

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Consolidated Financial Statements
Year Ended March 31, 2023

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Index to Consolidated Financial Statements
Year Ended March 31, 2023

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Accumulated Surplus	5
Consolidated Statement of Changes in Net Financial Assets	6
Consolidated Statement of Remeasurement Gains and Losses	7
Consolidated Statement of Cash Flows	8
Notes to Consolidated Financial Statements	9 - 31
<u>Unaudited Supplementary Schedules</u>	
Unaudited Note to the Supplementary Schedules	33
Unaudited Schedules of Operating	34-60
Unaudited Schedules of Social Housing	61-62
Unaudited Schedules of Trust Funds Held by Federal Government	63
Unaudited Schedules of Virginia Beach Marina	64-65
Unaudited Schedules of Lands	66-67
Unaudited Schedules of OFNLP Revenue	68-69
Unaudited Schedules of Coldwater Narrows Trust	70-71
Unaudited Schedules of Per Capita Distribution Fund	72-73
Unaudited Schedules of Trust Revenue Fund	74-75
Unaudited Schedule of 2458582 Ontario Limited	76-77
Unaudited Schedule of Nish Radio Inc.	78-79

(continues)

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Index to Consolidated Financial Statements (continued)
Year Ended March 31, 2023

	Page
Unaudited Schedule of Tobacco Trails	80-81
Unaudited Schedule of Virginia Beach Marina – Business Centre	82-83
Unaudited Schedule of 6832067 Canada Inc.	84
Unaudited Schedule of Williams Treaty Settlement	85-86
Unaudited Schedule of Williams Treaty Trust	87-88
Unaudited Schedule of Williams Treaty Trust Revenues	89-90
Unaudited Schedule of Daawegamig Lodge	91-92
Unaudited Schedule of Goin Fuel Company Limited	93-94

INDEPENDENT AUDITOR'S REPORT

To the Members of Chippewas of Georgina Island First Nation

Opinion

We have audited the consolidated financial statements of Chippewas of Georgina Island First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, accumulated surplus, changes in net financial assets, remeasurement gains and losses and 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, 2023, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

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 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 for the year ended March 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on August 22, 2022.

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 PSAS, 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.

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Independent Auditor's Report to the Members of Chippewas of Georgina Island First Nation (continued)

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.

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.



Barrie, Ontario
September 11, 2023

RUMLEY HOLMES LLP
Chartered Professional Accountants
Licensed Public Accountants

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Consolidated Statement of Financial Position

March 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash (Note 3)	\$ 40,621,607	\$ 38,842,860
Portfolio investments (Note 4)	157,508,803	150,470,140
Receivables (Note 6)	2,827,990	4,207,200
Inventories for resale (Note 7)	1,165,087	1,432,209
Mortgages receivable (Note 8)	23,075	26,803
Net investment in leases (Note 9)	708,147	751,820
	202,854,709	195,731,032
FINANCIAL LIABILITIES		
Payables and accruals (Note 10)	7,058,447	5,468,532
Deferred revenue (Note 11)	8,845,387	3,938,066
Long-term debt (Note 12)	2,070,893	2,203,715
Landfill closure and post closure liability (Note 14)	105,300	105,300
	18,080,027	11,715,613
NET FINANCIAL ASSETS	184,774,682	184,015,419
NON-FINANCIAL ASSETS		
Construction-in-progress (Note 15)	7,266,422	1,751,518
Prepaid expenses	33,306	131,700
Tangible capital assets (Note 15)	54,679,352	50,694,421
	61,979,080	52,577,639
ACCUMULATED SURPLUS (Note 18)	\$246,753,762	\$236,593,058

CONTINGENCIES (Note 16)

ON BEHALF OF COUNCIL


Chief/Councillor


Administrator

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Consolidated Statement of Operations
Year Ended March 31, 2023

	Budget (Unaudited)	2023	2022
REVENUES			
Health Canada	\$ 560,556	\$ 567,819	\$ 740,093
CMHC	161,619	157,092	166,852
Indigenous Services Canada	4,252,254	13,520,814	6,326,429
Province of Ontario	1,232,555	2,244,174	1,576,285
Land leases and fees	1,134,250	1,247,409	1,220,790
Ontario First Nations Land Partnership (OFNLP)	-	868,865	611,889
Interest	6,745	3,074,928	2,582,639
Dividend	-	1,595,292	1,303,641
Taxation	1,025,799	1,045,454	844,648
Other	38,817,334	39,586,615	41,323,615
(Loss) gain on sale of investments	-	(307,594)	7,849,056
	47,191,112	63,600,868	64,545,937
EXPENSES			
Operating	12,284,538	22,213,635	16,906,815
Social Housing	281,782	346,987	464,367
Trust	-	195	
Lands	1,942,965	883,120	810,554
Nish Radio Inc.	100,071	94,507	86,657
Island View Business Centre	1,649,170	2,423,145	2,861,919
Tobacco Trails	20,822,883	19,650,086	20,083,148
Daawegamig Lodge	6,135,510	5,009,805	5,857,216
Virginia Beach Marina	1,077,429	1,186,748	1,010,829
Goin Fuel Company	-	157	-
Ontario First Nations Land Partnership	-	120	110
Coldwater Narrows Trust	-	405,671	447,525
Williams Treaty Settlement	-	1,999,795	1,388,627
Williams Treaty Trust	-	1,485,284	671,684
Per Capita Distribution	-	1,340,565	1,547,552
	44,294,348	57,039,625	52,137,198
EXCESS OF REVENUE OVER EXPENDITURES	\$ 2,896,764	\$ 6,561,243	\$ 12,408,739

