

**Anishinaabeg of Naongashiing  
First Nation  
Consolidated Financial Statements  
For the year ended March 31, 2022**

**Anishinaabeg of Naongashiing First Nation**  
**Consolidated Financial Statements**  
For the year ended March 31, 2022

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## Anishinaabeg of Naongashiing First Nation Management's Responsibility for Financial Reporting

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The accompanying consolidated financial statements of Anishinaabeg of Naongashiing First Nation are the responsibility of management and have been approved by the Chief and Council of Anishinaabeg of Naongashiing First Nation.


The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Principles. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

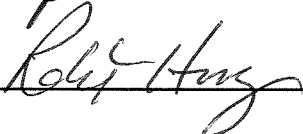
The First Nation maintains systems of internal accounting and administrative controls of high quality consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

Anishinaabeg of Naongashiing First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP have full and free access to the Council.

  
\_\_\_\_\_ Chief

  
\_\_\_\_\_ Councilor

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## Independent Auditor's Report

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### To Chief and Council of Anishinaabeg of Naongashiing First Nation

#### Opinion

We have audited the consolidated financial statements of Anishinaabeg of Naongashiing First Nation and its enterprises (the Group), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statement of operations, the consolidated statement of changes in accumulated surplus, the consolidated statement of changes in net debt and the consolidated statement of cash flows for the year then ended, and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2022, and its consolidated results of operations, its consolidated changes in net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for Opinion

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

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

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

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

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

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

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



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

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

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

BDO CANADA LLP

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario

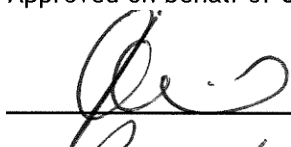
August 2, 2022



## Anishinaabeg of Naongashiing First Nation Consolidated Statement of Financial Position

March 31	2022	2021
<b>Financial assets</b>		
Cash and cash equivalents (Note 1)	\$ 4,480,251	\$ 1,786,489
Accounts and loans receivable (Note 2)	1,484,443	1,067,760
Portfolio investments (Note 3)	326,264	306,504
	<u>6,290,958</u>	<u>3,160,753</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,716,696	501,019
Deferred revenue (Note 6)	3,064,894	1,710,950
Long-term debt (Note 4)	2,715,093	2,905,562
	<u>7,496,683</u>	<u>5,117,531</u>
<b>Net debt</b>	<u>(1,205,725)</u>	<u>(1,956,778)</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 9)	19,220,550	14,778,866
Prepaid expense	-	3,543
Inventory	140,332	72,426
	<u>19,360,882</u>	<u>14,854,835</u>
<b>Accumulated surplus (Note 7)</b>	<u>\$ 18,155,157</u>	<u>\$ 12,898,057</u>

Approved on behalf of Council:



Chief



Councilor

# Anishinaabeg of Naongashiing First Nation

## Consolidated Statement of Operations

March 31	2022	2021
<b>Revenue</b>		
Indigenous Services Canada (Note 11)	\$ 8,837,844	\$ 4,130,219
Fort Frances Tribal Area Health Authority	230,973	136,419
Rental - housing/equipment	243,761	246,909
Ministry of Community and Social Services	184,874	200,863
Ministry of Indigenous Affairs	176,185	281,067
CMHC (Note 12)	201,137	223,221
Other	941,226	777,822
Resource revenue	662,908	594,758
Shooniyaa Wa-Biitong	83,160	79,062
Casino Rama revenue	357,808	589,797
Weechi-It-Te-Win	1,049,145	1,081,711
Ministry of Health	150,748	151,245
Keniis Development Corporation	1,835,943	983,013
	<b>14,955,712</b>	<b>9,476,106</b>
<b>Expenses</b>		
Education	1,263,349	794,710
Welfare	450,453	490,629
Band Support/Administration	1,817,000	1,826,167
Operations and Maintenance	476,505	467,476
Economic Development	198,238	197,051
Water Treatment Plant	357,774	318,409
Capital	8,131	10,433
Summer Student Employment	33,322	-
National Child Benefit Program	28,483	38,010
New Relationship Fund	5,405	76,500
SATF Training Program	-	5,000
Community Care	1,361,023	1,020,216
Health Programs	66,827	41,647
Health Canada Integrated Services	340,311	293,430
Aboriginal Healing and Wellness	75,758	56,614
CMHC Rental Housing	413,425	403,943
CMHC Housing Renovations	-	21,014
Casino Rama	319,826	266,626
Keniis Development Corporation	1,839,419	963,491
Land Management	271,505	198,199
Multi-Unit Housing	-	-
Flood Claim	33,370	10,687
New Gold IBA	149,680	126,091
GCT#3 Diabetes Initiative	-	21,997
Youth Engagement & Planning	18,804	59,101
Grand Council Treaty #3 Programs	66,810	74,202
Learning Centre	32,712	75,794
FN CFS Capacity Development	41,117	-
Storage Facility	865	-
Medicine Camp Program	28,500	-
	<b>9,698,612</b>	<b>7,857,437</b>
<b>Annual surplus</b>	<b>\$ 5,257,100</b>	<b>\$ 1,618,669</b>

