

Anishinabe of Wauzhushk Onigum Nation
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended March 31, 2022

Anishinabe of Wauzhushk Onigum Nation
FINANCIAL STATEMENTS
For the Year Ended March 31, 2022

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Management's Responsibility for Financial Reporting

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

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

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

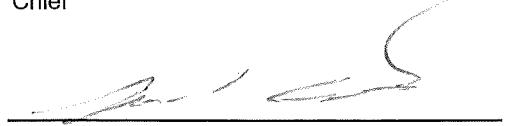
The First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council review the first Nation's financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditors' report. The Chief and Council takes this information into consideration when approving the financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.

The consolidated financial statements have been audited by Prairie Point Chartered Professional Accountants Ltd. in accordance with Canadian generally accepted auditing standards on behalf of the members. Prairie Point Chartered Professional Accountants Ltd. has full access to the First Nation Council.



Chief



Councillor

Independent Auditors' report

To the Members of
Anishinabe of Wauzhushk Onigum Nation

Qualified Opinion

We have audited the accompanying consolidated financial statements of Anishinabe of Wauzhushk Onigum Nation and its entities (the Group), which comprise the consolidated statement of financial position as at March 31, 2022 and the consolidated statements of operations, changes in net 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 and possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at March 31, 2022, and the results of its operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Group derives revenue from gaming activities, the completeness of which is not susceptible to satisfactory audit verification due to a lack of dual custody over cash and gaming cards. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Group. Therefore, we were not able to determine whether any adjustments might be necessary to gaming revenues, annual surplus (deficit) and cash flows from operations for the year ended March 31, 2021, financial assets as at March 31, 2022 and accumulated surplus as at April 1, 2021 and March 31, 2022.

The Summary of Significant Accounting Policies describes the capitalization policies with respect to the Group's tangible capital assets. For fiscal years commencing on or after January 1, 2009, Section 3150, Tangible Capital Assets requires that capital assets be capitalized and amortized over their estimated useful lives. The Group has not fully adopted these recommendations. Although the Group has recognized certain tangible capital assets and amortization as of the date of the consolidated financial statements, the Group has not gathered the necessary information to be in a position to recognize and disclose a complete inventory of any of its major classes of tangible capital assets, as disclosed in Note 11. Consequently, we were unable to determine whether any adjustments might be necessary to tangible capital assets, accumulated amortization and accumulated surplus as at April 1, 2021 and March 31, 2022 and amortization expense and annual surplus (deficit) for the year ended March 31, 2022.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

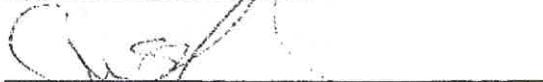
Prairie Point CPAs
Chartered Professional Accountants

Winnipeg, Manitoba
November 21, 2022

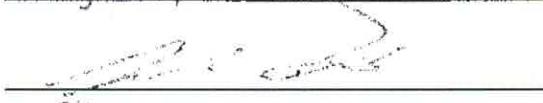
Anishinabe of Wauzhushk Onigum Nation
Consolidated Statement of Financial Position

As at March 31	2022	2021
Assets		
Financial Assets		
Cash and bank (Note 1)	\$ 6,623,773	\$ 7,649,318
Temporary investments (Note 2)	1,306,204	1,740,862
Accounts receivable (Note 3)	2,342,740	1,717,639
Inventory for resale	36,581	27,379
Due from related entities (Note 4)	342,202	385,084
Investment in government business enterprises (Note 5)	4,942,917	4,325,718
Ottawa Trust Funds (Note 8)	52,382	51,913
	<hr/>	<hr/>
	15,646,799	15,897,913
Liabilities		
Bank indebtedness (Note 10)	380,347	408,638
Accounts payable and accrued liabilities (Note 6)	1,581,966	1,149,311
Deferred revenue (Note 9)	3,839,589	4,492,096
Long-term debt (Note 7)	4,088,287	4,356,587
	<hr/>	<hr/>
	9,890,189	10,406,632
Net Financial Assets		
	<hr/>	<hr/>
	5,756,610	5,491,281
Commitments (Note 16)		
Non-Financial Assets		
Prepaid expenses	19,971	19,971
Tangible capital assets (Note 11)	32,588,453	27,807,678
	<hr/>	<hr/>
	32,608,424	27,827,649
Accumulated surplus (Note 12)	<hr/>	<hr/>
	\$ 38,365,034	\$ 33,318,930