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Consolidated Statement of Accumulated Surplus
Year Ended March 31, 2023

	2023	2022
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$236,593,058	\$224,184,319
EXCESS OF REVENUE OVER EXPENDITURES	6,561,243	12,408,739
REMEASUREMENT GAINS AND LOSSES - NET (Page 7)	3,599,461	-
ACCUMULATED SURPLUS - END OF YEAR	\$246,753,762	\$236,593,058

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2023

	2023	2022
EXCESS OF REVENUE OVER EXPENDITURES	\$ 6,561,243	\$ 12,408,739
Tangible capital assets		
Acquisition of tangible capital assets	(12,163,511)	(10,212,414)
Amortization of tangible capital assets	2,663,676	2,178,913
Total tangible capital assets	(9,499,835)	(8,033,501)
Change in prepaid expenses	98,394	(91,511)
Remeasurement gains and losses (Page 7)	3,599,461	-
INCREASE IN NET FINANCIAL ASSETS	759,263	4,283,727
NET FINANCIAL ASSETS - BEGINNING OF YEAR	184,015,419	179,731,692
NET FINANCIAL ASSETS - END OF YEAR	\$184,774,682	\$184,015,419

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Statement of Remeasurement Gains and Losses
Year Ended March 31, 2023

	2023	2022
ACCUMULATED REMEASUREMENT GAIN -		
BEGINNING OF YEAR	\$ -	\$ -
Adjustment to accumulated remeasurement gain due to adoption of new standards as of April 1, 2022	4,318,918	-
	4,318,918	-
Unrealized gain (losses) attributed to:		
Foreign exchange	2,142,674	-
Investments	(2,862,131)	-
Net remeasurement for the year	(719,457)	-
ACCUMULATED REMEASUREMENT GAIN -		
END OF YEAR	\$ 3,599,461	\$ -

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 6,561,243	\$ 12,408,739
Items not affecting cash:		
Amortization of tangible capital assets	2,663,676	2,178,913
Amortization of net investment in leases	(18,756)	(20,100)
Loss (gain) on sale of investments	307,594	(7,849,056)
	9,513,757	6,718,496
<u>Changes in non-cash working capital (Note 19)</u>	<u>8,304,395</u>	<u>(482,583)</u>
	17,818,152	6,235,913
INVESTING ACTIVITIES		
(Increase) decrease in portfolio investments	(3,746,799)	11,980,139
Trust funds from Federal Government	-	12,905
Payments received for mortgages receivable	3,728	3,480
	(3,743,071)	11,996,524
FINANCING ACTIVITY		
Long-term debt	(132,823)	(147,398)
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(12,169,426)	(10,212,414)
Disposal of tangible capital assets	5,915	-
	(12,163,511)	(10,212,414)
INCREASE IN CASH FLOW	1,778,747	7,872,625
CASH - BEGINNING OF YEAR	38,842,860	30,970,235
CASH - END OF YEAR (Note 3)	\$ 40,621,607	\$ 38,842,860

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Financial statement preparation

The preparation of the consolidated financial statements of Chippewas of Georgina Island First Nation (First Nation) are the responsibility of management.

Reporting entity

The First Nation reporting entity includes the Chippewas of Georgina Island First Nation government and all related entities that are controlled by the First Nation.

Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Organizations consolidated in the First Nation's financial statements include:

- Coldwater Narrows Trust – of which the First Nation controls and is the beneficiary of;
- Virginia Beach Marina;
- Nish Radio Inc.;
- 2458582 Ontario Limited.;
- Goin Fuel Company Limited.;
- 6832067 Canada Inc.;
- 2697365 Ontario Ltd.; and
- Williams Treaty Trust – of which the First Nation controls and is the beneficiary of.

Asset classification

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

Portfolio investments

Portfolio investments are recorded at fair value subsequent to the adoption of PSAS Section 3450 on April 1, 2022. The comparative year is recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

Inventories for resale

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value.

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CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are recorded at cost, which 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 the expected useful life as follows:

Buildings	25 - 40 years
Equipment	10 years
Boats	25 years
Vehicles	5 years
Water system	10 years
Parking lot	20 years
Roads	15 years
Docks	5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the 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 and 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 revenue is recorded on an accrual basis when the amounts involved can be reasonably estimated.

Funds, other than government transfers, received for specific purposes which are externally restricted by legislation, regulation or agreement are accounted for as deferred revenue. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.

Ferry fares are recognized when services are rendered. Gas, marina and retail sales are recognized when goods are sold. Interest, gains and losses on sale of investments and other income are recognized when earned. Land sales are recognized when title passes. Leases and fees are recognized annually on the due date of the lease when reasonably measured.

