

**Wabigoon Lake Ojibway Nation  
Consolidated Financial Statements  
For the year ended March 31, 2018**

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Services aux Autochtones Canada  
Thunder Bay

**Wabigoon Lake Ojibway Nation**  
**Consolidated Financial Statements**  
For the year ended March 31, 2018

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## Management's Responsibility for Financial Reporting

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The accompanying consolidated financial statements of Wabigoon Lake Ojibway Nation are the responsibility of management and have been approved by the Chief and Council of the Band.


The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting principles. Financial statements are not precise since they include certain amounts based on estimates and judgements. 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 Band 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 Band's assets are appropriately accounted for and adequately safeguarded.

The Band 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 Band's consolidated 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 annual report, the consolidated financial statements and the external auditors' report. The Chief and Council takes this information into consideration when approving the consolidated 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 BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. BDO Canada LLP has full access to the Band Council.

  
Chief

  
First Nation Administrator

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## Independent Auditors' Report

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### To the Members of Wabigoon Lake Ojibway Nation

We have audited the accompanying consolidated financial statements of Wabigoon Lake Ojibway Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.



#### **Basis for Qualified Opinion**

We have consolidated the financial statements of government business enterprises owned by the First Nation using the modified equity method. We have not examined or expressed an opinion on all of these enterprises. We have been unable to determine whether there would be any adjustments to investments in incorporated business entities, equity in incorporated business entities or income of the incorporated business entities, had we audited these financial statements for the years ended March 31, 2018 and 2017.

The First Nation derives some of its revenue from fundraising efforts, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenue over expenses and cash flows from operations for the years ended March 31, 2017 and 2018, current assets as at March 31, 2017 and 2018, and net assets as at April 1 and March 31 for both the 2017 and 2018 years.

Our audit opinion for the year ended March 31, 2017 was modified accordingly because of the possible effects of these limitations in scope.

#### **Qualified Opinion**

In our opinion, except for the possible effects of matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Wabigoon Lake Ojibway Nation as at March 31, 2018, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting principles.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Dryden, Ontario  
February 25, 2019


# Wabigoon Lake Ojibway Nation

## Consolidated Statement of Financial Position

March 31	2018	2017
		(Restated - see Note 1)
<b>Financial assets</b>		
Bank (Note 2)	\$ 2,506,001	\$ 2,459,053
Short-term investments (Note 3)	19,234,503	19,221,638
Accounts receivable (Note 5)	1,110,132	4,568,178
Investments in incorporated business entities (Note 4)	1,502,769	1,312,070
Due from Wabigoon Anishnaabe Gitigewin Corporation (Note 6)	240,389	393,745
Investment in common shares (Note 7)	97,322	97,322
	<u>24,691,116</u>	<u>28,052,006</u>
<b>Financial liabilities</b>		
Accounts payable (Note 9)	1,467,314	1,134,463
Deferred revenue and government transfers (Note 8)	276,821	438,450
Debt financing (Note 10)	1,572,392	4,608,790
Capital lease obligations (Note 11)	132,609	-
	<u>3,449,136</u>	<u>6,181,703</u>
<b>Net financial assets</b>	21,241,980	21,870,303
<b>Non-financial assets</b>		
Tangible capital assets (Note 12)	8,222,809	7,525,810
<b>Accumulated surplus (Note 13)</b>	\$ 29,464,789	\$ 29,396,113

Approved on behalf of the First Nation:

  
Chief

  
First Nation Administrator

# Wabigoon Lake Ojibway Nation

## Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	Budget	2018	2017
	(Note 19)		(Restated - see Note 1)
<b>Revenue</b>			
Abinoojii Family Services	\$ -	\$ 4,050	\$ 500
Bimose Tribal Council	-	98,387	102,246
Canada Mortgage and Housing Corporation	-	307,736	200,246
Employment and Social Development Canada	-	13,017	14,835
Energy East	-	-	71,253
Fundraising	-	396,933	506,478
Grand Council Treaty #3	-	97,995	69,239
Health Canada	432,707	376,982	561,593
Indigenous and Northern Affairs Canada	2,298,025	2,218,914	5,277,886
Ministry of Community and Social Services	114,775	329,736	352,118
Ministry of Education	-	3,198	3,490
Ministry of Health	96,252	96,252	95,884
Ministry of Indigenous Relations and Reconciliation	90,000	147,500	137,074
Ministry of Northern Development and Mines	76,473	64,674	125,334
Northern Ontario Heritage Fund Corporation	-	-	31,500
Nuclear Waste Management Organization	2,014,786	1,842,369	895,403
Ontario First Nations Limited Partnership	-	654,256	645,515
Other	-	440,018	387,401
Paawidigong First Nation Forum Inc.	302,515	328,767	99,209
Share of income of WLON Distribution Ltd.	-	16,260	22,199
Share of loss of Wabigoon Anishnaabe Gitigewin Corporation	-	(207,010)	(205,637)
Share of income (loss) of 1013215 Ontario Inc.	-	155,974	(24,499)
Share of loss of 2582346 Ontario Inc.	-	(12,113)	-
Sioux Lookout Area Aboriginal Management Board	148,998	149,619	131,213
Transfer from WLON Trust	-	-	19,033,042
Wabigoon Lake Ojibway Nation Trust Income	-	991,977	1,358,946
Wabigoon Saaga'igan Anishinaabeg Development Corporation revenue	-	396,068	452,992
	5,574,531	8,911,559	30,345,460
<b>Expenses</b>			
Education	922,550	928,295	710,512
General	3,881,309	5,578,136	4,876,823
Welfare	182,925	372,889	392,086
Fundraising	-	503,130	412,616
Canada Mortgage and Housing Corporation	-	30,528	26,120
Internal WLON Trust	756,678	836,625	-
Wabigoon Lake Ojibway Nation Trust Expense	-	249,272	96,812
Wabigoon Saaga'igan Anishinaabeg Development Corporation expenses	-	144,008	223,905
Allowance for doubtful investment	-	200,000	-
	5,743,462	8,842,883	6,738,874
<b>Excess of revenue over expenses for the year</b>	(168,931)	68,676	23,606,586
<b>Financing, transfers and adjustments</b>			
Transfers from Wabigoon Lake Ojibway Nation Trust	1,526,678	-	-
<b>Surplus for the year</b>	1,357,747	68,676	23,606,586
<b>Accumulated surplus, beginning of year</b>	29,396,113	29,396,113	4,862,469
<b>Prior year adjustment (Note 1)</b>	-	-	927,058
<b>Accumulated surplus, beginning of year, as restated</b>	29,396,113	29,396,113	5,789,527
<b>Accumulated surplus, end of year</b>	\$ 30,753,860	\$ 29,464,789	\$ 29,396,113

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

## Wabigoon Lake Ojibway Nation

### Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	Budget	Actual 2018	Actual 2017
	(Note 19)		(Restated - see Note 1)
Annual surplus	\$ 1,357,747	\$ 68,676	\$ 23,606,586
Acquisition of tangible capital assets	(1,357,747)	(1,558,138)	(837,757)
Amortization of tangible capital assets	-	861,139	894,057
Net change in net financial assets (debt)	-	(628,323)	23,662,886
Net financial assets (debt), beginning of year, as previously stated	21,870,303	21,870,303	(2,719,641)
Prior period adjustment (Note 1)	-	-	927,058
Net financial assets (debt), beginning of year, restated	21,870,303	21,870,303	(1,792,583)
Net financial assets, end of year	\$ 21,870,303	\$ 21,241,980	\$ 21,870,303



## Wabigoon Lake Ojibway Nation Consolidated Statement of Cash Flows

For the year ended March 31	2018	2017
		(Restated - see Note 1)
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses for the year	\$ 68,676	\$ 23,606,586
<b>Item not involving cash</b>		
Amortization	861,139	894,057
<b>Changes in non-cash working capital balances</b>		
Accounts receivable	3,458,046	(2,828,026)
Due from Wabigoon Anishnaabe Gitigewin Corporation	153,356	-
Accounts payable	332,851	292,532
Deferred revenue and government transfers	(161,629)	438,450
	<u>4,712,439</u>	<u>22,403,599</u>
<b>Capital activities</b>		
Purchase of tangible capital assets	(1,558,138)	(837,757)
<b>Financing activities</b>		
Increase in capital lease obligations	132,609	-
Decrease in debt financing	(3,036,398)	(640,026)
	<u>(2,903,789)</u>	<u>(640,026)</u>
<b>Investing activities</b>		
Net change in investment in incorporated business entities	(190,699)	133,905
Acquisition of short-term investments	(12,865)	(19,064,237)
	<u>(203,564)</u>	<u>(18,930,332)</u>
<b>Increase in cash during the year</b>	46,948	1,995,484
<b>Bank, beginning of year</b>	2,459,053	463,569
<b>Bank, end of year</b>	<u>\$ 2,506,001</u>	<u>\$ 2,459,053</u>

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

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## Wabigoon Lake Ojibway Nation Summary of Significant Accounting Policies

March 31, 2018

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**Basis of Presentation** These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting standards for governments, as defined by the Public Sector Accounting Board.