Approved on behalf of Council:



Chief



Councillor



Councillor

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Anishinabe of Wauzhushk Onigum Nation
Consolidated Statement of Operations

<u>For the year ended March 31</u>	Budget (Unaudited)		2022	2021
	(Note 17)			
Revenue				
Indigenous Services Canada (Note 14)	\$	-	\$ 7,313,519	\$ 11,008,876
Canada Mortgage and Housing Corporation (Note 14)	-	3,569,465	254,190	
Health Canada (Note 14)	-	1,839,991	869,145	
Province of Ontario (Note 14)	-	4,302,437	3,886,346	
Shooniyya Wa-Biitong	-	68,743	68,743	
Ontario First Nations Limited Partnership	-	431,816	713,484	
Rent	-	547,825	315,223	
Other revenue (Note 15)	-	4,358,238	4,288,891	
Net income (loss) from government business enterprises	-	510,075	(411,259)	
	-	22,942,109	20,993,639	
Expenses				
Band support programs	-	2,080,559	1,716,558	
Casino Rama programs	-	421,804	600	
Economic development programs	-	571,301	428,964	
Social service programs	-	1,106,270	969,595	
Infrastructure programs	-	3,909,551	4,794,177	
Training and education programs	-	3,851,230	3,147,602	
Health programs	-	3,201,350	3,284,138	
Child care	-	932,593	809,935	
Golden Eagle Charitable Casino and Foundation	-	1,840,047	1,716,543	
	-	17,914,705	16,868,112	
Annual Surplus	-	5,027,404	4,125,527	
Accumulated Surplus, beginning of year	33,318,930	33,318,930	29,174,703	
Replacement reserve transfer	-	18,700	18,700	
Accumulated Surplus, end of year	\$ 33,318,930	\$ 38,365,034	\$ 33,318,930	

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Anishinabe of Wauzhushk Onigum Nation
Consolidated Statement of Changes in Net Financial Assets

As at March 31	Budget (Unaudited)	2022	2021
Annual Surplus	\$ -	5,027,404	\$ 4,125,527
Acquisition of tangible capital assets	- -	(5,566,743)	(2,856,583)
Amortization of tangible capital assets	- -	785,968	725,542
Transfer to replacement reserve	- -	18,700	18,700
Increase in net financial assets	- -	265,329	2,013,186
Net financial assets, beginning of year	5,491,281	5,491,281	3,478,095
Net financial assets, end of year	\$ 5,491,281	\$ 5,756,610	\$ 5,491,281

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Anishinabe of Wauzhushk Onigum Nation
Consolidated Statement of Cash Flows

For the year ended March 31	2022	2021
Operating activities		
Annual Surplus	\$ 5,027,404	\$ 4,125,527
Items not affecting cash		
Amortization	785,968	725,542
Income from government business enterprises	(617,199)	411,259
Changes in non-cash operating balances		
Accounts receivable	(625,101)	(563,523)
Inventory for resale	(9,202)	(415)
Accounts payable and accrued liabilities	432,655	(1,718,288)
Transfer to replacement reserve	18,700	18,700
Deferred revenue	(652,507)	544,749
Ottawa Trust Funds	(469)	(986)
Temporary investments	<u>434,658</u>	<u>3,899,008</u>
	<u>4,794,907</u>	<u>7,441,573</u>
Financing activities		
Repayment of long-term debt	(268,300)	(258,632)
Proceeds from long-term debt	-	367,332
	<u>(268,300)</u>	<u>108,700</u>
Investing activities		
Net change in loans and advances with related parties	<u>42,882</u>	<u>(261,461)</u>
Capital activities		
Purchase of capital assets	<u>(5,566,743)</u>	<u>(2,856,583)</u>
	<u>(5,566,743)</u>	<u>(2,856,583)</u>
(Decrease) Increase in cash	(997,254)	4,432,229
Cash, beginning of year	7,240,680	2,808,451
Cash, end of year	\$ 6,243,426	\$ 7,240,680
Consisting of:		
Cash and bank	\$ 6,623,773	\$ 7,649,318
Bank indebtedness	(380,347)	(408,638)
	<u>\$ 6,243,426</u>	<u>\$ 7,240,680</u>
Supplementary cash flow information		
Interest paid	\$ 71,076	\$ 107,844
Interest received	\$ 10,493	\$ 20,356

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Anishinabe of Wauzhushk Onigum Nation Summary of Significant Accounting Policies

March 31, 2022

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.