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## Anishinaabeg of Naongashiing First Nation Consolidated Statement of Changes in Accumulated Surplus

For the year ended March 31	2022	2021
Accumulated surplus, beginning of year	\$ 12,898,057	\$ 11,279,388
Annual surplus	<u>5,257,100</u>	<u>1,618,669</u>
Accumulated surplus, end of year	<u>\$ 18,155,157</u>	<u>\$ 12,898,057</u>



## Anishinaabeg of Naongashiing First Nation Consolidated Statement of Changes in Net Debt

For the year ended March 31	2022	2021
Annual surplus	\$ 5,257,100	\$ 1,618,669
Acquisition of tangible capital assets	(5,321,760)	(1,497,872)
Disposition of tangible capital assets	3,540	-
Amortization of tangible capital assets	876,536	869,688
	<u>815,416</u>	<u>990,485</u>
Use (acquisition) of prepaid expenses	3,543	(3,543)
Use (acquisition) of inventories	(67,906)	(38,473)
	<u>751,053</u>	<u>948,469</u>
Net changes in net debt	751,053	948,469
Net debt, beginning of year	(1,956,778)	(2,905,247)
Net debt, end of year	<u>\$ (1,205,725)</u>	<u>\$ (1,956,778)</u>

## Anishinaabeg of Naongashiing First Nation Consolidated Statement of Cash Flows

For the year ended March 31	2022	2021
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 5,257,100	\$ 1,618,669
Item not affecting cash		
Amortization of tangible capital assets	876,536	869,688
	<u>6,133,636</u>	<u>2,488,357</u>
 Changes in non-cash working capital		
Accounts and loans receivable	(416,683)	(233,214)
Prepaid expense	3,543	(3,543)
Inventories	(67,906)	(38,473)
Accounts payable	1,215,677	(306,792)
Deferred revenue	1,353,944	(232,916)
	<u>2,088,575</u>	<u>(814,938)</u>
	<u>8,222,211</u>	<u>1,673,419</u>
 <b>Cash flows from capital activities</b>		
Disposition of tangible capital assets	3,540	-
Acquisition of tangible capital assets	(5,321,760)	(1,497,872)
	<u>(5,318,220)</u>	<u>(1,497,872)</u>
 <b>Cash flows from investing activities</b>		
Acquisition of investments	(19,760)	(2,805)
 <b>Cash flows from financing activities</b>		
Repayment of long-term debt	(190,469)	(397,538)
 <b>Net change in cash and cash equivalents</b>	<u>2,693,762</u>	<u>(224,796)</u>
 Cash and cash equivalents, beginning of year	<u>1,786,489</u>	<u>2,011,285</u>
 Cash and cash equivalents, end of year	<u>\$ 4,480,251</u>	<u>\$ 1,786,489</u>

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## Anishinaabeg of Naongashiing First Nation Summary of Significant Accounting Policies

March 31, 2022

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### **Basis of Accounting**

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards, and include all Organizations, operations and activities that are:

- 1) accountable for the administration of their financial affairs and resources directly to the First Nation; and
- 2) owned or controlled by the First Nation.

This includes all aspects of Band operations including provision of social, educational, administration and operational services.