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CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement uncertainty

In preparing the consolidated financial statements for the First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include allowance for doubtful accounts, estimated useful lives of property and equipment, fair value of portfolio investments, and the landfill closure and post-closure liability. Actual results could differ from those estimates.

Government transfers

Government transfers paid are recognized as an expense in the period the transfer is authorized and all eligibility criteria have been met by the recipient.

Government transfers received are recognized in the financial statements as revenue in the period the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

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CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

The First Nation classifies its financial instruments as either fair value or cost/amortized cost. The First Nation's accounting policy for each category is as follows:

Fair Value

This category includes equity instruments quoted in an active market. The First Nation has designated its bond portfolio that would otherwise be classified into the amortized cost category at fair value as the First Nation manages and reports performance of it on a fair value basis.

They are initially recognized at cost and subsequently carried at fair value. Unrealized changes in the fair value are recognized in the statement of measurement gains and losses until they are realized. Once realized, they are transferred to the statement of operations, except for those gains and losses of a financial asset in the fair value category that is externally restricted. These gains and losses are recorded as liabilities until used for the purpose specified.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

Amortized Cost

This category includes receivables, mortgages receivable, net investment in leases, accounts payables and accruals and long-term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

2. ADOPTION OF NEW ACCOUNTING STANDARDS

On April 1, 2022, the First Nation adopted Public Sector Accounting Standards (PSAS), Section 3450, "*Financial Instruments*". This standard provides guidance for recognition, measurement and disclosure of financial instruments within the consolidated financial statements. Transitional provisions within PSAS Section 3450 allow for prospective application of the standard. Comparative amounts are presented in accordance with the accounting policies applied prior to adoption and therefore have not been restated.

Along with the adoption noted above the following additional sections were adopted in unison with PSAS 3450. PSAS Section 3041 "*Portfolio Investments*", the amendments to Section 1201, "*Financial Statement Presentation*", and Section 2601 "*Foreign Currency Translation*". Amendments to these sections were made to adjust for the adoption of the financial instrument standard.

The overall impacts of the adoption of the new standards are as follows:

The First Nation now discloses a Statement of remeasurement gains and losses.

On April 1, 2022, the adoption of PSAS Section 3450 resulted in recognizing an increase in the opening value of investments and accumulated remeasurement gains (loss) of \$4,318,918.

As of April 1, 2022, the First Nation adopted Public Sector Accounting Standard, Section 3280 "*Asset Retirement Obligations*". This standard establishes how to account for and disclose asset retirement obligations of the First Nation. The transitional provisions in this standard allow a government to apply this standard prospectively, which the First Nation has chosen to do. Comparative amounts are presented in accordance with the accounting policies applied prior to adoption.

There was no impact upon adoption of this new standard.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

3. CASH

Cash is comprised of the following:

	2023	2022
Internally designated cash		
OFNLP	\$ 3,726,791	\$ 3,344,276
Per Capita Distributions	553,734	701,481
Williams Treaty Settlement	1,575,569	1,921,632
Capital Reserve Fund	780,965	679,006
Coldwater Narrows Trust funds held by the Trustee	341,945	707,237
Williams Treaty Trust funds held by the Trustee	246,602	1,448,440
Unrestricted		
Operating	8,947,892	2,612,377
Social Housing	982,134	516,197
Coldwater Narrows Trust Revenue	5,088,994	7,542,400
Williams Treaty Trust Revenue	3,904,401	7,197,354
Other	14,472,580	12,172,460
	\$ 40,621,607	\$ 38,842,860

Internally designated cash is cash set aside by the First Nation for the intended use of each department listed above. OFNLP funds are to be used for the benefit of the First Nation as approved by Council. Per capita distributions are to be used for per capita payments to eligible members turning 21.

The First Nation has \$180,275 (2022 - \$404,976) of funds in Williams Treaty Settlement that are due to maturing members at year end.

The First Nation has bank overdrafts in the amount of \$Nil (2022 - \$Nil), out of a \$200,000 credit limit. The facility is secured by a general security agreement conveying first position over the property owned by the First Nation and bears interest at a rate of 1%.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

4. PORTFOLIO INVESTMENTS

Coldwater Narrows Trust

The First Nation, Canada and Ontario executed a Settlement Agreement dated February 10, 2012, signed on June 2012. Article 12 of the Agreement states the First Nation intends to use or invest the compensation for the long-term benefit of the First Nation. Article 2 provided for monetary compensation of \$88,879,273, which was deposited into Trust Accounts on the First Nation's authority and direction as settler, the Trustees shall administer the compensation on the terms and conditions set out in the Trust Agreement. These funds are internally restricted.

The Trust agreement was dated November 21, 2012, with final signatures on December 5, 2012. The Trustee shall hold and invest the Trust property for the benefit of the First Nation, and will transfer or release Trust property as directed or authorized by the Trust Agreement. The Trust is a reversionary trust and therefore, although it is subject to tax pursuant to Section 104 of the Income Tax Act (Canada), Subsection 75(2) of the Income Tax Act (Canada) applies to deem income to be that of a First Nation.

