

**Anishinaabeg of Naongashiing  
First Nation  
Consolidated Financial Statements  
For the year ended March 31, 2024**

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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 MNP LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. MNP LLP have full and free access to the Council.

\_\_\_\_\_ Chief

\_\_\_\_\_ Councilor

To the Chief and Council of Anishinaabeg of Naongashiing:

### 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, 2024, 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, 2024, 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.

### Other Matter

The consolidated financial statements of Anishinaabeg of Naongashiing First Nation for the year ended March 31, 2023 were audited by BDO Canada LLP of Fort Frances, Ontario, Canada, prior to its merger with MNP LLP who expressed an unmodified opinion on those statements on September 5, 2023.

### 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.

Fort Frances, Ontario

August 20, 2025

The logo for MNP LLP, featuring the letters 'MNP' in a large, stylized, handwritten-style font, followed by 'LLP' in a smaller, clean, sans-serif font.

Chartered Professional Accountants

Licensed Public Accountants

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

March 31	2024	2023
<b>Financial assets</b>		
Cash and cash equivalents (Note 1)	\$ 4,140,241	\$ 2,530,209
Accounts and loans receivable (Note 2)	2,286,708	1,814,483
Portfolio investments (Note 3)	10,333	336,251
	<u>6,437,282</u>	<u>4,680,943</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	975,379	764,134
Deferred revenue (Note 6)	2,149,394	2,075,250
Long-term debt (Note 4)	5,338,301	2,481,289
	<u>8,463,074</u>	<u>5,320,673</u>
<b>Net debt</b>	<u>(2,025,792)</u>	<u>(639,730)</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 9)	20,925,417	20,745,361
Prepaid expense	4,700	-
Inventory	183,876	176,632
	<u>21,113,993</u>	<u>20,921,993</u>
<b>Accumulated surplus</b>	<u>19,088,201</u>	<u>20,282,263</u>
Accumulated surplus is comprised of:		
Accumulated operating surplus (Note 7)	19,088,201	20,272,276
Accumulated remeasurement gains	-	9,987
	<u>\$ 19,088,201</u>	<u>\$ 20,282,263</u>

Approved on behalf of Council:

\_\_\_\_\_ Chief

\_\_\_\_\_ Councilor

# Anishinaabeg of Naongashiing First Nation

## Consolidated Statement of Operations

March 31	2024	2023
<b>Revenue</b>		
Indigenous Services Canada (Note 11)	\$ 5,885,111	\$ 6,147,680
Fort Frances Tribal Area Health Authority	302,310	170,239
Rental - housing/equipment	217,559	206,615
Ministry of Community and Social Services	374,409	359,674
Ministry of Indigenous Affairs	148,876	-
CMHC (Note 12)	271,848	333,200
Other	1,091,697	1,799,906
Resource revenue	668,874	812,615
Shooniyaa Wa-Biitong	276,954	82,500
Casino Rama revenue	730,494	511,898
Weechi-It-Te-Win	1,405,037	988,327
Ministry of Health	105,800	128,512
Keniis Development Corporation	2,096,702	2,042,637
	<b>13,575,671</b>	<b>13,583,803</b>
<b>Expenses</b>		
Education	1,606,179	1,477,619
Welfare	649,793	540,769
Band Support/Administration	4,327,389	2,119,833
Operations and Maintenance	779,803	595,919
Economic Development	237,960	288,781
Water Treatment Plant	394,286	562,534
Capital	7,000	5,000
Summer Student Employment	44,885	11,988
National Child Benefit Program	175,559	131,121
Community Care	1,383,265	1,249,704
Health Programs	151,795	64,330
Health Canada Integrated Services	415,956	532,322
Aboriginal Healing and Wellness	71,066	74,203
CMHC Rental Housing	395,955	341,686
CMHC Housing Renovations	-	26,292
Casino Rama	730,494	406,262
Keniis Development Corporation	2,163,104	2,081,738
Land Management	384,132	229,832
Multi-Unit Housing	78,231	78,231
Flood Claim	63,876	79,362
New Gold IBA	192,748	187,656
Grand Council Treaty #3 Programs	27,624	53,580
FN CFS Capacity Development	15,633	125,518
Medicine Camp Program	-	12,000
Band Housing Projects	124,341	135,853
Jordan's Principle	55,534	-
	<b>14,476,608</b>	<b>11,412,133</b>
<b>Annual surplus (deficit) before other items</b>	<b>(900,937)</b>	<b>2,171,670</b>
<b>Other Items</b>		
Ministry of Indigenous Affairs funding recovery	(85,000)	(54,551)
<b>Annual surplus</b>	<b>\$ (985,937)</b>	<b>\$ 2,117,119</b>

