

Seine River First Nation
Consolidated Financial Statements
For the year ended March 31, 2022

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Seine River First Nation Management's Statement of Responsibility for Financial Reporting

March 31, 2022

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

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

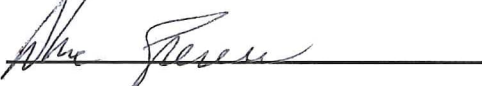
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

On behalf of Seine River First Nation



Councillor



Councillor

Independent Auditor's Report

To the Members of Seine River First Nation

Opinion

We have audited the consolidated financial statements of Seine River First Nation, and its entities (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statement of operations and accumulated surplus, the consolidated statement of changes in net financial assets and the consolidated statement of cash flows for the year then ended, and notes to the 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 First Nation as at March 31, 2022, and its consolidated results of operations, its consolidated changes in net financial assets 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 First Nation 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.

Emphasis of Matter

We draw attention to Note 2 to the consolidated financial statements, which explains that certain comparative information for the year ended March 31, 2021 has been restated. Our opinion is not modified in respect of this matter.

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 First Nation'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 First Nation or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (cont'd)

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 First Nation'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 First Nation'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 First Nation 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 First Nation 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.

Independent Auditor's Report (cont'd)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

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

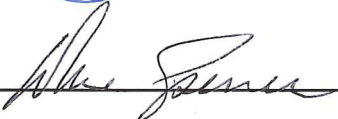
Thunder Bay, Ontario
March 31, 2023

Seine River First Nation Consolidated Statement of Financial Position

March 31	2022	2021
		Restated (Note 2)
Financial assets		
Cash (Note 3)	\$ 8,162,072	\$ 7,434,101
Due from band members (Note 4)	38,073	34,985
Accounts receivable (Note 5)	1,128,713	1,267,079
Due from government (Note 6)	1,347,951	681,108
Loan receivable (Note 7)	124,936	112,463
Portfolio investments (Note 8)	3,977,941	3,796,209
Trust funds held by federal government (Note 9)	217,195	213,816
	<u>14,996,881</u>	<u>13,539,761</u>
Liabilities		
Accounts payable and accrued liabilities (Note 10)	1,183,389	1,643,294
Due to government (Note 11)	568,260	277,362
Deferred revenue (Note 12)	5,087,716	4,159,752
Long term debt (Note 13)	4,919,556	5,158,509
	<u>11,758,921</u>	<u>11,238,917</u>
Net financial assets	<u>3,237,960</u>	<u>2,300,844</u>
Non-financial assets		
Prepaid expenses	53,242	31,904
Tangible capital assets (Note 14)	7,659,327	8,074,836
	<u>7,712,569</u>	<u>8,106,740</u>
Accumulated Surplus (Note 15)	<u>\$ 10,950,529</u>	<u>\$ 10,407,584</u>

On behalf of the First Nation:


 _____ Councilor


 _____ Councilor

Seine River First Nation Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2022	2021
		Restated (Note 2)
Revenue		
Federal government transfers (Note 12)	\$ 4,378,027	\$ 4,167,690
Provincial government transfers (Note 12)	1,314,296	931,887
Ontario First Nations Limited Partnership (Note 12)	433,023	716,254
Rental revenue	221,897	181,512
Other (Note 17)	2,360,116	2,257,519
Hydro One settlement	19,968	19,968
Trust fund revenue	3,379	2,653
Recovery of funding	-	(4,633)
Gain on funding settlement	-	145,254
	8,730,706	8,418,104
Expenses		
Band management	905,769	516,211
Community services	1,376,611	1,271,604
Economic development	246,988	477,606
Education	2,198,570	2,070,599
Employment programs	99,675	105,936
Health	414,618	380,601
Housing	239,581	220,344
Public works	436,373	378,025
Social services	1,219,274	1,036,320
Ontario First Nations Limited Partnership	179,199	271,071
Land and flood claims	285,857	154,961
Capital	806,661	736,245
	8,409,176	7,619,523
Annual surplus before other items	321,530	798,581
Other items		
Loss on disposal of tangible capital assets	-	(4,100)
Income from portfolio investments	121,627	118,572
Gain on sale of portfolio investments	87,458	73,722
Impairment of portfolio investments	12,330	(663,956)
Annual surplus	542,945	322,819
Accumulated surplus, beginning of year	10,407,584	10,084,765
Accumulated surplus, end of year	\$ 10,950,529	\$ 10,407,584

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

Seine River First Nation Consolidated Statement of Changes in Net Financial Assets

March 31	2022	2021
		Restated (Note 2)
Annual surplus	\$ 542,945	\$ 322,819
Acquisition of tangible capital assets	(389,055)	(478,331)
Amortization of tangible capital assets	804,564	807,640
Loss on disposal of tangible capital assets	-	4,100
Proceeds from disposal of tangible capital assets	-	2,500
Change in prepaid expenses	(21,338)	3,116
Net change in net financial assets	937,116	661,844
Net financial assets, beginning of year	2,300,844	1,639,000
Net financial assets, end of year	\$ 3,237,960	\$ 2,300,844