Williams Treaty Trust

The First Nation, Canada and Ontario executed a Settlement Agreement dated May 3, 2018. The First Nation intends to use or invest the compensation for the long-term benefit of the First Nation. Article 4 and Schedule 5 provided for monetary compensation of \$155,580,000, which was deposited into Trust Accounts on the First Nation's authority and direction as settler, the Trustees shall administer the compensation on the terms and conditions set out in the Trust Agreement. These funds are internally restricted.

The Trust agreement was dated November 5, 2018, with final signatures on November 5, 2018. The Trustee shall hold and invest the Trust property for the benefit of the First Nation, and will transfer or release Trust property as directed or authorized by the Trust Agreement. The Trust is a reversionary trust and therefore, although it is subject to tax pursuant to section 104 of the Income Tax Act (Canada), Subsection 75(2) of the Income Tax Act (Canada) applies to deem income to be that of a First Nation.

The portfolio investments are being held in bonds, Canadian equities and Global equities and currently are valued at cost on the consolidated statement of financial position. The amounts are for the purposes laid out in the trust agreement.

The fair market values and cost of investments are disclosed below:

	2023	2022
<u>Fair Market Value</u>		
Fixed income securities	\$ 41,460,601	\$ 48,391,204
Equity securities	105,536,543	98,891,095
Other assets	10,511,659	7,400,584
	\$157,508,803	\$154,682,883
<u>Cost</u>		
Fixed income securities	\$ 46,328,270	\$ 52,544,755
Equity securities	96,925,023	90,418,626
Other assets	10,643,500	7,506,759
	\$153,896,793	\$150,470,140

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

5. FINANCIAL INSTRUMENT CLASSIFICATION

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	Fair Value	Amortized Cost	2023
Cash	\$ 40,621,607	\$ -	\$ 40,621,607
Portfolio investments	157,508,803	-	157,508,803
Receivables	-	2,827,990	2,827,990
Mortgages receivable	-	23,075	23,075
Net investment in leases	-	708,147	708,147
Payables and accruals	-	7,058,447	7,058,447
Long-term debt	-	2,070,893	2,070,893
	\$198,130,410	\$ 12,688,552	\$210,818,962

The maturity profile of bonds held is as follows:

	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying Value	1,262,808	10,922,357	13,688,437	7,295,779	33,169,381
Percent of Total	3.81%	32.93%	41.27%	22.00%	100%

All fair value financial instruments in the table above have been classified as Level 1 financial instruments based on the degree to which the fair market value is observable. Level 1 is defined as a fair value measurement that is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price.

There were no transfers in or out of Level 1. A sensitivity analysis of fair market value classified bonds has been provided in Note 20 of the financial statements.

6. RECEIVABLES

Receivables are comprised of:

	2023	2022
Due from members:		
Social Housing	\$ 42,641	\$ 28,387
Government funding:		
Indigenous Services Canada	375,642	863,258
Province of Ontario	32,329	165,265
OTC	183,439	168,129
Union of Ontario Indians	121,835	86,366
Lands	23,342	9,292
Other	1,982,155	2,839,377
Interest	78,157	58,676
Less: allowance for doubtful accounts	(11,550)	(11,550)
	\$ 2,827,990	\$ 4,207,200

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION**Notes to Consolidated Financial Statements****Year Ended March 31, 2023****7. INVENTORIES FOR RESALE**

The First Nation had the following inventories for resale:

	2023	2022
Lands	\$ 6,509	\$ 3,838
Virginia Beach Marina	50,243	61,496
Tobacco Trails	640,438	732,844
Daawegamig Lodge	467,897	634,031
	\$ 1,165,087	\$ 1,432,209

8. MORTGAGES RECEIVABLE

The mortgages in Lands are secured by leaseholds (land and/or buildings), bear interest at 7% per annum and have maturity dates ranging from one to five years.

Estimated principal repayments due in the next five years and thereafter are as follows:

2024	\$ 3,848
2025	4,126
2026	4,425
2027	4,744
2028	5,932
	\$ 23,075

9. NET INVESTMENT IN LEASES

The rent to own leases from the First Nation members are secured by the related property. The interest rates implicit in the leases range from 1.77% to 4.73%.

Estimated principal repayments due in the next five years and thereafter are as follows:

2024	\$ 44,156
2025	45,365
2026	46,610
2027	47,895
2028	49,220
Thereafter	474,901
	\$ 708,147

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

10. PAYABLES AND ACCRUALS

	2023	2022
Payables and accrued liabilities	\$ 6,811,856	\$ 4,729,518
Accrued salaries and employee benefits payable	25,797	90,210
Coldwater Narrows Trust per capita distributions to members	40,519	243,828
Williams Treaty Trust distributions to members	180,275	404,976
	\$ 7,058,447	\$ 5,468,532

11. DEFERRED REVENUE

	2022 Balance	Funding Received	Revenue Recognized	2023 Balance
Customer deposit	\$ 115,694	\$ 118,825	\$ 115,694	\$ 118,825
Lands	551,445	498,215	451,140	598,520
Taxation revenue	250,385	91,010	250,385	91,010
Other	1,020,756	1,688,825	1,020,756	1,688,825
Kinoomaadziwin Education Body (KEB)	255,087	1,769,403	255,087	1,769,403
Indigenous Services Canada	1,744,699	3,915,745	1,081,640	4,578,804
	\$ 3,938,066	\$ 8,082,023	\$ 3,174,702	\$ 8,845,387

