

**Wabigoon Lake Ojibway Nation
Consolidated Financial Statements
For the year ended March 31, 2021**

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Consolidated Financial Statements
For the year ended March 31, 2021

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Management's Responsibility for Financial Reporting

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 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 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 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 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 auditor's 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 First Nation Council.



Chief

First Nation Administrator



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BDO Canada LLP
1095 Barton Street
Thunder Bay ON P7B 5N3
Canada

Independent Auditor's Report

**To the Members of
Wabigoon Lake Ojibway Nation**

Qualified Opinion

We have audited the consolidated financial statements of Wabigoon Lake Ojibway Nation and its enterprises (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, consolidated statement of changes in net financial assets, and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the 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 consolidated financial position of the First Nation as at March 31, 2021, and the consolidated results of its operations, consolidated change in net financial assets, and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The First Nation derives some of its revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the First Nation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, surplus for the year, and cash flows from operations for the years ended March 31, 2021 and 2020, financial assets as at March 31, 2021 and 2020, and accumulated surplus as at April 1 and March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

The government business enterprises owned by the First Nation have been included in the financial statements using the modified equity method. We have not examined or expressed an opinion on 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, 2021 and 2020. Our audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.



The First Nation should account for its investment in Wabigoon Anishnaabe Gitigewin Corporation (“Tree Nursery”) on a consolidated basis as the entity is not self-sufficient. The First Nation has recorded this entity as a government business enterprise and accounts for it using the modified equity method. This constitutes a departure from Canadian public sector accounting standards. Under this method, the First Nation records their share of the income as reported in the most recently available unaudited financial statements of the Tree Nursery, which are for the year ended December 31, 2020. As a result of the statements being unaudited and for a different year end, we are unable to determine the impact of this departure on the revenue, expenses and annual surplus for the year ended March 31, 2021 and 2020, the assets and liabilities as at March 31, 2021 and 2020, and accumulated surplus as at April 1 and March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

Section 1201, Financial Statement Presentation, of the CPA Canada Public Sector Handbook requires the disclosure of budgeted information. The First Nation has not prepared or approved consolidated budgets. As a result, no budgeted information has been presented on the consolidated financial statements for the year ended March 31, 2021.

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 audit opinion.

Emphasis of Matter

We draw attention to Note 1 to the consolidated financial statements, which explains that certain comparative information for the year ended March 31, 2020 has been restated. Our opinion is not modified in respect of this matter.

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

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

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

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

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 judgement 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.

BDO Canada LLP

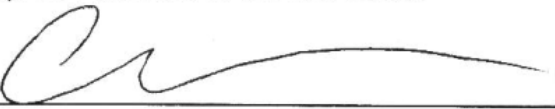
Chartered Professional Accountants, Licensed Public Accountants

Thunder Bay, Ontario
August 21, 2023

Wabigoon Lake Ojibway Nation Consolidated Statement of Financial Position

March 31	2021	2020
		<i>As Restated (Note 1)</i>
Financial assets		
Bank (Note 2)	\$ 9,125,446	\$ 10,369,084
Short-term investments (Note 3)	25,179,924	19,047,283
Accounts receivable (Note 5)	2,000,055	1,757,901
Investments in Government Business Enterprises (Note 4)	339,915	735,855
Portfolio investments (Note 7)	97,322	97,322
	<u>36,742,662</u>	<u>32,007,445</u>
Financial liabilities		
Accounts payable (Note 9)	3,826,786	2,066,665
Deferred revenue (Note 8)	1,757,085	1,434,377
Debt financing (Note 10)	1,557,333	1,589,827
Capital lease obligations	-	14,735
	<u>7,141,204</u>	<u>5,105,604</u>
Net financial assets	29,601,458	26,901,841
Non-financial assets		
Tangible capital assets (Note 11)	<u>9,621,796</u>	<u>9,225,480</u>
Accumulated surplus (Note 12)	\$ 39,223,254	\$ 36,127,321