**Investment in Common Shares** Investment in common shares is recorded at cost. A write-down is recorded where there has been a loss in value that is other than a temporary decline.

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

Amortization of these assets is recorded on a straight-line basis commencing in the year of acquisition or construction as follows:

General and CMHC Housing	5%
Infrastructure and Community Buildings	5%
Equipment	20%
Automotive	30%

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

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

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

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## Wabigoon Lake Ojibway Nation Summary of Significant Accounting Policies

March 31, 2018

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### Reporting Entity and Principles of Financial Reporting

Wabigoon Lake Ojibway Nation reporting entity includes the Wabigoon Lake Ojibway Nation government and related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Wabigoon Lake Ojibway Nation Fundraising Account
- Wabigoon Lake Ojibway Nation CMHC
- Wabigoon Saaga'igan Anishinaabeg Development Corporation
- Wabigoon Lake Ojibway Nation Trust

Incorporated business entities, which are owned or controlled by Wabigoon Lake Ojibway Nation and which are not dependent on the First Nation for their continuing operations are included in the financial statements using the modified equity method. These include:

- Wabigoon Anishnaabe Gitigewin Corporation (o/a Wabigoon Lake Tree Nursery)
- 1013215 Ontario Inc. (o/a Wabigoon Lake Community Store)
- WLON Distribution Ltd.
- WLON Distribution, LP
- Wabigoon Lake Ojibway Nation General Partner Inc.
- 1876981 Ontario Inc.
- 2582346 Ontario Inc. (o/a White Feather Resort)

### Revenue Recognition

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

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

Rental and user fee revenue is recognized on a monthly basis as income is earned and when collection is reasonably assured.

Sale of goods and other revenue from services provided is recognized when title passes to the buyer and/or when services have been rendered and the transaction can be reasonably assured.

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## Wabigoon Lake Ojibway Nation Summary of Significant Accounting Policies

March 31, 2018

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### Use of Estimates

The preparation of the consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have impact on future periods.

# Wabigoon Lake Ojibway Nation

## Notes to Consolidated Financial Statements

March 31, 2018

### 1. Prior Period Adjustment - Ontario First Nations Limited Partnership Revenue

During the year, the First Nation determined that the Ontario First Nations Limited Partnership ("OFNLP") program funds should not have been deferred and instead reflected in accumulated surplus. This error has been corrected retroactively with restatement of prior years. The correction had the following effect on the comparative financial statements:

#### Consolidated Statement of Financial Position

Decrease in deferred revenues	\$ (1,118,659)
Increase in annual surplus	<u>191,601</u>
Increase in opening 2017 accumulated surplus	<u>\$ (927,058)</u>

#### Consolidated Statement of Operations and Accumulated Surplus

Increase in revenue	<u>\$ 191,601</u>
Increase in annual surplus	<u>\$ 191,601</u>

### 2. Bank

	2018	2017
CMHC - Operating	\$ 1,138	\$ 1,178
CMHC - Reserve Fund	6,405	11,033
Casino Rama	263,286	39,039
Concessions	14,699	13,638
Education	44,933	(37,609)
Expense Account	441	461
Fundraising	87,123	249,461
General	147,204	163,963
NWMO - Cash on hand	2,002	2,002
Small Business Centre	98,523	11,096
Special Projects	59,287	29,991
WLON Trust Account	762,061	1,145,595
WLON Trust Income	4,213	233,941
WLON Trust Per Capita	87,999	-
Wabigoon Saaga'igan Anishinaabeg Development Corporation	871,222	618,032
Welfare	<u>55,465</u>	<u>(22,768)</u>
	<u>\$ 2,506,001</u>	<u>\$ 2,459,053</u>

The First Nation is, in the normal course of operations, exposed to credit risk from having account balances over the amounts insured by the Canadian Deposit Insurance Corporation.

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 3. Short-Term Investments

	2018	2017
Wabigoon Lake First Nation Trust		
- Cash	\$ 688,785	\$ 416,785
- Fixed Income	7,936,747	7,643,373
- Equities	10,608,971	11,094,022
	19,234,503	19,154,180
GIC, interest at 1%		
- Maturing within the next fiscal year	-	67,458
	<u>\$ 19,234,503</u>	<u>\$ 19,221,638</u>

### 4. Investments in Incorporated Business Entities

	2018	2017
Wabigoon Anishnaabe Gitigewin Corporation	\$ 153,991	\$ 361,001
1013215 Ontario Inc. (o/a Wabigoon Lake Community Store)	1,118,757	962,783
2582346 Ontario Inc. (o/a White Feather Resort)	225,475	-
WLON Distribution Ltd., WLON Distribution, LP, Wabigoon Lake Ojibway Nation General Partner Inc.	4,536	(11,724)
1876981 Ontario Inc.	10	10
	<u>\$ 1,502,769</u>	<u>\$ 1,312,070</u>

All above incorporated business entities are 100% owned by Wabigoon Lake Ojibway Nation.