Reporting Entity and Principles of Consolidation The Anishinabe of Wauzhushk Onigum Nation (First Nation) reporting entity includes the Anishinabe of Wauzhushk Onigum Nation government and all related entities which are either owned or controlled by the Anishinabe of Wauzhushk Onigum Nation.

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

Under the modified equity method of accounting, only Anishinabe of Wauzhushk Onigum Nation's investment in the government business enterprise and the First Nation's portion of the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Anishinabe of Wauzhushk Onigum Nation and inter-organizational balances and transactions are not eliminated. Ozhushk-Onegaming Corporation is the only government business enterprise.

Organizations consolidated in Anishinabe of Wauzhushk Onigum Nation's financial statements include:

- Golden Eagle Casino and Charitable Entertainment Centre
- Wauzhushk Onigum Foundation
- Kinew Day Care

Anishinabe of Wauzhushk Onigum Nation Summary of Significant Accounting Policies

March 31, 2022

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

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

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

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

Gaming revenues are recognized at point of sale.

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

Amortization is provided for on a declining balance basis as follows:

Buildings	4%
Infrastructure	4%
Computer equipment	30%
Heavy equipment	30%
Equipment	20%
Automotive and Buses	30%

Certain assets which have historical or cultural value, including work of art, historical documents and 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.

Measurement Uncertainty The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make assumptions and estimates that have an effect on the reported amounts of assets and liabilities and disclosure at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could be different from those estimates.

Anishinabe of Wauzhushk Onigum Nation
Summary of Significant Accounting Policies

March 31, 2022

Measurement Uncertainty (continued)	Since March 31, 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in a widespread health crisis that has affected economies around the world resulting in economic downturn. This outbreak may also cause staff shortages, increased government regulations or interventions, all of which may negatively impact the financial condition and/or results of operations of the First Nation. The duration and impact of the COVID-19 outbreak is still unknown at this time and it is not possible to reliably estimate the length and the severity of these developments.
Inventory	Inventories of goods available for resale are recorded at lower of cost and net realizable value.
Pension Plan	The First Nation maintains a defined contribution pension plan for its personnel. Expenses for this plan are equal to the First Nation's required contribution for the year.
Temporary Investments	Temporary investments are recorded at cost, unless the market value has declined below cost, in which case they are written down to market value.
Investments in Government Enterprises	The First Nation has two investments in government enterprises which are accounted for using the modified equity method. Ozhushk-Onegaming Corporation was established to operate a marina, gas stations and convenience stores. 274164 Ontario Limited o/a The Reef Store by the Lake was established to operate a cannabis store.

Anishinabe of Wauzhushk Onigum Nation
Notes to Consolidated Financial Statements

March 31, 2022

1. Cash and bank

	2022	2021
Unrestricted Cash		
Administration	\$ 4,685,892	\$ 6,126,006
Social Services	112,200	141,816
Wauzhushk Onigum Foundation	318,302	169,369
Golden Eagle Charitable Casino and Entertainment Centre	329,533	247,817
Kinew Child Care Centre	188,053	145,929
	5,633,980	6,830,937
Restricted Cash		
Golden Eagle Casino	306,875	355,847
Flood claims	474,158	200,554
CMHC Replacement Reserve	208,760	261,980
	989,793	818,381
	\$ 6,623,773	\$ 7,649,318

2. Temporary Investments

	2022	2021
Wauzhushk Onigum Foundation:		
GIC, maturing May 2022, interest at .35%	\$ 152,644	\$ 152,262
GIC, maturing September 2022, interest at 0.35%	339,013	338,137
GIC, maturing June 2022, interest at .35%	814,547	-
GIC, maturing April 2021, interest at 1.68%	-	1,250,463
	\$ 1,306,204	\$ 1,740,862

3. Accounts Receivable

	2022	2021
Indigenous Services Canada	\$ 1,460,900	\$ 328,919
Health Canada	193,950	51,389
Canada Mortgage Housing Corporation	82,043	78,280
Province of Ontario	56,000	370,287
Other	549,847	888,764
	\$ 2,342,740	\$ 1,717,639

