

Fort Albany First Nation
Consolidated Financial Statements
March 31, 2023

Fort Albany First Nation

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For the year ended March 31, 2023

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Management's Responsibility

To the Chief and Council and Members of Fort Albany First Nation

The accompanying consolidated financial statements of Fort Albany First Nation and its subsidiaries (the "First Nation") are the responsibility of management and have been approved by the Chief and Council.

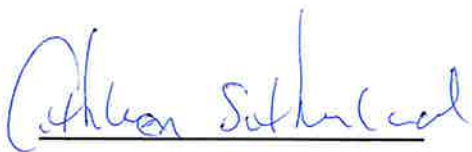
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The First Nation's Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Chief and Council is also responsible for the appointment of the First Nation's external auditors.

MNP LLP is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

January 30, 2025


CEO

On behalf of
management

To the Chief and Council and Members of Fort Albany First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Fort Albany First Nation and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, change in net financial assets 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, 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 results of its consolidated operations, changes in its consolidated net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The First Nation's consolidated statements of operations and accumulated surplus, and change in net financial assets do not present a comparison of the results for the accounting period with those originally planned, which constitutes a departure from Canadian public sector accounting standards. The audit opinion on the consolidated financial statements for the year ended March 31, 2022 was qualified accordingly.

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 qualified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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.

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.

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.

Timmins, Ontario
January 30, 2025

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

Fort Albany First Nation

Consolidated Statement of Financial Position

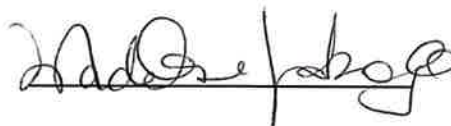
As at March 31, 2023

	2023	2022
Financial assets		
Cash and cash equivalents (Note 4)	20,363,506	18,726,044
Accounts receivable (Note 5)	615,571	895,455
Portfolio investments (Note 6)	118,932	620,211
Loan receivable (Note 7)	137,500	137,500
Due from funding agencies (Note 8)	3,530,229	5,417,158
Investment in Nation business entity (Note 9)	5,259,612	4,857,628
Funds held in trust (Note 10)	520,512	512,853
	30,545,862	31,166,849
Liabilities		
Accounts payable and accruals (Note 15)	3,715,229	3,796,799
Deferred revenue (Note 12)	11,386,246	8,940,091
Due to funding agencies (Note 8)	241,714	385,781
Debt (Note 13)	5,869,496	5,835,756
Landfill closure and post-closure liability (Note 18)	-	800,000
Asset Retirement Obligation (Note 18)	800,000	-
	22,012,685	19,758,427
Net financial assets	8,533,177	11,408,422
Contingencies (Note 19)		
Non-financial assets		
Tangible capital assets (Note 14) (Schedule 1)	58,924,024	51,667,551
Inventories held for use	247,220	102,217
Prepaid expenses	140,286	81,432
	59,311,530	51,851,200
Accumulated surplus (Note 16)	67,844,707	63,259,622

Approved on behalf of Chief and Council



Chief



Councilor

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

Fort Albany First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2023

	<i>Schedules</i>	2023	<i>2022</i>
Revenue			
Indigenous Services Canada			
Flexible funding		6,703,479	5,059,287
Fixed funding		5,130,637	9,352,077
Block funding		14,451,647	10,842,558
Set funding		-	31,779
Canada Mortgage and Housing Corporation		2,159,462	331,998
First Nation and Inuit Health Branch		7,888,005	4,072,306
Ontario First Nations Limited Partnership (Note 20)		1,345,202	955,067
Province of Ontario		5,322,532	5,422,798
Earnings from Nation business entity (Note 9)		401,984	807,986
Impact Benefit Agreement receipts - De Beers		-	698,000
Kimesskanemenow LP - winter road		1,326,228	1,283,265
Mushkegowuk Council		1,174,018	869,517
Nishnawbe Aski Nation		463,751	494,978
Rental income		344,278	346,999
Other (Note 17)		1,634,024	234,769
Repayment of funding		(64,283)	(35,424)
Deferred revenue - prior year (Note 12)		8,940,091	5,616,320
Deferred revenue - current year (Note 12)		(11,386,246)	(8,940,091)
		45,834,809	37,444,189
Expenses (Schedule 2)			
Infrastructure	11	429,873	16,619
Social Assistance	12	3,663,112	3,980,741
Housing	10	1,576,148	1,495,943
Administration and Governance	4	2,820,433	2,898,654
Community Development	5	10,276,969	2,186,426
Community Services - Operations and Maintenance	6	6,791,025	4,276,388
Daycare	7	511,178	453,676
Education	8	9,033,651	7,960,138
Health Services	9	5,860,695	6,160,673
		40,963,084	29,429,258
Annual surplus before other items		4,871,725	8,014,931
Gain (loss) on disposal of tangible capital assets		(286,640)	31,020
Annual surplus		4,585,085	8,045,951
Accumulated surplus, beginning of year		63,259,622	55,213,671
Accumulated surplus, end of year (Note 16)		67,844,707	63,259,622

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

Fort Albany First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2023

	2023	2022
Annual surplus	4,585,085	8,045,951
Acquisition of tangible capital assets	(10,413,436)	(6,767,232)
Amortization of tangible capital assets	2,870,323	2,864,376
(Gain) loss on disposal of tangible capital assets	286,640	(31,020)
Proceeds from disposal of tangible capital assets	-	31,480
Utilization (acquisition) of prepaid expenses	(58,854)	10,819
Utilization (acquisition) of inventory	(145,003)	50,602
Increase (decrease) in net financial assets	(2,875,245)	4,204,976
Net financial assets, beginning of year	11,408,422	7,203,446
Net financial assets, end of year	8,533,177	11,408,422