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 4. Investments in Incorporated Business Entities (continued)

#### Wabigoon Anishnaabe Gitigewin Corporation

Financial information for Wabigoon Anishnaabe Gitigewin Corporation for its non-coterminous December 31 fiscal periods reflected herein is as follows:

#### Balance Sheet

as at December 31

	2018	2017
<b>Assets</b>		
Current	\$ 695,739	\$ 847,658
Capital assets	699,065	730,056
	<u>\$ 1,394,804</u>	<u>\$ 1,577,714</u>
<b>Liabilities and Shareholder's Equity</b>		
Current	\$ 657,068	\$ 632,968
Due to Wabigoon Lake Ojibway Nation	583,745	583,745
	<u>1,240,813</u>	<u>1,216,713</u>
<b>Shareholder's equity</b>		
Share capital	100	100
Contributed surplus	483,707	483,707
Retained earnings	(329,816)	(122,806)
	<u>153,991</u>	<u>361,001</u>
	<u>\$ 1,394,804</u>	<u>\$ 1,577,714</u>

#### Statement of Operations and Deficit

For the year ended December 31

	2018	2017
Revenue	\$ 614,988	\$ 677,479
Cost of goods sold	613,140	666,490
Gross profit	1,848	10,989
Operating expenses	235,528	230,103
Loss before other income and provision for income taxes	(233,680)	(219,114)
Other income	1,850	-
Provision for income taxes	(24,820)	(13,477)
Net loss for the year	(207,010)	(205,637)
Retained earnings (deficit), beginning of year	(122,806)	82,831
Deficit, end of year	<u>\$ (329,816)</u>	<u>\$ (122,806)</u>

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

4. Investments in Incorporated Business Entities (continued)  
1013215 Ontario Inc. (o/a Wabigoon Lake Community Store)

Balance Sheet  
as at March 31  
(NOT SUBJECT TO AUDIT)

	2018	2017
<b>Assets</b>		
Current	\$ 831,614	\$ 846,864
Capital assets	316,477	201,906
	<u>\$ 1,148,091</u>	<u>\$ 1,048,770</u>
<b>Liabilities and Shareholder's Equity</b>		
Current	\$ 29,334	\$ 85,987
<b>Shareholder's equity</b>		
Share capital	100	100
Contributed surplus	860,300	860,300
Retained earnings	258,357	102,383
	<u>1,118,757</u>	<u>962,783</u>
	<u>\$ 1,148,091</u>	<u>\$ 1,048,770</u>

Statement of Operations and Retained Earnings  
For the year ended March 31  
(NOT SUBJECT TO AUDIT)

	2018	2017
Revenue	\$ 4,499,088	\$ 4,151,825
Cost of goods sold	3,845,215	3,626,512
Gross profit	653,873	525,313
Operating expenses	497,899	549,812
Net income (loss) for the year	155,974	(24,499)
Retained earnings, beginning of year	102,383	126,882
Retained earnings, end of year	<u>\$ 258,357</u>	<u>\$ 102,383</u>



## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 4. Investments in Incorporated Business Entities (continued)

2582346 Ontario Inc. (o/a White Feather Resort)

Balance Sheet  
as at March 31  
(NOT SUBJECT TO AUDIT)

	2018	2017
<b>Assets</b>		
Current	\$ 20,529	\$ -
Capital assets	217,903	-
	<u>\$ 238,432</u>	<u>\$ -</u>

#### Liabilities and Shareholder's Equity

Current	\$ 12,957	\$ -
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#### Shareholder's equity

Share capital	100	-
Contributed surplus	237,488	-
Deficit	(12,113)	-
	<u>225,475</u>	<u>-</u>
	<u>\$ 238,432</u>	<u>\$ -</u>

Statement of Operations and Deficit  
For the year ended March 31  
(NOT SUBJECT TO AUDIT)

	2018	2017
Revenue	\$ 21,293	\$ -
Operating expenses	43,242	-
Other income	9,836	-
Net loss for the year	(12,113)	-
Equity (deficit), beginning of year	-	-
Deficit, end of year	<u>\$ (12,113)</u>	<u>\$ -</u>

# Wabigoon Lake Ojibway Nation

## Notes to Consolidated Financial Statements

March 31, 2018

4. Investments in Incorporated Business Entities (continued)

WLON Distribution Ltd., WLON Distribution,  
LP, Wabigoon Lake Ojibway Nation General  
Partner Inc.