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

12. LONG TERM DEBT

	2023	2022
Mortgage loan bearing interest at 1.30% per annum, repayable in monthly blended payments of \$1,519. The loan matured in 2023	\$ -	\$ 1,518
Mortgage loan bearing interest at 0.74% per annum, repayable in monthly blended payments of \$2,551. The loan renews in 2026 and is due in 2031.	218,429	247,310
Mortgage loan bearing interest at 2.49% per annum, repayable in monthly blended payments of \$2,637. The loan renews in 2024 and is due in 2033.	275,877	300,350
Mortgage loan bearing interest at 0.68% per annum, repayable in monthly blended payments of \$1,391. The loan renews in 2028 and is due in 2036.	193,640	208,966
Mortgage loan bearing interest at 1.13% per annum, repayable in monthly blended payments of \$1,576. The loan renews in 2025 and is due in 2037.	233,976	250,147
Mortgage loan bearing interest at 0.96% per annum, repayable in monthly blended payments of \$1,068. The loan renews in 2026 and is due in 2036.	197,302	208,168
Mortgage loan bearing interest at 2.22% per annum, repayable in monthly blended payments of \$4,754. The loan renews in 2024 and is due in 2044.	951,669	987,256
	\$ 2,070,893	\$ 2,203,715

The mortgages are authorized by First Nation Council Resolution and are guaranteed by Indigenous Services Canada.

Anticipated annual principal repayments due in the next four years are as follows:

2024	\$ 1,299,525
2025	72,455
2026	514,681
2027	184,232
	\$ 2,070,893

Interest expense related to long-term debt for the year was \$36,243 (2022 - \$38,355).

13. PENSION AGREEMENT

The First Nation provides a defined contribution plan for eligible members of its staff. Members may contribute a range of 2.25% to 7.50% of their basic salary. The First Nation matches the members contributions which are directed to the members contribution account. The amount of retirement benefit to be received by the members will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. The First Nation contributed during the year \$156,217 (2022 - \$67,152) for retirement benefits.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

14. LANDFILL CLOSURE AND POST CLOSURE LIABILITY

Solid waste landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, management of ground water and leachates, and on-going environmental monitoring, site inspection and maintenance.

The liability for the landfill site is recorded at \$105,300 (2022 - \$105,300) and represents the present value of closure and post-closure costs, using an estimated long-term borrowing rate of 4.25% (2022 - 4.25%) and inflation rate of 1.5% (2022 - 1.5%). The liability is recorded based on the capacity of the landfill used to date. The total estimated future expenditures representing the sum of the discounted future cash flows for closure and post-closure care are \$1,380,475 (2022 - \$1,380,475) leaving an amount to be recognized of \$1,275,475 (2022 - \$1,275,475). The estimated remaining capacity of the site is approximately 12,443 cubic meters (2022 - 12,958) and the estimated remaining landfill life is 23 years. Post-closure care is estimated to continue for a period of 25 years.

The First Nation expects these future costs to be funded by ISC when incurred at a future date.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

15. PROPERTY, PLANT AND EQUIPMENT

Cost	2022 Balance	Additions	Disposals/ Transfers	2023 Balance
Land	\$ 25,635,054	\$ -	\$ -	\$ 25,635,054
Buildings	12,919,480	1,162,996	(336,820)	14,419,296
Equipment	3,499,439	325,027	(1,408,783)	5,233,249
Boats	8,457,290	688,860	-	9,146,150
Vehicles	2,342,671	1,112,911	-	3,455,582
Water system	8,872,703	-	-	8,872,703
Parking lot	343,353	-	-	343,353
Roads	9,558,529	1,613,210	-	11,171,739
Docks	1,748,605	-	-	1,748,605
Construction-in-progress	1,751,518	7,266,422	1,751,518	7,266,422
	\$ 75,128,642	\$ 12,169,426	\$ 5,915	\$ 87,292,153
Accumulated Amortization	2022 Balance	Amortization	Accumulated Amortization on Disposals	2023 Balance
Buildings	\$ 4,562,906	\$ 407,507	\$ -	\$ 4,970,413
Equipment	2,319,031	360,595	-	2,679,626
Boats	5,327,950	188,289	-	5,516,239
Vehicles	1,983,656	351,417	-	2,335,073
Water system	3,381,039	669,972	-	4,051,011
Parking lot	221,963	17,168	-	239,131
Roads	3,137,553	668,728	-	3,806,281
Docks	1,748,605	-	-	1,748,605
	\$ 22,682,703	\$ 2,663,676	\$ -	\$ 25,346,379
Net book value			2023	2022
Land			\$ 25,635,054	\$ 25,635,054
Buildings			9,448,883	8,356,574
Equipment			2,553,623	1,180,408
Boats			3,629,911	3,129,340
Vehicles			1,120,509	359,015
Water system			4,821,692	5,491,664
Parking lot			104,222	121,390
Roads			7,365,458	6,420,976
Construction-in-progress			7,266,422	1,751,518
			\$ 61,945,774	\$ 52,445,939