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

Seine River First Nation Consolidated Statement of Cash Flows

For the year ended March 31	2022	2021
		Restated (Note 2)
Operating transactions		
Annual surplus	\$ 542,945	\$ 322,819
Items not involving cash		
Amortization of tangible capital assets	804,564	807,640
Loss on disposal of tangible capital assets	-	4,100
Gain on sale of portfolio investments	(87,458)	(73,722)
Impairment of portfolio investments	(12,330)	663,956
	<u>1,247,721</u>	<u>1,724,793</u>
Changes in:		
Due from band members	(3,088)	292
Accounts receivable	138,366	(898,529)
Due from government	(666,843)	(184,574)
Prepaid expenses	(21,338)	3,116
Accounts payable and accrued liabilities	(459,905)	332,499
Due to government	290,898	(180,712)
Deferred revenue	927,964	1,457,835
Trust funds held by federal government	(3,379)	(2,653)
	<u>202,675</u>	<u>527,274</u>
	<u>1,450,396</u>	<u>2,252,067</u>
Capital transactions		
Acquisition of tangible capital assets	(389,055)	(478,331)
Proceeds from disposal of tangible capital assets	-	2,500
	<u>(389,055)</u>	<u>(475,831)</u>
Investing transactions		
Advances to Rainy Lake Tribal Development Corporation	(5,973)	-
Advances to Senic River Mall Inc.	(6,500)	-
Increase in Boundary Waters Anishinaabed Development LP	(87,452)	(70,629)
Decrease in Rainy Lake Tribal Development Corporation	94,837	57,379
Proceeds from sale of portfolio investments	469,773	1,016,229
Purchase of portfolio investments	(525,184)	(714,882)
Decrease in Rainy River District First Nations Trust	(33,918)	(33,700)
	<u>(94,417)</u>	<u>254,397</u>
Financing transactions		
Advances of long term debt	155,000	28,899
Repayment of long term debt	(393,953)	(360,712)
	<u>(238,953)</u>	<u>(331,813)</u>
Increase in cash	<u>727,971</u>	<u>1,698,820</u>
Cash, beginning of year	<u>7,434,101</u>	<u>5,735,281</u>
Cash, end of year	<u>\$ 8,162,072</u>	<u>\$ 7,434,101</u>

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

Seine River First Nation

Notes to Consolidated Financial Statements

March 31, 2022

1. Significant Accounting Policies

Basis of Accounting	<p>These consolidated financial statements have been prepared using Canadian Public Sector accounting standards.</p> <p>This includes all aspects of band operations including provision of social, educational, administration, housing, economic development and operational services.</p>
Reporting Entity	<p>The Seine River First Nation reporting entity includes the Seine River First Nation government and all related entities that are controlled by the First Nation.</p> <p>All controlled entities are fully consolidated on a line-by-line basis except for commercial enterprises which meet the definition of a government business enterprise or a government business partnership. Inter-organizational balances and transactions are eliminated upon consolidation.</p> <p>The following entities has been consolidated in the financial statements:</p> <ul style="list-style-type: none"> i) Seine River First Nation Development Corporation ii) Mudges Camp (2018) LTD.
Cash	Cash consists of cash on hand and cash and cash equivalents held in investment broker accounts.
Loans Receivable	<p>Loans receivable are initially recorded at cost less any amount for valuation allowance. Valuation allowances are used to reflect collectability and risk of loss and to reflect loans receivable at the lower of cost and the net recoverable value. Changes in valuation allowance are recognized in expenses in the statement of operations. When the loss is known with sufficient precision and there is no realistic prospect of recovery the loan receivable is reduced by the amount of the loss. Interest income is accrued on loans receivable as earned to the extent it is deemed collectable.</p>
Portfolio Investments	Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

Seine River First Nation

Notes to Consolidated Financial Statements

March 31, 2022

1. Significant Accounting Policies (cont'd)

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

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

Automotive/vehicles	-	5	years
Computer equipment	-	3	years
General equipment	-	5	years
Community playground	-	5	years
Infrastructure and water systems	-	20	years
Buildings and housing	-	20	years

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

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

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

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

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

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

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

Seine River First Nation Notes to Consolidated Financial Statements

March 31, 2022

1. Significant Accounting Policies (cont'd)

Revenue Recognition (cont'd)	Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed. Revenue related to the settlement of claims is recognized when the settlement is finalized and receipt of the settlement is reasonably assured.
Use of Estimates	The preparation of 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 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. Significant estimates include estimated useful lives of tangible capital assets, write-downs of tangible capital assets, allowance for doubtful accounts and the year-end settlement of individual program expenses with the appropriate funding agencies.

2. Prior Period Adjustment

A prior period adjustment was made to correct an amortization overstatement. This misstatement resulted in housing tangible capital assets being understated by \$124,954, housing amortization expense, housing expense and amortization of tangible capital assets being overstated by \$58,210 and opening accumulated surplus being understated \$66,744.