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

Fort Albany First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2023

	2023	2022
Cash provided by the following activities		
Operating activities		
Annual surplus	4,585,085	8,045,951
Non-cash items		
Amortization	2,870,323	2,864,376
Bad debts	155,665	120,923
(Gain) loss on disposal of tangible capital assets	286,640	(31,020)
Earnings from Nation business enterprise	(401,984)	(807,986)
Forgiveness of debt	(55,644)	(59,150)
Sewage and waste facilities closure	-	200,000
	7,440,085	10,333,094
Changes in working capital accounts		
Accounts receivable	174,213	(636,101)
Due from funding agencies	1,836,935	(2,574,980)
Funds held in trust	(7,659)	(9,677)
Accounts payable and accruals	(81,570)	237,200
Due to funding agencies	(144,067)	(195,900)
Deferred revenue	2,446,155	3,323,771
Inventory	(145,003)	50,602
Prepaid expenses	(58,854)	10,819
	11,460,235	10,538,828
Financing activities		
Advances of debt	365,028	756,306
Repayment of debt	(275,644)	(310,921)
	89,384	445,385
Capital activities		
Acquisition of tangible capital assets	(10,413,436)	(6,767,232)
Proceeds from disposal of tangible capital assets	-	31,480
	(10,413,436)	(6,735,752)
Investing activities		
Purchase of portfolio investments	-	(1,279)
Proceeds on disposal of portfolio investments	501,279	-
Increase in cash resources	1,637,462	4,247,182
Cash resources, beginning of year	18,726,044	14,478,862
Cash resources, end of year	20,363,506	18,726,044

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

1. Operations

Fort Albany First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its members. Fort Albany First Nation includes the First Nation's members, government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

2. Change in accounting policy

Asset retirement obligations

Effective April 1, 2022, the First Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 *Asset Retirement Obligations*. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, the First Nation recorded the provision for site rehabilitation in accordance with PS 3270 *Solid Waste Landfill Closure and Post-Closure Liability*, which requires recognition of a liability for closure and post-closure care as the site capacity is used and is equal to the proportion of the estimated total expenditure required for closure and post-closure care. Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in Note 18.

There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

Financial instruments

Effective April 1, 2022, the First Nation adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives under Section PS 3450 *Financial Instruments*. The new section is applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

3. Significant accounting policies

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

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for government business entities. Trusts administered on behalf of third parties by Fort Albany First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Fort Albany First Nation Band;
- Mundo Peetabeck Education Authority; and
- Peetabeck Health Services.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

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

Reporting entity *(Continued from previous page)*

Government business entities, owned or controlled by the First Nation but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the government business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Fort Albany Power Corporation

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash (Note 4).

Portfolio investments

Marketable securities with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. When applicable, changes in fair value are recorded in the statement of remeasurement gains (losses).

Inventory

Inventory of coarse aggregate stockpiles for use in operations are recorded at the lower of cost and net realizable value, with cost being determined on a weighted average basis.

Inventory of heating fuel for use in operations is recorded at the lower of cost and net realizable value, with cost being determined on a weighted average basis.

Inventory of supplies for use in operations are recorded at the lower of cost and net realizable value, with cost being determined on the specific identification basis.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed tangible capital assets are recorded at their fair value at the date of contribution. One-half of the annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

When conditions indicate that a tangible capital asset no longer contributes to the First Nation's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the First Nation reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on the declining balance basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

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

Tangible capital assets *(Continued from previous page)*

Amortization

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

	<i>Method</i>	<i>Rate</i>
Buildings	declining balance	5 %
Equipment and furnishing	declining balance	20 %
Roads and sewer	straight-line	10-40 years
Water infrastructure	straight-line	10-50 years
Computer equipment	declining balance	30-55 %
Vehicles and moveable equipment	declining balance	30 %

Debt

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

Repayments of financing are recognized as a decrease in debt.

Net financial assets

The First Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated annual surplus.

Asset classification

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

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reported as deferred revenue on the consolidated statement of financial position in the year of receipt.

Government Transfers

Government transfers are transfers from senior levels of government that are not the result of an exchange transaction and are not expected to be repaid in the future. Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. A transfer with eligibility criteria is recognized as revenue when the transfer is authorized and all eligibility criteria have been met. A transfer with or without eligibility criteria but with stipulations is recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except where and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the Nation. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

Funds held in Ottawa Trust Fund

Revenue related to funds held in the Ottawa Trust Fund is recognized when it is received.

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

Revenue recognition *(Continued from previous page)*

Other revenues

Other revenues are recognized in the year that the events giving rise to the revenues occur and the revenues are earned. Amounts received which relate to revenues that will be earned in a subsequent year, are deferred and reported as liabilities.

Measurement uncertainty

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

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Provisions are made for slow moving and obsolete inventory.

Amortization is based on the estimated useful lives of tangible capital assets.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

Liability for contaminated site

Expenditures that relate to on-going environmental and remediation programs are charged against annual surplus as incurred. A liability for a contaminated site reflects management's best estimate of the amount required to remediate the contaminated site. The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future site remediation.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the years in which they become known.

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset, or a component thereof, at the consolidated financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset, or component thereof, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset, or component thereof. The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

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

Employee future benefits

Mundo Peetabeck Education Authority is part of a multi-employer plan for which there is insufficient information to apply defined benefit plan accounting. Accordingly, Mundo Peetabeck Education Authority is not able to identify its share of the plan assets and liabilities, and therefore, defined contribution accounting is used for these plans (Note 25).

Mundo Peetabeck Education Authority's contributions to the defined contribution plan are expensed as incurred.

Segments

The First Nation conducts its business through nine reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of consolidated segmented financial information. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 23.

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the consolidated statement of remeasurement gains and losses. Interest income is recognized in the consolidated statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, recent collection experience for the loan, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of consolidated financial assets measured at fair value are reported in the consolidated statement of remeasurement gains and losses.