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

For the year ended March 31	2024	2023
Accumulated surplus, beginning of year	\$ 20,282,263	\$ 18,165,144
Annual surplus	<u>(985,937)</u>	<u>2,117,119</u>
Accumulated surplus, end of year	<u>\$ 19,296,326</u>	<u>\$ 20,282,263</u>



## Anishinaabeg of Naongashiing First Nation Consolidated Statement of Remeasurement Gains

For the year ended March 31	2024	2023
Accumulated remeasurement gains, beginning of year	\$ 9,987	\$ -
Unrealized gains attributable to:		
Portfolio investments	-	9,987
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments	(9,987)	-
Accumulated remeasurement gains, end of year	\$ -	\$ 9,987

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

For the year ended March 31	2024	2023
<b>Annual surplus</b>	<b>\$ (985,937)</b>	<b>\$ 2,117,119</b>
Acquisition of tangible capital assets	(1,214,221)	(3,127,545)
Disposition of tangible capital assets	-	530,022
Amortization of tangible capital assets	1,034,165	1,072,712
	<u>(1,165,993)</u>	<u>592,308</u>
Use (acquisition) of prepaid expenses	(4,700)	-
Use (acquisition) of inventories	(7,244)	(36,300)
	<u>(11,944)</u>	<u>(36,300)</u>
<b>Increase in net debt excluding net remeasurement gains</b>	<b>(1,177,937)</b>	<b>556,008</b>
<b>Net remeasurement gains</b>	<u>-</u>	<u>9,987</u>
<b>Changes in net debt</b>	<b>(1,177,937)</b>	<b>565,995</b>
<b>Net debt, beginning of year</b>	<u>(639,730)</u>	<u>(1,205,725)</u>
<b>Net debt, end of year</b>	<b>\$ (1,817,667)</b>	<b>\$ (639,730)</b>

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

For the year ended March 31	2024	2023
<b>Cash flows from operating activities</b>		
Annual surplus	\$ (985,937)	\$ 2,117,119
Remeasurement gain	-	9,987
Item not affecting cash		
Amortization of tangible capital assets	1,034,165	1,072,712
	<u>48,228</u>	<u>3,199,818</u>
Changes in non-cash working capital		
Accounts and loans receivable	(472,225)	(330,040)
Prepaid expense	(4,700)	-
Inventories	(7,244)	(36,300)
Accounts payable	211,245	(952,562)
Deferred revenue	74,144	(989,644)
	<u>(198,780)</u>	<u>(2,308,546)</u>
	<u>(150,552)</u>	<u>891,272</u>
<b>Cash flows from capital activities</b>		
Disposition of tangible capital assets	-	530,022
Acquisition of tangible capital assets	(1,214,221)	(3,127,545)
	<u>(1,214,221)</u>	<u>(2,597,523)</u>
<b>Cash flows from investing activities</b>		
Acquisition of investments	325,918	(9,987)
<b>Cash flows from financing activities</b>		
Repayment of long-term debt	2,857,012	(233,804)
<b>Net change in cash and cash equivalents</b>	1,818,157	(1,950,042)
<b>Cash and cash equivalents, beginning of year</b>	2,530,209	4,480,251
<b>Cash and cash equivalents, end of year</b>	<u>\$ 4,348,366</u>	<u>\$ 2,530,209</u>

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

March 31, 2024

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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, 2024