The prior year figures have been retroactively adjusted as follows:

	Previously Reported	Adjustment	As Restated
Accumulated amortization housing, March 31, 2020	5,093,687	(66,744)	5,026,943
Housing amortization expense	264,059	(58,210)	205,849
Housing expense	278,554	(58,210)	220,344
Amortization of tangible capital assets	865,850	(58,210)	807,640
Accumulated amortization housing, March 31, 2021	5,357,746	(124,954)	5,232,792
Net carrying amount housing, March 31, 2021	2,063,333	124,954	2,188,287
Tangible capital assets	7,949,882	124,954	8,074,836
Accumulated surplus, March 31, 2020	10,018,021	66,744	10,084,765
Annual surplus	264,609	58,210	322,819
Accumulated surplus, March 31, 2021	10,282,630	124,954	10,407,584
Net financial assets, March 31, 2020	10,282,630	66,744	10,349,374
Fund balance - General	8,785,827	124,954	8,910,781

Seine River First Nation

Notes to Consolidated Financial Statements

March 31, 2022

3. Cash

	2022	2021
Externally Restricted		
Canada Mortgage and Housing Corporation	\$ 99,519	\$ 99,494
Unrestricted	8,062,553	7,334,607
	\$ 8,162,072	\$ 7,434,101

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Seine River First Nation must set aside funds annually for the repair, maintenance and replacement of assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Apartment Replacement and Subsidy Fund.

4. Due from Band Members

	2022	2021
Due from band members	\$ 1,297,423	\$ 1,271,978
Less: valuation allowance	(1,259,350)	(1,236,993)
	\$ 38,073	\$ 34,985

5. Accounts Receivable

	2022	2021
Accounts receivable	\$ 743,674	\$ 733,628
Ontario First Nations Limited Partnership	302,344	476,770
Public Service Bodies' Rebate	131,090	105,076
	1,177,108	1,315,474
Less: valuation allowance	(48,395)	(48,395)
	\$ 1,128,713	\$ 1,267,079

Seine River First Nation

Notes to Consolidated Financial Statements

March 31, 2022

6. Due from Government

	2022	2021
Federal government		
Indigenous Services Canada	\$ 951,011	\$ 511,200
Canada Mortgage and Housing Corporation	9,718	13,674
Federal Economic Development Agency for Northern Ontario	148,445	-
Provincial government		
Ministry of Aboriginal Affairs	144,116	108,772
Ministry of Children, Community and Social Services	28,208	47,462
Northern Ontario Heritage Fund Corporation	66,453	-
	<u>\$ 1,347,951</u>	<u>\$ 681,108</u>

7. Loan Receivable

	2022	2021
Senic River Mall Inc., interest free, no specific terms of repayment, unsecured.	\$ 118,963	\$ 112,463
Rainy Lake Tribal Development Corporation	5,973	-
	<u>\$ 124,936</u>	<u>\$ 112,463</u>

Seine River First Nation Notes to Consolidated Financial Statements

March 31, 2022

8. Portfolio Investments

	2022	2021
Equity Securities:		
Canadian Common Stocks (fair market value - \$1,951,596)	\$ 1,839,143	\$ 1,768,484
Canadian Mutual Funds (fair market value - \$1,067,981)	1,091,879	994,181
Foreign Common Stocks (fair market value - \$562,357)	366,437	382,541
Foreign Equity Mutual Funds (fair market value - \$464,914)	445,075	454,459
Rainy River District First Nations Trust	76,665	42,747
8232121 Canada Ltd. (100 common shares)	100	100
Rainy Lake Tribal Resource Management Inc. (100 class A common shares)	100	100
Rainy Lake Tribal Development Corporation (1 common share & 489,835 class D preferred shares)	-	82,507
Senic River Mall Inc. (10 common shares)	10	10
Boundary Waters Anishinaabeg Development, LP (250 units)	158,331	70,879
Boundary Waters Anishinaabeg Development Inc. (100 common shares)	100	100
Indigenous Transmission LP (100 units)	100	100
Indigenous Transmission GP Inc. (1 common share)	1	1
	\$ 3,977,941	\$ 3,796,209

Seine River First Nation Notes to Consolidated Financial Statements

March 31, 2022

9. Trust Funds Held by Federal Government

	2021	Additions	2022
Revenue	\$ 158,588	\$ 3,379	\$ 161,967
Capital	55,228	-	55,228
	<u>\$ 213,816</u>	<u>\$ 3,379</u>	<u>\$ 217,195</u>

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

10. Accounts Payable and Accrued Liabilities

	2022	2021
Trade payables	\$ 912,271	\$ 869,510
Vacation pay	153,769	132,013
Tuition payable	117,349	641,771
	<u>\$ 1,183,389</u>	<u>\$ 1,643,294</u>

11. Due to Government

	2022	2021
Federal government	\$ 411,529	\$ 170,190
Provincial government	156,731	107,172
	<u>\$ 568,260</u>	<u>\$ 277,362</u>

