



## 16th Annual Report

April 1, 2015 - March 31, 2016

**Tei tonhontsohon tsohsera  
akwe:kon aietewaka'en:ion  
nahoten ionkwaio'ten:'en tsi  
niihseres tsi nonkwa:ne  
aohiatonhsera'shon:'a**

1 Onerahtókha 2015 - 31 Enniskó:wa 2016

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KAHNAWÀ:KE'S

ECONOMIC DEVELOPMENT

NOISSIW

# Report from the Chairperson of the Board of Directors and Interim CEO 2015 - 2016

Over the past year, Tewatohnni'saktha has experienced many highlights, changes, and challenges. Nonetheless, the organization continued to carry out its mission to facilitate economic development for the community. Tewatohnni'saktha is now looking to shift more of its energies into business support and workforce development, and less of its efforts into revenue generation, in order to have a greater impact on the growth of Kahnawake's economy.

## **ELECTIONS**

Last September, Tewatohnni'saktha held its 7th Board of Directors' elections. It was with great pleasure that we welcomed four new board members: Jack Leclair, Virginia Standup, Frank McComber, and David Montour. Also, Greg Horn was re-elected to serve another four-year term. Tewatohnni'saktha and our Board of Directors experienced a great loss this year with the passing of a very active board member, Wayne Rice. His extensive participation and enthusiastic personality will truly be missed.

## **EMPLOYEE RETIREMENTS**

In 2015, there was the retirement of Penny Kane and Angela Deer whose dedication to Tewatohnni'saktha is greatly appreciated. Fortunately, we were able to fill these two positions by promoting one of our current employees, Kristy Kennedy, to replace Angela and hiring a new employee, Kanenhontie Picard, to replace Penny. A minor challenge that the organization encountered this year was the restructuring of Tewatohnni'saktha's organizational services team due to budgetary

reasons. Unfortunately, this affected our staffing due to the fact that we had to eliminate two administrative positions.

## **BUSINESS SERVICES**

In our Business Services Division, we had twenty-five graduates who successfully completed our Entrepreneurship Training program; our highest number of graduates yet. We also have changed the name of Small Business Services to Tewatohnni'saktha Business Services in an attempt to better reflect that we are no longer solely focusing on just small business, but rather all businesses within Kahnawà:ke regardless of their size.

## **EMPLOYMENT AND TRAINING**

In the Employment and Training Division, funding for our six-year Career Building Skills (CBS) program ended in 2015. However, we did receive funding to implement a new program called ITE (Incubator to Employment) program. The objective of this program is to provide students with the skills and knowledge needed to make a successful transition into the workplace. The first session of the ITE program was a huge success, as 80% of graduating students pursued work or school following the completion of this training program. Furthermore, this past year was the first year that Tewatohnni'saktha offered a French Language program. The first session began in the fall of 2015 and was geared towards our administration and accounting students who would soon be finishing their schooling. After the first session, there was such a high demand from community members wanting to participate in

this French Language program that we decided to run another session in the winter. In the future we hope to increase the number of students that complete the French Language program. Finally, a total of fifty-one students were hired last summer for our Kahnawà:ke Summer Student Employment Program (KSSEP).

## **KAHNAWÀ:KE SUSTAINABLE ENERGIES (KSE) PROJECT**

Kahnawà:ke Sustainable Energies (KSE) has been progressing towards the final step before construction, which is the Quebec Government's approval of the project. In May 2015, the project proceeded to a hearing of the Bureau d'audiences publiques sur l'environnement (BAPE), which allowed individuals in favor of or against the project to be heard. The BAPE then gave its report, which stated that there were no major environmental concerns, with the exception of social acceptability, visual changes to the landscape, and possible noise concerns to local residents. The KSE team is confident that through their mitigation plans, impacts of the project have been minimized for both the residents and the environment both during construction and throughout the life of the project. The next steps in the project are the approval of the Commission for the Protection of Agricultural Land in Quebec (CPTAQ) and then finally, Ministerial approval.

## **CHANGES TO OUR MANDATE**

The biggest transformation this past year is Tewatohnni'saktha working with the Mohawk Council of Kahnawà:ke to change our

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# Report from the Chairperson of the Board of Directors and Interim CEO

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mandate. The goal is to shift our primary focus from implementing community-owned businesses for the purpose of generating revenue for the community, to focusing our efforts on job creation through business support, attraction, and expansion and matching individuals with the jobs created by the businesses. Tewatohnhi'saktha's Employment and Training division would then exert more emphasis on workforce development rather than our current focus solely on employment and training. By doing so, we are seeking out new ways to expand our services to anyone who is seeking employment, regardless of whether they are employed or unemployed or do not have the level of education required for the careers that they wish to pursue. Another means of generating jobs is to work with our community businesses to increase the productivity of their current employees, which ultimately would allow for business expansion. In the

coming year, Tewatohnhi'saktha will be taking a high-level look at our programs and services that we provide and determine which ones we need to stop, start, or improve upon so that we can truly focus on economic development. It is crucial for us to find ways to adapt to the changing economy so that we can become an economically sustainable community in the long-term.

## **NEW STRATEGIC DIRECTION**

In 2015-2016 Tewatohnhi'saktha also underwent changes to our strategic direction. Rather than focusing solely on what we are doing to help the economy, we will begin monitoring and tracking the changes to Kahnawà:ke's economic status as a whole, and our new strategies are designed to strengthen and enhance the opportunities for the community in these areas. This will mean a change to our Key Success Measures as of the 2016-2017 fiscal year, which we

have tracked for many years. We will now be monitoring:

- Jobs Created Full-time
- Wages Paid
- Workforce Participation
- Unemployment Rate
- Investments Attracted
- New Businesses Opened
- Businesses Expanded
- Business Closures

It is evident that more progress needs to be made, and we can guarantee that efforts will continue to be made to ensure a self-sufficient community that creates collective prosperity for our future generations. Additionally, it is imperative that we constantly strive to attain sustainable economic development that benefits all of our people. The approaches that we will use to achieve this goal may not always be agreed upon by all, however, we must remain united in order to achieve economic growth for all Kahnawàkero:non.



**Dwayne Kirby**  
Chairperson  
Board of Directors



**Kyle Delisle**  
Interim CEO  
Tewatohnhi'saktha



*Photo Credits Valerie Pyke Photography*

**Front row, left-right: Greg Horn, Dwayne Kirby, Virginia Standup, Chuck Barnett. Back Row, left-right: Frank McComber, David Montour, Jack Leclaire.**





## **Wayne Rice Remembered**

Wayne Rice served as a Tewatohnhi'saktha Board member from 2011 until his passing in 2015. Wayne was recruited to sit on our board, along with our existing Board members, as we recognized that he was another strong advocate of economic development

who had a successful business background. Wayne was someone with high intelligence who understood the equation between risk and reward in business investing and someone who had governance experience and was decisive. We got all that, and much more.

Wayne had a forceful presence. Gentle and jovial when needed, and generous with his praise when earned, he was also fearless in his criticisms. I experienced the criticism and respected him for it. It was well placed and earned.

Wayne was very dedicated to his various roles and his Tewatohnhi'saktha board membership was no different, even when he got ill. I remember asking my Executive Assistant, Marissa, to call Wayne to see if he could make it to a Board meeting after one of his treatments. I thought his presence and insights on a particular subject would be beneficial to the Board and the organization. He hesitated for a moment saying the treatment left him not feeling well but then realizing the subject matter, said he would come in for that one issue.

Well, Wayne came to the meeting – shared his influential thoughts with us and stayed for most of the meeting. His contribution to the organization that evening under those circumstances exemplifies his spirit of commitment, strength and perseverance: Do what must be done.

Wayne is greatly missed by us all.