### **Government Transfers**

Government transfers, which include legislative grants, are recognized as revenue in the consolidated financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. When transfer stipulations give rise to a liability, government transfers are recognized as deferred revenue and recognized as revenue when the stipulations are settled.

### **Basis of Consolidation**

The consolidated financial statements reflect the assets, liabilities, revenue and expenses of all government Organizations which are owned or controlled by the First Nation. All interfund assets, liabilities, revenues and expenditures have been eliminated on consolidation.

The following government Organization owned or controlled by the First Nation has been consolidated:

Kenis Development Corporation

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## Anishinaabeg of Naongashiing First Nation Summary of Significant Accounting Policies

March 31, 2022

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**Cash and Cash  
Equivalents**

Management considers all highly liquid investments with maturities of three months or less at acquisition to be cash equivalents.

**Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Contributed tangible capital assets are recorded at fair value at the time of contribution, with a corresponding amount recorded as revenue. The First Nation does not capitalize interest charges as part of the cost of its tangible capital assets.

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts, are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the First Nation, forests, water, and other natural resources are not recognized as tangible capital assets.

**Amortization**

Amortization is calculated on the cost of the tangible capital assets on a straight-line basis over the following number of years:

Buildings	25 years
Roads, sewer and water	10 - 50 years
Vehicles and equipment	5 years
Computers	3 - 5 years

**Long-term Loans Receivable**

Loans are carried at the unpaid principal less allowances for doubtful loans.

**Allowance for Doubtful Loans**

The First Nation maintains specific allowances for doubtful loans that reduce the carrying value of loans identified as impaired to their estimated realizable amounts.

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## Anishinaabeg of Naongashiing First Nation Summary of Significant Accounting Policies

March 31, 2022

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### Portfolio Investments

Other portfolio investments (where control does not exist) are accounted for following the cost method of accounting. Under this method, the investment is recorded at cost and earnings from the investment are recognized only to the extent received or receivable.

### Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

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

Rentals and other fees are recognized in the month that the related unit is rented or the fee for service is provided. An allowance is recorded based on the historical level of collection.

### Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Programs funded by government agencies may be subject to recovery by the contributing agencies in accordance with funding arrangements and could result in adjustments to estimated accruals/payables.

The estimates used in the preparation of these consolidated financial statements are the useful lives of property, plant and equipment and accrued liabilities.

## Anishinaabeg of Naongashiing First Nation Notes to Consolidated Financial Statements

March 31, 2022

### 1. Cash and Cash Equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Anishinaabeg of Naongashiing First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by Canada Deposit Insurance Corporation or as otherwise approved by Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Capital Improvement Fund. Cash and cash equivalents is comprised of the following:

	2022	2021
<b>Internally restricted</b>		
Reserves	\$ 423,001	\$ 159,228
<b>Unrestricted</b>		
Operating	4,029,164	1,591,330
Kenis Development Corporation	28,086	35,931
	<u>4,057,250</u>	<u>1,627,261</u>
<b>Total cash and cash equivalents</b>	<u>\$ 4,480,251</u>	<u>\$ 1,786,489</u>

### 2. Accounts and Loans Receivable

	2022	2021
Accounts receivable	\$ 2,157,410	\$ 1,660,384
Advances to Band members	82,397	128,322
	<u>2,239,807</u>	<u>1,788,706</u>
Allowance for doubtful accounts	(755,364)	(720,946)
	<u>\$ 1,484,443</u>	<u>\$ 1,067,760</u>

### 3. Portfolio Investments

	2022	2021
Mitigoog Limited Partnership	\$ 10,333	\$ 10,333
Marketable securities	315,931	296,171
	<u>\$ 326,264</u>	<u>\$ 306,504</u>

Portfolio investments are valued at cost. The fair market value of the marketable securities at March 31, 2022, was \$337,133 (2021 - \$331,829). The securities are traded on an exchange.