Prior period funding adjustments

The First Nation has entered into accountable contribution arrangements with several government funding agencies. These programs are subject to audit by the various governments, with potential audit adjustments repayable to the government. These adjustments are recorded in the consolidated financial statements in the year they become known.

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

4. Cash and cash equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation (CMHC), the Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by CMHC with any interest earned to be credited as revenue to the Apartment Replacement and Subsidy Fund. At the year-end date, the respective monies on hand in the amount of \$286,754 (2022 - \$115,384) were not sufficient to meet the CMHC reserve fund requirements. The deficiency amounted to \$79,777 (2022 - \$211,690).

	2023	2022
Cash on hand	20,076,752	18,610,660
CMHC Reserve Fund - Restricted	286,754	115,384
	20,363,506	18,726,044

5. Accounts receivable

	2023	2022
Accounts receivable	1,393,923	1,622,721
Less: Allowance for doubtful accounts	778,352	727,266
	615,571	895,455

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

6. Portfolio investments

Portfolio investments consists of:

A 25% partnership interest in Kimesskanemenow Limited Partnership, a partnership controlled by several First Nations whose primary business activity is the annual construction and maintenance of a winter road from Moosonee to Attawapiskat, Ontario. The investment is carried at cost, being the initial contribution and amounts assumed on transfer pursuant to reorganization transactions less any impairment loss.

A 25% partnership interest in Creewest Limited Partnership, a partnership controlled by several First Nations whose primary business activity is the participation in contracting opportunities from development projects within the traditional territories of the limited partners, in order to generate income for the limited partners and employment opportunities for their respective memberships. The investment is carried at cost, being the initial contribution.

A minority equity interest in Mushkegowuk Development Corporation, a corporation controlled by several First Nations whose primary business activity is providing its shareholders with access to training initiatives. The investment is carried at cost, being the initial contribution.

A minority partnership interest in Ontario First Nations Sovereign Wealth LP, a partnership controlled by several First Nations whose primary business activity is providing its partners with access to investment income from its holdings. The investment is carried at cost, being the initial contribution.

A minority equity interest, being one common share, in OFN Asset Management GP Corp., a corporation controlled by several First Nation bands whose primary business activity is providing its shareholders with access to investment income from its holdings. The investment is carried at cost, being the initial contribution.

A guaranteed investment certificate in the amount of \$Nil (2022 - \$501,279), bearing interest at 0.10% per annum, matured September 15, 2022.

	2023	2022
Measured at cost:		
Kimesskanemenow Limited Partnership	93,630	93,630
Creewest Limited Partnership	300	300
Mushkegowuk Development Corporation	25,000	25,000
Ontario First Nations Sovereign Wealth LP	1	1
OFN Asset Management GP Corp.	1	1
Guaranteed investment certificate	-	501,279
	118,932	620,211

7. Loan receivable

The loan receivable from Kimesskanemenow Limited Partnership (Note 6), is non-interest bearing, unsecured and repayable upon dissolution of the partnership.

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

8. Due from/to funding agencies

	2023	2022
Due from funding agencies:		
Canada Mortgage and Housing Corporation	23,131	22,737
First Nation and Inuit Health Branch	315,035	461,374
Indigenous Services Canada	2,803,840	4,450,839
Mushkegowuk Council	129,782	81,444
Nishnawbe Aski Nation	162,469	138,367
Province of Ontario	95,972	262,397
	3,530,229	5,417,158
Due to funding agencies:		
Canada Mortgage and Housing Corporation	3,232	3,232
Indigenous Services Canada	5,798	5,798
Ministry of Health and Long-term Care	232,684	376,751
	241,714	385,781

9. Investment in Nation business entity

The First Nation has an interest in a Nation Business Enterprise as follows:

A 100% interest in Fort Albany Power Corporation, a not-for-profit organization, established by the First Nation to provide hydro-electric power distribution to the community.

Summary financial information for the First Nation business enterprise, accounted for using the modified equity method, for the respective year-end is as follows:

	<i>Fort Albany Power Corporation As at December 31, 2022</i>	<i>Fort Albany Power Corporation As at December 31, 2021</i>
Assets		
Current assets	3,084,541	2,933,161
Long-term assets	2,724,183	2,501,957
Total assets	5,808,724	5,435,118
Liabilities		
Current liabilities	274,986	271,219
Long-term liabilities	274,126	306,271
Total liabilities	549,112	577,490
Net assets	5,259,612	4,857,628
Total revenue	2,901,404	2,745,192
Total expenses	2,499,420	1,937,206
Net income	401,984	807,986

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

9. Investment in Nation business entity *(Continued from previous page)*

During the year, the following First Nation business enterprise had transactions with other organizations of the First Nation:

<i>Name of business enterprise</i>	<i>Name of organization</i>	<i>Nature of transactions/balances</i>
Fort Albany Power Corporation	Fort Albany First Nation - Band	Electricity distribution and infrastructure
Fort Albany Power Corporation	Mundo Peetabeck Education Authority	Electricity distribution
Fort Albany Power Corporation	Peetabeck Health Services	Electricity distribution

10. Funds held in trust

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	2023	2022
Balance, beginning of year	512,853	503,176
Interest	7,659	9,677
Balance, end of year	520,512	512,853

The Trust Funds arise from moneys 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.

11. Bank indebtedness

Mundo Peetabeck Education Authority, whose books and records are consolidated in these consolidated financial statements, is party to an RBC credit facility agreement bearing interest at the bank prime rate plus 1.80% (8.50% (2022-4.50%)) with a borrowing limit of \$100,000 (2022 - \$100,000). At the year-end date, \$Nil (2022 - \$Nil) was drawn on this facility.

