

Walpole Island First Nation
Consolidated Financial Statements
For the Year Ended March 31, 2023

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Independent Auditor's Report

To the council of Walpole Island First Nation

Qualified Opinion

We have audited the consolidated financial statements of Walpole Island First Nation and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at March 31, 2023, the consolidated statements of operations, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Group as at March 31, 2023, and its results of operations, changes in its 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 consolidated financial statements include investments in government business enterprises as described in Note 5 to the consolidated financial statements. The financial information for Bkejwanong Gas & Convenience Incorporated and Walpole Algonac Ferry Ltd are not finalized. As a result, we were not able to determine if adjustments might be necessary to financial assets as at March 31, 2023, other income (expenses) and annual surplus for the year ended March 31, 2023 and accumulated surplus as at March 31, 2023.

In addition, effective April 1, 2022, the First Nation was required to adopt PS 3280 Asset Retirement Obligations, which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. The Significant Accounting Policies describe the asset retirement obligations policy. As disclosed in Note 14, the First Nation does not have the necessary information yet to determine if an obligation needs to be recognized or disclosed for the retirement of the buildings within the scope of Section 3280. As a result, we have been unable to determine whether any adjustments are required to expenses and annual surplus for the years ended March 31, 2023 and 2022, tangible capital assets and the asset retirement obligation as at March 31, 2023 and 2022, and accumulated surplus as at April 1 and March 31 for both the 2023 and 2022 years.

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 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 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 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

Chartered Professional Accountants, Licensed Public Accountants

London, Ontario
September 12, 2024

Walpole Island First Nation Consolidated Statement of Financial Position

March 31 2023 2022

Financial Assets

Cash	\$72,834,091	\$ 64,176,158
Trust funds in Ottawa (Note 2)	1,014,600	984,190
Accounts receivable (Note 3)	8,925,052	6,799,950
Loans to Band members (Note 4)	2,588,310	3,131,215
Investment in related parties (Note 5)	8,636,202	9,013,479
Investment in energy projects (Note 6)	9,909,424	9,295,256
Investment in government partnership (Note 7)	19,211,763	19,211,763
	<u>123,119,442</u>	<u>112,612,011</u>

Liabilities

Accounts payable and accrued charges	7,076,567	4,891,210
Payable to funding sources	2,502,422	2,168,854
Deferred revenue (Note 8)	33,784,557	27,814,199
Rental deposits	9,886	13,351
Housing commitments	519,353	775,540
Long-term debt (Note 9)	1,183,893	1,091,121
Long-term debt for government partnership (Note 10)	10,301,992	12,929,956
	<u>55,378,670</u>	<u>49,684,231</u>

Net Financial Assets **67,740,772** 62,927,780

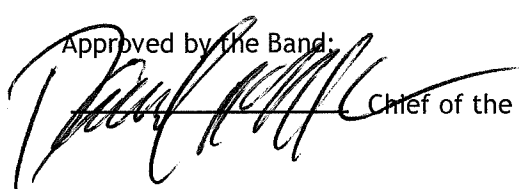
Non-Financial Assets

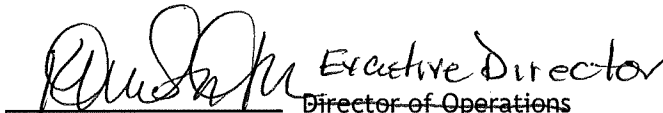
Tangible capital assets (Note 11)	18,584,183	18,156,691
Prepaid assets	651,263	369,060
	<u>19,235,446</u>	<u>18,525,751</u>

Accumulated Surplus (Note 12) **\$86,976,218** \$ 81,453,531

Contingent Liabilities (Note 13)

Asset Retirement Obligations (Note 14)

Approved by the Band:

 Chief of the Band


 Executive Director
 Director of Operations

Walpole Island First Nation Consolidated Statement of Operations

For the year ended March 31	2023 Budget (Note 21)	2023	2022
Revenue			
Indigenous Services Canada			
Fixed contribution	\$ - \$19,130,085		\$ 18,002,590
Flexible contribution	- 1,917,010		1,215,987
Grant	- 879,889		807,445
Set contribution	- 618,931		202,041
Province of Ontario	- 11,617,745		11,401,656
Other	- 7,168,336		4,791,040
Health Canada	- 3,851,614		3,853,425
Interest and dividends	- 4,943,978		3,339,809
Ontario First Nations Limited Partnership	- 1,782,307		1,273,595
Human Resources and Skills Development Canada	- 1,300,842		1,055,777
Lease, rent and hosting revenue	- 855,879		970,854
Other federal funding	- 149,748		533,912
Independent First Nations	- 291,375		424,048
User fees	- 459,991		305,441
Canadian Mortgage and Housing Corporation	- 67,580		115,069
	- 55,035,310		48,292,689
Expenses			
Governance and administration - Schedule 1	- 6,812,902		5,546,978
Operations and maintenance - Schedule 2	- 8,833,651		8,670,160
Education - Schedule 3	- 12,447,837		12,004,131
Health and social - Schedule 4	- 16,673,353		14,750,759
Economic development - Schedule 5	- 3,948,605		3,307,835
Housing and Band rentals - Schedule 6	- 365,552		322,230
Independent First Nations - Schedule 7	- 235,075		333,230
	- 49,316,975		44,935,323
Annual surplus before other income (expenses)	- 5,718,335		3,357,366
Other Income (Expenses)			
Net earnings (loss) from investment in energy projects	- 614,168		(358,365)
Net earnings from government enterprises	- (809,816)		453,925
Annual surplus	- 5,522,687		3,452,926
Accumulated surplus, beginning of year (Note 12)	- 81,453,531		78,000,605
Accumulated surplus, end of year (Note 12)	\$ - \$86,976,218		\$ 81,453,531