Anishinabe of Wauzhushk Onigum Nation
Notes to Consolidated Financial Statements

March 31, 2022

4. Due from Related Entities

	2022	2021
Loan receivable from Qzhushk-Onegaming Corporation, a Band controlled entity, repayable \$10,086 monthly including interest 1.0%	\$ -	\$ 45,360
Advances to Ozhushk-Onegaming Corporation, a Band controlled entity, due on demand, with interest 1.0%, unsecured	23,510	61,764
Advances to 2742164 Ontario Limited o/a The Reef Store by the Lake, a Band controlled entity, due on demand, with interest 0%, unsecured	318,692	277,960
	<u>\$ 342,202</u>	<u>\$ 385,084</u>

5. Investment in Government Business Enterprises

	2022	2021
<u>Ozhushk-Onegaming Corporation</u>		
Common share (100% equity interest), at cost	\$ 1	\$ 1
Advances, unsecured, interest at 1.0% per annum, with no fixed payment terms	-	651,164
Retained earnings	4,765,730	3,687,985
<u>274164 Ontario Limited o/a The Reef Store by the Lake</u>	1	1
Common share (100% equity interest), at cost		
Retained earnings (Deficit)	177,185	(13,433)
	<u>\$ 4,942,917</u>	<u>\$ 4,325,718</u>

Summary financial information for Ozhushk-Onegaming Corporation for the year ended March 31, 2022 is as follows:

	2022	2021
Assets	\$ 5,629,500	\$ 5,096,228
Liabilities	708,213	1,252,685
Shareholder's equity	4,921,287	3,843,543
Revenues	10,176,191	4,624,563
Net income (loss) for the year	\$ 1,077,746	\$ (242,264)

Summary financial information for 274164 Ontario Limited o/a The Reef Store by the Lake for the year ended March 31, 2022 is as follows:

	2022	2021
Assets	\$ 541,568	\$ 277,763
Liabilities	350,949	291,195
Shareholder's equity	190,619	(13,433)
Revenues	2,465,549	364,955
Net income (loss) for the year	\$ 204,051	\$ (13,433)

6. Accounts Payable and Accrued Liabilities

	2022	2021
Trade payables	\$ 1,445,955	\$ 851,703
School boards	136,011	297,608
	<u>\$ 1,581,966</u>	<u>\$ 1,149,311</u>

Anishinabe of Wauzhushk Onigum Nation
Notes to Consolidated Financial Statements

March 31, 2022

7. Long term Debt

	2022	2021
Flood claim advances from Government of Canada, non-interest bearing, maturing at the earlier of March 31, 2023 or the date on which the claims are settled	\$ 844,401	844,401
Mortgage payable to CMHC, repayable \$2,623 monthly including interest at 2.04%, secured by a Ministerial guarantee, renewing January 2023, maturing December 2032	303,693	328,720
Mortgage payable to CMHC, repayable \$4,291 including interest at 1.01%, secured by a Ministerial guarantee, renewing August 2026, maturing August 2036	690,685	734,918
Mortgage payable to CMHC, repayable \$4,227 including interest at 2.39%, secured by a Ministerial guarantee, renewing February 2023, maturing February 2038	671,523	705,835
Advances CMHC 8 Unit project in progress	1,521,933	1,521,933
Royal Bank loan, repayable \$2,580 monthly, including interest at Royal Bank prime plus 1.92%, secured by specific equipment, maturing May 2022	8,984	38,832
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	4,041,219	4,174,639

Anishinabe of Wauzhushk Onigum Nation
Notes to Consolidated Financial Statements

March 31, 2022

7. Long Term Debt (continued)

	2022	2021
Carry-forward	\$ 4,041,219	\$ 4,174,639
Royal Bank loan, repayable \$8,510 monthly including interest at 4.51%, secured by specific equipment, maturing June 2022	24,050	122,740
Royal Bank loan, repayable \$1,450 monthly including interest at 4.48%, secured by specific equipment, maturing June 2022	4,008	20,823
Bus loan payable to DeLage Landen Financial Services Canada Inc., repayable \$1,790 monthly including interest at 7.09%, secured by specific automotive equipment, maturing February 2023	19,010	38,385
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	\$ 4,088,287	\$ 4,356,587

The estimated principal repayments on the above long-term debt required over the next five years and thereafter are as follows:

2023	\$ 161,357
2024	107,132
2025	108,993
2026	110,892
2027	112,829
Thereafter	3,487,084
	<hr/>
	\$ 4,088,287

8. Trust Funds Held In Ottawa

	Opening balance, April 1, 2021	Additions	Closing balance, March 31,2022
Revenue	\$ 18,963	469	\$ 19,432
Capital	32,950	-	32,950
	<hr/>	<hr/>	<hr/>
	\$ 51,913	469	\$ 52,382

The Ottawa Trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. These funds are restricted in their use. The Band is permitted to use its revenue for any purpose that will promote the general progress and welfare of the Band and Band members. The expenditures of capital funds requires the consent of Indigenous Services Canada and generally must be for projects of a capital nature.