Seine River First Nation Notes to Financial Statements

March 31, 2022

12. Deferred Revenue and Government Transfers

	Balance March 31, 2021	Funding Received 2022	Revenue Recognized 2022	Balance March 31, 2022
<u>Federal Government</u>				
Indigenous Services Canada (Note)	\$ 3,728,673	\$ 4,227,651	\$ 3,676,719	\$ 4,279,605
Health Canada (Note)	141,533	418,292	367,569	192,256
Canada Mortgage and Housing Corporation	-	160,773	160,773	-
Federal Economic Development Initiative for Northern Ontario	-	172,966	172,966	-
	<u>3,870,206</u>	<u>4,979,682</u>	<u>4,378,027</u>	<u>4,471,861</u>
<u>Provincial Government</u>				
Ministry of Indigenous Affairs (Note)	-	226,606	226,606	-
Ministry of Community and Social Services	-	945,573	945,573	-
Ministry of Tourism, Culture and Sport	-	13,969	13,969	-
Ministry of Health Revenue Northern Ontario	183,253	94,093	61,695	215,651
Heritage Fund Corporation	-	66,453	66,453	-
	<u>183,253</u>	<u>1,346,694</u>	<u>1,314,296</u>	<u>215,651</u>
<u>First Nation and Organization</u>				
Ontario First Nations Limited Partnership	-	433,023	433,023	-
<u>Other</u>				
Nuclear Waste Management Organization	25,500	145,775	3,500	167,775
Shooniiyaa	80,793	197,417	45,781	232,429
	<u>106,293</u>	<u>343,192</u>	<u>49,281</u>	<u>400,204</u>
	<u>\$ 4,159,752</u>	<u>\$ 7,102,591</u>	<u>\$ 6,174,627</u>	<u>\$ 5,087,716</u>

Note: ISC, Health Canada and Ministry of Indigenous Affairs funding received is net of current year calculated repayable amounts due to unspent funding. ISC funding received is \$4,227,651 (2021 - \$4,559,928) and repayable funding is \$nil (2021 - \$350). Health Canada funding received is \$653,533 (2021 - \$596,136) and repayable funding is \$235,241 (2021, - \$133,597). Ministry of Indigenous Affairs funding received is \$260,691 (2021 - \$175,722) and repayable funding is \$34,085 (2021 - \$58,652).

Seine River First Nation Notes to Consolidated Financial Statements

March 31, 2022

13. Long Term Debt

	2022	2021
CMHC mortgage, payable \$2,337 monthly including interest at 2.13%, maturing October 2022	\$ 263,723	\$ 285,913
CMHC mortgage, payable \$3,640 monthly including interest at 0.96%, maturing March 2026	530,488	568,885
CMHC mortgage, payable \$3,181 monthly including interest at 2.61%, maturing December 2023	515,904	540,332
Indigenous Services Canada Claim Loans - Flood Claim non-interest bearing, maturing at the earliest of March 2023 or the date on which the claims are settled	508,816	508,816
Indigenous Services Canada Claim Loans - Treaty Land Entitlement non-interest bearing, maturing at the earliest of March 2023 or the date on which the claims are settled	589,031	589,031
TD Canada Trust term loan, payable \$9,583 monthly including interest at 4.81%, maturing September 2023	166,096	270,113
TD Canada Trust term loan, payable \$18,019 monthly including interest at 3.51%, maturing November 2024	2,209,553	2,342,896
TD Canada Trust term loan, payable \$2,846 monthly including interest at 3.90%, maturing July 2026	135,945	-
CMHC mortgage	-	52,523
	\$ 4,919,556	\$ 5,158,509

Seine River First Nation Notes to Consolidated Financial Statements

March 31, 2022

13. Long Term Debt (cont'd)

Should any of the Indigenous Services Canada, Flood Claim or Treaty Land Entitlement loans mature while the claims are still in negotiation, the loan repayment dates will be extended by 5 years, or a period that coincides with an anticipated settlement date.

The CMHC mortgages are guaranteed by Indigenous Services Canada and secured by specific buildings.

The TD Canada Trust loans are secured by a general security agreement representing a first charge on all present and after acquired property.

Principal payments due in the next five years and thereafter are as follows:

	<u>Current Banking Agreements</u>	<u>Assuming Refinancing on Maturity</u>
2023	\$ 601,544	\$ 360,244
2024	762,766	319,814
2025	1,997,809	268,454
2026	445,969	276,439
2027	13,620	264,686
Thereafter	<u>1,097,848</u>	<u>3,429,919</u>
	<u>\$ 4,919,556</u>	<u>\$ 4,919,556</u>