*John Bud Morris, CEO (1999-2015)*

# Business Services Division

## *Kahnawà:ke CrossFit keeps members active and happy*

By Jordan Standup

The fitness phenomenon known as CrossFit arrived in the community last year and has been keeping clients beyond satisfied.

"Kahnawake CrossFit is a fitness facility that opened its doors in December 2015," said owners Jadie Cross and Derek Stacey.

Kahnawake CrossFit offers a wide variety of the very best fitness services including daily classes, personal training, and even sports training.

"We also offer nutritional advice if needed," Cross said.

She explained how she and Stacey got the business started.

"We attended another facility for a few years, then decided a larger and a more open atmosphere would be nice to have in our community," Cross said. "So we decided to open a fresh new facility."

Cross and Stacey were pleased to report that there weren't too many obstacles to overcome en route to opening the new fitness facility, which is located across from the outdoor lacrosse rink.

"Everything went as planned and we opened our doors for business right on schedule," the owners noted.

As a young business, they were very thankful for Tewatohni'saktha's support.

"Tewatohni'saktha has helped us tremendously so far with advertising," Cross said. "We plan to use what's available to us in the future to expand our business."

She said "CrossFit is an effective way to get fit."

"It is a fitness program that combines a wide variety of functional movements into a workout designed for universal scalability, making it perfect for anyone to do," Cross concluded.



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# Business Services Division

## *Smoke Signals BBQ brings southern flavor to Kahnawà:ke*



By Jordan Standup

Some of the finest southern style barbecue food is available right here in Kahnawà:ke thanks to the Smoke Signals BBQ food truck.

The business officially opened last summer during the Echoes of a Proud Nation Pow-Wow weekend. Smoke Signals BBQ is now open every weekend on the Old Malone Highway near the old Rabaska's restaurant.

"I got the idea last February," owner Michael Montour explained. "I was still in culinary school and I didn't really have plans for after graduation."

He said the idea for Smoke Signals BBQ was also partially influenced by something he watched on a popular television show.

"I got the idea after seeing something on one of Anthony Bourdain's shows and the more I thought about it, the more I wanted to do it," Montour said.

He began planning the business as soon as he completed culinary school and never looked back.

"I always loved barbecued food and I wanted a

way to share it with as many people as possible," the young entrepreneur said.

Food trucks have become extremely popular over the last few years. Montour explained why he decided to go that route.

"I wasn't quite ready to start up a restaurant, so a food truck was the next best thing," he said.

Operating a food truck also affords Montour the opportunity to bring his business to different events in and around the community.

"The only obstacle is time!" Montour asserted. "Because I still do the milk run, it feels like there is not enough time in the week. Smoking meat is a long process."

Smoke Signals BBQ serves up mouth-watering chicken wings, ribs, pulled pork poutine and nachos among many other finger-licking items.

Tewatohnni'saktha's aid has been an essential part of the birth of Montour's new business.

"Tewatohnni'saktha helped me through the Small Business Program," Montour said. "They gave me the startup funds to get this project off the ground and without it, this probably wouldn't have been possible."

He's pleased with the comments he's received from his customers.

"The feedback so far has been really good. A lot of people tell me they really enjoy the food and that's what makes it worthwhile," Montour noted.

He shared some of his potential future plans for the business.

"I would like to move this indoors one day and expand more on the menu. Since we're on a truck, we have to keep it limited to a few things and moving it indoors would obviously give us more opportunity to expand the menu," Montour said.

When that will happen though is still up in the air.

"I have no exact time in mind," Montour said.

In the meantime, Smoke Signals BBQ will continue making people smile with its tasty and hearty meals from its current food truck.

# Business Services Division

## Mohawk Solar Solutions helps power Kahnawà:ke

By Jordan Standup

Kahnawake is home to a very unique business thanks to the efforts of a local entrepreneur.

"I sell and install solar and wind energy products," said Kanerahontie McComber, owner and operator of Mohawk Solar Solutions.

"I've been in this business for five years and I work out of my home," McComber said.

The successful business grew quickly in just a short amount of time.

Since launching Mohawk Solar Solutions, McComber has helped equip many businesses and homes with solar and wind energy products in Kahnawà:ke. He has also installed windmills and solar panels at cabins in Tioweró:ton.

"I started with just solar energy, then requests came from my customers for wind turbines, so I began selling wind turbines as well," he explained.

He noted that there were some small bumps in the road when he got started. But he managed to overcome them.

"Every job has its own challenges, but in the beginning



it was tough because all my training was for 'grid tie' projects and most of the jobs I do are battery-based," McComber said. "So, I pretty much had to teach myself how to do battery based systems."

He said that Kahnawà:ke's leader in economic development, Tewatohnhi'saktha, helped him quickly spread the word about his flourishing business.

"Tewatohnhi'saktha helped me with advertising, cards, pamphlets and signs," McComber said. He acknowledged that these things are all an integral part of business promotion.

### EMPLOYMENT

This Year (2015-2016)  
Target: 35  
Actual: 42.3

Last Year (2014-2015)  
Target: 35  
Actual: 40.5

\*measured in full-time equivalents: total number of hours worked by all clients divided by 1,875 hours

### REVENUE GENERATION\*

Generate revenue in 2014-2015 through project investment and present business files\*

This Year (2015-2016)  
Target: \$2,303,946  
Actual: \$ 661,510

Last Year (2014-2015)  
Target: \$2,078,438  
Actual: \$2,237,892

\*includes Onkwawista income, which is in US dollars

# Employment & Training Division

## *Delormier thrives in new job at MCK Records Management*



By Jordan Standup

When Karennaiehne Delormier began working in the Mohawk Council of Kahnawà:ke's Records Management department last November, she knew she had found the perfect job.

"My position is as a file clerk, but it is not limited to only filing. I'm working on different projects that span throughout different departments of the MCK," she said.

Delormier has received plenty of on-the-job experience.

"I never knew how much work the people here do, but now I know and I am grateful to be part of the organization," she said.

Before applying for the job, she looked to Tewatohnni'saktha for help.

"I received funding from Tewatohnni'saktha to enroll

in the Administrative Assistant Course at the Nova Career Centre and benefitted throughout the year from their counselors," Delormier said. "Someone was always there to listen and help me as much as possible whenever I ran into problems. They were there to encourage me through it and that helped me keep up with my studies."

She admits that there were some challenges along the way.

"The biggest challenge I faced was juggling school and work while still trying to make time to be a mother and support my son," Delormier said.

Tewatohnni'saktha was instrumental in leading her in the right direction.

"Tewatohnni'saktha's Employment and Training services is the reason I am in this position today. Kara Paul contacted me while I was still in school and informed me that Records Management had been looking for someone and she thought I would be perfect for the position," she explained.

"I would like to thank Coreen Delormier for helping me while I was in school and afterwards for the encouragement and endless support, as well as Kara for working diligently to make sure I was placed in a position after my schooling," she said.

Delormier also express gratitude for her supervisor at the MCK, Kara Dawne Zemel.

"She gave me the opportunity to work with her team. The knowledge and experience I am gaining from her will carry on with me in my career forever," she said.

### **BUSINESS CREATION & EXPANSION**

This Year (2015-2016)

Target: 17 (7 micro, 6 small, 2 large, 2 expansions)

Actual: 13 (7 micro, 3 small, 1 medium, 2 expansions)

Last Year (2014-2015)

Target: 13 (7 micro, 3 small, 1 medium, 2 Expansions)

Actual: 12 (6 micro, 4 small, 2 expansions)

### **LOANS**

This Year (2015-2016)

Target: \$225,000

Actual: \$238,377

Last Year (2014-2015)

Target: \$225,000

Actual: \$354,265



# Employment & Training Division

## *Tahasontaronkwas Diabo enjoys new job as a welder*



By Jordan Standup

A young Kahnawà:ke welder will soon travel across the country as part of his new job.