## Anishinaabeg of Naongashiing First Nation Notes to Consolidated Financial Statements

March 31, 2022

### 4. Long-term Debt

	2022	2021
CMHC mortgage with interest at 0.79%, repayable in monthly installments of \$3,722 principal and interest, maturing January 2026	\$ 524,766	\$ 565,121
CMHC mortgage with interest at 1.06%, repayable in monthly installments of \$3,214 principal and interest, maturing July 2025	126,277	163,339
CMHC mortgage with interest at 1.30%, repayable in monthly installments of \$1,885 principal and interest, maturing June 2022	216,943	236,606
CMHC mortgage with interest at 1.01%, repayable in monthly installments of \$2,151 principal and interest, maturing August 2026	333,076	355,901
CMHC mortgage with interest at 1.01%, repayable in monthly installments of \$2,867 principal and interest, maturing August 2026	446,601	477,014
CMHC mortgage with interest at 1.22%, repayable in monthly installments of \$2,676 principal and interest, maturing May 2026	520,919	546,845
Ford Credit loan with interest at 5.59%, repayable in monthly installments of \$1,173 principal and interest, maturing January 2022	-	11,433
Land claim litigation loan, non-interest bearing, unsecured, maturing March 2023 or when litigation is settled, whichever comes first	173,652	173,652
RBC demand loan with interest at 3.67%, repayable in monthly installments of \$3,837 principal and interest, maturing October 2026	193,929	-
Carried forward	<u>\$ 2,536,163</u>	<u>\$ 2,529,911</u>



## Anishinaabeg of Naongashiing First Nation Notes to Consolidated Financial Statements

March 31, 2022

### 4. Long-term Debt (continued)

	2022	2021
Brought forward	\$ 2,536,163	\$ 2,529,911
RBC demand loan with interest at 5.95%, repayable in annual installments of \$179,000 principal, interest payable monthly, matured April 2021	-	181,000
Keniiis Development Corporation mortgage payable to RBC at 4.95%, repayable in monthly installments of \$1,932 principal and interest, maturing November 2022	178,930	194,651
	<u>\$ 2,715,093</u>	<u>\$ 2,905,562</u>

Mortgages are secured by a first charge mortgage against rental properties and Ministerial Guarantees from Indigenous Services Canada.

Principal repayments required over the next five years and thereafter are as follows:

	Principal Repayments	Interest	Total
2023	\$ 507,781	\$ 31,369	\$ 539,150
2024	282,101	24,826	306,927
2025	222,779	21,440	244,219
2026	200,338	18,056	218,394
2027	171,386	15,019	186,405
Thereafter	1,330,708	68,755	1,399,463
	<u>\$ 2,715,093</u>	<u>\$ 179,465</u>	<u>\$ 2,894,558</u>

	2022	2021
Interest expense for the year on long-term debt	<u>\$ 52,751</u>	<u>\$ 57,869</u>

## Anishinaabeg of Naongashiing First Nation Notes to Consolidated Financial Statements

March 31, 2022

### 5. Related Party Transactions

The First Nation owns 16.67% of Miitigoog Limited Partnership. During the fiscal year, the First Nation recorded \$NIL of revenue relating to referral fees from the Corporation.

### 6. Deferred Revenue

	Balance March 31, 2021	Funding Received 2022	Revenue Recognized 2022	Balance March 31, 2022
FFTAHA	\$ 39,002	\$ 214,380	\$ 230,973	\$ 22,409
Weechi-It-Te-Win	-	1,049,145	1,049,145	-
ISC	1,277,553	9,426,062	8,595,775	2,107,840
Casino Rama	-	357,808	357,808	-
ISC/Health Canada	394,395	657,162	242,069	809,488
Shooniyaa Wa-Biitong	-	125,157	-	125,157
	<b>\$ 1,710,950</b>	<b>\$ 11,829,714</b>	<b>\$ 10,475,770</b>	<b>\$ 3,064,894</b>

### 7. Accumulated Surplus

The First Nation segregates its accumulated surplus in the following categories:

	2022	2021
Investment in tangible capital assets		
Tangible capital assets	\$ 18,362,973	\$ 13,873,148
Debt relating to tangible capital assets	(2,362,511)	(2,537,259)
Total investment in tangible capital assets	16,000,462	11,335,889
Operations surplus	897,747	332,019
Reserve funds (Note 8)	451,429	422,185
Equity in enterprises	805,519	807,964
	<b>\$ 18,155,157</b>	<b>\$ 12,898,057</b>