Balance Sheet  
as at March 31  
(NOT SUBJECT TO AUDIT)

	2018	2017
<b>Assets</b>		
Current	\$ 102,102	\$ 66,411
Capital assets	163,751	171,414
	<u>\$ 265,853</u>	<u>\$ 237,825</u>
<b>Liabilities and Shareholder's Equity</b>		
Current	<u>\$ 261,317</u>	<u>\$ 249,549</u>
<b>Shareholder's equity</b>		
Share capital	11	11
Contributed surplus	34,453	34,453
Deficit	<u>(29,928)</u>	<u>(46,188)</u>
	4,536	(11,724)
	<u>\$ 265,853</u>	<u>\$ 237,825</u>

Statement of Operations and Deficit  
For the year ended March 31  
(NOT SUBJECT TO AUDIT)

	2018	2017
Revenue	\$ 98,783	\$ 101,884
Operating expenses	<u>82,523</u>	<u>79,685</u>
Net income for the year	16,260	22,199
Deficit, beginning of year	<u>(46,188)</u>	<u>(68,387)</u>
Deficit, end of year	<u>\$ (29,928)</u>	<u>\$ (46,188)</u>

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 5. Accounts Receivable

	2018	2017
<b>General</b>		
Bimose Tribal Council	\$ 11,325	\$ 18,070
Canada Mortgage and Housing Corporation	270,996	-
Dundee Industrial Solar LP	41,017	-
First Mining Corporation	-	52,335
Grand Council Treaty #3	-	3,145
Harmonized Sales Tax	53,725	21,904
Health Canada	13,882	6,724
Indigenous and Northern Affairs Canada	156,608	254,669
Medical Services Branch	3,810	-
Ministry of Health	3,224	3,590
Ministry of Northern Development and Mines	34,084	38,508
Nuclear Waste Management Organization	293,540	521,901
Paawidigong First Nation Forum Inc.	-	80,000
Sioux Lookout Area Aboriginal Management Board	73,872	40,826
WLON Distribution Ltd.	27,549	27,549
White Feather Resort	6,023	-
Other	-	3,295
	<u>989,655</u>	<u>1,072,516</u>
<b>CMHC Housing</b>		
Canada Mortgage and Housing Corporation	<u>1,904</u>	<u>1,904</u>
<b>Education</b>		
Bimose Tribal Council	13,126	44,085
Indigenous and Northern Affairs Canada	88,866	16,880
Other	750	21,733
	<u>102,742</u>	<u>82,698</u>
<b>Welfare</b>		
Ministry of Community and Social Services	<u>15,831</u>	<u>7,015</u>
<b>Wabigoon Saaga'igan Anishinaabeg Development Corporation</b>		
Domtar	<u>-</u>	<u>42,048</u>
<b>WLON Trust</b>		
Indigenous and Northern Affairs Canada	<u>-</u>	<u>3,361,997</u>
	<u>\$ 1,110,132</u>	<u>\$ 4,568,178</u>

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

6. Due from Wabigoon Anishnaabe Gitigewin Corporation

	2018	2017
Due from Wabigoon Anishnaabe Gitigewin Corporation	\$ 630,389	\$ 583,745
Allowance for doubtful accounts	(390,000)	(190,000)
	<u>\$ 240,389</u>	<u>\$ 393,745</u>

Amounts due from Wabigoon Anishnaabe Gitigewin Corporation are unsecured, interest free, are not due within one year and have no specific terms of repayment.

7. Investment in Common Shares

	2018	2017
129,763 common shares of First Mining Finance Corporation at cost of \$0.75 per share (FMV of \$0.46 per share on March 31, 2018)	<u>\$ 97,322</u>	<u>\$ 97,322</u>

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 8. Deferred Revenue and Government Transfers

	Balance March 31 2017	Funding Received 2018	Funding Recognized 2018	Balance March 31 2018
<b>Federal Government</b>				
Indigenous and Northern Affairs Canada	\$ 201,600	\$ 2,168,410	\$ 2,222,436	\$ 147,574
Canada Mortgage and Housing Corporation	-	307,736	307,736	-
Health Canada	-	376,982	376,982	-
<b>Provincial Government</b>				
Ministry of Indigenous Relations and Reconciliation	-	147,500	147,500	-
Ministry of Community & Social Services	-	329,736	329,736	-
Ministry of Education	-	3,198	3,198	-
Ministry of Health and Long- Term Care	-	96,252	96,252	-
Northern Ontario Heritage Fund Corporation	-	-	-	-
Ontario First Nation Limited Partnership	-	654,256	654,256	-
<b>Other</b>				
Nuclear Waste Management Organization	168,291	1,803,325	1,842,369	129,247
Paawidigong First Nation Forum Inc.	68,559	260,208	328,767	-
	<u>\$ 438,450</u>	<u>\$ 6,147,603</u>	<u>\$ 6,309,232</u>	<u>\$ 276,821</u>