Seine River First Nation Notes to Consolidated Financial Statement

March 31, 2022

14. Tangible Capital Assets

	2022										
	Land	Buildings	Commercial Buildings	General Equipment	Housing	Infrastructure	Vehicles	Water Systems	Other	Construction in Progress	Total
Cost, beginning of year	\$ 208,553	\$ 7,969,293	\$ 465,085	\$ 967,641	\$7,421,079	\$ 345,251	\$ 973,211	\$ 7,072,834	\$ 618,267	\$ 3,517	\$ 26,044,731
Additions	-	12,186	-	23,500	21,678	17,847	-	-	-	313,844	389,055
Disposals	-	-	-	-	-	-	-	-	(21,879)	-	(21,879)
Cost, end of year	208,553	7,981,479	465,085	991,141	7,442,757	363,098	973,211	7,072,834	596,388	317,361	26,411,907
Accumulated amortization, beginning of year	-	3,773,341	110,149	656,034	5,232,792	219,776	593,030	6,919,327	465,446	-	17,969,895
Amortization	-	319,758	23,254	85,801	206,933	11,071	112,513	15,162	30,072	-	804,564
Disposals	-	-	-	-	-	-	-	-	(21,879)	-	(21,879)
Accumulated amortization, end of year	-	4,093,099	133,403	741,835	5,439,725	230,847	705,543	6,934,489	473,639	-	18,752,580
Net carrying amount, end of year	\$ 208,553	\$ 3,888,380	\$ 331,682	\$ 249,306	\$2,003,032	\$ 132,251	\$ 267,668	\$ 138,345	\$ 122,749	\$ 317,361	\$ 7,659,327

Seine River First Nation Notes to Consolidated Financial Statement

March 31, 2022

14. Tangible Capital Assets (cont'd)

											2021 Restated (Note 2)
	Land	Buildings	Commercial Buildings	General Equipment	Housing	Infrastructure	Vehicles	Water Systems	Other	Construction in Progress	Total
Cost, beginning of year	\$ 208,553	\$ 7,969,293	\$ 452,432	\$ 893,513	\$ 7,421,079	\$ 345,251	\$ 610,723	\$ 7,072,834	\$ 614,770	\$ 3,517	\$ 25,591,965
Additions	-	-	12,653	74,128	-	-	373,488	-	18,062	-	478,331
Disposals	-	-	-	-	-	-	(11,000)	-	(14,565)	-	(25,565)
Cost, end of year	208,553	7,969,293	465,085	967,641	7,421,079	345,251	973,211	7,072,834	618,267	3,517	26,044,731
Accumulated amortization, beginning of year	-	3,454,193	86,895	569,663	5,026,943	209,418	493,369	6,911,249	429,490	-	17,181,220
Amortization	-	319,148	23,254	86,371	205,849	10,358	104,061	8,078	50,521	-	807,640
Disposals	-	-	-	-	-	-	(4,400)	-	(14,565)	-	(18,965)
Accumulated amortization, end of year	-	3,773,341	110,149	656,034	5,232,792	219,776	593,030	6,919,327	465,446	-	17,969,895
Net carrying amount, end of year	\$ 208,553	\$ 4,195,952	\$ 354,936	\$ 311,607	\$ 2,188,287	\$ 125,475	\$ 380,181	\$ 153,507	\$ 152,821	\$ 3,517	\$ 8,074,836

Seine River First Nation

Notes to Consolidated Financial Statements

March 31, 2022

15. Accumulated Surplus

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

	2022	2021
		Restated (Note 2)
Fund balances		
Unrestricted		
Fund balance - General	\$ 9,426,409	\$ 8,910,781
Internally restricted		
Band trust funds (Note 9)	217,195	213,816
Band transportation vehicle replacement	134,155	134,155
Externally restricted		
Replacement reserve - CMHC	566,995	556,244
Operating reserve - CMHC	605,775	592,588
Accumulated Surplus	\$ 10,950,529	\$ 10,407,584

16. Contingencies

In the normal course of its operations, Seine River First Nation may face claims and litigation, the outcome of which is not determinable at March 31, 2022. Settlements, if any, will be expensed in the consolidated statement of operations and accumulated surplus in the year which judgment or settlement is rendered. No provision has been made in these consolidated financial statements in respect of the above claims of litigation.

Seine River First Nation

Notes to Consolidated Financial Statements

March 31, 2022

17. Other revenue

	2022	2021
Nuclear Waste Management Organization	\$ 3,500	\$ 22,856
Weechi-it-te win Family Services Inc.	1,172,240	1,456,259
Fort Frances Tribal Area Health Services Inc.	233,139	163,149
Grand Council Treaty	660,166	499,855
Shooniyaa	45,781	1,258
Other	245,290	114,142
	<u>\$ 2,360,116</u>	<u>\$ 2,257,519</u>

18. Demand Loan

The First Nation has an operating loan with a credit limit of \$650,000 (2021 - \$650,000). The credit line bears interest at the Toronto-Dominion's prime lending rate plus 1.50% for an effective rate of 4.20% at March 31, 2022 and is secured by a general security agreement. As at March 31, 2022, the balance available on the credit line was \$650,000 (2021 - \$650,000).

19. Pension Plan

The First Nation has a defined contribution plan for full-time employees. The First Nation matches employee contributions to a maximum of 5.5% of employees salary. As a defined contribution plan, the First Nation has no further liability or obligation for future contributions to fund future benefits to plan members. The expense to the First Nation for the year was \$71,374 (2021 - \$57,638).

20. Comparative Amounts

The comparative amounts presented in the consolidated financial statements have been reclassified to conform to the current year's presentation.