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	2021	2020
		<i>As Restated (Note 1)</i>
Revenue		
Abinoojii Family Services	\$ 20,000	\$ 45,927
Bimose Tribal Council	168,917	65,511
Canada Mortgage and Housing Corporation	22,424	31,116
ISC - Flood Claims Settlement	999,000	5,198,570
English and Wabigoon River Remediation	589,403	456,375
Fundraising	67,909	269,128
Grand Council Treaty #3	509,588	508,064
Independent Electricity System Operator	61,931	45,737
ISC - FNIHB	1,035,700	918,720
ISC - Regional Operations	2,081,173	2,403,439
Ministry of Children, Community and Social Services	434,092	468,145
Ministry of Education	231,997	297,046
Ministry of Health	89,312	110,000
Ministry of Indigenous Affairs	234,627	152,471
Ministry of Northern Development and Mines	88,617	43,868
Nuclear Waste Management Organization	4,474,301	3,526,221
Ontario First Nations Limited Partnership	709,510	719,404
Other revenue	1,765,903	1,110,437
Paawidigong First Nation Forum Inc.	356,354	263,497
Share of income of WLON Distribution Ltd.	(21,825)	(42,839)
Share of loss of Wabigoon Anishnaabe Gitigewin Corporation	(5,332)	(194,455)
Share of income (loss) of 1013215 Ontario Inc.	(344,983)	5,036
Share of loss of 2582346 Ontario Inc.	(23,800)	(10,026)
Sioux Lookout Area Aboriginal Management Board	26,591	45,867
Special Projects	1,325,892	-
Wabigoon Lake Ojibway Nation Trust Income	1,089,289	1,908,687
Wabigoon Saaga'igan Anishinaabeg Development Corporation revenue	256,745	383,945
	16,243,335	18,729,891
Expenses		
Band support	3,940,536	2,936,324
Casino Rama	7,574	347,550
Infrastructure	1,194,924	180,109
Health	596,844	863,784
WLON Trust	319,763	1,426,809
Economic Development	4,271,123	3,485,016
Social services	594,813	610,528
Fundraising	141,422	443,917
Education and Training	1,825,753	1,779,172
CMHC	24,146	22,744
Commercial Enterprises	230,504	276,114
	13,147,402	12,372,067
Surplus for the year	3,095,933	6,357,824
Accumulated surplus, beginning of year	36,127,321	29,769,497
Accumulated surplus, end of year	\$ 39,223,254	\$ 36,127,321

Wabigoon Lake Ojibway Nation Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2021	2020
		<i>As Restated (Note 1)</i>
Annual surplus	\$ 3,095,933	\$ 6,357,824
Acquisition of tangible capital assets	(1,470,799)	(1,767,375)
Amortization of tangible capital assets	1,074,483	1,004,638
Net change in net financial assets	<u>2,699,617</u>	<u>5,595,087</u>
Net financial assets, beginning of year	<u>26,901,841</u>	<u>21,306,754</u>
Net financial assets, end of year	<u>\$ 29,601,458</u>	<u>\$ 26,901,841</u>

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 Cash Flows

For the year ended March 31	2021	2020
		<i>As Restated (Note 1)</i>
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	\$ 3,095,933	\$ 6,357,824
Item not involving cash		
Amortization	1,074,483	1,004,638
Changes in non-cash working capital balances		
Accounts receivable	(242,154)	1,464
Accounts payable	1,760,121	821,614
Deferred revenue and government transfers	322,708	705,078
	<u>6,011,091</u>	<u>8,890,618</u>
Capital activities		
Purchase of tangible capital assets	<u>(1,470,799)</u>	<u>(1,767,375)</u>
Financing activities		
Repayment of principal on capital lease obligations	(14,735)	(58,937)
Repayment of principal debt financing	<u>(32,494)</u>	<u>(47,266)</u>
	<u>(47,229)</u>	<u>(106,203)</u>
Investing activities		
Net change in investment in incorporated business entities	395,940	242,284
Sale (acquisition) of short-term investments	<u>(6,132,641)</u>	<u>295,943</u>
	<u>(5,736,701)</u>	<u>538,227</u>
Increase (decrease) in cash during the year	<u>(1,243,638)</u>	<u>7,555,267</u>
Bank, beginning of year	<u>10,369,084</u>	<u>2,813,817</u>
Bank, end of year	<u>\$ 9,125,446</u>	<u>\$ 10,369,084</u>

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

Wabigoon Lake Ojibway Nation Summary of Significant Accounting Policies

March 31, 2021

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

Inter-entity transactions and balances have been eliminated.