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

12. Deferred revenue

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

	<i>Balance, beginning of year</i>	<i>Funding received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
CMHC - SEED - WSO Transition	-	82,047	76,177	5,870
FNHIB - Aboriginal Headstart	258,491	247,164	246,178	259,477
FNHIB - Mental Wellness Program Covid-19	138,603	-	138,603	-
ISC & CMHC - WSO - Transitional Homes Construction	-	2,313,182	1,528,491	784,691
ISC - 2-Units - LQ	474,223	-	227,340	246,883
ISC - 3 Duplexes	680,350	7,481	265,359	422,472
ISC - Aboriginal Headstart - Fixed	227,521	708,015	589,560	345,976
ISC - Aboriginal Headstart - Flex	512,364	-	4,206	508,158
ISC - Basic Needs	-	631,856	-	631,856
ISC - Basic Needs (2nd Round Covid-19)	323,745	-	323,745	-
ISC - Child and Family Services	1,463,000	4,151,005	2,762,196	2,851,809
ISC - Community O&M	802,984	-	802,984	-
ISC - Covid-19 (Education related programs)	395,279	132,949	149,084	379,144
ISC - Covid-19 ECR Task Force	2,346,171	458,696	495,139	2,309,728
ISC - Enhanced Teacher Salaries	30,545	-	30,545	-
ISC - Grade 8 Trip Prepayment	-	209,736	156,929	52,807
ISC - Post Secondary	513,956	1,257,788	1,141,173	630,571
ISC - Service Delivery	19,172	-	19,172	-
ISC - Special Education	523,367	357,418	552,112	328,673
ISC - Women's Shelter - Operations	-	2,604,814	1,653,832	950,982
ISC - WSO Transition - Water & Sewer Hook-Up	-	638,317	118,411	519,906
Ministry of Children and Youth Services - Nutrition	138,408	98,400	79,565	157,243
Nishnawbe Aski Nation - Customary Care	7,778	-	7,778	-
Nishnawbe Aski Nation - Family Well Being	84,134	-	84,134	-
	8,940,091	13,898,868	11,452,713	11,386,246

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

13. Debt

	2023	2022
CMHC mortgage bearing interest at 0.98% (2022 - 0.98%), repayable at \$9,021 per month principal and interest, renewable April 2025, maturing April 2045.	2,149,984	2,236,751
CMHC mortgage bearing interest at 3.55% (2022 - 2.13%), repayable at \$4,246 per month principal and interest, renewable October 2027, maturing August 2037.	575,198	607,417
CMHC mortgage bearing interest at 0.71% (2022 - 0.71%), repayable at \$5,125 per month principal and interest, renewable November 2025, maturing May 2034.	660,068	716,671
CMHC mortgage bearing interest at 0.68% (2022 - 0.68%), repayable at \$2,923 per month principal and interest, renewable October 2025, maturing March 2034.	371,699	404,134
CMHC mortgage, non-interest bearing, forgivable at \$40,800 per annum, maturing October 2025. Terms of forgiveness stipulate the building financed with the facility must continue to operate as an emergency shelter for women and children who are victims of family violence.	154,133	194,933
CMHC RRAP loan, non-interest bearing, forgivable at \$396 per month, maturing December 2023. Terms of forgiveness stipulate the building financed with the facility must continue to operate as a rental unit for First Nation members with a total household income at or below a stipulated income threshold during the period.	3,958	8,313
RBC term loan bearing interest at the bank prime rate plus 1.83% totalling 8.53% (2022 - 4.45%), repayable at \$7,710 per month principal plus interest, secured by a band council resolution, renewable December 2026, maturing April 2032.	824,612	892,231
CMHC RRAP loan, non-interest bearing, forgivable at 5.25% per annum, maturing March 2025. Terms of forgiveness stipulate the building financed with the facility must continue to operate as a rental unit for band members with a total household income at or below a stipulated income threshold during the period.	8,510	19,000
CMHC mortgage advance, bearing interest at 0.65%. repayment terms to be determined when fully drawn.	476,700	283,750
CMHC mortgage advance, bearing interest at 0.65%. repayment terms to be determined when fully drawn.	425,134	253,056
CMHC mortgage advance, bearing interest at 0.65%. repayment terms to be determined when fully drawn.	219,500	219,500
	5,869,496	5,835,756

Each of the above CMHC debt facilities is secured by a Ministerial Guarantee from Indigenous Services Canada.

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

13. Debt *(Continued from previous page)*

Principal repayments on debt in each of the next five years and thereafter, assuming debt subject to refinancing is renewed, are estimated as follows:

2024	290,925
2025	291,624
2026	292,261
2027	246,028
2028	251,444
Thereafter	4,497,214
	<hr/>
	5,869,496

14. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Assets under construction or otherwise not available for use include housing and other structural buildings with a carrying value of \$16,869,550 (2022 - \$5,754,960). No amortization of these assets has been recorded during the year because they are currently under construction or not available for use.

The First Nation holds works of art and historical treasures which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

Any intangibles and items inherited by right of the Crown, such as Crown lands, forests, water, and mineral resources, are not recognized in the consolidated financial statements.

Tangible capital assets include \$1,056,109 (2022 - \$972,795) of assets that are fully amortized.

Included in the cost of tangible capital assets is \$Nil (2022 - \$2,910) of interest incurred during the current fiscal year on the 3 unit housing project.

15. Related party transactions

Related party transactions are recorded at their exchange amount, which is the amount agreed to by the parties. Transactions with Fort Albany Power Corporation (a wholly owned subsidiary), relating to electricity distribution, are recorded at Ontario Energy Board approved rates.

Included in accounts payable is \$100,183 (2022 - \$274,704) owing to Fort Albany Power Corporation in the normal course of operations.

During the year, the First Nation conducted the following transactions with a related entity. The transactions were recorded at the exchange amount, being Ontario Energy Board approved rates.