Anishinabe of Wauzhushk Onigum Nation
Notes to Consolidated Financial Statements

March 31, 2022

9. Deferred Revenue

	Opening balance April 1, 2021	Funding Received	Revenue Recognized	Opening balance March 31, 2022
Risk Management	\$ 75,000	\$ -	\$ -	75,000
MTSA - City of Kenora	89,069	-	89,069	-
Emergency Preparedness - ISC	70,920	-	70,920	-
First Nations Training	4,500	-	4,500	-
Business Park Master Plan	199,900	-	199,900	-
Prevention Program	81,784	-	81,784	-
CMHC RHI - 2021	3,737,692	-	3,425,723	311,969
Abinooji Inakonigewin fund	62,750	89,500	-	152,250
Shooniiya Wa Biitotng Programs	49,244	-	-	49,244
ESA St. Mary's	-	100,000	10,000	90,000
Band support	-	721,363	429,548	291,815
Legacy Fund	-	59,000	19,449	39,551
2 ISC Units 2021	-	614,000	-	614,000
Education	-	499,066	208,243	290,823
St. Mary's Residential School	-	1,347,889	972,469	375,420
Jordan's Principle Support	-	112,979	31,971	81,008
Homemakers - Long Term Care	-	158,034	54,248	103,786
In - Home Care	-	101,482	10,792	90,690
Community Health Representative	-	108,639	74,181	34,458
Building Healthy Communities	-	258,897	186,110	72,787
Aboriginal Diabetes Initiative	-	48,145	40,842	7,303
Homemakers and Nurses Services	-	35,000	3,500	31,500
Water	-	25,000	2,500	22,500
Cirna - Jordan's Principle - Dental Health	-	1,770,440	807,125	963,315
Kinew Daycare	121,237	878,945	858,012	142,170
	\$ 4,492,096	\$ 6,928,379	\$ 7,216,497	\$ 3,839,589

10. Bank Indebtedness

	2022	2021
General operating account	\$ 380,347	\$ 408,638

The RBC line of credit has a maximum credit capacity of \$200,000 and bears interest at prime plus 1.70% for a total of 4.40%. The unused credit capacity at year-end was \$200,000.

Anishinabe of Wauzhushk Onigum Nation
Notes to Financial Statements

March 31, 2022

11. Capital Assets

	2022						
	Cost			Accumulated Amortization			
	Opening Balance	Net Additions	Closing Cost	Opening balance	Amortization	Accumulated Amortization	Net Book Value
Land	\$ 49,000	\$ -	\$ 49,000	\$ -	\$ -	\$ -	\$ 49,000
Buildings	23,495,291	-	23,495,291	8,616,058	449,924	9,065,982	14,429,309
Infrastructure	14,048,033	4,771,200	18,819,233	1,708,449	71,266	1,779,715	17,039,518
Heavy equipment	1,061,900	795,543	1,857,443	857,631	180,612	1,038,243	819,200
Equipment	1,405,368	-	1,405,368	1,266,915	17,759	1,284,674	120,694
Automotive and buses	976,380	-	976,380	789,620	56,028	845,648	130,732
Computer equipment	80,338	-	80,338	69,959	10,379	80,338	-
	\$ 41,116,310	\$ 5,566,743	\$ 46,683,053	\$ 13,308,632	\$ 785,968	\$ 14,094,600	\$ 32,588,453

The net book value of tangible capital assets not being amortized because they are under construction or development or otherwise not yet available for use is \$18,944,600 (2021 - \$14,173,401).