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)

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

Bank Cash and cash equivalents which make up the balance in bank consist of cash on hand, bank balances, and overdrafts with maturities of three months or less.

Portfolio Investments Portfolio investments are recorded at cost. A write-down is recorded where there has been a loss in value that is other than a temporary decline.

Wabigoon Lake Ojibway Nation Summary of Significant Accounting Policies

March 31, 2021

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%

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

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.

Wabigoon Lake Ojibway Nation Summary of Significant Accounting Policies

March 31, 2021

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.

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 an impact on future periods. Significant estimates include estimated useful lives of tangible capital assets and allowance for doubtful accounts.

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

1. Prior Period Adjustment

During the current year, the First Nation determined that items that were classified as expenditures for the Nuclear Waste Management Organization - Core program were classified under the General program. Furthermore, it determined that inter-entity transactions for expenses incurred by the Nuclear Waste Management Organization - Core program were not recorded. As a result, deferred revenue was overstated by \$846,474, Nuclear Waste Management Organization revenue was understated by \$846,474, other revenue was understated by \$588,556, Economic Development expenses was understated by \$588,556 and ending accumulated surplus was overstated by \$846,474. This error has been corrected retroactively with restatement of prior periods. This correction had the following effect on the financial statements

	Previously Reported	Adjustment	As Restated
Deferred revenue	\$ 2,280,851	\$ (846,474)	\$ 1,434,377
Accumulated surplus, March 31, 2020	35,280,847	846,474	36,127,321
Nuclear Waste Management Organization	2,679,747	846,474	3,526,221
Other revenue	521,881	588,556	1,110,437
Economic Development	3,682,567	588,556	4,271,123
Surplus for the year	\$ 5,511,350	\$ 846,474	\$ 6,357,824

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

2. Bank

	2021	2020
Externally Restricted		
CMHC - Operating	\$ 85,431	\$ 88,044
CMHC - Reserve Fund	3,730	8,463
Internally Restricted		
WLON Trust Account	1,290,470	1,951,568
WLON Trust Income	-	9,999
WLON Trust Per Capita	27,046	40,104
Unrestricted		
Casino Rama	1,113,571	396,424
Concessions	6,276	8,019
Education	36,529	(7,314)
Fundraising	59,200	85,970
General	1,404,040	6,153,936
NWMO - Cash on hand	2,002	2,002
NWMO	1,698,870	-
Small Business Centre	135,197	46,582
Special Projects	2,485,328	729,033
WLON Trust Account - Cash on hand	4,500	-
Wabigoon Saaga'igan Anishinaabeg Development Corporation	699,669	828,320
Welfare	73,587	27,934
	<u>9,125,446</u>	<u>10,369,084</u>

3. Short-Term Investments

	2021	2020
Wabigoon Lake First Nation Trust		
- Cash	\$ 1,436,679	\$ 461,250
- Fixed Income	8,619,168	5,743,854
- Equities	15,124,077	12,842,179
	<u>\$25,179,924</u>	<u>\$ 19,047,283</u>

The market value of the short-term investments at March 31, 2021 is \$29,689,165. (2020 - \$17,486,918)

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

4. Investments in Government Business Entities (unaudited)

	<u>2021</u>	<u>2020</u>
Wabigoon Anishnaabe Gitigewin Corporation	\$ (412,976)	\$ (407,644)
1013215 Ontario Inc. (o/a Wabigoon Lake Community Store)	606,882	951,865
2582346 Ontario Inc. (o/a White Feather Resort)	190,207	214,007
WLON Distribution Ltd., WLON Distribution, LP, Wabigoon Lake Ojibway Nation General Partner Inc.	(44,208)	(22,383)
1876981 Ontario Inc.	<u>10</u>	<u>10</u>
	<u>\$ 339,915</u>	<u>\$ 735,855</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, 2021