	2023	2022
Electricity distribution provided by Fort Albany Power Corporation, a related First Nation business enterprise:	642,698	598,058

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

16. Accumulated surplus

Accumulated surplus consists of restricted and unrestricted amounts as follows:

	2023	2022
Unrestricted		
Operating surplus	8,141,726	11,606,922
OFNLP	4,542,756	4,016,044
MNDM	1,206,185	923,907
Equity in tangible capital assets	53,066,996	45,872,821
	66,957,663	62,419,694
Restricted		
Funds held in trust - Ottawa	520,513	512,854
CMHC Replacement Reserve	366,531	327,074
	887,044	839,928
	67,844,707	63,259,622

17. Other revenue

The balance reported as "Other Revenue" on the Consolidated Statement of Operations and Accumulated Surplus consists of the following:

	2023	2022
Drinking water settlement	500,000	-
Five Nations Energy Inc. contribution	200,000	-
Insurance proceeds	-	60,743
Interest income	57,832	20,669
HST rebates	216,086	6,920
Other	491,997	34,268
University of Toronto	30,800	29,200
User fees - land use, water/sewer	137,309	82,969
	1,634,024	234,769

18. Asset retirement obligation

The First Nation operates a sewage lagoon and waste storage facilities adjacent to the reserve lands. The Ontario Ministry of the Environment has identified certain non-compliance issues in relation to these facilities and has issued action directives which, at the date of these consolidated financial statements, have not been completed. Management is of the opinion any resolution will include funding from other levels of government. The First Nation recognized a liability of \$800,000 (2022 - \$Nil).

19. Contingencies

The First Nation has entered into contribution agreements with various federal and provincial government departments. Funding received under these contribution agreements may be subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

The First Nation is involved in legal actions in the normal course of its operations. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on the First Nation's consolidated financial statements.

The First Nation has a number of credit facilities with CMHC that contain provisions for forgiveness of the liabilities over time pursuant to covenants. Failure to meet these covenants could result in the credit facilities being converted from forgivable to repayable instruments (Note 13).

On December 22, 2021, the Federal Court of Canada approved a settlement between Canada and certain First Nations and their members who were subject to a drinking water advisory that lasted at least one year between November 20, 1995, and June 20, 2021. Subsequent to year-end, the First Nation received an initial \$500,000 settlement on May 12, 2023. On March 5, 2024, the First Nation received the remaining payment of \$43,211 for the settlement based on individual impacted members' claims.

20. Distributions from Ontario First Nations Limited Partnership

Commencing with the 2012 fiscal year and in each fiscal year thereafter, pursuant to an agreement between the Province of Ontario and Ontario First Nations Limited Partnership (OFNLP), the Province of Ontario shall pay to OFNLP twelve monthly payments equal to one-twelfth of 1.7% of the aggregate provincial gross gaming revenues. OFNLP then distributes to the First Nation its share of these revenues according to a formula used for that purpose. The use of these funds, according to agreements is restricted to community development, health, education, cultural development and economic development.

The First Nation holds one unit in the Ontario First Nations Limited Partnership, and one share in a related company, Ontario First Nations General Partner Inc., the carrying values of which are nominal and are therefore not recorded in these consolidated financial statements.

21. Financial Instruments

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

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The carrying amount of the First Nation's financial instruments best represents the maximum exposure to credit risk.

Risk management

The First Nation manages its credit risk by providing allowances for potentially uncollectible accounts receivable.

Liquidity Risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The First Nation enters into transactions to purchase goods and services on credit; borrow funds from financial institutions or other creditors, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the First Nation's future net cash flows for the possibility of negative net cash flow.

Contractual maturities of debt are disclosed in Note 13.

The First Nation manages the liquidity risk resulting from its accounts payable and debt by maintaining adequate cash and credit facilities and by updating and reviewing cash flow projections on a regular basis.

Management has no concerns regarding the First Nation's ability to meet obligations.

Fort Albany First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

21. Financial Instruments *(Continued from previous page)*

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages exposure by entering into fixed interest rate credit facilities, when possible. The table summarizes the carrying amounts of financial instruments exposed to interest rate risk by the earlier of the contractual repricing dates.

Financial instruments exposed to interest rate risk:

					2023	2022
	<i>Floating rate</i>	<i>Within one year</i>	<i>One to five years</i>	<i>Thereafter</i>	<i>Total</i>	<i>Total</i>
Financial Assets						
Financial assets at fair value						
Guaranteed investment certificate	-	-	-	-	-	501,279
Financial assets measured at cost						
Cash and cash equivalents	20,363,506	-	-	-	20,363,506	18,726,044
Funds held in trust - Ottawa	520,513	-	-	-	520,513	512,854
CMHC reserve fund	366,531	-	-	-	366,531	327,074
	21,250,550	-	-	-	21,250,550	20,067,251

Financial liabilities

Financial liabilities measured at amortized cost

Debt	-	290,925	1,081,357	4,497,214	5,869,496	5,835,756
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21. Financial Instruments *(Continued from previous page)*

Interest rate risk *(Continued from previous page)*

Interest rate risk sensitivity analysis

A 0.50% change in interest rates relating to the Bank of Canada prime rate could increase interest expense by approximately \$41,231. The First Nation uses simulation modeling to simulate the effect of a change in the market rate of interest. The interest rate sensitivity information was prepared based on management's assumption that the Bank of Canada prime rate will increase by no more than 0.50% within the next year.

Fair Value of Financial Instruments

The following illustrates the classification of the First Nation's instruments that are classified in the fair value category as at March 31, 2023:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data.

The fair value hierarchy has remained consistent throughout the year. The First Nation has classified portfolio investments in the fair value category as a Level 1 financial asset with a fair value of \$Nil as at March 31, 2023 (2022 - \$501,279). The First Nation has no Level 2 or Level 3 designated financial instruments.