Seine River First Nation Notes to Consolidated Financial Statements

March 31, 2022

21. Impact of COVID-19

The COVID-19 global pandemic has disrupted economic activities. The First Nation continued to operate during the COVID-19 pandemic as it is considered essential. Due to COVID-19, the First Nation has had to limit its service offerings, however, additional funding has been received.

Given the dynamic nature of these circumstances, the related financial impact cannot be reasonably estimated at this time. The First Nation's ability to meet obligations as they come due is dependent on the continued support of Indigenous Services Canada and other funders.

22. Budget

The First Nation has not prepared a budget for the March 31, 2022 year-end, accordingly no budget figures have been presented for comparison purposes on the consolidated statements of operations and change in net financial assets.

23. Segmented Information

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

Band Management

Band Management contains activities that are needed to run the Seine River First Nation community.

Community Services

Community Services contains activities that provide a benefit to the community.

Economic Development

Economic Development contains all the activities that provide economic support for the community and income and expenses from portfolio investments.

Education

Education Services contains activities that provide education to band members for primary, secondary schooling and sponsorship to attend post secondary institutions.

Seine River First Nation Notes to Consolidated Financial Statements

March 31, 2022

22. Segmented Information (cont'd)

Employment Programs

Employment programs contains activities that provide employment and training services.

Health Services

Health Services contains activities that provide medical services to band members.

Housing

Housing contains activities that provide housing and repairs and maintenance to band members' housing.

Land & Flood Claims

Land & Flood Claims contains activities that provide support for the First Nation's negotiations with the federal and provincial government.

Public Works

Public Works contains all activities that relate to the maintenance of infrastructure, buildings and land of the First Nation.

Social Services

Social Services contains activities that provide financial support or support by other means to band members that are aimed at developing both the individual as well as the community.

Ontario First Nations Limited Partnership

Ontario First Nations Limited Partnership contains activities decided by Chief and Council.

Capital Projects

Projects contains capital and other activities for which a specific project has been set up and separately monitored.

During the fiscal year, an accounting policy related specifically to segment reporting was made to adjust income and expenses from portfolio investments from the Band Management segment to the Economic Development segment. \$471,622 of change in portfolio investments revenue and \$35,931 of other revenue have been restated from the Band Management segment to the Economic Development segment.

Seine River First Nation Notes to Consolidated Financial Statements

22. Segmented Information (cont'd)

For the year ended March 31, 2022	Band Management	Community Services	Economic Development	Education	Employment Programs	Health	Housing	Balance Forward
Revenue								
Federal government transfers	\$ 429,228	\$ 163,667	\$ 213,524	\$ 2,116,589	\$ 40,313	\$ 367,569	\$ 156,178	\$ 3,487,068
Provincial government transfers	-	-	66,453	13,969	-	-	-	80,422
Other	27,868	1,526,900	756,137	-	45,781	26,777	-	2,383,463
Rent	103,325	-	-	-	-	-	118,572	221,897
	<u>560,421</u>	<u>1,690,567</u>	<u>1,036,114</u>	<u>2,130,558</u>	<u>86,094</u>	<u>394,346</u>	<u>274,750</u>	<u>6,172,850</u>
Expenses								
Advertising	-	-	-	-	-	-	-	-
Amortization	14,585	18,715	-	68,012	-	-	136,248	237,560
Audit	125,763	-	6,466	-	-	-	8,851	141,080
Bad debt	11,435	-	-	-	-	5,689	16,544	33,668
Honoraria	141,130	3,255	2,910	-	-	-	-	147,295
Insurance	153,119	9,000	-	-	-	2,000	12,200	176,319
Interest	22,841	-	-	4,155	-	-	25,056	52,052
Maintenance	22,461	5,954	3,177	19,697	-	6,683	1,248	59,220
Meetings	28,353	33,239	6,863	74	10,714	-	-	79,243
Office supplies	30,717	1,262	97	2,577	-	556	-	35,209
Professional services	89,787	-	10,403	-	11,743	-	-	111,933
Program expenses	100,739	247,041	97,912	259,938	-	55,802	-	761,432
Service charges	-	13,650	-	975	-	580	-	15,205
Social assistance	38,800	-	-	24,000	-	-	-	62,800
Telephone and internet	63,371	25,031	2,227	10,755	-	4,702	-	106,086
Training	-	-	-	-	-	-	-	-
Travel	23,778	30,190	4,958	28,128	13,262	37,430	-	137,746
Tuition	-	-	-	1,285,242	-	-	-	1,285,242
Utilities	13,828	7,743	-	38,220	-	17,336	-	77,127
Wages and benefits	527,333	837,759	64,556	338,403	63,956	223,914	5,343	2,061,264
Replacement reserve expenditures	-	-	-	-	-	-	17,891	17,891
Administration	(502,271)	143,772	47,419	118,394	-	59,926	16,200	(116,560)
Total expenses	<u>905,769</u>	<u>1,376,611</u>	<u>246,988</u>	<u>2,198,570</u>	<u>99,675</u>	<u>414,618</u>	<u>239,581</u>	<u>5,481,812</u>
Surplus before undernoted	(345,348)	313,956	789,126	(68,012)	(13,581)	(20,272)	35,169	691,038
Transfers from (to) other segments	43,658	-	(57,460)	-	13,802	-	-	-
Change in portfolio investments	-	-	221,415	-	-	-	-	221,415
Surplus for the year	<u>\$ (301,690)</u>	<u>\$ 313,956</u>	<u>\$ 953,081</u>	<u>\$ (68,012)</u>	<u>\$ 221</u>	<u>\$ (20,272)</u>	<u>\$ 35,169</u>	<u>\$ 912,453</u>