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## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

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9.     Accounts Payable

	2018	2017
Education	\$ 254,354	\$ 219,082
CMHC Program	9,658	2,711
General	860,215	616,188
Welfare	30,306	64,968
Wabigoon Saaga'igan Anishinaabeg Development Corporation	286,339	227,255
WLON Trust	4,262	4,259
WLON Internal Trust	22,180	-
	<u>\$ 1,467,314</u>	<u>\$ 1,134,463</u>

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## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 10. Debt Financing

	2018	2017
Indigenous and Northern Affairs Canada - no interest, loan repayable when flood claims settled	\$ 1,142,034	\$ 1,142,034
Canada Mortgage and Housing Corporation - 2.11%, mortgage repayable in monthly payments of \$3,194 interest and principal, secured by ministerial guarantee; maturing 2019	368,524	398,765
Komatsu - no interest, repayable in monthly payments of \$3,865, secured by equipment; maturing 2019	61,834	108,209
RBC Non-Revolving Term Loan - 3.25%, interest only payments until October 31, 2015, secured by general security agreement, assignment of trust income, and assignment of OFNLP funds	-	2,959,782
	<u>\$ 1,572,392</u>	<u>\$ 4,608,790</u>

The principal repayments over the next five years and thereafter, assuming loans maturing are renewed with the same terms, are due as follows:

	Principal	Interest	Total
2019	\$ 77,227	\$ 7,479	\$ 84,706
2020	46,968	6,821	53,789
2021	32,181	6,150	38,331
2022	32,866	5,464	38,330
2023	33,566	4,764	38,330
Thereafter	1,349,584	23,072	1,372,656
	<u>\$ 1,572,392</u>	<u>\$ 53,750</u>	<u>\$ 1,626,142</u>

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## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 11. Capital Lease Obligations

	2018	2017
Lease payable, repayable at \$4,911 per month including interest at 0%, secured by equipment; maturing 2021	\$ 132,609	\$ -

The future minimum lease payments for the next three years are due as follows:

	Principal
2019	\$ 58,937
2020	58,937
2021	14,735
	<u>\$ 132,609</u>

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## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 12. Tangible Capital Assets

	2018							
	Land	General Housing	CMHC Housing	Infrastructure	Community Buildings	Automotive	Equipment	Total
Cost, beginning of year	\$ 299,740	\$ 2,808,798	\$ 1,337,428	\$ 781,846	\$ 6,115,575	\$ 1,294,715	\$ 744,355	\$ 13,382,457
Additions	-	-	474,606	205,020	447,575	410,573	20,364	1,558,138
Cost, end of year	\$ 299,740	\$ 2,808,798	\$ 1,812,034	\$ 986,866	\$ 6,563,150	\$ 1,705,288	\$ 764,719	\$ 14,940,595
Accumulated amortization, beginning of year	\$ -	\$ 1,461,902	\$ 973,671	\$ 749,905	\$ 984,662	\$ 1,033,145	\$ 653,362	\$ 5,856,647
Amortization	-	123,746	66,871	14,392	351,888	263,623	40,619	861,139
Accumulated amortization, end of year	\$ -	\$ 1,585,648	\$ 1,040,542	\$ 764,297	\$ 1,336,550	\$ 1,296,768	\$ 693,981	\$ 6,717,786
Net carrying amount, end of year	\$ 299,740	\$ 1,223,150	\$ 771,492	\$ 222,569	\$ 5,226,600	\$ 408,520	\$ 70,738	\$ 8,222,809

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 12. Tangible Capital Assets (continued)