4. Investments in Government Business Enterprises (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

(NOT SUBJECT TO AUDIT)

	2020	2019
Assets		
Current	\$ 241,022	\$ 174,515
Capital assets	738,094	617,102
	<u>\$ 979,116</u>	<u>\$ 791,617</u>
Liabilities and Shareholder's Equity		
Current	\$ 678,413	\$ 528,872
Due to Wabigoon Lake Ojibway Nation	713,679	670,389
	<u>1,392,092</u>	<u>1,199,261</u>
Shareholder's equity (deficit)		
Share capital	100	100
Contributed surplus	483,707	483,707
Deficit	(896,783)	(891,451)
	<u>(412,976)</u>	<u>(407,644)</u>
	<u>\$ 979,116</u>	<u>\$ 791,617</u>

Statement of Operations and Deficit

For the year ended December 31

(NOT SUBJECT TO AUDIT)

	2021	2020
Revenue	\$ 452,304	\$ 411,009
Cost of goods sold	365,643	554,647
Gross profit	86,661	(143,638)
Operating expenses	72,084	79,809
Loss before provision for income taxes	14,577	(223,447)
Provision for income taxes	19,909	(28,992)
Net loss for the year	(5,332)	(194,455)
Deficit, beginning of year	(891,451)	(696,996)
Deficit, end of year	<u>\$ (896,783)</u>	<u>\$ (891,451)</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

4. Investments in Government Business Enterprises (continued)

1013215 Ontario Inc. (o/a Wabigoon Lake Community Store)

Balance Sheet

as at March 31

(NOT SUBJECT TO AUDIT)

	2021	2020
Assets		
Current	\$ 524,580	\$ 772,433
Capital assets	197,338	235,459
	<u>\$ 721,918</u>	<u>\$ 1,007,892</u>

Liabilities and Shareholder's Equity

Current	\$ 115,036	\$ 56,027
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Shareholder's equity

Share capital	100	100
Contributed surplus	860,300	860,300
Retained earnings (deficit)	(253,518)	91,465
	<u>606,882</u>	<u>951,865</u>
	<u>\$ 721,918</u>	<u>\$ 1,007,892</u>

Statement of Operations and Retained Earnings

For the year ended March 31

(NOT SUBJECT TO AUDIT)

	2021	2020
Revenue	\$ 991,291	\$ 4,978,334
Cost of goods sold	<u>892,231</u>	<u>4,197,736</u>
Gross profit	99,060	780,598
Operating expenses	<u>444,043</u>	<u>775,562</u>
Net income (loss) for the year	(344,983)	5,036
Retained earnings, beginning of year	<u>91,465</u>	<u>86,429</u>
Retained earnings (deficit), end of year	<u>\$ (253,518)</u>	<u>\$ 91,465</u>

Wabigoon Lake Ojibway Nation

Notes to Consolidated Financial Statements

March 31, 2021

4. Investments in Government Business Enterprises (continued)

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

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

	2021	2020
Assets		
Current	\$ 57,752	\$ 58,220
Capital assets	317,511	179,188
	<u>\$ 375,263</u>	<u>\$ 237,408</u>

Liabilities and Shareholder's Equity

Current	\$ 185,056	\$ 23,401
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Shareholder's equity

Share capital	100	100
Contributed surplus	253,144	253,144
Deficit	<u>(63,037)</u>	<u>(39,237)</u>
	190,207	214,007
	<u>\$ 375,263</u>	<u>\$ 237,408</u>

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

	2021	2020
Revenue	\$ 9,289	\$ 68,330
Operating expenses	44,464	118,663
Other income	<u>11,375</u>	<u>40,307</u>
Net loss for the year	(23,800)	(10,026)
Deficit, beginning of year	<u>(39,237)</u>	<u>(29,211)</u>
Deficit, end of year	<u>\$ (63,037)</u>	<u>\$ (39,237)</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

