Aaron Detlor, affirmed February 8, 2023	Q. And Kris Hill told you that she sent the letters at Exhibits A and B of your affidavit on behalf of Leroy Hill? A. Correct. Q. And Mr. Hill is the Haudenosaunee Confederacy Chiefs Council Secretary? A. Correct. Q. You did not receive that information directly from Mr. Hill? A. From Mr. Hill? Q. Yes, you -- A. From Mr. Jock Hill? Q. You received it from Kris Hill, not from Leroy Hill? A. I also was on the emails or the something -- some kind of stream that I remember speaking to Jock about it. Q. About these letters at Exhibit A and B of your affidavit? A. Yes. Q. May I have copies of those, please? U/A MR. GILBERT: I am not sure which letters they are. I'll take it under advisement because I am a little confused, but I will look into it promptly and get back to you.	Refused. Irrelevant.

Item	Q.	P.	Question	Transcript Excerpt	Answer
UA4	478	131	Produce Shareholder agreement of 243 Ontario Inc.	Q. Is there a shareholder agreement for 2438543 Ontario Inc.? A. Yes. Q. May I have a copy of that, please? U/A MR. GILBERT: I'll take it under advisement.	HDI has reviewed its records and corrects the answer given at Mr. Detlor's examination: 243 Ontario does not have a shareholder's agreement.
UA5	480-483	131-132	Produce any security assessments of 243 Ontario Inc.	Q. Has 243 Ontario Inc. issued any security certificates under its by-laws? A. I am not aware. Q. I didn't hear your answer, sir. A. I am not aware. Q. Mr. Gilbert, could you please check whether 243 Ontario has issued any security certificates? U/A MR. GILBERT: We'll take it under advisement. Q. And if it has, I would like copies, please? U/A MR. GILBERT: The same answer.	See UA2.
R13	398-399	110-111	Does Mr. Detlor or HDI know how long it would take to get expert reports?	Q. You don't know how long it would take to get expert reports ready? A. I mean, are you asking me do I know generally speaking how long it takes or do I know how -- Q. In this proceeding. In this proceeding. R/F MR. GILBERT: Well, look, don't answer the question.	Irrelevant. In any event, HDI has not been provided the productions, existing expert reports, or issues list. It is not in a position to meaningfully comment.

TAB 1

2438543 Ontario Inc.
Shareholder Register

Date Shares Issued	Date Ceased to be Shareholder	Shareholder Name	Address	Postal Code	Telephone	# Shares Issued	# Shares Oustanding	Price per Share (cost)	Total	Share Class	Voting Rights?
October 20, 2014	n/a	Haudenosaunee Confederacy Chiefs Council	16 Sunrise Crt, Ohsweken, ON	N0A 1M0	519-445-4222	50	50	$1	$50	Common	Yes

I hereby certify that the above-named shareholders are the present shareholders of 2438543 Ontario Inc., that the number of shares set opposite their names have been paid for in cash, and that no part thereof has been borrowed for being exhibited as an asset of the bank.

Brian Doolittle, President

October 20, 2014
Date

TAB 2

NO. C-1

INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO

50 SHARES

2438543 ONTARIO INC.

This is to Certify HAUDENOSAUNEE DEVELOPMENT INSTITUTE, IN TRUST
is the registered holder of fifty
common shares in the capital of
2438543 ONTARIO INC.

The class or series of shares represented by this Certificate has rights, privileges, restrictions or conditions attached thereto and the Corporation will furnish to a shareholder, on demand and without charge, a full copy of the text of:

(i) the rights, privileges, restrictions and conditions attached to the shares represented by this certificate and to each class authorized to be issued and to each series insofar as the same have been fixed by the directors; and

(ii) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series, if applicable.

The Corporation has a lien on the shares represented by this Certificate for the indebtedness of the Shareholder to the Corporation.

The right of the shareholder to transfer the shares represented by this Certificate is subject to restrictions.

IN WITNESS WHEREOF the Corporation has caused this Certificate to be signed by its duly authorized officers.

DATED this 20th day of October, 2014

B Doolittle

President (Brian Doolittle)

SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS -and- THE ATTORNEY GENERAL OF CANADA *et al.*
Plaintiff Defendants

Court File No. CV-18-594281

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF CAROL FUNG
(*Affirmed April 10, 2023)*

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SIX NATIONS OF THE GRAND RIVER BAND OF INDIANS -and- THE ATTORNEY GENERAL OF CANADA *et al.*
Plaintiff Defendants

Court File No. CV-18-594281

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

FIFTH SUPPLEMENTARY MOTION RECORD OF THE HAUDENOSAUNEE DEVELOPMENT INSTITUTE
(*Motion for Joinder/Intervention*)

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