	2017							
	Land	General Housing	CMHC Housing	Infrastructure	Community Buildings	Automotive	Equipment	Total
Cost, beginning of year	\$ 299,740	\$ 2,547,817	\$ 1,337,428	\$ 781,846	\$ 5,838,740	\$ 1,047,045	\$ 692,084	\$ 12,544,700
Additions	-	260,981	-	-	276,835	247,670	52,271	837,757
Cost, end of year	\$ 299,740	\$ 2,808,798	\$ 1,337,428	\$ 781,846	\$ 6,115,575	\$ 1,294,715	\$ 744,355	\$ 13,382,457
Accumulated amortization, beginning of year	\$ -	\$ 1,329,181	\$ 906,800	\$ 713,187	\$ 598,312	\$ 874,486	\$ 540,624	\$ 4,962,590
Amortization	-	132,721	66,871	36,718	386,350	158,659	112,738	894,057
Accumulated amortization, end of year	\$ -	\$ 1,461,902	\$ 973,671	\$ 749,905	\$ 984,662	\$ 1,033,145	\$ 653,362	\$ 5,856,647
Net carrying amount, end of year	\$ 299,740	\$ 1,346,896	\$ 363,757	\$ 31,941	\$ 5,130,913	\$ 261,570	\$ 90,993	\$ 7,525,810

The net book value of tangible capital assets not being amortized because they are under construction (or development) is \$NIL (2017 - \$11,442).

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 13. Accumulated Surplus

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

	2018	2017
Equity in capital asset fund	\$ 8,222,809	\$ 7,525,810
Equity in investments	97,322	97,322
Equity in incorporated business entities (Note 4)	1,502,769	1,312,070
Amounts to be recovered	(1,705,001)	(4,608,789)
Casino Rama	1,233,128	1,118,659
Restricted	1,460,417	1,609,074
WLON Trust	18,355,776	22,087,536
Reserve fund - NWMO	200,000	-
Unrestricted	97,569	254,431
	<u>\$ 29,464,789</u>	<u>\$ 29,396,113</u>

The restricted surplus is an internal restriction imposed by Council. When applying for trust funds, Council agreed to spend the investment income from the trust on designated projects.

### 14. Cash Held in Trust by INAC

Trust funds administered by INAC for the benefit of the First Nation are not reflected in the consolidated statement of financial position nor is the trust fund operations reported in the consolidated statement of operations and accumulated surplus.

	Capital Account	Revenue Account	Total
Balance, beginning of year	\$ 2,718	\$ 10,669	\$ 13,387
Interest earned during the year	-	284	284
Balance, end of year	<u>\$ 2,718</u>	<u>\$ 10,953</u>	<u>\$ 13,671</u>

### 15. Economic Dependence

Wabigoon Lake Ojibway Nation received a major portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada.

## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

### 16. Loan Guarantees

Wabigoon Lake Ojibway Nation has guaranteed the loans of Wabigoon Anishnaabe Gitigewin Corporation and WLON Distribution Ltd.

The guarantee to Wabigoon Anishnaabe Gitigewin Corporation is up to a maximum of \$450,000 of which \$nil is utilized.

The guarantee to WLON Distribution Ltd. is up to a maximum of \$386,000 of which \$nil is utilized.

### 17. INAC Funding Reconciliation

	2018	2017
Funding per financial statements	\$ 2,218,914	\$ 5,277,886
Prior year deferred revenues	(201,600)	-
Current year deferred revenues	147,574	201,600
Prior year recoveries (adjustments)	3,522	(4,122)
Tuition funding repayable (receivable)	(71,986)	46,845
Service Delivery Infrastructure funding repayable	-	30,306
National Child Benefit funding repayable	-	9,600
INAC funding per funding confirmation	<u>\$ 2,096,424</u>	<u>\$ 5,562,115</u>

### 18. Health Canada Funding Reconciliation

	2018	2017
Funding per financial statements	\$ 376,982	\$ 561,593
Home and Community Care repayable	55,725	41,086
Health Canada funding per funding confirmation	<u>\$ 432,707</u>	<u>\$ 602,679</u>

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## Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2018

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### 19. Budget Figures

Under Canadian public sector accounting principles, budget amounts are to be reported on the consolidated statement of operations and accumulated surplus for comparative purposes. These budget figures have been provided by management.

	<u>2018</u>
Financial Plan (Budget) Bylaw surplus for the year	\$ -
Add:	
Capital expenses	1,357,747
Less:	
Amortization	<u>-</u>
Budget surplus per statement of operations and accumulated surplus	<u>\$ 1,357,747</u>

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### 20. Comparative Figures

Certain of the comparative figures presented in the consolidated financial statements have been reclassified to conform to the current year's presentation.

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### 21. Segmented Information

Wabigoon Lake Ojibway Nation is a diversified local government that provides a wide range of services to its citizens and members, including band support, Casino Rama, infrastructure, health, flood claims, economic development, social services, fundraising, education and training, CMHC and commercial enterprises.

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. Administrative fees, based on a percentage of revenues, have been allocated to programs where permitted by the funder.