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

Walpole Island First Nation Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2023 Budget (Note 21)	2023	2022
Annual surplus	\$ -	\$ 5,522,687	\$ 3,452,926
Acquisition of tangible capital assets	-	(2,534,813)	(1,081,079)
Amortization of tangible capital assets	-	2,107,321	2,088,988
	-	5,095,195	4,460,835
Acquisition of prepaid assets	-	(651,263)	(369,060)
Utilization of prepaid assets	-	369,060	223,229
	-	(282,203)	(145,831)
Net change in net financial assets	-	4,812,992	4,315,004
Net Financial Assets, Beginning of Year	-	62,927,780	58,612,776
Net Financial Assets, End of Year	\$ -	\$67,740,772	\$ 62,927,780

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

Walpole Island First Nation Consolidated Statement of Cash Flows

For the year ended March 31	2023	2022
Cash flows from operating activities		
Annual surplus	\$ 5,522,687	\$ 3,452,926
Items not affecting cash:		
Increase in trust funds in Ottawa	(30,409)	(18,571)
Net loss (earnings) from investment in energy projects	(614,168)	358,365
Amortization of tangible capital assets	2,107,321	2,088,988
	<u>6,985,431</u>	<u>5,881,708</u>
Changes in non-cash working capital:		
Accounts receivable	(2,125,102)	(533,818)
Accounts payable	2,185,357	600,497
Payable to funding sources	333,568	37,910
Deferred revenue	5,970,358	18,334,562
Rental deposits	(3,465)	2,088
Housing commitments	(256,187)	46,429
Prepaid expenses	(282,203)	(145,831)
	<u>12,807,757</u>	<u>24,223,545</u>
Cash flows from investing activities		
Increase in investment in related parties	377,277	56,362
Net decrease in loans to Band members	542,905	(143,864)
	<u>920,182</u>	<u>(87,502)</u>
Cash flows to financing activities		
Proceeds from (repayment of) long-term debt	92,772	45,781
Repayment of long-term debt partnerships	(2,627,965)	(2,055,697)
	<u>(2,535,193)</u>	<u>(2,009,916)</u>
Cash flows to capital activities		
Purchase of tangible capital assets	(2,534,813)	(1,081,079)
Net change in Cash	8,657,933	21,045,048
Cash, beginning of the year	<u>64,176,158</u>	<u>43,131,110</u>
Cash, end of the year	<u>\$72,834,091</u>	<u>\$ 64,176,158</u>

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

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

1. Significant Accounting Policies

Purpose of the First Nation	The Walpole Island First Nation (the First Nation) is located in Walpole Island, Ontario. The elected government consists of a Chief and twelve members of Council. The First Nation manages and administers all political, social and economic programs of this First Nation.
Management's responsibility	These financial statements of the First Nation are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards for local government entities.
Basis of presentation	These financial statements have been prepared in accordance with Canadian public sector accounting standards for government entities as defined in the CPA Canada Public Sector Accounting Handbook.
Principal of consolidation	<p>Commercial enterprises that meet the definition of a government business enterprise are included in the consolidated financial statements on a modified equity basis. Under the modified equity method of accounting, only Walpole Island First 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 Walpole Island First Nation and inter-organizational balances and transactions are not eliminated.</p> <p>Organizations accounted for on a modified equity basis include:</p> <p style="padding-left: 40px;">Bkejwanong Gas & Convenience Incorporated Three Fires Development Corporation Tahgahoning Enterprises Inc. Walpole Algonac Ferry Ltd. 1000440570 Ontario Ltd.</p> <p>The 100% investment in WIFN Development LP is a government partnership and has been consolidated. This includes its wholly-owned subsidiaries and partnerships: WIFN BR Borrower GP Inc., WIFN BR Borrower LP, WIFN BR Investor GP Inc., WIFN BR Investor LP, WIFN NK Borrower GP Inc., WIFN NK Borrower LP, WIFN NK Investor GP Inc. and WIFN NK Investor LP.</p>
Temporary investments	Temporary investments consisting of guaranteed investment certificates are recorded at cost.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Loans to Band members

Funding received for the purpose of building and renovating houses is recorded as revenue of a specific program. The commitment of the funds to a particular First Nation member for the purchase of approved housing is recorded as an expenditure of the program and as a commitment to that First Nation member. Commitments outstanding at the end of the year are reported as liabilities.