"I started welding in May of last year," Tahasontaronkwas Diabo said.

He hopes to spend a long time in this particular field of work.

"I plan on one day opening up my own fabrication shop," Diabo explained.

HereceivedhisweldingcertificationfromChateauguay's Nova Career Centre.

When asked if there were any obstacles along the way, Diabo said, "just the tests were a little hard, but other than that it's been smooth sailing."

He said Tewatohni'saktha was supportive in a number of ways while he attended welding school.

"They allowed me to commit to schooling full-time and achieve my goal of becoming a welder," Diabo explained. "I'd like to thank everyone who works there for all their support and being very helpful every step of the way!"



Tahasontaronkwas Diabo will soon travel to Western Canada to continue working.

"I'm actually going work in Alberta. I'm going to weld heat exchangers for one of the camps up there; it's known as tube-to-tube sheet welding," he explained.

In just a short period of time, his work has taken him many places.

"I've worked in Arizona, a few places in Ontario and of course in Quebec," Diabo said.

### CLIENTS SERVED

The number of clients who obtained services from Employment Counselors and/or Business Services Officers

This Year (2015-2016)  
Target: 780  
Actual: 689

Last Year (2014-2015)  
Target: 930  
Actual: 793

### DOLLAR VALUE OF PRODUCTS

Dollar value of products, tuition, and allowances administered to or utilized by clients

This Year (2015-2016)  
Target: \$1,595,000  
Actual: \$1,170,788

Last Year (2014-2015)  
Target: \$1,595,000  
Actual: \$1,581,189

# Employment & Training Division

## *Joey Barnes continues a Kahnawà:ke tradition*

By Jordan Standup

Twenty-three year old Joey Barnes is carrying on a Kahnawà:ke tradition as an apprentice ironworker in New York City.

Before his journey in the Big Apple began in September 2015, Barnes attended Montreal's Centre de Formation des Métiers de l'Acier (CMFA), which is an ironwork trade school.

"Angie Marquis at Tewatohnhi'saktha introduced to me to the program. I knew it would get me that much closer to what I wanted," he said. "Then I went back to Tewatohnhi'saktha and Onawa Jacobs helped me with the step by step process to get into the school."

Barnes said Tewatohnhi'saktha's guidance and encouragement helped lead him to exactly where he wanted to be.

He admits that there were some challenges along the way.

"The biggest challenge I had to face was when the CMFA school didn't accept my Kahnawà:ke Survival School diploma. I had to expedite my schooling which gave me my full diploma; it worked out fine and I was glad for that," Barnes said.

Part of the reason he was lured to this field of work was when he found out about pension and benefits for unionized ironworkers.

"When I'm 25 or 30, I should have something to show for it. Now, I'm finally here and things are working out really well. I like coming to work. At the end of the day, I'm proud of what I'm doing," Barnes said.

Ironworking is a natural fit for Barnes, who grew up with a very active lifestyle.

"I liked climbing things," he said.

Someday soon, Barnes hopes to join a raising



gang. "I'm not in yet! But it's more my style of work. It's a faster pace and it's more dangerous," he explained. "I got to try it out by filling in for someone and I got to connect during one of those days."



## Independent Auditors' Report



To the Community Members and Board of Directors of Tewaohnni'saktha:

We have audited the accompanying consolidated financial statements of Tewaohnni'saktha, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

### *Auditors' Responsibility*

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

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

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

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Tewaohnni'saktha as at March 31, 2016 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Montréal, Québec

June 9, 2016

*MNP* SENCRL, srl<sup>1</sup>

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



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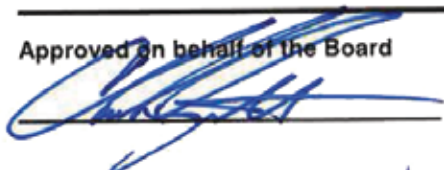


**Tewatohnhi'saktha**  
**Consolidated Statement of Financial Position**


*As at March 31, 2016*

	<b>2016</b>	<b>2015</b>
<b>Financial assets</b>		
Cash and cash equivalents <i>(Note 3)</i>	<b>3,649,595</b>	3,826,401
Temporary investments <i>(Note 4)</i>	<b>2,800,129</b>	3,351,307
Accounts receivable <i>(Note 5)</i>	<b>667,775</b>	2,603,003
Portfolio investments <i>(Note 6)</i>	<b>12,556</b>	12,556
Loans receivable <i>(Note 7)</i>	<b>15,282,835</b>	15,269,967
<b>Total financial assets</b>	<b>22,412,890</b>	25,063,234
<b>Liabilities</b>		
Accounts payable and accrued liabilities <i>(Note 9)</i>	<b>1,134,795</b>	701,454
Deferred revenue <i>(Note 10)</i>	<b>280,174</b>	1,144,002
Long-term debt <i>(Note 11)</i>	<b>2,227,712</b>	2,678,218
<b>Total liabilities</b>	<b>3,642,681</b>	4,523,674
<b>Net financial assets</b>	<b>18,770,209</b>	20,539,560
<b>Commitments</b> <i>(Note 12)</i>		
<b>Non-financial assets</b>		
Tangible capital assets <i>(Note 13) (Schedule 1)</i>	<b>10,833,241</b>	11,907,493
Development costs <i>(Note 14)</i>	<b>590,404</b>	590,404
Prepaid expenses	<b>21,086</b>	69,961
<b>Total non-financial assets</b>	<b>11,444,731</b>	12,567,858
<b>Accumulated surplus</b> <i>(Note 17)</i>	<b>30,214,940</b>	33,107,418

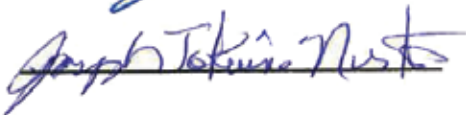
Approved on behalf of the Board



Director



Director



Grand Chief

# Tewatohnhi'saktha

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2016*

	<i>Schedules</i>	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>				
Indigenous and Northern Affairs Canada		1,600,746	1,016,766	1,542,557
Employment and Social Development Canada		354,564	373,914	176,960
Province of Quebec		57,977	-	187,458
Secretariat aux Affaires Autochtones		7,873	26,815	-
Rental income		1,775,272	1,817,528	1,674,894
First Nations Human Resources Development Commission of Quebec		1,865,112	1,667,164	1,862,701
Other revenue		1,719,921	117,604	111,642
Interest income		70,482	110,473	132,536
First Nations of Quebec and Labrador Health and Social Services Commission		-	73,828	133,755
Kahnawà:ke Education Centre		57,844	58,755	52,189
Kahnawà:ke Shakotiiia'Takehnhas Community Services		130,777	56,949	43,051
Investment income		-	28,439	2,158,609
Consulting income		-	-	36,682
Recovery of prior year's funding		-	39,197	-
Deferred revenue - prior year		974,049	1,138,515	981,451
Deferred revenue - current year		-	(278,020)	(1,138,515)
Repayment of government funding		-	(487,020)	(94,931)
Cancellation of government funding		-	-	(80,440)
		<b>8,614,617</b>	<b>5,760,907</b>	<b>7,780,599</b>
<b>Expenses</b>				
Employment and Training	4	2,294,470	1,792,035	2,066,670
Administrative Services	5	186,286	334,322	(54,254)
Economic Development	6	4,200,295	3,999,263	3,811,620
Small Business Services	7	2,726,354	1,433,485	1,613,236
Capital	8	-	1,182,772	634,183
<b>Total expenses (Schedule 2)</b>		<b>9,407,405</b>	<b>8,741,877</b>	<b>8,071,455</b>
<b>Deficit before other items</b>		<b>(792,788)</b>	<b>(2,980,970)</b>	<b>(290,856)</b>
<b>Other income (expense)</b>				
Gain (loss) on foreign exchange		255,000	88,492	(16,762)
<b>Deficit</b>		<b>(537,788)</b>	<b>(2,892,478)</b>	<b>(307,618)</b>
<b>Accumulated surplus, beginning of year</b>		<b>33,107,418</b>	<b>33,107,418</b>	<b>33,415,036</b>
<b>Accumulated surplus, end of year</b>		<b>32,569,630</b>	<b>30,214,940</b>	<b>33,107,418</b>