Included in construction-in-progress additions is water system infrastructure of \$6,639,970, which is funded by Indigenous Services Canada, school buildings of \$453,063, which is funded by the Band, and other building improvements of \$173,389, which is funded by the Band.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

16. CONTINGENCIES

- a) Where differences exist between the First Nation's net approved expenditures and their actual net expenditures, the resolution of these variances will be negotiated between funding agencies and the First Nation. Any resulting adjustment will be recognized in the year in which the changes are confirmed by the funding agency and will be recorded at that time on the statement of revenue and expenditures for the applicable program.
- b) The First Nation has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.
- c) The First Nation, in the course of its operations, is subject to claims, lawsuits and contingencies. The outcome of all outstanding claims has been assessed as not determinable as of year end. Once the outcome has been determined, the effect will be recorded in operations in that period.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

17. SEGMENTED REPORTING

The First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function.

For each segment separately reported, the segment's revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

General government

This segment includes a wide variety of departments and functions within the First Nation that facilitate the general operations of the Band.

Health

Health services are comprised of public health services which work to improve the overall health of the population and overcome health inequalities by providing services to members of the First Nation.

Education

Education is comprised of education services which work to improve the overall education of the population and provide educational support and benefits to members of the First Nation.

Social programs

This segment includes a wide variety of departments and functions within the First Nation that provide social support to the community.

Public infrastructure

This segment provides a number of services including community planning, maintenance of infrastructure and review of property and equipment purchases.

Social housing

This segment includes housing developments that were built with the aid of Canadian Mortgage and Housing Corporation to provide affordable housing to members of the First Nation.

Marina

The Marina segment operates and provides services relating to the selling of fuel and marine related activities.

Lands

This segment administers and collects lease revenue and fees from residents on First Nation land and oversees current and future land treaty claims.

Trust activities

This segment includes the investment activities of the Coldwater Narrows Trust and Williams Treaty Trust, payment of per capita distributions and other trust revenue distributions as approved by the First Nation.

(continues)

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

17. SEGMENTED REPORTING (continued)

The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies as described in Note 1. The segment results for the period are as follows:

	General Government	Health	Education	Social Programs	Public Infrastructure
March 31, 2023					
Revenue					
Government of Canada	\$ 3,370,890	\$ 567,819	\$ 18,000	\$ 1,285,838	\$ 7,941,639
ISC	866,865	373,819	-	-	-
OFNLP	-	287,175	9,600	1,570,142	377,257
Province of Ontario					
Taxation	1,045,454	-	-	-	-
Interest	97,103	-	-	261	-
Other	1,015,278	484,676	1,977,653	463,962	1,676,834
Gain/(loss)	-	-	-	-	-
Sales	-	-	-	-	-
Leases and fees	-	-	-	-	-
Dividend	-	-	-	-	-
Total revenue	6,397,590	1,713,489	8,111,079	3,320,203	9,995,730
Expenditures					
Bank charges and interest	4,935	-	-	-	-
Travel	177,294	33,856	6,549	42,085	23,929
Program expenditures	892,892	401,189	1,137,997	1,594,412	1,559,455
Office and general	678,447	378,813	365,662	707,823	974,457
Repairs and maintenance	1,471,704	3,591	59,958	25,576	1,685,988
Wages and benefits	3,848,258	600,959	520,432	1,127,684	876,347
Insurance	143,071	10,529	-	59,051	146,503
Professional fees	228,829	-	-	-	-
Cost of sales	-	-	-	-	-
Amortization	2,519,985	-	-	-	-
Total expenditures	9,965,415	1,428,937	2,090,598	3,556,631	5,266,679
Annual surplus (deficit)	\$ (3,567,825)	\$ 284,552	\$ 6,020,481	\$ (236,428)	\$ 4,729,051

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

17. SEGMENTED REPORTING (continued)

	March 31, 2023	Social	Housing	Marina	Lands	Trust	Activities	Consolidated
Revenue								
Government of Canada	\$ 157,092	\$ -	\$ -	\$ -	\$ 530,628	\$ -	\$ -	\$ 724,911
ISC	-	-	-	-	-	-	-	13,520,814
OFNLP	-	-	-	-	-	-	-	868,865
Province of Ontario	-	-	-	-	-	-	-	2,244,174
Taxation	-	-	39,256	-	209,449	-	-	1,045,454
Interest	24,266	-	910,664	771,597	-	2,704,593	-	3,074,928
Other	173,138	-	-	-	48,872	373,167	7,846,969	(307,594)
Gain/(loss)	-	-	31,690,774	-	-	-	31,739,646	(307,594)
Sales	-	-	-	-	1,247,409	-	-	1,247,409
Leases and fees	-	-	-	-	-	1,595,292	-	1,595,292
Dividend	-	-	-	-	-	-	-	-
Total revenue	354,496	32,640,694	2,807,955	4,365,458	4,365,458	63,600,868	63,600,868	63,600,868
Expenditures								
Bank charges and interest	-	143,325	-	-	-	55,301	-	203,561
Travel	-	596	1,381	-	-	-	-	285,690
Program expenditures	36,243	-	139,536	3,880,421	3,880,421	-	-	9,642,145
Office and general	276	870,125	125,923	358,633	358,633	-	-	4,460,159
Repairs and maintenance	185,944	328,623	206,266	-	-	-	-	3,968,650
Wages and benefits	-	3,532,060	344,001	-	-	-	-	10,849,741
Insurance	62,260	72,026	-	-	-	936,960	-	493,440
Professional fees	11,878	82,425	-	-	-	-	-	1,260,092
Cost of sales	-	23,166,343	46,128	-	-	-	-	23,212,471
Amortization	50,386	73,418	19,887	-	-	-	-	2,663,676
Total expenditures	346,987	28,269,941	883,122	5,231,315	5,231,315	-	-	57,039,625
Annual surplus (deficit)	\$ 7,509	\$ 4,370,753	\$ 1,924,833	\$ (865,857)	\$ (865,857)	\$ 6,561,243	\$ 6,561,243	\$ 6,561,243