4. Investments in Government Business Enterprises (continued)

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

Balance Sheet

as at March 31

(NOT SUBJECT TO AUDIT)

	2021	2020
Assets		
Current	\$ 78,987	\$ 94,130
Capital assets	143,454	149,831
	<u>\$ 222,441</u>	<u>\$ 243,961</u>
Liabilities and Shareholder's Equity		
Current	<u>\$ 266,649</u>	<u>\$ 266,344</u>
Shareholder's equity		
Share capital	11	11
Contributed surplus	34,453	34,453
Deficit	<u>(78,672)</u>	<u>(56,847)</u>
	<u>(44,208)</u>	<u>(22,383)</u>
	<u>\$ 222,441</u>	<u>\$ 243,961</u>

Statement of Operations and Deficit

For the year ended March 31

(NOT SUBJECT TO AUDIT)

	2021	2020
Revenue	\$ 1	\$ 1
Operating expenses	<u>21,826</u>	<u>42,840</u>
Net income for the year	<u>(21,825)</u>	<u>(42,839)</u>
Deficit, beginning of year	<u>(56,847)</u>	<u>(14,008)</u>
Deficit, end of year	<u>\$ (78,672)</u>	<u>\$ (56,847)</u>

Wabigoon Lake Ojibway Nation

Notes to Consolidated Financial Statements

March 31, 2021

5. Accounts Receivable

	2021	2020
General		
Grand Council Treaty #3	64,741	67,475
Harmonized Sales Tax	88,369	113,950
IESO	36,931	-
ISC - Regional Operations	103,575	265,438
Medical Services Branch	24,279	4,990
Ministry of Indigenous Affairs	105,448	8,500
Ministry of Health	-	7,879
Nuclear Waste Management Organization	-	639,616
Opiikapawiin Services LP	-	11,958
Paawidigong First Nation Forum Inc.	189	4,782
Sigfusson Northern	238,406	-
WLON Distribution Ltd.	27,549	27,549
White Feather Resort	6,023	6,023
Other	2,279	250
OFNLP	472,282	479,920
	<u>1,170,071</u>	<u>1,638,330</u>
CMHC Housing		
Canada Mortgage and Housing Corporation	<u>35,505</u>	<u>13,081</u>
Education		
Bimose Tribal Council	14,000	31,600
Grand Council Treaty #3	9,801	-
ISC - Regional Operations	-	74,140
Other	750	750
	<u>24,551</u>	<u>106,490</u>
Nuclear Waste Management Department		
Harmonized Sales Tax	19,635	-
Nuclear Waste Management Organization	<u>750,293</u>	<u>-</u>
	<u>\$ 2,000,055</u>	<u>\$ 1,757,901</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

6. Due from Wabigoon Anishnaabe Gitigewin Corporation

	<u>2021</u>	<u>2020</u>
Due from Wabigoon Anishnaabe Gitigewin Corporation	\$ 735,389	\$ 887,487
Allowance for doubtful accounts	<u>(735,389)</u>	<u>(887,487)</u>
	<u>\$ -</u>	<u>\$ -</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. Portfolio Investments

	<u>2021</u>	<u>2020</u>
129,763 common shares of First Mining Gold Corporation at cost of \$0.75 per share (FMV of \$0.36 per share on March 31, 2021)	<u>\$ 97,322</u>	<u>\$ 97,322</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