22. Budget information

Canadian public sector accounting (PSAS) standards require the disclosure of budget information for comparison to the First Nation's actual revenue and expenses. The consolidated budgeted revenue and expenses, and surplus have not been reported in these financial statements. While having no effect on reported revenue, expenses, and surplus, omission of this information is considered a departure from PSAS.

23. Segments

Fort Albany First Nation is a diversified local government that provides a wide range of services to its members, including water, fire protection, roadworks, technical services, recreation, social services, health services, education, social housing and economic development among others. For management reporting purposes, the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, requirements or limitations.

The First Nation's services are provided by departments and their activities are recorded in these funds. Certain departments that have been disclosed in the segmented information, along with the services they provide, are as follows:

ADMINISTRATION AND GOVERNANCE

-Manages the administrative operations of the First Nation, undertakes First Nation operated governance initiatives through the activities of Chief and Council and other activities relating to reserve lands, membership matters and other governance initiatives. Those costs that relate directly to the administration of the various segments have been allocated to the appropriate segment.

COMMUNITY AND ECONOMIC DEVELOPMENT

-Manages the development of economic opportunities for First Nation entities and provides support to member entities as well undertakes activities of the Ontario First Nations Limited Partnership (OFNLP) Fund and the Impact Benefit Agreement.

COMMUNITY SERVICES- OPERATIONS AND MAINTENANCE

-Provides contract management services, heavy equipment operations, bulk fuel operations infrastructure maintenance, general labour services and other related activities.

DAYCARE

-Manages the activities of the local children's daycare program.

EDUCATION

-Provides elementary and secondary instructional services and financial support to post-secondary students.

HEALTH SERVICES

-Provides a variety of health care programs and support to First Nation members.

HOUSING

-Provides housing to members under CMHC and other programs and reports on the respective revenues and expenditures.

INFRASTRUCTURE

-Manages First Nation infrastructure programs including facilities operations and maintenance, capital projects, water and waste water plant operations and other related activities.

SOCIAL ASSISTANCE

-Administers the provision of social assistance to qualifying members.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 3.

24. Pension agreements

Multi-employer plans

Mundo Peetabeck Education Authority makes contributions to the Ontario Teachers Pension Plan (OTTP), which is a multi-employer plan on behalf of its teaching staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OTTP in 2023 was \$130,817 (2022 - \$143,312) for current service and is included as an expenditure in the "Consolidated Statement of Operations and Accumulated Surplus".

25. Comparative figures

Certain figures presented for comparative purposes have been reclassified to conform with the current year's presentation.

Fort Albany First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2023

	<i>Land Improvements</i>	<i>Buildings</i>	<i>Vehicles and Moveable Equipment</i>	<i>Furnishing, Equipment and Computers</i>	<i>Roads, Streets and Bridges</i>	<i>Subtotal</i>
Cost						
Balance, beginning of year	1,704,903	62,352,176	2,344,962	5,560,096	7,695,138	79,657,275
Acquisition of tangible capital assets	-	7,696,085	1,744,431	868,695	-	10,309,211
Disposal of tangible capital assets	-	(227,202)	-	(113,602)	-	(340,804)
Balance, end of year	1,704,903	69,821,059	4,089,393	6,315,189	7,695,138	89,625,682
Accumulated amortization						
Balance, beginning of year	-	25,874,400	1,595,156	3,598,587	5,024,664	36,092,807
Annual amortization	-	1,361,944	502,541	531,522	173,323	2,569,330
Accumulated amortization on disposals	-	-	-	(54,164)	-	(54,164)
Balance, end of year	-	27,236,344	2,097,697	4,075,945	5,197,987	38,607,973
Net book value of tangible capital assets	1,704,903	42,584,715	1,991,696	2,239,244	2,497,151	51,017,709
2022 Net book value of tangible capital assets	1,704,903	36,477,776	749,806	1,961,509	2,670,474	43,564,468

Fort Albany First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>Water and Sewer</i>	<i>2023</i>	<i>2022</i>
Cost				
Balance, beginning of year	79,657,275	14,997,532	94,654,807	87,914,930
Acquisition of tangible capital assets	10,309,211	104,225	10,413,436	6,767,232
Disposal of tangible capital assets	(340,804)	-	(340,804)	(27,355)
Balance, end of year	89,625,682	15,101,757	104,727,439	94,654,807
Accumulated amortization				
Balance, beginning of year	36,092,807	6,894,449	42,987,256	40,149,776
Annual amortization	2,569,330	300,993	2,870,323	2,864,376
Accumulated amortization on disposals	(54,164)	-	(54,164)	(26,896)
Balance, end of year	38,607,973	7,195,442	45,803,415	42,987,256
Net book value of tangible capital assets	51,017,709	7,906,315	58,924,024	51,667,551
2022 Net book value of tangible capital assets	43,564,468	8,103,083	51,667,551	

Fort Albany First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2023

	2023	2022
Consolidated expenses by object		
Administration	103,966	9,585
Amortization	2,870,323	2,864,376
Bad debts (recovery)	155,665	(116,884)
Bank charges and interest	105,598	100,246
Insurance	488,430	427,245
Interest on debt	108,383	82,979
Materials and supplies	1,982,901	1,540,760
Office and other	908,277	573,584
Post secondary education	1,114,329	893,025
Professional fees	1,749,682	1,174,208
Program expenses	7,229,909	3,702,797
Rent	110,155	11,827
Repairs and maintenance	1,592,535	958,616
Salaries, benefits and honoraria	10,297,080	9,294,938
School supplies	208,358	192,925
Sewage and waste facilities closure	-	200,000
Social assistance payments	2,767,816	2,828,999
Subcontracts	5,929,155	2,511,205
Training	108,876	60,896
Travel	1,593,792	731,831
Utilities (Note 15)	1,537,854	1,386,100
	40,963,084	29,429,258