Anishinabe of Wauzhushk Onigum Nation
Notes to Financial Statements

March 31, 2022

11. Capital Assets - continued

	2021									
	Cost				Accumulated Amortization					
	Opening Balance	Net Additions	Closing Cost	Opening balance	Amortization	Accumulated Amortization	Net Book Value			
Land	\$ 49,000	\$ -	\$ 49,000	\$ -	\$ -	\$ -	\$ 49,000			
Buildings	20,638,708	2,856,583	23,495,291	8,147,387	468,671	8,616,058				14,879,233
Infrastructure	14,048,033	-	14,048,033	1,634,213	74,236	1,708,449				12,339,584
Heavy equipment	1,061,900	-	1,061,900	770,087	87,544	857,631				204,269
Equipment	1,405,368	-	1,405,368	1,260,666	6,249	1,266,915				138,453
Automotive and buses	976,380	-	976,380	709,580	80,040	789,620				186,760
Computer equipment	80,338	-	80,338	61,157	8,802	69,959				10,379
	\$ 38,259,727	\$ 2,856,583	\$ 41,116,310	\$ 12,583,090	\$ 725,542	\$ 13,308,632	\$ 27,807,678			

Anishinabe of Wauzhushk Onigum Nation Notes to Consolidated Financial Statements

March 31, 2022

12. Accumulated Surplus

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

	2022	2021
Current funds	\$ 5,568,174	\$ 5,321,545
Investment in capital assets	32,588,453	27,807,678
Replacement reserve	208,407	189,707
	<hr/> \$ 38,365,034	<hr/> \$ 33,318,930

The investment in Capital assets represents amounts already spent and invested in capital assets.

Current funds represents the general activities of the First Nation.

Replacement reserve: Under agreements with CMHC, the First Nation is required to establish a replacement reserve, perpetuated by an annual allocation of funds to ensure replacement of buildings financed by CMHC.

In accordance with the terms of the agreements, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal. The replacement reserve is currently unfunded.

13. Defined Contribution Pension Plan

The expense for the First Nation's pension plan for the year was \$19,413 (2021 - \$21,754). The plan is funded equally by the organization and the First Nation's employees at rates determined by the employees as a percentage of the employee's salary. The funds are invested in segregated funds as directed by the First Nation's individual employees' investment directives.

**Anishinabe of Wauzhushk Onigum Nation
Notes to Consolidated Financial Statements**

March 31, 2022

14. Government Transfers

	2022			2021		
	Operating	Capital	Total	Operating	Capital	Total
Federal						
ISC	\$ 5,835,514	\$ 1,478,005	\$ 7,313,519	\$ 8,420,206	\$ 2,588,670	\$ 11,008,876
Health Canada	1,839,991	-	1,839,991	869,145	-	869,145
CMHC	-	3,569,465	3,569,465	254,190	-	254,190
	7,675,505	5,047,470	12,722,975	9,543,541	2,588,670	12,132,211
Provincial	4,302,437	-	4,302,437	4,247,416	-	4,247,416
	<u>\$ 11,977,942</u>	<u>\$ 5,047,470</u>	<u>\$ 17,025,412</u>	<u>\$ 13,790,957</u>	<u>\$ 2,588,670</u>	<u>\$ 16,379,627</u>

ISC and Health Canada funding per confirmation:

Funding per confirmation	\$ 11,192,508
Opening deferred revenue	521,173
Ending deferred revenue	(3,005,316)
Add items not recorded in confirmation	445,145
ISC and Health Canada funding per financial statements	\$ 9,153,510

Allocation per financial statements

ISC	\$ 7,313,519
Health Canada	1,839,991
	<u>\$ 9,153,510</u>

15. Other Revenues

	2022	2021
Interest revenue	\$ 18,712	\$ 19,740
Gaming revenues	1,640,035	1,015,051
Contributions from government business enterprise	432,060	416,418
Other	2,267,431	2,837,682
	<u>\$ 4,358,238</u>	<u>\$ 4,288,891</u>

16. Commitments

In March 2019, the First Nation committed to a Canada Mortgage and Housing Corporation mortgage to a maximum of \$2,032,000 for the construction of additional housing. Advances of \$nil (2020 - \$367,332) were received during the year for a total year to date balance at March 31, 2022 - \$1,521,933 (2021 - \$1,521,933).

**Anishinabe of Wauzhushk Onigum Nation
Notes to Consolidated Financial Statements**

March 31, 2022

17. Budget

The budget approved by Chief and Council was not prepared on a consolidated basis and does not include all of the activities of the First Nation. As a result, the budget presented in the consolidated statement of operations combines only the program budgets that were available. The program budgets approved by Chief and Council were not prepared on a basis consistent with that used to report actual financial statements results (Public Sector Accounting Standards). The budgets were prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget amounts are unaudited.