**Tewatohnhi'saktha**  
**Consolidated Statement of Change in Net Financial Assets**

*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Annual deficit</b>	<b>(537,788)</b>	<b>(2,892,478)</b>	<b>(307,618)</b>
Purchases of tangible capital assets	-	<b>(108,520)</b>	(324,892)
Amortization of tangible capital assets	-	<b>489,370</b>	634,183
Write down of computer software	-	<b>693,402</b>	-
Tangible capital assets financed through long-term debt	-	-	(750,000)
	-	<b>1,074,252</b>	(440,709)
Acquisition of prepaid expenses	-	-	(69,961)
Use of prepaid expenses	-	<b>48,875</b>	22,365
	-	<b>48,875</b>	(47,596)
<b>Decrease in net financial assets</b>	<b>(537,788)</b>	<b>(1,769,351)</b>	<b>(795,923)</b>
<b>Net financial assets, beginning of year</b>	<b>20,539,560</b>	<b>20,539,560</b>	<b>21,335,483</b>
<b>Net financial assets, end of year</b>	<b>20,001,772</b>	<b>18,770,209</b>	<b>20,539,560</b>

**Tewatohnhi'saktha**  
**Consolidated Statement of Cash Flows**

*For the year ended March 31, 2016*

	<b>2016</b>	<b>2015</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Cash receipts from contributors	<b>7,116,295</b>	7,652,431
Interest income	<b>110,473</b>	132,536
Cash paid to suppliers	<b>(4,260,694)</b>	(4,652,577)
Cash paid to employees	<b>(3,026,963)</b>	(2,904,981)
Interest on long-term debt	<b>(95,201)</b>	(109,835)
	<b>(156,090)</b>	117,574
<b>Financing activities</b>		
Repayment of long-term debt	<b>(450,506)</b>	(326,662)
<b>Capital activities</b>		
Purchases of tangible capital assets	<b>(108,520)</b>	(324,892)
<b>Investing activities</b>		
Purchase of temporary investments	<b>(498,469)</b>	-
Proceeds from temporary investments	<b>1,049,647</b>	2,075,231
Investment in loans receivable	<b>(209,869)</b>	(296,567)
Proceeds from collection of loans receivable	<b>197,001</b>	84,397
	<b>538,310</b>	1,863,061
<b>Increase (decrease) in cash resources</b>	<b>(176,806)</b>	<b>1,329,081</b>
<b>Cash resources, beginning of year</b>	<b>3,826,401</b>	<b>2,497,320</b>
<b>Cash resources, end of year</b>	<b>3,649,595</b>	<b>3,826,401</b>



**1. Nature of the organization**

Tewatohnni'saktha was established in 1999 and is the economic development commission of Kahnawà:ke. It was created by a Band Council Resolution of Mohawk Council of Kahnawà:ke with a mandate to create jobs, wealth and self-sufficiency for the Community. The Organization focuses on new and existing resources, both human and financial, as well as integrated approach to business development and human resource investment.

**2. Significant accounting policies**

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

***Basis of presentation***

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

***Asset classification***

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

***Cash and cash equivalents***

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

At year end, the Organization does not hold any short term investments.

***Portfolio investments***

Long-term investments in entities that are not owned, controlled, or significantly influenced by the Organization are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

***Loans***

Loans are recorded at principal amounts, less any allowance for anticipated losses, provisions for debt forgiveness plus accrued interest and unamortized loan fees. Interest revenue is recorded on the accrual basis. Loan and administration fees are amortized over the term of the loan.

***Allowance for loan impairment***

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

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

In addition, a general allowance may be established where, in management's opinion, it is required to absorb losses inherent in the loan portfolio, for which a specific allowance cannot yet be determined. A general provision is established when doubt exists within groups of loans but is not sufficient to allow identification of individually doubtful loans.

Provisions for loss are estimated based on historical credit loss experience, known portfolio risks and current economic conditions and trends.

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

**Tangible capital assets**

Tangible capital assets are initially recorded at cost based on historical cost accounting records for rental properties, office equipment, land, computer hardware and software and furniture and fixtures. Contributed tangible assets are recorded at their fair value at the date of contribution.

**Amortization**

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

	Methods	Rates and period
Building	declining balance	5%
Office equipment	declining balance	20%
Furniture and fixtures	declining balance	20%
Computer hardware	declining balance	33.3%
Computer software	straight-line	5 years

**Long-term debt**

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

Repayments of long-term financing are recognized as a decrease in long-term debt.

**Long-lived assets**

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

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

**Net financial assets**

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

**Measurement uncertainty**

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

Accounts receivable and loans receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Youth business loans are stated after an allowance for debt forgiveness representing the forgivable portion of these loans. Amortization is based on the estimated useful lives of tangible capital assets.

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

**Revenue recognition**

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

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

**Rental income**

Revenue from multi-year leases is recorded based on the average annual revenue earned over the term of the lease on a straight line basis. The difference between the revenue recognized and the amounts contractually due are recorded in other assets on the balance sheet.

**Consulting income**

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

**Investment income**

Interest income is recorded on the accrual basis as it is earned. Dividends are recorded as income when they are declared.

**Foreign currency translation**

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

**Recent accounting pronouncements**

**Financial instruments**

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, derecognition, presentation and disclosure of financial assets and financial liabilities, including derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The Organization does not expect the adoption of these new standards to have a material impact on its financial statements.



**Tewatohnni'saktha**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**Cash**

Included in cash is \$278,020 (2015 - \$985,501) related to the Business Contribution Fund. These funds have been restricted by Indigenous and Northern Affairs Canada for disbursement of grants under the terms and conditions of the related contribution agreement.

**Temporary investments**

Temporary investments bear interest at rates varying from 0.75% to 0.92% with maturity dates ranging from May 2016 to April 2019. The market value of the investments at March 31, 2016 is \$2,800,129 (2015 - \$3,351,307). Included in temporary investments is \$1,184,249 (2015 - \$1,171,513) designated for loans to small businesses under the Business Loan Fund.

**Accounts receivable**

	<b>2016</b>	<b>2015</b>
Accounts receivable	<b>430,611</b>	252,345
Commodity tax receivable	<b>217,809</b>	165,154
Dividend receivable	-	2,153,220
Accrued interest	<b>19,355</b>	32,284
	<b>667,775</b>	2,603,003

Included in accounts receivable is \$6,158 (2014 - \$13,524) from Mohawk Internet Technologies, \$1,720 (2015 - \$Nil) from Onkwawista Holding Ltd and \$130,986 (2015 - \$146,248) from Mohawk Council of Kahnawà:ke. These balances are subject to normal terms of trade.

**Portfolio investments**

	<b>2016</b>	<b>2015</b>
<b>Measured at cost:</b>		
Investment in 50% of the issued ordinary shares of Onkwawista Holdings Limited, a private company incorporated under the provisions of the Isle of Man Companies Act	<b>56</b>	56
Investment in Regional Economic Investment Fund (REIF) - First Nations L.P.	<b>12,500</b>	12,500
	<b>12,556</b>	12,556

The Organization has signed a commitment to invest an aggregate sum of \$50,000 in the REIF project which participates in the growth of Quebec First Nations controlled businesses.