8. Deferred Revenue and Government Transfers

	Balance March 31 2020	Funding Received 2021	Funding Recognized 2021	Balance March 31 2021
	<i>As Restated (Note 1)</i>			
Federal Government				
ISC - Regional Operations	\$ 290,951	\$ 2,649,307	\$ 2,081,173	\$ 859,085
ISC - FNIHB	346,966	1,072,649	1,035,700	383,915
Canada Mortgage and Housing Corporation	-	22,424	22,424	-
ISC - Flood Claims Settlement	-	999,000	999,000	-
Provincial Government				
Ministry of Indigenous Affairs	149,627	123,705	179,166	94,166
Ministry of Community & Social Services	-	434,092	434,092	-
Ministry of Education	-	231,997	231,997	-
Ministry of Health and Long-Term Care	-	89,312	89,312	-
Ministry of Northern Development and Mines	-	88,617	88,617	-
Other				
Bimose Tribal Council	-	168,917	168,917	-
English and Wabigoon Rivers Remediation Trust	308,386	651,527	589,403	370,510
Grand Council Treaty #3	-	61,931	61,931	-
Independent Electricity System Operator	-	509,588	509,588	-
Nuclear Waste Management Organization	338,447	4,185,263	4,474,301	49,409
Ontario First Nation Limited Partnership	-	709,510	709,510	-
Paawidigong First Nation Forum Inc.	-	356,354	356,354	-
Sioux Lookout Area Aboriginal Management Board	-	26,591	26,591	-
	<u>\$ 1,434,377</u>	<u>\$ 12,380,784</u>	<u>\$ 12,058,076</u>	<u>\$ 1,757,085</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

9. Accounts Payable

	<u>2021</u>	<u>2020</u>
Education	\$ 520,305	\$ 462,066
CMHC Program	6,432	6,483
General	1,028,860	1,302,178
Welfare	31,822	37,191
Wabigoon Saaga'igan Anishinaabeg Development Corporation	244,676	214,663
WLON Trust	4,084	4,084
WLON Internal Trust	27,000	40,000
NWMO	1,963,607	-
	<u>\$ 3,826,786</u>	<u>\$ 2,066,665</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

10. Debt Financing

	2021	2020
Indigenous Services Canada - no interest, loan repayable when flood claims settled	\$ 1,283,992	\$ 1,283,992
Canada Mortgage and Housing Corporation - 1.87%, mortgage repayable in monthly payments of \$3,159 interest and principal, secured by ministerial guarantee; renewal 2024	273,341	305,835
	<u>\$ 1,557,333</u>	<u>\$ 1,589,827</u>

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

	Principal	Interest	Total
2022	\$ 33,072	\$ 4,832	\$ 37,904
2023	33,696	4,208	37,904
2024	34,332	3,572	37,904
2025	34,980	2,924	37,904
2026	35,640	2,264	37,904
Thereafter	1,385,613	2,720	1,388,333
	<u>\$ 1,557,333</u>	<u>\$ 20,520</u>	<u>\$ 1,577,853</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

11. Tangible Capital Assets

	2021							
	Land	General Housing	CMHC Housing	Infrastructure	Community Buildings	Automotive	Equipment	Total
Cost, beginning of year	\$ 646,167	\$ 3,626,417	\$ 1,812,034	\$ 1,095,344	\$ 7,392,821	\$ 2,225,335	\$ 1,108,259	\$ 17,906,377
Additions	-	279,968	-	97,418	602,263	158,307	332,843	1,470,799
Cost, end of year	\$ 646,167	\$ 3,906,385	\$ 1,812,034	\$ 1,192,762	\$ 7,995,084	\$ 2,383,642	\$ 1,441,102	\$ 19,377,176
Accumulated amortization, beginning of year	\$ -	\$ 1,949,347	\$ 1,174,284	\$ 799,475	\$ 2,005,959	\$ 1,912,863	\$ 838,969	\$ 8,680,897
Amortization	-	198,382	66,871	23,193	391,670	244,563	149,804	1,074,483
Accumulated amortization, end of year	\$ -	\$ 2,147,729	\$ 1,241,155	\$ 822,668	\$ 2,397,629	\$ 2,157,426	\$ 988,773	\$ 9,755,380
Net carrying amount, end of year	\$ 646,167	\$ 1,758,656	\$ 570,879	\$ 370,094	\$ 5,597,455	\$ 226,216	\$ 452,329	\$ 9,621,796