Fort Albany First Nation
Schedule 3 - Consolidated Schedule of Segmented Disclosure
For the year ended March 31, 2023

	<i>Sch</i>	Total Revenues	Total Expenses	Surplus (deficit) before transfers	Transfers between programs	Surplus (Deficit)	<i>Prior Year Surplus (Deficit)</i>
Daycare	7	581,905	511,178	70,727	-	70,727	76,208
Community Services - Operations and Maintenance	6	7,263,895	6,791,025	472,870	(145,634)	327,236	376,485
Health Services	9	6,570,976	5,860,695	710,281	-	710,281	36,076
Housing	10	3,055,455	1,576,148	1,479,307	-	1,479,307	922,454
Infrastructure	11	625,261	429,873	195,388	-	195,388	1,419,104
Social Assistance	12	3,835,816	3,663,112	172,704	-	172,704	62,320
Education	8	11,609,563	9,033,651	2,575,912	-	2,575,912	1,055,542
Administration and Governance	4	2,793,701	2,820,433	(26,732)	(350,640)	(377,372)	(311,539)
Community Development	5	9,211,597	10,276,969	(1,065,372)	496,274	(569,098)	4,409,301
Total		45,548,169	40,963,084	4,585,085	-	4,585,085	8,045,951

Fort Albany First Nation
Administration and Governance
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Flexible funding	-	88,935
Fixed funding	110,290	98,000
Block funding	1,467,657	1,456,829
Province of Ontario	197,494	203,191
Mushkegowuk Council	925,660	470,526
Rental income	16,200	15,000
Other	76,398	8,306
Deferred revenue - prior year	-	46,921
	2,793,699	2,387,708
Expenses		
Administration (recovery)	(860,572)	(269,872)
Amortization	81,158	39,053
Bad debts	79,874	-
Bank charges and interest	66,543	74,355
Insurance	60,494	53,668
Interest on debt	25	730
Materials and supplies (recovery)	(62,840)	69,446
Office and other	149,780	106,974
Professional fees	845,725	743,200
Program expenses	590,668	566,880
Repairs and maintenance	17,529	59,765
Salaries, benefits and honoraria	1,135,891	846,311
Subcontracts	481,525	381,261
Training	850	-
Travel	143,495	56,977
Utilities	90,288	169,906
	2,820,433	2,898,654
Deficit before transfers	(26,734)	(510,946)
Transfers between programs	(350,639)	199,407
Annual Deficit	(377,373)	(311,539)

Fort Albany First Nation
Community Development
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Flexible funding	1,873,350	1,334,407
Fixed funding	2,593,674	1,590,368
Block funding	133,403	132,419
Province of Ontario	1,190,160	857,631
Ontario First Nations Limited Partnership	1,345,202	955,067
First Nation and Inuit Health Branch	2,322,709	-
Earnings from Nation business entity	401,984	807,986
Impact Benefit Agreement receipts - De Beers	-	698,000
Mushkegowuk Council	157,113	137,534
Nishnawbe Aski Nation	3,468	-
Rental income (repayment)	(7,000)	7,950
Other	148,516	2,053
Deferred revenue - current year	(950,982)	-
	9,211,597	6,523,415
Expenses		
Administration	560,063	188,511
Amortization	193,482	77,971
Bad debts	30,539	85,205
Bank charges and interest	2,933	2,755
Insurance	6,594	5,305
Materials and supplies	663,302	235,565
Office and other	90,333	56,999
Professional fees	262,807	83,406
Program expenses	2,859,175	570,438
Rent (recovery)	48,550	(100)
Repairs and maintenance	121,669	24,716
Salaries, benefits and honoraria	1,048,128	558,135
Subcontracts	3,468,400	221,891
Training	35,014	-
Travel	521,500	54,686
Utilities	364,480	20,943
	10,276,969	2,186,426
Surplus (deficit) before transfers	(1,065,372)	4,336,989
Transfers between programs	496,274	72,312
Annual Surplus (deficit)	(569,098)	4,409,301

Fort Albany First Nation
Community Services - Operations and Maintenance
Schedule 6 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Flexible funding	4,175,197	-
Fixed funding	-	3,439,320
Block funding	1,760,388	714,222
Kimesskanemenow LP - winter road	1,326,228	1,283,265
Other	587,909	90,932
Deferred revenue - prior year	2,265,982	1,463,000
Deferred revenue - current year	(2,851,809)	(2,265,982)
	7,263,895	4,724,757
Expenses		
Administration	210,117	87,912
Amortization	893,469	855,219
Bad debts	34,701	1,500
Bank charges and interest	16	-
Insurance	314,195	261,235
Materials and supplies	688,751	108,652
Office and other	272,705	38,158
Professional fees	202,022	72,918
Program expenses	481,734	265,379
Rent	61,005	5,514
Repairs and maintenance	193,566	40,927
Salaries, benefits and honoraria	1,462,801	1,090,506
Sewage and waste facilities closure	-	200,000
Subcontracts	1,554,133	872,778
Training	19,996	24,529
Travel	211,733	89,682
Utilities	190,081	261,479
	6,791,025	4,276,388
Surplus before transfers	472,870	448,369
Transfers between programs	(145,634)	(71,884)
Annual Surplus	327,236	376,485

Fort Albany First Nation
Daycare
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Block funding	78,542	77,963
Province of Ontario	412,117	451,590
Mushkegowuk Council	91,246	42,136
	581,905	571,689
Expenses		
Administration	46,455	-
Amortization	17,441	19,271
Bank charges and interest	238	-
Insurance	3,079	2,482
Materials and supplies	52,435	82,974
Office and other	8,510	6,095
Rent	600	-
Repairs and maintenance	9,030	8,435
Salaries, benefits and honoraria	342,994	310,100
Subcontracts	15,615	9,771
Travel	1,750	-
Utilities	13,031	14,548
	511,178	453,676
Surplus before transfers	70,727	118,013
Transfers between programs	-	(41,805)
Annual Surplus	70,727	76,208