**Tewatohnhi'saktha**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**Loans receivable**

Loans receivable consist of the following:

	<b>2016</b>	2015
Loan receivable - Onkwawista Holdings Limited, unsecured, non-interest bearing with no specific terms of repayment	<b>14,559,888</b>	14,559,888
<hr/>		
<b>Small Business Services Loans</b>		
Business Loan Fund	<b>670,854</b>	665,658
Youth Business Fund	<b>46,710</b>	35,625
	<hr/>	<hr/>
	<b>717,564</b>	701,283
<hr/>		
<b>Other</b>		
Loan receivable, employee, non-interest bearing and due October 2017	<b>5,383</b>	8,796
	<hr/>	<hr/>
	<b>15,282,835</b>	15,269,967

The primary purpose of the Business Loan Fund (BLF) and the Youth Business Fund (YBF) loans are to help the youth and community of Kahnawà:ke to establish viable businesses. The general terms and conditions differ from conventional loan agreements in that they are unsecured. Amortization periods range from one to ten years depending on the size of the loan. Interest is charged at annual fixed rates ranging from 6.25% to 7% (YBF) and prime plus 4% (BLF) compounded monthly. In addition, Youth Business Fund borrowers have the option of paying interest only during the first year of the loan and the Organization will forgive the remaining 25% of the loan once 75% is reimbursed and the borrower has met all the terms of the agreement.

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

**Bank line of credit**

The Organization has available an unsecured bank line of credit of \$100,000 which bears interest at an annual rate of prime plus 1% and is renewable annually. There were no borrowings on this line of credit during the year.

**Accounts payable and accrued liabilities**

	<b>2016</b>	2015
Accounts payable	<b>443,490</b>	409,800
Accruals	<b>58,634</b>	52,966
Salaries payable	<b>224,945</b>	221,894
Deductions at source	<b>12,441</b>	16,794
Government funding repayable	<b>395,285</b>	-
	<hr/>	<hr/>
	<b>1,134,795</b>	701,454

**Tewatohnhi'saktha**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**Deferred revenue**

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

	<i>Balance, beginning of year</i>	<i>Contributor s received</i>	<i>Recognized as revenue</i>	<i>Balance, end of year</i>
<b>Deferred revenue</b>				
Business Contribution Fund	974,049	115,081	811,110	278,020
First Nations Job Fund	70,292	77,000	147,292	-
Kahnawà:ke Social Policy Project	94,174	187,726	281,900	-
	<b>1,138,515</b>	<b>379,807</b>	<b>1,240,302</b>	<b>278,020</b>
<b>Rental income and other</b>				
Rental Income	2,154	-	-	2,154
Other	3,333	-	3,333	-
	<b>5,487</b>	<b>-</b>	<b>3,333</b>	<b>2,154</b>
	<b>1,144,002</b>	<b>379,807</b>	<b>1,243,635</b>	<b>280,174</b>

Business Contribution Fund deferred revenue consists of grants which are committed but undisbursed as at year end.

**Long-term debt**

	<b>2016</b>	<b>2015</b>
Mortgage payable, interest bearing at 3.3% (2015 - 3.7%), repayable in blended monthly instalments of \$17,280, with the balance subject to renewal in August 2016, secured by a trust agreement in the lender's favour on the Business Complex having a net book value of \$3,576,237	<b>1,507,046</b>	1,658,972
Mortgage payable, interest bearing at 4.65% (2015 - 4.65%), repayable in 60 blended monthly instalments of \$4,806 with the balance subject to renewal in December 2019, secured by a \$1,000,000 first rank immovable hypothec on the Commercial Complex having a net book value of \$1,070,340	<b>720,666</b>	744,155
Mortgage payable interest bearing at 4.35%, repayable in blended monthly instalments of \$16,711, fully repaid during the year	-	275,091
	<b>2,227,712</b>	<b>2,678,218</b>

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

2017	184,716
2018	191,251
2019	198,020
2020	205,034
2021	212,300

### **Commitments and contingencies**

- a) The Organization has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if Tewatohnni'saktha fails to comply with the terms and conditions of these agreements.
- b) Tewatohnni'saktha Business Loan Fund has guaranteed the Caisse Populaire Kahnawà:ke for a portion of the approved bank borrowings to a maximum of \$184,000 (2015 - \$98,000) for native entrepreneurs under the loan guarantee program. As at March 31, 2016, the total guaranteed indebtedness amounted to \$134,708 (2015 - \$90,982).
- c) The Organization entered into an agreement with a service provider with respect to its investment in Kahnawà:ke Sustainable Energies Inc. The agreement calls for a commitment to pay \$2,976,000 for specific services (of which \$1,056,000 had been paid prior to the year-end). The payments are based on achieving certain milestones and providing specific services. In the event that the project is not completed, or is terminated, the Organization is committed to pay a break-up fee of \$500,000 in the event that certain specific circumstances occur.
- d) The Organization has also entered into an agreement with another contractor/supplier for a commitment to pay CND\$35,453,379 to construct a wind-farm facility on behalf of its subsidiary, Kahnawà:ke Sustainable Energies Inc. The commitment is conditional upon signature of a purchase contract which is presently subject to negotiation and other approvals.
- e) The Organization has also entered into agreements with a distributor of wind energy as follows:
- \$480,000 to secure a commitment to begin delivery of contractual energy;
  - \$500,000 to secure a commitment to cover initial work performed by the distributor;
  - \$130,000 to secure a commitment to cover connection costs with the distributor electricity network.
- As at March 31, 2016, the Organization has letters of credit in the aggregate amount of \$1,480,000 to secure the provisions of these contracts.
- f) The Company's agreement with an energy distributor requires them to pay a daily penalty of \$1,034 per day for each day subsequent to the commencement date of December 1, 2015. The penalty will cease on the earlier of December 31, 2016 or the day they commence supplying energy to the distributor.

### **Tangible capital assets**

The tangible capital assets reconciliation is included in Schedule 1.

Tangible capital assets include non-cash acquisitions of \$Nil (2015 - \$750,000) which were financed through long-term debt (see Note 11).

### **Development costs**

Deferred development costs relate to payments made on the wind energy project representing specific project milestones and costs directly related to the project.

**Investment in commercial ventures**

Investment in commercial ventures consists of the following:

- a) The Organization has a 50% investment in the issued ordinary shares of Onkwawista Holdings Limited (OHL), an investment holding company. This investment is being carried at cost, being \$56. OHL has a 100% interest in Onkwawista Limited (OL), whose primary asset is a 40% interest in an operating company, Continent 8 Technologies, Plc. (Continent 8). OHL, OL and Continent 8 are incorporated under the provisions of the Isle of Man Companies Act. Tewatohnhi'saktha does not exercise effective control or significant influence with respect to its 20% investment in Continent 8, a portfolio investment company, without the cooperation of the majority shareholders. During the year, Tewatohnhi'saktha recorded a dividend receivable and income of US\$Nil (2015 - US\$1,700,000).
- b) The Organization exercises operational control and management of Mohawk Internet Technologies (MIT), a band empowered entity. This investment is carried at cost, being \$Nil, since Tewatohnhi'saktha does not exercise effective control over MIT's assets, liabilities and surplus without the cooperation of the other significant stakeholders.
- c) The Organization has an investment in the Kahnawà:ke Service Complex which houses commercial tenants.