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

11. Tangible Capital Assets (continued)

	2020							
	Land	General Housing	CMHC Housing	Infrastructure	Community Buildings	Automotive	Equipment	Total
Cost, beginning of year	\$ 299,740	\$ 3,460,217	\$ 1,812,034	\$ 1,006,300	\$ 6,661,266	\$ 2,014,017	\$ 885,428	\$ 16,139,002
Additions	346,427	166,200	-	89,044	731,555	211,318	222,831	1,767,375
Cost, end of year	<u>\$ 646,167</u>	<u>\$ 3,626,417</u>	<u>\$ 1,812,034</u>	<u>\$ 1,095,344</u>	<u>\$ 7,392,821</u>	<u>\$ 2,225,335</u>	<u>\$ 1,108,259</u>	<u>\$ 17,906,377</u>
Accumulated amortization, beginning of year	\$ -	\$ 1,763,821	\$ 1,107,413	\$ 779,660	\$ 1,669,613	\$ 1,608,910	\$ 746,842	\$ 7,676,259
Amortization	-	185,526	66,871	19,815	336,346	303,953	92,127	1,004,638
Accumulated amortization, end of year	<u>\$ -</u>	<u>\$ 1,949,347</u>	<u>\$ 1,174,284</u>	<u>\$ 799,475</u>	<u>\$ 2,005,959</u>	<u>\$ 1,912,863</u>	<u>\$ 838,969</u>	<u>\$ 8,680,897</u>
Net carrying amount, end of year	<u>\$ 646,167</u>	<u>\$ 1,677,070</u>	<u>\$ 637,750</u>	<u>\$ 295,869</u>	<u>\$ 5,386,862</u>	<u>\$ 312,472</u>	<u>\$ 269,290</u>	<u>\$ 9,225,480</u>

The net book value of tangible capital assets not being amortized because they are under construction (or development) is \$161,700 (2020 - \$665,900).

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

12. Accumulated Surplus

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

	2021	2020
Equity in capital asset fund	\$ 9,621,796	\$ 9,225,480
Equity in investments	97,322	97,322
Equity in incorporated business entities (Note 4)	339,915	735,855
Amounts to be recovered	(1,557,333)	(1,604,562)
OFNLP	2,347,587	1,764,066
Restricted	19,037,721	1,505,522
Peace Hills Trust - Flood claims	5,364,430	4,932,298
WLON Trust	19,037,721	19,043,199
Reserve fund - NWMO	1,100,000	800,000
Unrestricted	(16,165,905)	(371,859)
	<u>\$ 39,223,254</u>	<u>\$ 36,127,321</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.

13. Cash Held in Trust by ISC

Trust funds administered by ISC 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	\$ 11,545	\$ 14,263
Interest earned during the year	-	-	-
Balance, end of year	<u>\$ 2,718</u>	<u>\$ 11,545</u>	<u>\$ 14,263</u>

14. Economic Dependence

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

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

15. 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.

16. ISC - Regional Operations Funding Reconciliation

	2021	2020
Funding per financial statements	\$ 2,081,173	\$ 2,403,439
Prior year deferred revenues	(290,951)	(569,228)
Current year deferred revenues	<u>859,085</u>	<u>290,951</u>
ISC - Regional Operations funding per funding confirmation	<u>\$ 2,649,307</u>	<u>\$ 2,125,162</u>

17. ISC - FNIHB Funding Reconciliation

	2021	2020
Funding per financial statements	\$ 1,035,700	\$ 918,720
Patient transportation repayable	-	37,610
Prior year deferred revenue	(346,966)	-
Current year deferred revenues	<u>383,915</u>	<u>346,966</u>
ISC - FNIHB funding per funding confirmation	<u>\$ 1,072,649</u>	<u>\$ 1,303,296</u>

Wabigoon Lake Ojibway Nation Notes to Consolidated Financial Statements

March 31, 2021

18. Comparative Figures

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

19. 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.