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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, 2024

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### Portfolio Investments

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

### 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.

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

**March 31, 2024**

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### **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, 2024

### 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:

	2024	2023
<b>Internally restricted</b>		
Reserves	\$ 583,995	\$ 452,234
<b>Unrestricted</b>		
Operating	3,384,713	2,041,966
Keniis Development Corporation	171,533	36,009
	<u>3,556,246</u>	<u>2,077,975</u>
<b>Total cash and cash equivalents</b>	<u>\$ 4,140,241</u>	<u>\$ 2,530,209</u>

### 2. Accounts and Loans Receivable

	2024	2023
Accounts receivable	\$ 3,084,541	\$ 2,541,578
Advances to Band members	254,858	136,258
	<u>3,339,399</u>	<u>2,677,836</u>
Allowance for doubtful accounts	(1,052,691)	(863,353)
	<u>\$ 2,286,708</u>	<u>\$ 1,814,483</u>



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

March 31, 2024

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### 3. Portfolio Investments

	2024	2023
At cost or amortized cost:		
Miitigoog Limited Partnership	<u>\$ 10,333</u>	<u>\$ 10,333</u>
At fair value:		
Marketable securities	<u>-</u>	<u>325,918</u>
	<u>\$ 10,333</u>	<u>\$ 336,251</u>

Portfolio investments are valued at fair market value. The fair market value of the marketable securities at March 31, 2024, was \$Nil (2023 - \$325,918). The carrying value of the marketable securities at March 31, 2024 was \$Nil (2023 - \$317,876). The securities are traded on an exchange.

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

March 31, 2024

### 4. Long-term Debt

	2024	2023
CMHC mortgage with interest at 0.79%, repayable in monthly installments of \$3,722 principal and interest, maturing January 2026	\$ 443,103	\$ 484,092
CMHC mortgage with interest at 1.06%, repayable in monthly installments of \$3,214 principal and interest, maturing July 2025	51,048	88,861
CMHC mortgage with interest at 3.70%, repayable in monthly installments of \$2,107 principal and interest, maturing December 2027	179,682	197,979
CMHC mortgage with interest at 1.01%, repayable in monthly installments of \$2,151 principal and interest, maturing August 2026	287,750	310,524
CMHC mortgage with interest at 1.01%, repayable in monthly installments of \$2,867 principal and interest, maturing August 2026	386,216	416,556
CMHC mortgage with interest at 1.22%, repayable in monthly installments of \$2,676 principal and interest, maturing May 2026	468,793	495,008
CMHC mortgage with interest at 3.58%, repayable in monthly installments of \$9,612 principal and interest, maturing January 2039	1,328,144	-
Land claim litigation loan, non-interest bearing, unsecured, maturing March 2029 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	113,279	154,326
Keniis Development Corporation mortgage payable to RBC at 8.95%, repayable in monthly installments of \$1,553 principal plus interest, maturing November 2024	141,652	160,291
Keniis Development Corporation mortgage payable to NOHFC at 2.95%, repayable in monthly installments of \$3,639 principal and interest, maturing February 2027	121,650	-
RBC loan with interest at prime plus 1.25%, repayable in monthly installments of \$28,334 principal plus interest, maturing January 2029	1,643,332	-
	<b>\$ 5,338,301</b>	<b>\$ 2,481,289</b>

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

March 31, 2024

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

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
2025	\$ 812,476	\$ 210,011	\$ 1,022,487
2026	652,664	164,487	817,151
2027	624,021	128,400	752,421
2028	563,033	94,084	657,117
2029	684,801	60,730	745,531
Thereafter	2,001,306	229,795	2,231,101
	<u>\$ 5,338,301</u>	<u>\$ 887,507</u>	<u>\$ 6,225,808</u>

	2024	2023
Interest expense for the year on long-term debt	<u>\$ 93,405</u>	<u>\$ 52,325</u>