## Anishinaabeg of Naongashing First Nation Notes to Consolidated Financial Statements

March 31, 2022

### 8. Replacement Reserve

	CMHC 18-187-047/ 001-2	9 Unit (2010) 19-446-541/001	6 Unit (2007) 19-446-541/002	8 Unit (2009) 19-446-541/003	5 Unit (2011) 19-446-541/004	4 Unit (2011) 19-446-541/005	4 Unit (2015) 19-466-541/006	Total
Balance March 31, 2020	\$ 4,030	\$ 125,542	\$ 56,004	\$ 78,070	\$ 51,519	\$ 44,284	\$ 24,468	\$ 383,917
Allocation to reserve funds	3,500	7,650	6,000	9,600	6,175	4,940	5,120	42,985
Expenditures	(848)	(2,146)	-	-	-	(1,723)	-	(4,717)
Balance March 31, 2021	6,682	131,046	62,004	87,670	57,694	47,501	29,588	422,185
Allocation to reserve funds	3,500	7,650	6,000	9,600	6,175	4,940	5,120	42,985
Expenditures	(2,762)	(1,222)	(4,342)	(1,073)	(3,518)	(824)	-	(13,741)
Balance March 31, 2022	\$ 7,420	\$ 137,474	\$ 63,662	\$ 96,197	\$ 60,351	\$ 51,617	\$ 34,708	\$ 451,429

CMHC requires that the replacement reserve be fully funded at the end of the fiscal year. The total CMHC replacement reserve is \$451,429. The amount held in a restricted bank account in relation to this reserve is \$422,184; therefore, the reserve is under funded by \$29,245 as of March 31, 2022.

**Anishinaabeg of Naongashing First Nation**  
**Notes to Consolidated Financial Statements**

March 31, 2022

**9. Tangible Capital Assets**

	2022						
	Land	Buildings	Vehicles and equipment	Computers	Roads, sewer and water	Assets under construction	Total
Cost, beginning of year	\$ 50,000	\$ 19,395,501	\$ 1,785,199	\$ 162,964	\$ 2,717,588	\$ 908,830	\$25,020,082
Additions	-	256,976	179,215	14,436	-	4,871,133	5,321,760
Disposals	-	-	(111,351)	-	-	-	(111,351)
Cost, end of year	50,000	19,652,477	1,853,063	177,400	2,717,588	5,779,963	30,230,491
Accumulated amortization, beginning of year	-	8,137,534	1,052,266	119,701	931,715	-	10,241,216
Amortization	-	591,673	201,121	15,056	68,686	-	876,536
Disposals	-	-	(107,811)	-	-	-	(107,811)
Accumulated amortization, end of year	-	8,729,207	1,145,576	134,757	1,000,401	-	11,009,941
Net carrying amount, end of year	\$ 50,000	\$ 10,923,270	\$ 707,487	\$ 42,643	\$ 1,717,187	\$ 5,779,963	\$19,220,550

**Anishinaabeg of Naongashingi First Nation**  
**Notes to Consolidated Financial Statements**

March 31, 2022

**9. Tangible Capital Assets (continued)**

	2021					
	Land	Buildings	Vehicles and equipment	Computers	Roads, sewer and water	Assets under construction
Cost, beginning of year	\$ 50,000	\$ 19,185,643	\$ 1,391,547	\$ 155,429	\$ 2,717,588	\$ 22,003
Additions	-	209,858	393,652	7,535	-	886,827
Disposals	-	-	-	-	-	-
Cost, end of year	50,000	19,395,501	1,785,199	162,964	2,717,588	908,830
Accumulated amortization, beginning of year	-	7,543,178	863,749	101,572	863,029	-
Amortization	-	594,356	188,517	18,129	68,686	-
Disposals	-	-	-	-	-	-
Accumulated amortization, end of year	-	8,137,534	1,052,266	119,701	931,715	-
Net carrying amount, end of year	\$ 50,000	\$ 11,257,967	\$ 732,933	\$ 43,263	\$ 1,785,873	\$ 908,830
						<b>\$ 14,778,866</b>