18. Segmented Information

Anishinabe of Wauzhushk Onigum Nation is a diversified local government that provides a wide range of services to its citizens and members, including band support, economic development, social services, infrastructure, training and education, health, child care and commercial enterprises. The Casino Rama segment includes the use of funds received under Ontario First Nations Limited Partnership agreements.

For each reported segment, revenues 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 segmented financial information. Operations and maintenance fee allocations have made to each building based on a percentage of overall maintenance costs. Administration fees, based on a percentage of revenues, have been allocated to programs where permitted by the funder.

Anishinabe of Wauzhushk Onigum Nation
Segmented Disclosure
For the year ended March 31, 2022

	Band Support	Casino Rama	Economic Development	Social Services	Infrastructure	Training and Education	Childcare	Health	Investment In Entities	Golden Eagle & Foundation	Consolidated 2022
Revenue											
Government Transfers	\$ 542,358	\$ -	\$ 429,699	\$ 1,227,902	\$ 7,497,873	\$ 4,169,526	\$ 659,691	\$ 2,498,363	\$ -	\$ -	\$ 17,025,412
Net income from government business enterprise	-	-	-	-	-	-	-	-	510,075	-	510,075
Other	575,134	433,565	659,891	-	553,085	88,871	256,121	675,538	-	2,164,417	5,406,622
	1,117,492	433,565	1,089,590	1,227,902	8,050,958	4,258,397	915,812	3,173,901	510,075	2,164,417	22,942,109
Expense											
Amortization	762,830	-	-	-	-	-	-	-	-	23,138	785,968
Salaries and benefits	343,440	-	65,463	48,997	721,572	811,776	546,744	1,451,771	-	1,346,015	5,335,778
Other expenses	974,289	421,804	505,838	1,057,273	3,187,979	3,039,454	385,849	1,749,579	-	470,894	11,792,959
	2,080,559	421,804	571,301	1,106,270	3,909,551	3,851,230	932,593	3,201,350	-	1,840,047	17,914,705
Excess of revenue (expense)	(963,067)	11,761	518,289	121,632	4,141,407	407,167	(16,781)	(27,449)	-	324,370	5,027,404
Transfer from (to) other segments	(143)	(591,960)	(116,997)	-	551,277	38,415	16,781	142,027	-	(39,400)	-
Excess of revenue (expense) for the year	\$ (963,210)	\$ (580,199)	\$ 401,292	\$ 121,632	\$ 4,692,684	\$ 445,582	-	\$ 114,578	\$ 510,075	\$ 284,970	\$ 5,027,404

Anishinabe of Wauzhushk Onigum Nation
Segmented Disclosure
For the year ended March 31, 2022

	Band Support	Casino Rama	Economic Development	Social Services	Infrastructure	Training and Education	Health	Childcare	Investment In Entities	Golden Eagle & Foundation	Consolidated 2021
Revenue											
Government Transfers	\$ 363,638	\$ -	\$ 204,500	\$ 945,315	\$ 7,944,711	\$ 3,148,100	\$ 2,906,167	\$ 689,928	\$ -	\$ -	\$ 16,202,359
Net income from government business enterprise	-	-	-	-	-	-	-	-	(411,259)	1,014,435	603,176
Other	1,082,248	714,100	395,377	-	520,224	64,082	828,406	120,007	-	463,660	4,188,104
	1,445,886	714,100	599,877	945,315	8,464,935	3,212,182	3,734,573	809,935	(411,259)	1,478,095	20,993,639
Expense											
Amortization	702,610	-	-	-	14,130	-	-	-	-	8,802	725,542
Salaries and benefits	273,562	-	72,404	50,059	479,950	680,950	1,596,592	510,626	-	650,570	4,314,713
Other expenses	740,386	600	356,560	919,536	4,300,097	2,466,652	1,687,546	299,309	-	1,057,171	11,827,857
	1,716,558	600	428,964	969,595	4,794,177	3,147,602	3,284,138	809,935	-	1,716,543	16,868,112
Excess of revenue (expense)											
Transfer from (to) other segments	(270,672)	713,500	170,913	(24,280)	3,670,758	64,580	450,435	-	-	(238,448)	4,125,527
	-	(630,648)	87,283	24,280	620,004	-	(100,919)	-	-	-	-
Excess of revenue (expense) for the year	\$ (270,672)	\$ 82,852	\$ 258,196	\$ -	\$ 4,290,762	\$ 64,580	\$ 349,516	\$ -	\$ (411,259)	\$ (238,448)	\$ 4,125,527