**Financial instruments**

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

**Currency risk**

The Canadian dollar equivalent of financial instruments denominated in U.S. dollars and included in the financial assets and liabilities in the statement of financial position are as follows:

	<b>2016</b>		<b>2015</b>	
	<i>US\$</i>	<i>CND\$</i>	<i>US\$</i>	<i>CND\$</i>
Cash	5,998	7,790	5,575	7,061
Dividend receivable	-	-	1,700,000	2,153,220

**Interest risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Organization is exposed to interest rate cash flow risk and price risk with respect to loans receivable (BLF) and long-term debt. The interest rate for loans receivable is a function of the prime rate. Interest rates for long-term debt are renewed annually. A variation of 1% of the prime rate or of the rate charged on long-term debt will not result in a significant effect on the accumulated surplus and financial position of the Organization.



**Tewatohnhi'saktha**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**Accumulated surplus**

Accumulated surplus consists of the following:

	2016	2015
<b>Externally Restricted Funds:</b>		
Balance, beginning of year	2,123,109	2,064,271
Deficit	369,530	58,838
	2,492,639	2,123,109
<b>Internally Restricted Funds:</b>		
Balance, beginning of year	21,755,034	22,138,861
Deficit	(2,638,262)	(383,827)
	19,116,772	21,755,034
<b>Capital Fund:</b>		
Balance, beginning of year	9,229,275	9,211,904
Purchases of tangible capital assets	108,520	1,074,892
Tangible capital assets purchased through long-term debt	-	(750,000)
Amortization	(489,370)	(634,183)
Principal repayments of long-term debt	450,506	326,662
Write down of capital assets	(693,402)	-
	8,605,529	9,229,275
	30,214,940	33,107,418

**Restricted fund balances**

Restricted fund balances consist of the following:

	2016	2015
<b>Externally restricted funds</b>		
Employment and training	332,984	(9,255)
Business Loan Fund	2,159,655	2,132,364
	2,492,639	2,123,109
<b>Internally restricted funds</b>		
Administration	(104,828)	179,928
Economic development	9,701,871	9,925,612
Small business services	11,071	56,474
Kahnawà:ke Business Complex	-	176,840
Kahnawà:ke Office Complex	-	171,275
Kahnawà:ke Commercial Complex	(206,461)	(129,264)
Kahnawà:ke Sustainable Energies	(5,165,519)	(3,368,858)
Kahnawà:ke Social Policy Project	137,611	-
Investment fund	14,550,027	14,550,027
Operational reserve	193,000	193,000
	19,116,772	21,755,034
	21,609,411	23,878,143

**Tewatohnni'saktha**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**Related party transactions**

During the year, the Organization conducted the following transactions with related entities. All transactions were conducted at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All balances are subject to normal terms of trade.

	<b>2016</b>	<b>2015</b>
Revenue received from Kahnawà:ke Education Centre	<b>58,755</b>	52,189
Revenue received from Kahnawà:ke Shakotiiia'Takehnhas Community Services	<b>56,949</b>	43,051
<b>Included in Accounts Payable:</b>		
Kahnawà:ke Education Centre	<b>183</b>	2,144
Mohawk Council of Kahnawà:ke	<b>69,548</b>	5,007
Kahnawà:ke Service Complex	<b>244</b>	-

The organizations are all related, as they all form part of the government reporting unit of Mohawk Council of Kahnawà:ke.

**Government transfers**

	Operating	Capital	<b>2016</b>	<b>2015</b>
<b>Federal government transfers</b>				
Indigenous and Northern Affairs Canada	<b>1,016,766</b>	-	<b>1,016,766</b>	1,542,557
Employment and Social Development Canada	<b>373,914</b>	-	<b>373,914</b>	176,960
	<b>1,390,680</b>	-	<b>1,390,680</b>	1,719,517
<b>Provincial government transfers</b>				
Province of Quebec	-	-	-	187,458
	<b>1,390,680</b>	-	<b>1,390,680</b>	1,906,975

**Budget information**

The disclosed budget information has been approved by the Board of Directors of Tewatohnni'saktha on April 15, 2015.

**Comparative figures**

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

**Tewatohnhi'saktha**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2016*

	Land	Buildings	Office equipment	Furniture and fixtures	Computer hardware	Subtotal
<b>Cost</b>						
Balance, beginning of year	1,830,000	14,696,503	133,976	161,859	140,209	16,962,547
Acquisition of tangible capital assets	-	60,740	27,850	-	19,930	108,520
Write down of tangible capital assets	-	-	-	-	-	-
Balance, end of year	1,830,000	14,757,243	161,826	161,859	160,139	17,071,067
<b>Accumulated amortization</b>						
Balance, beginning of year	-	5,344,412	120,382	144,360	139,302	5,748,456
Annual amortization	-	470,642	8,289	3,500	6,939	489,370
Accumulated amortization on disposals	-	-	-	-	-	-
Balance, end of year	-	5,815,054	128,671	147,860	146,241	6,237,826

**Tewatohnhi'saktha**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2015*

	<i>Subtotal</i>	<i>Computer software</i>	<i>2016</i>	<i>2015</i>
<b>Cost</b>				
Balance, beginning of year	16,962,547	904,437	17,866,984	16,792,092
Acquisition of tangible capital assets	108,520	-	108,520	1,074,892
Write down of tangible capital assets	-	(904,437)	(904,437)	-
Balance, end of year	17,071,067	-	17,071,067	17,866,984
<b>Accumulated amortization</b>				
Balance, beginning of year	5,748,456	211,035	5,959,491	5,325,308
Annual amortization	489,370	-	489,370	634,183
Accumulated amortization on disposals	-	(211,035)	(211,035)	-
Balance, end of year	6,237,826	-	6,237,826	5,959,491
<b>Net book value of tangible capital assets</b>	<b>10,833,241</b>	<b>-</b>	<b>10,833,241</b>	<b>11,907,493</b>
2015 Net book value of tangible capital assets	11,214,091	693,402	11,907,493	

**Tewatohnhi'saktha**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2016*

	<b>2016</b> <i>Budget</i>	<b>2016</b>	<b>2015</b>
<b>Consolidated expenses by object</b>			
Advertising	96,137	83,315	97,114
Amortization	-	489,370	634,183
Bad debts	-	824	1,821
Bank charges and interest	41,286	38,973	34,904
Board travel, training and honoraria	25,150	25,646	12,530
Business assistance	169,509	180,422	206,369
Communication strategy	105,500	-	-
Computer expenses	117,292	93,278	101,524
Consulting	517,238	905,153	500,686
Employment and training costs	1,268,932	914,493	1,128,505
Fundraising	-	107,576	86,290
Grant disbursements	1,511,128	416,523	493,962
Insurance	34,910	28,905	29,887
Interest on long-term debt	101,211	95,201	109,835
Loan forgiveness	-	2,376	6,734
Meetings	17,250	17,247	21,102
Miscellaneous	45,982	44,247	48,103
Office supplies	69,146	47,520	59,935
Overhead costs and recoveries	(255,937)	(425,598)	(490,622)
Penalties	-	125,114	-
Permit fees	279,000	-	26,544
Professional fees	1,224,745	1,127,096	1,209,199
Rent	206,088	207,036	206,993
Repairs and maintenance	185,959	153,669	201,290
Salaries and benefits	3,156,519	3,026,963	2,904,981
Teaming fees	5,440	4,217	89,417
Telephone	97,257	36,210	34,908
Training	87,600	28,913	44,324
Travel	64,810	56,629	64,950
Utilities	235,253	217,157	205,987
Write down of capital assets	-	693,402	-
	<b>9,407,405</b>	<b>8,741,877</b>	<b>8,071,455</b>



**Tewatohnhi'saktha**  
**Schedule 3 - Consolidated Schedule of Operations and Accumulated Surplus**  
*For the year ended March 31, 2016*