Seine River First Nation Notes to Consolidated Financial Statements

22. Segmented Information (cont'd)

For the year ended March 31, 2022	Balance Forward	Land & Flood Claims	Public Works	Social Services	Ontario First Nations Limited Partnership	Capital Projects	2022 Total
Revenue							
Federal government transfers	\$ 3,487,068	\$ -	\$ 389,022	\$ 184,737	\$ -	\$ 317,200	\$ 4,378,027
Provincial government transfers	80,422	144,115	-	1,089,759	-	-	1,314,296
Ontario First Nations Limited Partnership	-	-	-	-	433,023	-	433,023
Other	2,383,463	-	-	-	-	-	2,383,463
Rent	221,897	-	-	-	-	-	221,897
	<u>6,172,850</u>	<u>144,115</u>	<u>389,022</u>	<u>1,274,496</u>	<u>433,023</u>	<u>317,200</u>	<u>8,730,706</u>
Expenses							
Advertising	-	-	-	-	-	-	-
Amortization	237,560	-	28,704	6,021	-	532,279	804,564
Audit	141,080	4,399	-	-	-	-	145,479
Bad debt	33,668	-	-	-	-	-	33,668
Honoraria	147,295	-	-	-	-	-	147,295
Insurance	176,319	-	1,000	-	-	-	177,319
Interest	52,052	-	-	-	93,788	-	145,840
Maintenance	59,220	-	5,163	12,336	-	8,956	85,675
Meetings	79,243	1,500	-	-	-	-	80,743
Office supplies	35,209	-	-	1,948	-	-	37,157
Professional services	111,933	255,178	-	-	-	16,820	383,931
Program expenses	761,432	-	50,997	70,896	85,411	57,732	1,026,468
Service charges	15,205	20,000	9,989	-	-	6,305	51,499
Social assistance	62,800	-	-	840,918	-	-	903,718
Telephone and internet	106,086	-	10,705	1,040	-	1,181	119,012
Training	-	-	245	-	-	-	245
Travel	137,746	-	2,433	8,122	-	2,817	151,118
Tuition	1,285,242	-	-	-	-	-	1,285,242
Utilities	77,127	-	114,618	-	-	-	191,745
Wages and benefits	2,061,264	-	183,209	235,357	-	155,223	2,635,053
Replacement reserve expenditures	17,891	-	-	-	-	-	17,891
Administration	(116,560)	4,780	29,310	42,636	-	25,348	(14,486)
Total expenses	<u>5,481,812</u>	<u>285,857</u>	<u>436,373</u>	<u>1,219,274</u>	<u>179,199</u>	<u>806,661</u>	<u>8,409,176</u>
Surplus (deficit) before the undernoted	691,038	(141,742)	(47,351)	55,222	253,824	(489,461)	321,530
Change in portfolio investments	221,415	-	-	-	-	-	221,415
Surplus (deficit) for the year	<u>\$ 912,453</u>	<u>\$ (141,742)</u>	<u>\$ (47,351)</u>	<u>\$ 55,222</u>	<u>\$ 253,824</u>	<u>\$ (489,461)</u>	<u>\$ 542,945</u>