19. 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 2021
Revenue												
Government transfers	\$ 2,157,037	\$ 709,510	\$ 617,606	\$ 992,226	\$ -	\$ 5,240,241	\$ 516,392	\$ -	\$ 1,135,044	\$ 22,424	\$ -	\$ 11,390,480
Other	3,488,408	-	56,717	255,148	1,093,485	-	-	67,909	30,383	-	(395,940)	4,596,110
Wabigoon Saaga'igan Anishinaabeg Development Corporation revenue	-	-	-	-	-	-	-	-	-	-	256,745	256,745
	5,645,445	709,510	674,323	1,247,374	1,093,485	5,240,241	516,392	67,909	1,165,427	22,424	(139,195)	16,243,335
Expenses												
Amortization	-	-	1,074,483	-	-	-	-	-	-	-	-	1,074,483
Capital asset additions from operating	-	-	(731,455)	-	(342,661)	(239,430)	-	-	(42,789)	-	(114,464)	(1,470,799)
Contracted services, supplies and other	2,495,842	7,574	608,353	295,418	662,424	2,570,003	470,587	139,165	974,140	21,446	274,965	8,519,917
Salaries and benefits	1,308,454	-	137,590	300,188	-	1,523,125	114,551	-	889,882	2,700	70,003	4,346,493
Travel and training	30,610	-	468	1,238	-	260,979	9,675	2,257	4,520	-	-	309,747
Rent, utilities, telephone	40,630	-	105,485	-	-	156,446	-	-	-	-	-	302,561
Wabigoon Saaga'igan Anishinaabeg Development Corporation expenses	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for doubtful investment	65,000	-	-	-	-	-	-	-	-	-	-	65,000
	3,940,536	7,574	1,194,924	596,844	319,763	4,271,123	594,813	141,422	1,825,753	24,146	230,504	13,147,402
Surplus (deficit) for the year	\$ 1,704,909	\$ 701,936	\$ (520,601)	\$ 650,530	\$ 773,722	\$ 969,118	\$ (78,421)	\$ (73,513)	\$ (660,326)	\$ (1,722)	\$ (369,699)	\$ 3,095,933

19. 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 2020
												As Restated (Note 1)
Revenue												
Government transfers	\$ 6,048,813	\$ 719,404	\$ 761,245	\$ 1,392,754	\$ -	\$ 912,608	\$ 562,027	\$ -	\$ 991,498	\$ 22,460	\$ -	\$ 11,410,809
Other	4,500,354	-	26,371	220,756	1,988,069	-	-	305,364	136,506	-	(242,284)	6,935,136
Wabigoon Saaga'igan Anishinaabeg Development Corporation revenue	-	-	-	-	-	-	-	-	-	-	383,946	383,946
	10,549,167	719,404	787,616	1,613,510	1,988,069	912,608	562,027	305,364	1,128,004	22,460	141,662	18,729,891
Expenses												
Amortization	-	-	1,004,639	-	-	-	-	-	-	-	-	1,004,639
Capital asset additions from operating	-	-	(1,557,210)	-	-	-	-	-	(210,165)	-	-	(1,767,375)
Contracted services, supplies and other	1,557,122	347,550	493,097	380,375	1,419,511	2,224,516	469,099	384,959	1,208,985	20,044	276,114	8,781,372
Salaries and benefits	1,085,441	-	116,665	481,769	-	735,821	118,354	49,494	775,156	2,700	-	3,365,400
Travel and training	37,518	-	-	1,640	7,298	302,471	23,075	9,464	4,332	-	-	385,798
Rent, utilities, telephone	39,143	-	122,918	-	-	222,208	-	-	864	-	-	385,133
Wabigoon Saaga'igan Anishinaabeg Development Corporation expenses	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for doubtful investment	217,100	-	-	-	-	-	-	-	-	-	-	217,100
	2,936,324	347,550	180,109	863,784	1,426,809	3,485,016	610,528	443,917	1,779,172	22,744	276,114	12,372,067
Surplus (deficit) for the year	\$ 7,612,843	\$ 371,854	\$ 607,507	\$ 749,726	\$ 561,260	\$ (2,572,408)	\$ (48,501)	\$ (138,553)	\$ (651,168)	\$ (284)	\$ (134,452)	\$ 6,357,824