	Budget	INAC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Surplus (Deficit)	Prior Year Surplus (Deficit)
Program schedules									
Employment and Training	(12,000)	4,616	2,059,366	70,292	2,134,274	1,792,035	-	342,239	36,819
Administrative Services	38,570)	4,415	65,081	-	69,496	334,322	(19,930)	(284,756)	112,497
Economic Development	89,445)	13,020	2,123,062	94,174	2,230,256	3,999,263	(539,096)	(2,308,103)	(223,163)
Small Business Services	(97,773)	994,715	(275,371)	696,029	1,415,373	1,433,485	-	(18,112)	(251,142)
Capital	-	-	-	-	-	1,182,772	559,026	(623,746)	17,371
Surplus (Deficit)	(37,788)	1,016,766	3,972,138	860,495	5,849,399	8,741,877	-	(2,892,478)	(307,618)
Accumulated surplus, beginning of year								33,107,418	33,415,036
Accumulated surplus, end of year								30,214,940	33,107,418

**Tewatohnhi'saktha**  
**Employment and Training**  
**(Deficit)**

**Schedule 4 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2016*

	<b>2016</b> <i>Budget</i>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	-	4,616	4,550
Employment and Social Development Canada	354,564	373,914	176,960
First Nations Human Resources Development Commission of Quebec	1,865,112	1,667,164	1,862,701
Kahnawà:ke Education Centre	57,844	57,755	52,189
Other revenue	4,950	472	12,010
Deferred revenue - prior year	-	70,292	160,302
Deferred revenue - current year	-	-	(70,292)
Recovery of prior year's funding	-	39,197	-
Repayment of government funding	-	(79,136)	(94,931)
	<b>2,282,470</b>	<b>2,134,274</b>	<b>2,103,489</b>
<b>Expenses</b>			
Allowances	675,379	375,979	608,777
Dependent care	22,200	1,385	13,202
Employee benefits	84,833	89,442	88,602
Miscellaneous	3,500	(45)	581
Office supplies	15,761	9,216	(17,341)
Overhead costs and recoveries	(75,000)	(75,000)	(75,000)
Professional services	457,570	476,639	489,904
Rent	-	-	25,000
Salaries	957,373	814,764	845,549
Training	98,022	51,274	33,963
Travel	18,000	15,381	40,289
Utilities	36,832	33,000	13,144
	<b>2,294,470</b>	<b>1,792,035</b>	<b>2,066,670</b>
<b>Surplus</b>	<b>(12,000)</b>	<b>342,239</b>	<b>36,819</b>
<b>Accumulated deficit, beginning of year</b>	<b>-</b>	<b>(9,255)</b>	<b>(46,074)</b>
<b>Accumulated surplus (deficit), end of year</b>	<b>(12,000)</b>	<b>332,984</b>	<b>(9,255)</b>

**Tewatohnhi'saktha  
Administrative Services  
(Deficit)**

**Schedule 5 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	4,351	4,415	4,351
Other revenue	-	(5)	-
Rental income	22,865	46,898	21,940
Interest income	20,500	17,188	31,952
Kahnawà:ke Education Centre	-	1,000	-
	<b>47,716</b>	<b>69,496</b>	<b>58,243</b>
<b>Expenses</b>			
Advertising	51,488	50,594	43,787
Bank charges and interest	8,939	10,542	8,728
Board travel, training and honoraria	3,000	3,200	3,680
Computer expenses	104,700	81,029	92,285
Consulting	8,000	8,796	5,120
Employee benefits	128,280	98,124	105,916
Insurance	2,700	1,692	-
Meeting	920	1,207	949
Miscellaneous	17,030	20,051	13,877
Office supplies and expenses	32,470	26,118	29,969
Overhead costs and recoveries	(1,011,990)	(1,016,739)	(1,178,992)
Professional fees	8,800	161,421	30,561
Rent	172,975	173,648	171,380
Repairs and maintenance	2,650	3,664	2,454
Salaries	593,859	685,301	568,181
Telephone	13,315	12,326	13,431
Training	32,500	11,166	28,832
Travel	16,650	2,182	5,588
	<b>186,286</b>	<b>334,322</b>	<b>(54,254)</b>
<b>Surplus (deficit) before transfers</b>	<b>(138,570)</b>	<b>(264,826)</b>	<b>112,497</b>
<b>Transfers between programs</b>			
Transfer to capital asset fund	-	(19,930)	-
<b>Surplus (deficit)</b>	<b>(138,570)</b>	<b>(284,756)</b>	<b>112,497</b>
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>179,929</b>	<b>67,432</b>
<b>Accumulated surplus (deficit), end of year</b>	<b>(138,570)</b>	<b>(104,827)</b>	<b>179,929</b>

**Tewatohnni'saktha  
Economic Development**

**Schedule 6 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	7,872	13,020	12,831
Province of Quebec	57,977	-	187,458
Other revenue	1,700,000	103,424	89,359
Kahnawà:ke Shakotiaa Takehnhas Community Services	130,777	56,949	43,051
First Nations of Quebec and Labrador Health and Social Services Commission	-	73,828	133,755
Investment income	-	-	2,153,220
Rental income	1,752,407	1,770,630	1,652,954
Interest income	6,817	29,739	41,637
Deferred revenue - prior year	-	94,174	-
Deferred revenue - current year	-	-	(94,174)
Consulting income	-	-	36,682
	<b>3,655,850</b>	<b>2,141,764</b>	<b>4,256,773</b>
<b>Expenses</b>			
Advertising	12,960	7,000	18,845
Bank charges and interest	32,145	28,262	26,020
Board travel, training and honoraria	19,000	22,446	8,850
Business assistance	7,500	1,805	1,995
Communication strategy	105,500	-	-
Computer expenses	10,574	9,398	6,783
Consulting	414,386	875,450	469,328
Employee benefits	149,075	118,145	114,158
Fundraising	-	107,576	86,290
Insurance	31,925	26,944	29,602
Interest on long-term debt	101,211	95,201	109,835
Meeting	15,400	15,265	19,538
Miscellaneous	20,472	20,139	30,156
Office supplies and expenses	27,757	13,264	21,490
Overhead costs and recoveries	504,408	479,363	495,140
Penalties	-	125,114	-
Permit fees	279,000	-	26,544
Professional fees	1,171,800	934,396	1,125,782
Rent	33,113	33,388	10,613
Repairs and maintenance	180,349	148,207	196,723
Salaries	736,287	688,468	686,491
Teaming fees	5,440	4,217	89,417
Telephone	80,412	19,487	18,032
Training	46,600	15,098	15,386
Travel	21,360	28,508	14,201
Utilities	193,621	182,122	190,401
	<b>4,200,295</b>	<b>3,999,263</b>	<b>3,811,620</b>
<b>Surplus (deficit) before other items</b>	<b>(544,445)</b>	<b>(1,857,499)</b>	<b>445,153</b>

*Continued on next page*

**Tewatohnhi'saktha**  
**Economic Development**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
*For the year ended March 31, 2016*

	2016	2016	2015
<b>Other income (expense)</b>			
Gain (loss) on foreign exchange	255,000	88,492	(16,762)
<b>Surplus (deficit) before transfers</b>	<b>(289,445)</b>	<b>(1,769,007)</b>	428,391
<b>Transfers between programs</b>			
Transfer to capital asset fund	-	(88,590)	(324,892)
Transfer principal payment of mortgages	-	(450,506)	(326,662)
	-	(539,096)	(651,554)
<b>Deficit</b>	<b>(289,445)</b>	<b>(2,308,103)</b>	(223,163)
<b>Accumulated surplus, beginning of year</b>	-	<b>21,325,632</b>	21,548,795
<b>Accumulated surplus, end of year</b>	<b>(289,445)</b>	<b>19,017,529</b>	21,325,632