Seine River First Nation Notes to Consolidated Financial Statements

22. Segmented Information (cont'd)

For the year ended March 31, 2021	Band Management	Community Services	Economic Development	Education	Employment Programs	Health	Housing	Balance Forward
Revenue								
Federal government transfers	\$ 495,569	\$ 77,890	\$ 369,625	\$ 1,853,073	\$ 17,836	\$ 364,652	\$ 160,881	\$ 3,339,526
Provincial government transfers	-	-	28,533	13,969	-	-	-	42,502
Other	44,554	1,753,134	434,759	85,962	1,258	34,474	-	2,354,141
Rent	60,932	-	-	-	-	-	120,580	181,512
	<u>601,055</u>	<u>1,831,024</u>	<u>832,917</u>	<u>1,953,004</u>	<u>19,094</u>	<u>399,126</u>	<u>281,461</u>	<u>5,917,681</u>
Expenses								
Advertising	-	-	3,911	-	-	-	-	3,911
Amortization	11,672	10,262	-	68,012	-	-	136,248	226,194
Audit	60,433	-	-	-	-	-	6,360	66,793
Bad debt	7,028	-	-	-	-	-	20,004	27,032
Honoraria	73,500	2,300	-	-	-	-	-	75,800
Insurance	127,301	9,000	-	-	-	1,000	12,200	149,501
Interest	19,661	-	-	-	-	-	26,410	46,071
Maintenance	12,371	6,279	82	44,139	-	796	385	64,052
Meetings	(10,683)	36,043	29,025	-	-	-	-	54,385
Multi-Use	-	-	-	-	-	-	-	-
Office supplies	13,504	-	-	-	-	-	-	13,504
Professional services	74,658	25,581	69,738	-	-	-	-	169,977
Program expenses	105,954	215,387	181,465	220,093	119	80,197	458	803,673
Service charges	-	9,805	-	11,682	-	2,040	-	23,527
Social assistance	95,922	-	-	6,000	-	-	-	101,922
Telephone and internet	52,229	21,560	2,020	12,747	-	2,887	-	91,443
Training	599	-	-	-	-	-	-	599
Travel	780	22,890	1,775	6,148	71	17,470	-	49,134
Tuition	-	-	-	1,200,092	-	-	-	1,200,092
Utilities	41,181	6,365	183	22,560	-	13,270	-	83,559
Wages and benefits	326,892	777,234	157,218	346,425	105,746	203,995	-	1,917,510
Replacement reserve expenditures	-	-	-	-	-	-	2,079	2,079
Administration	(496,791)	128,898	32,189	132,701	-	58,946	16,200	(127,857)
Total expenses	<u>516,211</u>	<u>1,271,604</u>	<u>477,606</u>	<u>2,070,599</u>	<u>105,936</u>	<u>380,601</u>	<u>220,344</u>	<u>5,042,901</u>
Surplus (deficit) before the undernoted	84,844	559,420	355,311	(117,595)	(86,842)	18,525	61,117	874,780
Loss on disposal of tangible capital assets	-	(4,100)	-	-	-	-	-	(4,100)
Change in portfolio investments	-	-	(471,662)	-	-	-	-	(471,662)
Surplus (deficit) for the year	<u>\$ 84,844</u>	<u>\$ 555,320</u>	<u>\$ (116,351)</u>	<u>\$ (117,595)</u>	<u>\$ (86,842)</u>	<u>\$ 18,525</u>	<u>\$ 61,117</u>	<u>\$ 399,018</u>

Seine River First Nation Notes to Consolidated Financial Statements

22. Segmented Information (cont'd)

For the year ended March 31, 2021	Balance Forward	Land & Flood Claims	Public Works	Social Services	Ontario First Nations Limited Partnership	Capital Projects	2021 Total
Revenue							
Federal government transfers	\$ 3,339,526	\$ -	\$ 323,277	\$ 253,258	\$ -	\$ 251,629	\$ 4,167,690
Provincial government transfers	42,502	71,229	-	818,156	-	-	931,887
Ontario First Nations Limited Partnership	-	-	-	-	716,254	-	716,254
Other	2,354,141	45,514	-	21,106	-	-	2,420,761
Rent	181,512	-	-	-	-	-	181,512
	5,917,681	116,743	323,277	1,092,520	716,254	251,629	8,418,104
Expenses							
Advertising	3,911	-	-	-	-	-	3,911
Amortization	226,194	-	37,901	6,021	-	537,524	807,640
Audit	66,793	4,134	-	-	-	-	70,927
Bad debt	27,032	-	-	-	-	-	27,032
Honoraria	75,800	-	-	-	-	-	75,800
Insurance	149,501	-	-	-	-	-	149,501
Interest	46,071	-	-	-	127,706	-	173,777
Maintenance	64,052	-	3,806	5,870	-	220	73,948
Meetings	54,385	-	-	11,250	-	-	65,635
Multi-Use	-	-	-	-	-	-	-
Office supplies	13,504	-	-	-	-	-	13,504
Professional services	169,977	132,769	-	-	-	37,748	340,494
Program expenses	803,673	-	38,999	39,511	143,365	15,644	1,041,192
Service charges	23,527	11,700	23,116	-	-	24,000	82,343
Social assistance	101,922	-	-	671,421	-	-	773,343
Telephone and internet	91,443	-	10,584	4,159	-	-	106,186
Training	599	-	2,860	-	-	-	3,459
Travel	49,134	-	4,781	85	-	1,189	55,189
Tuition	1,200,092	-	-	-	-	-	1,200,092
Utilities	83,559	-	67,662	-	-	12,898	164,119
Wages and benefits	1,917,510	-	155,314	258,225	-	63,803	2,394,852
Replacement reserve expenditures	2,079	-	-	-	-	-	2,079
Administration	(127,857)	6,358	33,002	39,778	-	43,219	(5,500)
Total expenses	5,042,901	154,961	378,025	1,036,320	271,071	736,245	7,619,523
Surplus (deficit) before the undernoted	874,780	(38,218)	(54,748)	56,200	445,183	(484,616)	798,581
Loss on disposal of tangible capital assets	(4,100)	-	-	-	-	-	(4,100)
Change in portfolio investments	(471,662)	-	-	-	-	-	(471,662)
Loss on sale of portfolio investments	-	-	-	-	-	-	-
Surplus (deficit) for the year	\$ 399,018	\$ (38,218)	\$ (54,748)	\$ 56,200	\$ 445,183	\$ (484,616)	\$ 322,819