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

March 31, 2024

### 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, 2023	Funding Received 2024	Revenue Recognized 2024	Balance March 31, 2024
Giishkaandago'ikwe Health Services	\$ 16,550	\$ 304,881	\$ 302,310	\$ 19,121
ISC	1,139,897	5,438,336	5,429,560	1,148,673
First Nations and Inuit Health Branch	793,646	502,044	455,551	840,139
Ministry of Indigenous Affairs	-	80,180	63,876	16,304
Shooniyaa Wa-Biitong	125,157	276,954	276,954	125,157
	<u>\$ 2,075,250</u>	<u>\$ 6,602,395</u>	<u>\$ 6,528,251</u>	<u>\$ 2,149,394</u>

### 7. Accumulated Surplus

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

	2024	2023
Investment in tangible capital assets		
Tangible capital assets	\$ 19,540,614	\$ 19,395,285
Debt relating to tangible capital assets	(3,258,015)	(2,147,346)
Total investment in tangible capital assets	<u>16,282,599</u>	<u>17,247,939</u>
Operations surplus	892,280	1,093,988
Reserve funds (Note 8)	622,567	583,179
Equity in enterprises	<u>1,290,755</u>	<u>1,357,157</u>
	<u>\$ 19,088,201</u>	<u>\$ 20,282,263</u>

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

March 31, 2024

### 8. Replacement Reserve

	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	5 Unit (2024) 19-466- 541/007	Total
Balance March 31, 2022	\$ 7,420	\$ 137,474	\$ 63,662	\$ 96,197	\$ 60,351	\$ 51,617	\$ 34,708	\$ -	\$ 451,429
Allocation to reserve funds	-	7,650	6,000	9,600	6,175	4,940	5,120	-	39,485
Special Contribution	-	103,500	-	-	-	-	-	-	103,500
Expenditures	(7,420)	-	(1,989)	(1,826)	-	-	-	-	(11,235)
Balance March 31, 2023	-	248,624	67,673	103,971	66,526	56,557	39,828	-	583,179
Allocation to reserve funds	-	7,650	6,000	9,600	6,175	4,940	5,120	1,631	41,116
Expenditures	-	-	-	-	-	(1,728)	-	-	(1,728)
Balance March 31, 2024	\$ -	\$ 256,274	\$ 73,673	\$ 113,571	\$ 72,701	\$ 59,769	\$ 44,948	\$ 1,631	\$ 622,567

CMHC requires that the replacement reserve be fully funded at the end of the fiscal year. The total CMHC replacement reserve is \$622,567. The amount held in a restricted bank account in relation to this reserve is \$583,178; therefore, the reserve is under funded by \$39,389 as of March 31, 2024.

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

March 31, 2024

**9. Tangible Capital Assets**

	<b>2024</b>						
	Land	Buildings	Vehicles and equipment	Computers	Roads, sewer and water	Assets under construction	Total
Cost, beginning of year	\$ 50,000	\$ 21,631,633	\$ 2,097,348	\$ 177,400	\$ 8,824,068	\$ 47,565	\$32,828,014
Additions	-	175,300	173,545	-	665,212	200,164	1,214,221
Disposals	-	-	(43,745)	-	-	-	(43,745)
Capitalized construction	-	-	-	-	-	-	-
Cost, end of year	50,000	21,806,933	2,227,148	177,400	9,489,280	247,729	33,998,490
Accumulated amortization, beginning of year	-	9,365,466	1,379,298	143,372	1,194,517	-	12,082,653
Amortization	-	576,912	242,877	7,502	206,874	-	1,034,165
Disposals	-	-	(43,745)	-	-	-	(43,745)
Accumulated amortization, end of year	-	9,942,378	1,578,430	150,874	1,401,391	-	13,073,073
Net carrying amount, end of year	\$ 50,000	\$ 11,864,555	\$ 648,718	\$ 26,526	\$ 8,087,889	\$ 247,729	\$20,925,417