21. Segmented Information (continued)

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements Segmented Disclosure - Statement of Financial Activities												
For the year ended March 31	Band Support	Casino Rama	Infrastructure	Health	WLON Trust	Economic Development	Social Services	Fundraising	Education and Training	CMHC	Commercial Enterprises	Consolidated 2018
Revenue												
Government transfers	\$ 564,217	\$ 654,256	\$ 838,944	\$ 661,642	\$ -	\$ 2,298,143	\$ 384,688	\$ -	\$ 860,078	\$ 22,851	\$ -	\$ 6,284,819
Other	393,501	-	69,232	244,709	991,977	-	-	451,193	126,949	-	(46,889)	2,230,672
Wabigoon Saaga'igan Anishinaabeg Development Corporation revenue	-	-	-	-	-	-	-	-	-	-	396,068	396,068
	957,718	654,256	908,176	906,351	991,977	2,298,143	384,688	451,193	987,027	22,851	349,179	8,911,559
Expenses												
Amortization	-	-	861,139	-	-	-	-	-	-	-	-	861,139
Capital asset additions from operating	-	-	(1,558,138)	-	-	-	-	-	-	-	-	(1,558,138)
Contracted services, supplies and other	710,548	39,978	1,214,739	332,244	1,634,076	579,266	272,939	495,882	422,215	27,828	-	5,729,715
Salaries and benefits	864,802	6,791	275,986	420,583	-	336,428	89,490	51,295	514,811	2,700	-	2,562,886
Travel and training	103,791	-	-	1,676	70	537,916	10,461	8,557	33,193	-	-	695,664
Rent, utilities, telephone	38,184	-	121,284	-	-	48,000	-	-	140	-	-	207,608
Wabigoon Saaga'igan Anishinaabeg Development Corporation expenses	-	-	-	-	-	-	-	-	-	-	144,009	144,009
Allowance for doubtful investment	200,000	-	-	-	-	-	-	-	-	-	-	200,000
	1,917,325	46,769	915,010	754,503	1,634,146	1,501,610	372,890	555,734	970,359	30,528	144,009	8,842,883
Surplus (deficit) for the year	\$ (959,607)	\$ 607,487	\$ (6,834)	\$ 151,848	\$ (642,169)	\$ 796,533	\$ 11,798	\$ (104,541)	\$ 16,668	\$ (7,677)	\$ 205,170	\$ 68,676

21. Segmented Information (continued)

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements Segmented Disclosure - Statement of Financial Activities												
For the year ended March 31	Band Support	Casino Rama	Infrastructure	Health	WLON Trust	Economic Development	Social Services	Fundraising	Education and Training	CMHC	Commercial Enterprises	Consolidated 2017
Revenue												
Government transfers	\$ 471,818	\$ 645,515	\$ 447,397	\$ 649,721	\$ 3,702,916	\$ 1,199,811	\$ 381,424	\$ -	\$ 708,207	\$ 22,851	\$ -	\$ 8,229,660
Other	1,694,958	1,748	31,200	167,768	19,246,733	96,200	-	558,467	73,671	-	(207,937)	21,662,808
Wabigoon Saaga'igan Anishinaabeg Development Corporation revenue	-	-	-	-	-	-	-	-	-	-	452,992	452,992
	2,166,776	647,263	478,597	817,489	22,949,649	1,296,011	381,424	558,467	781,878	22,851	245,055	30,345,460
Expenses												
Amortization	-	-	894,057	-	-	-	-	-	-	-	-	894,057
Capital asset additions from operating	-	-	(721,109)	-	-	-	-	-	-	-	(116,648)	(837,757)
Contracted services, supplies and other	1,244,597	17,114	691,394	140,985	96,812	438,304	324,064	351,802	305,906	24,545	-	3,635,523
Salaries and benefits	666,498	6,724	271,582	394,876	-	239,697	58,071	62,372	440,440	1,575	-	2,141,835
Travel and training	54,858	-	4,552	2,547	-	372,366	9,951	-	7,339	-	-	451,613
Rent, utilities, telephone	31,883	-	149,315	-	-	48,500	-	-	-	-	-	229,698
Wabigoon Saaga'igan Anishinaabeg Development Corporation expenses	-	-	-	-	-	-	-	-	-	-	223,905	223,905
	1,997,836	23,838	1,289,791	538,408	96,812	1,098,867	392,086	414,174	753,685	26,120	107,257	6,738,874
Surplus (deficit) for the year	\$ 168,940	\$ 623,425	\$ (811,194)	\$ 279,081	\$ 22,852,837	\$ 197,144	\$ (10,662)	\$ 144,293	\$ 28,193	\$ (3,269)	\$ 137,798	\$ 23,606,586