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

17. SEGMENTED REPORTING (continued)

	March 31, 2022	General Government	Health	Education	Social Programs	Public Infrastructure
Revenue						
Government of Canada	\$ 23,935	\$ 716,158	\$ 428,102	\$ 672,756	\$ 2,192,114	
ISC	2,518,812	-				
OFNLP	611,889	-				
Province of Ontario	-	-	9,600	1,146,520	420,165	
Taxation	844,648	-				
Interest	9,888	-				
Other	1,241,037	367,778	2,034,644	479,417	1,898,898	
Gain/(loss)	-	-	-	-	-	
Sales	-	-	-	-	-	
Leases and fees	-	-	-	-	-	
Dividend	-	-	-	-	-	
Total revenue	5,250,209	1,083,936	2,472,346	2,298,826	4,511,177	
Expenditures						
Bank charges and interest	6,640	-				
Travel	67,938	19,046	1,366	37,499	7,755	
Program expenditures	689,057	184,761	1,189,696	780,246	834,938	
Office and general	552,020	396,928	268,822	413,480	513,201	
Repairs and maintenance	914,091	11,558	96,978	31,200	1,436,355	
Wages and benefits	3,044,630	448,025	477,736	1,054,826	839,936	
Insurance	144,839	7,971	-	45,872	123,830	
Professional fees	299,648	-	-	-	-	
Cost of sales	-	-	-	-	-	
Amortization	2,052,917	-	-	-	-	
Total expenditures	7,771,780	1,068,289	2,034,598	2,363,123	3,756,015	
Annual surplus (deficit)	\$ (2,521,571)	\$ 15,647	\$ 437,748	\$ (64,297)	\$ 755,162	

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

17. SEGMENTED REPORTING (continued)

March 31, 2022

	Social Housing	Marina	Lands	Trust Activities	Consolidated
Revenue					
Government of Canada	\$ 166,852	\$ -	\$ -	\$ 514,645	\$ 906,945
ISC	-	-	-	-	6,326,429
OFNLP	-	-	-	-	611,889
Province of Ontario	-	-	-	-	1,576,285
Taxation	-	-	-	-	844,648
Interest	1,916	6,073	25,404	2,539,225	2,582,639
Other	426,014	739,153	184,986	1,123	7,373,050
Gain/(loss)	-	-	-	7,849,056	7,849,056
Sales	-	33,895,652	54,913	-	33,950,565
Leases and fees	-	-	1,220,790	-	1,220,790
Dividend	-	-	-	1,303,641	1,303,641
Total revenue	594,782	34,640,878	2,000,738	11,693,045	64,545,937
Expenditures					
Bank charges and interest	-	127,576	-	79,239	213,455
Travel	-	379	1,698	-	135,681
Program expenditures	38,355	-	157,396	2,934,655	6,809,104
Office and general	253	903,344	150,890	354	3,199,292
Repairs and maintenance	297,989	864,745	46,358	-	3,699,274
Wages and benefits	-	3,410,199	378,261	-	9,653,613
Insurance	62,506	59,030	-	-	444,048
Professional fees	14,878	78,695	-	1,041,110	1,434,331
Cost of sales	50,386	24,314,280	54,970	-	24,369,250
Amortization	-	54,865	20,982	-	2,179,150
Total expenditures	464,367	29,813,113	810,555	4,055,358	52,137,198
Annual surplus (deficit)	\$ 130,415	\$ 4,827,765	\$ 1,190,183	\$ 7,637,687	\$ 12,408,739

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

18. ACCUMULATED SURPLUS

The accumulated surplus is represented by:

	2023	2022
<i>Unrestricted</i>		
Operating	\$ 28,008,937	\$ 20,791,805
<i>Internally restricted</i>		
Social Housing	56,155	48,646
Virginia Beach Marina	(437,240)	(432,200)
Lands	32,371,506	31,225,521
Coldwater Narrows Trust Funds - held by Canada Trust Company	45,355,784	41,327,341
OFNLP Revenue Fund	6,411,601	5,840,380
Per Capita Distribution Fund	73,532	59,330
Coldwater Narrows Trust Revenue Fund	7,269,475	10,830,114
Williams Treaty Trust Funds - held by Canada Trust Company	112,399,625	110,881,094
Williams Treaty Settlement	107,931	75,984
Williams Treaty Trust Revenue Fund	3,904,400	7,197,354
2458582 Ontario Limited	2,754,035	1,607,083
Nish Radio Inc.	(4,655)	(5,218)
Tobacco Trails	4,751,075	3,399,288
Daawegamig Lodge	3,815,427	3,784,772
Virginia Beach Marina - Business Centre	(83,668)	(38,236)
Goin Fuel Company Limited	(158)	-
	\$246,753,762	\$236,593,058