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

March 31, 2024

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

	<b>2023</b>						
	Land	Buildings	Vehicles and equipment	Computers	Roads, sewer and water	Assets under construction	Total
Cost, beginning of year	\$ 50,000	\$ 20,061,842	\$ 1,853,063	\$ 177,400	\$ 2,717,588	\$ 5,370,598	<b>\$30,230,491</b>
Additions	-	511,385	273,722	-	55,000	2,287,438	<b>3,127,545</b>
Disposals	-	(500,585)	(29,437)	-	-	-	<b>(530,022)</b>
Capitalized construction	-	1,558,991	-	-	6,051,480	(7,610,471)	<b>-</b>
Cost, end of year	50,000	21,631,633	2,097,348	177,400	8,824,068	47,565	<b>32,828,014</b>
Accumulated amortization, beginning of year	-	8,729,207	1,145,576	134,757	1,000,401	-	<b>11,009,941</b>
Amortization	-	636,259	233,722	8,615	194,116	-	<b>1,072,712</b>
Disposals	-	-	-	-	-	-	<b>-</b>
Accumulated amortization, end of year	-	9,365,466	1,379,298	143,372	1,194,517	-	<b>12,082,653</b>
Net carrying amount, end of year	\$ 50,000	\$ 12,266,167	\$ 718,050	\$ 34,028	\$ 7,629,551	\$ 47,565	<b>\$20,745,361</b>

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

March 31, 2024

### 10. Government Transfers

	2024			2023		
	Operating	Capital	Total	Operating	Capital	Total
Federal government transfers:						
Indigenous Services Canada	\$ 4,940,262	\$ 944,849	\$ 5,885,111	\$ 5,121,342	\$ 1,026,338	\$ 6,147,680
Canada Mortgage and Housing Corporation	271,848	-	271,848	333,200	-	333,200
	<u>\$ 5,212,110</u>	<u>\$ 944,849</u>	<u>\$ 6,156,959</u>	<u>\$ 5,454,542</u>	<u>\$ 1,026,338</u>	<u>\$ 6,480,880</u>
Provincial government transfers:						
Ministry of Community and Social Services	\$ 374,409	\$ -	\$ 374,409	\$ 359,674	\$ -	\$ 359,674
Ministry of Indigenous Affairs	63,876	-	63,876	(54,551)	-	(54,551)
Other provincial transfers	119,110	-	119,110	227,678	-	227,678
	<u>\$ 557,395</u>	<u>\$ -</u>	<u>\$ 557,395</u>	<u>\$ 532,801</u>	<u>\$ -</u>	<u>\$ 532,801</u>



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

March 31, 2024

### 11. Indigenous Services Canada Funding Reconciliation

	2024	2023
ISC revenue per funding confirmation	\$ 5,940,380	\$ 5,163,895
Deferred revenue, beginning of year	1,933,543	2,917,328
Deferred revenue, end of year	(1,988,812)	(1,933,543)
ISC revenue per the consolidated statement of operations	<u>\$ 5,885,111</u>	<u>\$ 6,147,680</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.

	2024	2023
Subsidy	\$ 224,344	\$ 306,908
Home Adaptations for Seniors' Independence (HASI)	-	26,292
Residential Rehabilitation Assistance Program (RRAP)	47,505	-
CMHC revenue per the consolidated statement of operations	<u>\$ 271,849</u>	<u>\$ 333,200</u>

### 13. Expenses by Object

	2024	2023
Salaries, wages and employee benefits	\$ 3,652,438	\$ 3,278,332
Materials and supplies	8,328,452	5,658,892
Contracted services	946,443	824,262
Rent and financial expenses	397,647	291,524
Travel	410,147	380,034
Amortization	949,606	979,089
	<u>\$ 14,684,733</u>	<u>\$ 11,412,133</u>

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# Anishinaabeg of Naongashiing First Nation

## Notes to Consolidated Financial Statements

March 31, 2024

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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, 2024**

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### **15. 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, 2024.