**Tewatohnhi'saktha**  
**Small Business Services**

**Schedule 7 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**

*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	1,588,523	994,715	1,520,825
Other revenue	14,971	13,713	10,273
Secretariat aux Affaires Autochtones	7,873	26,815	-
Investment income	-	28,439	5,389
Interest income	43,165	63,546	58,947
Deferred revenue - prior year	974,049	974,049	821,149
Deferred revenue - current year	-	(278,020)	(974,049)
Repayment of government funding	-	(407,884)	-
Cancellation of government funding	-	-	(80,440)
	<b>2,628,581</b>	<b>1,415,373</b>	<b>1,362,094</b>
<b>Expenses</b>			
Advertising	31,689	25,721	34,482
Bad debts	-	824	1,821
Bank charges and interest	202	169	156
Board travel, training and honoraria	3,150	-	-
Business assistance	162,009	178,617	204,374
Computer expenses	2,018	2,851	2,456
Consulting	94,852	20,907	26,238
Employee benefits	72,064	62,236	66,791
Grant disbursements	1,511,128	416,523	493,962
Insurance	285	269	285
Loan forgiveness	-	2,376	6,734
Meeting	930	775	615
Miscellaneous	4,980	4,102	3,489
Office supplies and expenses	8,919	8,138	8,476
Overhead costs and recoveries	326,645	186,778	268,230
Professional fees	44,145	31,279	52,856
Repairs and maintenance	2,960	1,798	2,113
Salaries	434,748	470,483	429,293
Telephone	3,530	4,397	3,445
Training	8,500	2,649	106
Travel	8,800	10,558	4,872
Utilities	4,800	2,035	2,442
	<b>2,726,354</b>	<b>1,433,485</b>	<b>1,613,236</b>
<b>Deficit</b>	<b>(97,773)</b>	<b>(18,112)</b>	<b>(251,142)</b>
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>2,188,838</b>	<b>2,439,980</b>
<b>Accumulated surplus, end of year</b>	<b>(97,773)</b>	<b>2,170,726</b>	<b>2,188,838</b>



**Tewatohnhi'saktha  
Capital**

**Schedule 8 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Expenses</b>			
Amortization	-	<b>489,370</b>	634,183
Write down of capital assets	-	<b>693,402</b>	-
<b>Deficit before transfers</b>	-	<b>(1,182,772)</b>	(634,183)
<b>Transfers between programs</b>			
Transfer to capital asset fund	-	<b>108,520</b>	324,892
Transfer principal payment of mortgages	-	<b>450,506</b>	326,662
	-	<b>559,026</b>	651,554
<b>Surplus (deficit)</b>	-	<b>(623,746)</b>	17,371
<b>Accumulated surplus, beginning of year</b>	-	<b>9,229,274</b>	9,211,903
<b>Accumulated surplus, end of year</b>	-	<b>8,605,528</b>	9,229,274



# Mohawk Internet Technologies

**BALANCE SHEET**  
(in thousands of dollars)

AS AT MARCH 31 (In Canadian Dollars)	2016	2015
<b>ASSETS</b>		
Current		
Cash	\$ 409	\$ 415
Accounts receivable (Note 2)	185	316
Prepaid expenses and deposits	124	177
	718	908
Capital assets (Note 3)		
Intangible asset (Note 4)	2,089	3,755
	-	314
	2,089	4,069
	\$ 2,807	\$ 4,977
<b>LIABILITIES AND EQUITY</b>		
Current		
Accounts payable and accrued liabilities	\$ 624	\$ 601
Current portion of loans payable (Note 5)	1,037	1,484
	1,661	2,085
Loans payable (Note 5)	\$ 968	\$ 2,091
	2,629	4,176
Equity	178	801
	\$ 2,807	\$ 4,977

Approved on behalf of Board of Supervisors

 Supervisor

## OUR TEAM

### Board of Directors

Dwayne Kirby, Chairperson  
Greg Horn, Vice Chairperson Secretary/Treasurer  
Jack Leclaire, Member  
Charles Barnett, Member  
David Montour, Member  
Virginia Standup, Member  
Frank McComber, Member

### Office of the CEO

Bud Morris, Chief Executive Officer  
(leave of absence from September 2015 – Feb 2016)  
Kyle Delisle, MBA, Interim Chief Executive Officer  
Marissa Leblanc, Executive Assistant/Office Manager

### Employment & Training

Steven Horne, Director  
Sandra Jacco, Administrative Clerk  
Coreen Delormier, Monitoring and Support Officer  
Gene Montour, Employment & Training Counselor  
Onawa K. Jacobs, Employment & Training Counselor  
Angie Marquis, Employment & Training Counselor/  
Youth Programs Coordinator  
Kara Paul, Career Programming Coordinator

### Organizational Services

Nancy Stacey, Director Human Resources  
Stephanie Diabo, Executive Assistant  
Lisa Lahache, PR/Communications Officer  
Allison Jacobs, Interim PR/Communications Officer  
Aidan Alfred, IT Technician  
Cathy Diabo, Accounting Manager  
Wahsontaha:wi Stacey, Financial Clerk  
Kanenhontie Picard, Receptionist/Secretary  
Penny Kane, On-Call Receptionist/Secretary  
Thelma Paul, On-Call Receptionist/Secretary  
Lois Deer, On-Call Receptionist/Secretary  
Erin Jacobs, On-Call Receptionist/Secretary  
Kahsennaronnion Montour, On-Call Receptionist/Secretary  
Keira Beauvais, On-Call Receptionist/Secretary

### Business Services

Barbara McComber, Director  
Daryl Leclaire, Business Services Officer – Heads Up Coordinator  
Tammy Delaronde, Business Services Officer/  
Facilities Manager  
Kristy Kennedy, Business Services/Loans Assistant  
Kimberly Cross, Tourism Development Agent  
Ron Murray, Project Development Officer  
Kiera Beauvais, Administrative Assistant, PDP

### Building Maintenance

Marvin McComber, Building Maintenance Supervisor  
Carrie-Layne Diabo Marquis, Office Cleaner  
Michael Quinones, Building Maintenance Superintendent  
Carl Gilbert, On-Call Building Maintenance

### Security – Kahnawà:ke Office Complex

Wayne Rice, Security Supervisor  
Travis Rice, Security Guard  
Wilbert Standup, Security Guard  
Peter Diabo, Security Guard  
Rickey Rice, Security Guard  
Ken Williams, On-Call Security Guard  
Mark Stacey, On-Call Security Guard  
Orakwase McGregor, On-Call Security Guard

# Annual Report 2015 - 2016

The information contained herein captures  
Tewatohnni'saktha's activities from  
April 1, 2015 to March 31, 2016



## Kahnawà:ke's Economic Development Commission

P.O. Box 1110  
Kahnawà:ke Mohawk Territory JOL 1B0  
T: (450) 638-4280  
F: (450) 638-3276  
[www.tewa.ca](http://www.tewa.ca)

### VISION

Our vision is a self-sufficient community that fosters quality of life for Kanien'kehá:ka ne Kahnawa'kehró:non and creates collective prosperity for future generations consistent with our cultural values

### MISSION

The mission of Tewatohnni'saktha is to stimulate and enhance Kahnawà:ke's Economic Growth by investing in people and businesses, as well as other economic opportunities

## ACKNOWLEDGEMENTS

### Coordinator

Lisa Lahache  
Allison Jacobs

### Cover Design

Kim Delormier

### Photos

### Graphic Design

Cheryl Delaronde

### Success Stories

Jordan Standup

**Printing** Impression Expo

*Disclaimer: Tewatohnni'saktha has made every effort to ensure the accuracy of the information contained in this annual report and on the digital copy posted to our website. However, Tewatohnni'saktha does not guarantee the appropriateness, accuracy, usefulness or any other matter whatsoever regarding this information.*