19. CHANGES IN NON-CASH WORKING CAPITAL

	2023	2022
Receivables	\$ 1,379,211	\$ (2,644,193)
Inventories for resale	267,121	(140,065)
Payments received for investment in leases	62,430	82,440
Prepaid expenses	98,394	(91,511)
Accounts payable and accrued liabilities	1,589,918	1,345,121
Deferred revenue	4,907,321	965,625
	\$ 8,304,395	\$ (482,583)

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

20. FINANCIAL INSTRUMENT RISK MANAGEMENT

The First Nation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the First Nation's risk exposure and concentration as of March 31, 2023.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

The First Nation engages professional investment management firms which are monitored by the Council of the First Nation. Diversification techniques are utilized and appropriate restrictions are placed on the investment managers in terms of asset mix and individual security concentrations in the portfolios to minimize risk.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Credit risk

Credit risk is the risk of financial loss to the First Nation if a debtor fails to make payments of interest and principal when due. The First Nation is exposed to this risk relating to its cash, bond holdings in its investment portfolio and receivables. The First Nation holds its cash accounts with federally regulated chartered banks who are insured up to \$100,000 (2022 - \$100,000).

The First Nation's carrying value of cash and cash equivalents, receivables, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

The First Nation engages professional investment firms to put limits on the bond portfolio including portfolio composition limits, issuer type limits, bond quality limits, aggregate issuer limits, corporate sector limits and general guidelines for geographic exposure. All fixed income portfolios are measured for performance on a quarterly basis and monitored by Council on a regular basis.

The maximum exposure to investment credit risk is outlined in Note 5.

Receivables are primarily due from funding agencies and related parties. Credit risk of receivables is viewed as low risk by the First Nation due to the heavy concentration of receivables being due from provincial/federal or reputable funding bodies that the First Nation has had a history of collecting from. As at March 31, 2023 - 96% (2022 - 95%) of the receivable balance related to funders or related parties.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

(continues)

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

20. FINANCIAL INSTRUMENT RISK MANAGEMENT *(continued)*

Currency risk

Currency risk relates to the First Nation operating in different currencies and converting non-Canadian earnings at different points in time when adverse changes in foreign currency rates occur.

Currently, the investment policy of the First Nation targets a select mix of investments in non-Canadian equities which is the largest source of currency risk. The First Nation invests in global equity portfolios which will have exposure to most of the world's major currencies. However, with a basket approach there is relatively low exposure to any one currency. Currently the Canadian dollar is the largest currency exposure.

Overall, the First Nation's view is that over time and across many currencies, the currency risks between countries and/or between Canada and the world will be relatively low, and the losses in one currency may well be offset by gains in another.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates.

The carrying value of the long term debt approximates the fair value as the interest rates are consistent with the current rates offered to the First Nation for debt with similar terms.

The First Nation mitigates interest rate risk on its long term debt through entering into fixed rate 5 year terms removing the variability of interest rate risk. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the term debt until the debt is renewed.

The First Nation is exposed to this risk through its interest bearing investments. The Trust's bond portfolio has interest rates ranging from 0.625% to 6.50% with maturities ranging from July 2023 to November 2081.

At March 31, 2023 a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of bonds of \$5,833,810.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Equity risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The First Nation is exposed to this risk through its equity holdings within its investment portfolio. At March 31, 2023, a 10% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the First Nation's equities of \$10,553,654.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

(continues)

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2023

20. FINANCIAL INSTRUMENT RISK MANAGEMENT *(continued)*

Liquidity risk

Liquidity risk is the risk that the First Nation will not be able to meet all cash outflow obligations as they come due. The First Nation mitigates this risk by monitoring cash activities and expected outflows through budgeting analysis.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows of financial liabilities excluding interest):

	Within 6 months	6 months to 1 year	1-5 years	>5 years
Payables and accruals	\$ 7,058,447	\$ -	\$ -	\$ -
Long-term debt	66,588	66,588	553,683	1,384,034
	\$ 7,125,035	\$ 66,588	\$ 553,683	\$ 1,384,034

Financial liabilities mature as described in Note 12.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

21. BUDGETED FIGURES

Public Sector Accounting Standards (PSAS) require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of operations reconciled to be on a PSAS basis is as follows:

	Approved Fiscal Plan	Amortization	Fiscal Plan on a PSAS Basis
Revenue	\$ 47,191,112	\$ -	\$ 47,191,112
Expenditures	(44,294,348)	(2,663,676)	(46,958,024)
Annual surplus	\$ 2,896,764	\$ (2,663,676)	\$ 233,088

22. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.