**Anishinaabeg of Naongashiing First Nation  
2024 Segment Disclosure**

<b>March 31, 2024</b>	<b>Band Support</b>	<b>Operations and Maintenance</b>	<b>Education</b>	<b>Welfare</b>	<b>Capital</b>	<b>Other</b>	<b>Total</b>
<b>Revenue</b>							
ISC	\$ 292,439	\$ 692,800	\$ 1,785,013	\$ 158,723	\$ 246,222	\$ 2,709,914	\$ 5,885,111
Canada	-	-	-	-	-	271,848	271,848
Ontario	-	13,310	-	480,209	-	63,876	557,395
Casino Rama	-	-	-	-	-	730,494	730,494
Other Aboriginal Organizations	-	-	-	32,462	-	1,951,840	1,984,302
Interest, rentals and other	392,798	11,550	-	-	-	3,657,173	4,061,521
Administration	854,210	(73,644)	(3,344)	(64,523)	-	(712,699)	-
Transfers	501,884	92,422	(13,270)	42,922	(239,222)	(384,736)	-
	<u>2,041,331</u>	<u>736,438</u>	<u>1,768,399</u>	<u>649,793</u>	<u>7,000</u>	<u>8,287,710</u>	<u>13,490,671</u>
<b>Expenses</b>							
Salaries, wages and benefits	791,733	68,866	410,096	87,358	-	2,294,385	3,652,438
Materials, supplies and capital	3,242,734	498,052	234,361	554,016	7,000	3,792,289	8,328,452
Contracted services	-	-	946,443	-	-	-	946,443
Rent and financial expenses	323,230	-	-	1,771	-	72,646	397,647
Travel	156,739	-	15,279	6,648	-	231,481	410,147
Amortization	39,123	212,885	-	-	-	697,598	949,606
	<u>4,553,559</u>	<u>779,803</u>	<u>1,606,179</u>	<u>649,793</u>	<u>7,000</u>	<u>7,088,399</u>	<u>14,684,733</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (2,512,228)</b>	<b>\$ (43,365)</b>	<b>\$ 162,220</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,199,311</b>	<b>\$ (1,194,062)</b>

**Anishinaabeg of Naongashiing First Nation  
2023 Segment Disclosure**

<b>March 31, 2023</b>	<b>Band Support</b>	<b>Operations and Maintenance</b>	<b>Education</b>	<b>Welfare</b>	<b>Capital</b>	<b>Other</b>	<b>Total</b>
<b>Revenue</b>							
ISC	\$ 309,609	\$ 559,964	\$ 1,683,299	\$ 143,070	\$ 241,606	\$ 3,210,132	\$ 6,147,680
Canada	-	-	-	-	-	333,200	333,200
Ontario	-	99,166	-	488,186	-	(54,551)	532,801
Casino Rama	-	-	-	-	-	511,898	511,898
Other Aboriginal Organizations	-	-	-	12,462	-	1,228,604	1,241,066
Interest, rentals and other	618,832	8,085	-	-	-	4,135,690	4,762,607
Administration	556,404	(20,000)	-	(50,040)	(23,661)	(462,703)	-
Transfers	772,409	(261,773)	(72,844)	(52,909)	(212,945)	(171,938)	-
	<u>2,257,254</u>	<u>385,442</u>	<u>1,610,455</u>	<u>540,769</u>	<u>5,000</u>	<u>8,730,332</u>	<u>13,529,252</u>
<b>Expenses</b>							
Salaries, wages and benefits	669,619	123,895	296,515	91,094	-	2,097,209	3,278,332
Materials, supplies and capital	1,039,374	261,547	381,299	430,025	5,000	3,541,647	5,658,892
Contracted services	-	-	790,950	-	-	33,312	824,262
Rent and financial expenses	252,485	-	-	1,153	-	37,886	291,524
Travel	160,862	-	8,854	18,497	-	191,821	380,034
Amortization	35,733	210,477	-	-	-	732,879	979,089
	<u>2,158,073</u>	<u>595,919</u>	<u>1,477,618</u>	<u>540,769</u>	<u>5,000</u>	<u>6,634,754</u>	<u>11,412,133</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 99,181</b>	<b>\$ (210,477)</b>	<b>\$ 132,837</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,095,578</b>	<b>\$ 2,117,119</b>