# **Anishinaabeg of Naongashiiing First Nation** **Notes to Consolidated Financial Statements**

March 31, 2022

## **10. Government Transfers**

	2022			2021		
	Operating	Capital	Total	Operating	Capital	Total
Federal government transfers:						
Indigenous Services Canada	\$ 2,956,984	\$ 5,880,860	\$ 8,837,844	\$ 3,674,801	\$ 455,418	\$ 4,130,219
Canada Mortgage and Housing Corporation	201,137	-	201,137	223,221	-	223,221
	<b>\$ 3,158,121</b>	<b>\$ 5,880,860</b>	<b>\$ 9,038,981</b>	<b>\$ 3,898,022</b>	<b>\$ 455,418</b>	<b>\$ 4,353,440</b>
Provincial government transfers:						
Ministry of Community and Social Services	\$ 184,874	\$ -	\$ 184,874	\$ 200,863	\$ -	\$ 200,863
Ministry of Indigenous Affairs	176,185	-	176,185	281,067	-	281,067
Other provincial transfers	194,740	-	194,740	151,245	-	151,245
	<b>\$ 555,799</b>	<b>\$ -</b>	<b>\$ 555,799</b>	<b>\$ 633,175</b>	<b>\$ -</b>	<b>\$ 633,175</b>

## Anishinaabeg of Naongashiing First Nation Notes to Consolidated Financial Statements

March 31, 2022

### 11. Indigenous Services Canada Funding Reconciliation

	2022	2021
ISC revenue per funding confirmation	\$ 10,083,224	\$ 3,965,114
Deferred revenue, beginning of year	1,671,948	1,833,106
Deferred revenue, end of year	(2,917,328)	(1,671,948)
Receipt of prior years' funding	-	3,947
ISC revenue per the consolidated statement of operations	<u>\$ 8,837,844</u>	<u>\$ 4,130,219</u>

### 12. Federal Assistance Payments

The CMHC projects have received federal assistance through CMHC pursuant to Section 56.1 of the National Housing Act to enable the project to provide housing to low income individuals.

	2022	2021
Subsidy	\$ 201,137	\$ 202,207
Manager trainee	-	21,014
CMHC revenue per the consolidated statement of operations	<u>\$ 201,137</u>	<u>\$ 223,221</u>

### 13. Expenses by Object

	2022	2021
Salaries, wages and employee benefits	\$ 3,122,886	\$ 2,653,018
Materials and supplies	4,572,495	3,542,786
Contracted services	768,857	503,210
Rent and financial expenses	241,672	260,988
Travel	182,923	98,085
Amortization	809,779	799,350
	<u>\$ 9,698,612</u>	<u>\$ 7,857,437</u>



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# Anishinaabeg of Naongashiing First Nation

## Notes to Consolidated Financial Statements

March 31, 2022

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### 14. Segmented Information

Anishinaabeg of Naongashiing First Nation is a First Nation government that provides a wide range of services to the members of its community. For management reporting purposes the First Nation's operations and activities are organized and reported by Program. Programs were created for the purpose of recording specific activities in accordance with specific regulations, restrictions or limitations. These activities can also be categorized into segments. The following significant segments have been identified and as such are separately disclosed:

#### Education

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

#### Operations and Maintenance

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

#### Welfare

This segment contains activities that provides financial support or support by other means to Band Members that is aimed at developing both the individual as well as the community.

#### Band Support

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

#### Capital

This department is responsible for all capital asset activities occurring on the First Nation during the year, including housing construction and renovations.

#### Other Services

The First Nation provides a wide array of other services, including youth employment projects, economic development, housing activities and others.

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

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

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## **Anishinaabeg of Naongashiing First Nation Notes to Consolidated Financial Statements**

**March 31, 2022**

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### **15. Uncertainty Due to COVID-19**

As the impact of COVID-19 continues, there could be further impact on the First Nation and its funders. Management is actively monitoring the effects of the global pandemic on its financial condition, liquidity, operations, suppliers, industry and workforce. Management does not anticipate any decline in revenue as their primary source of funding is Indigenous Services Canada. Funding from these federal and provincial levels of government are expected to continue as normally scheduled. However, given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the First Nation is not able to fully estimate the effects of COVID-19 on its future results of operations, financial condition or liquidity at this time.