Fort Albany First Nation
Education

Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Flexible funding	196,236	-
Fixed funding	393,124	2,494,724
Block funding	10,098,206	7,755,681
Province of Ontario	98,400	105,793
First Nation and Inuit Health Branch	718,015	345,150
Mushkegowuk Council	-	25,679
Rental income	2,700	4,000
Other	216,277	15,609
Deferred revenue - prior year	2,341,441	610,485
Deferred revenue - current year	(2,402,572)	(2,341,441)
	11,661,827	9,015,680
Expenses		
Administration	105,317	-
Amortization	852,340	851,286
Bank charges and interest	12,947	13,014
Office and other	304,134	256,832
Post secondary education	1,114,329	893,025
Professional fees	269,842	172,077
Program expenses	456,283	197,662
Repairs and maintenance	1,041,527	559,315
Salaries, benefits and honoraria	3,729,113	3,817,184
School supplies	208,358	192,925
Training	40,966	32,791
Travel	231,225	294,348
Utilities	667,270	679,679
	9,033,651	7,960,138
Surplus before other items	2,628,176	1,055,542
Loss on disposal of tangible capital assets	(52,264)	-
Annual Surplus	2,575,912	1,055,542

Fort Albany First Nation
Health Services
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Flexible funding	458,696	3,621,620
Fixed funding	-	123,316
Set funding	-	31,779
Province of Ontario	144,067	382,067
First Nation and Inuit Health Branch	4,847,281	3,727,156
Mushkegowuk Council	-	173,284
Nishnawbe Aski Nation	460,283	494,978
Other	401,852	50,035
Deferred revenue - prior year	2,835,177	554,700
Deferred revenue - current year	(2,569,206)	(2,835,177)
	6,578,150	6,323,758
Expenses		
Administration	45,087	534
Amortization	171,725	121,084
Bad debts	2,124	-
Bank charges and interest	15,304	3,704
Materials and supplies	310,388	987,580
Office and other	82,815	104,148
Professional fees	131,011	92,265
Program expenses	2,493,937	1,519,821
Rent	-	6,000
Repairs and maintenance	53,920	167,780
Salaries, benefits and honoraria	1,854,052	1,998,868
Subcontracts	116,493	744,440
Training	12,050	3,576
Travel	454,918	236,138
Utilities	116,871	174,735
	5,860,695	6,160,673
Surplus before other items	717,455	163,085
Loss on disposal of tangible capital assets	(7,174)	31,020
Surplus before transfers	710,281	194,105
Transfers between programs	-	(158,029)
Annual Surplus	710,281	36,076

Fort Albany First Nation
Housing

Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Fixed funding	1,211,499	874,000
Block funding	610,165	605,664
Canada Mortgage and Housing Corporation	2,118,662	277,598
Rental income	167,580	154,640
Other	-	66,936
Deferred revenue - prior year	1,154,573	1,594,132
Deferred revenue - current year	(1,979,822)	(1,154,573)
	3,282,657	2,418,397
Expenses		
Amortization	498,526	730,199
Bad debts	8,426	27,378
Bank charges and interest	447	416
Insurance	101,913	92,302
Interest on long-term debt	51,004	43,547
Materials and supplies	329,896	56,676
Professional fees	38,275	-
Program expenses	-	1,400
Rent	-	285
Repairs and maintenance	71,672	10,215
Salaries, benefits and honoraria	226,354	195,352
Subcontracts	194,851	275,374
Travel	18,805	-
Utilities	35,979	62,799
	1,576,148	1,495,943
Surplus before other items	1,706,509	922,454
Loss on disposal of tangible capital assets	(227,202)	-
Annual Surplus	1,479,307	922,454

Fort Albany First Nation
Infrastructure
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Flexible funding	-	3,936
Block funding	202,764	-
Canada Mortgage and Housing Corporation	40,800	54,400
Province of Ontario	14,499	62,979
Mushkegowuk Council	-	20,358
Rental income	164,798	165,408
Other	202,400	500
Deferred revenue - prior year	-	1,128,142
	625,261	1,435,723
Expenses		
Amortization	157,362	163,839
Bad debts (recovery)	-	(230,967)
Bank charges and interest	284	531
Insurance	2,155	12,254
Interest on debt	57,354	38,702
Materials and supplies (recovery)	969	(133)
Program expenses	4,500	21,211
Rent	-	128
Repairs and maintenance	1,835	-
Salaries, benefits and honoraria	68,901	-
Subcontracts	76,660	9,043
Utilities	59,853	2,011
	429,873	16,619
Annual Surplus	195,388	1,419,104

Fort Albany First Nation
Social Assistance
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Flexible funding	-	10,389
Fixed funding	822,050	732,349
Block funding	100,522	99,780
Province of Ontario	3,265,795	3,359,547
Repayment of funding	(64,283)	(35,424)
Other	671	397
Deferred revenue - prior year	342,917	218,940
Deferred revenue - current year	(631,856)	(342,917)
	3,835,816	4,043,061
Expenses		
Administration (recovery)	(2,500)	2,500
Amortization	4,820	6,452
Bank charges and interest	6,887	5,471
Office and other	-	4,379
Professional fees	-	10,342
Program expenses	343,613	560,004
Repairs and maintenance	81,787	87,464
Salaries, benefits and honoraria	428,843	478,482
Social assistance payments	2,767,816	2,828,999
Subcontracts (recovery)	21,479	(3,352)
Travel	10,367	-
	3,663,112	3,980,741
Annual Surplus	172,704	62,320