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### **16. Budgeted Information**

Section 1201, Financial Statement Presentation, of the CPA Canada Public Sector Accounting Board Handbook requires the disclosure of budgeted information. The First Nation has not prepared or approved consolidated budgets. As a result, the First Nation was unable to present budgeted information on the consolidated financial statements for the year ended March 31, 2022.

# Anishinaabeg of Naongashiing First Nation 2022 Segment Disclosure

March 31, 2022	Band Support	Operations and Maintenance	Education	Welfare	Capital	Other	Total
<b>Revenue</b>							
ISC	\$ 448,639	\$ 320,964	\$ 1,393,522	\$ 132,393	\$ 232,724	\$ 6,309,602	\$ 8,837,844
Canada	-	-	-	-	-	201,137	201,137
Ontario	-	27,100	-	335,622	-	193,077	555,799
Casino Rama	-	-	-	-	-	357,808	357,808
Other Aboriginal Organizations	8,000	-	-	62,462	-	1,292,816	1,363,278
Interest, rentals and other	193,775	8,085	-	-	-	3,437,986	3,639,846
Administration	1,102,219	(5,039)	-	(40,572)	(113,352)	(943,256)	-
Transfers	150,229	5,364	-	(39,452)	(111,241)	(4,900)	-
	<b>1,902,862</b>	<b>356,474</b>	<b>1,393,522</b>	<b>450,453</b>	<b>8,131</b>	<b>10,844,270</b>	<b>14,955,712</b>
<b>Expenses</b>							
Salaries, wages and benefits	655,276	96,822	149,489	148,247	657	2,072,395	3,122,886
Materials, supplies and capital	883,664	200,324	337,373	293,206	7,474	2,850,454	4,572,495
Contracted services	-	-	768,857	-	-	-	768,857
Rent and financial expenses	204,908	276	-	1,029	-	35,459	241,672
Travel	39,790	-	7,630	7,971	-	127,532	182,923
Amortization	33,362	179,083	-	-	-	597,334	809,779
	<b>1,817,000</b>	<b>476,505</b>	<b>1,263,349</b>	<b>450,453</b>	<b>8,131</b>	<b>5,683,174</b>	<b>9,698,612</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 85,862</b>	<b>\$ (120,031)</b>	<b>\$ 130,173</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,161,096</b>	<b>\$ 5,257,100</b>

# Anishinaabeg of Naongashiing First Nation 2021 Segment Disclosure

March 31, 2021	Band Support	Operations and Maintenance	Education	Welfare	Capital	Other	Total
<b>Revenue</b>							
ISC	\$ 536,601	\$ 189,770	\$ 1,194,223	\$ 111,467	\$ 231,555	\$ 1,742,190	\$ 4,005,806
Canada	-	-	-	-	-	460,579	460,579
Ontario	223,819	-	-	324,356	-	85,000	633,175
Casino Rama	-	-	-	-	-	589,797	589,797
Other Aboriginal Organizations	22,032	-	-	12,462	-	1,188,483	1,222,977
Interest, rentals and other	91,009	9,240	-	-	-	2,463,523	2,563,772
Administration	670,575	(5,019)	-	(44,494)	(42,129)	(578,933)	-
Transfers	273,713	81,102	(255,042)	86,838	(178,993)	(7,618)	-
	1,817,749	275,093	939,181	490,629	10,433	5,943,021	9,476,106
<b>Expenses</b>							
Salaries, wages and benefits	635,804	91,921	55,617	147,298	-	1,722,378	2,653,018
Materials, supplies and capital	940,720	182,134	232,464	339,063	10,433	1,837,972	3,542,786
Contracted services	-	-	503,210	-	-	-	503,210
Rent and financial expenses	209,638	1,038	-	3,841	-	46,471	260,988
Travel	11,643	-	3,419	427	-	82,596	98,085
Amortization	33,362	192,383	-	-	-	573,605	799,350
	1,831,167	467,476	794,710	490,629	10,433	4,263,022	7,857,437
<b>Excess (deficiency) of revenue over expenses</b>	\$ (13,418)	\$ (192,383)	\$ 144,471	\$ -	\$ -	\$ 1,679,999	\$ 1,618,669