Agreements exist between the Council and the members regarding the terms of repayment of various expenses. The portion of the expenses determined to be repayable are recorded as loans due from the members on the Consolidated Statement of Financial Position.

Loans to band members are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. When the loss is known with sufficient precision and there is no realistic prospect of recovery, the loan receivable is reduced by the amount of the loss. Loans are reviewed on an annual basis by management.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Tangible capital assets

Tangible capital assets have been recorded at cost and amortized over their useful lives. Cost includes all amounts that are directly related to the acquisition, design, construction, development, improvement and betterment of assets. Costs includes overhead directly attributed to construction and development, as well as interest costs that are directly attributed to the acquisition or construction of the asset.

Amortization is computed using the following annual rates and methods:

	Method	Years
Building	straight-line	10-40
Infrastructure	straight-line	5-25
Vehicles	straight-line	5
Equipment	straight-line	10-20
Computer hardware	straight-line	3

Tangible capital assets under construction, development or that have been removed from service are not amortized until they are available to be put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the organization'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 statement of operations.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that give 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 consolidated statement of operations as the stipulation is settled.

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

Rental revenue is recognized when it is due in accordance with the respective agreements.

Investment income earned is recognized as revenue on an accrual basis.

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

Contaminated Sites

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the First Nation is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Management estimates	The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenditure during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known.
Reserve accounting	<p>The First Nation records accounting transactions using the reserve accounting method generally in use for government organizations. A reserve is determined for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various reserves have been amalgamated for the purpose of presentation in the financial statements. The First Nation maintains the following reserves as components of its accumulated surplus:</p> <p>Operating - the operating reserve reports the general activities of the First Nation administration</p> <p>Enterprise - the enterprise reserve reports the activities of the various investments in government business enterprises. These government business enterprises include wholly owned subsidiaries Three Fires Development Corporation, Tahgahoning Enterprises Inc, Walpole Algonac Ferry Ltd, Bkejwanong Gas Station & Convenience Incorporated, and 100044570 Ontario Ltd.</p> <p>Internally restricted - the internally restricted reserve reports the designated assets, as established by the First Nation's council, which require Band Council motion to release any portion of these funds for expenditure.</p> <p>Externally restricted - the externally restricted reserve reports the activities and assets of all externally restricted assets, including the Trust funds in Ottawa and Ontario First Nations Limited Partnership.</p>

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Financial Instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Asset Retirement Obligations A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

2. Trust Funds in Ottawa

	2023	2022
Revenue trust fund	\$ 176,902	\$ 146,492
Capital trust fund	837,698	837,698
	<u>\$ 1,014,600</u>	<u>\$ 984,190</u>

3. Accounts Receivable

	2023	2022
Federal government programs	\$ 2,356,086	\$ 2,949,388
Provincial government programs	65,401	82,840
Other program receivables	6,321,255	3,607,408
Other receivables - net of allowance of \$1,636,307	153,859	125,326
HST recoverable	28,451	34,988
	<u>\$ 8,925,052</u>	<u>\$ 6,799,950</u>

4. Loans to Band Members

	2023	2022
Housing loans	\$ 6,771,835	\$ 7,133,988
Less: allowance for doubtful loans	4,183,525	4,002,773
	<u>\$ 2,588,310</u>	<u>\$ 3,131,215</u>

Housing loans are interest free. An allowance for doubtful accounts has been created to allow for loans that may not ultimately be collectible.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

5. Investment in Related Parties

The investment in related parties is made up of investments in government business enterprises through advances to and shares in these corporations. The advances to these corporations are non-interest bearing, unsecured and are due on demand.

	2023	2022
Advances to (from)		
Tahgahoning Enterprises Inc.	\$ 228,162	\$ 228,162
Walpole Algonac Ferry Ltd.	422,356	(10,183)
Three Fires Development Corporation	19,639	27,159
	<u>670,157</u>	<u>245,138</u>
Equity		
Three Fires Development Corporation	1,168,754	1,252,491
Tahgahoning Enterprises Inc.	6,753,651	6,843,987
Walpole Algonac Ferry Ltd.	43,540	671,763
Bkejwanong Gas & Convenience Incorporated	100	100
	<u>7,966,045</u>	<u>8,768,341</u>
	<u>\$ 8,636,202</u>	<u>\$ 9,013,479</u>

The shares in Three Fires Development Corporation, Tahgahoning Enterprises Inc, Walpole Algonac Ferry Ltd, and Bkejwanong Gas & Convenience Incorporated are owned and controlled by the Band and are considered investments in government business enterprises and are accounted for using the modified equity method as indicated in Note 1.

Tahgahoning Enterprises Inc. leases approximately 3,749 acres of land from Walpole First Nation annually. Lease agreements are in place until June 26, 2029. Land rent received in the year was \$525,000 (2022 - \$525,000).

Subsequent to year-end, Bkejwanong Gas & Convenience Incorporated closed in September 2023. As of March 31, 2023 Walpole Island First Nation had \$1,199,254 (2022 - \$1,199,254) owing from Bkejwanong Gas Station & Convenience Incorporated for fuel and tobacco. As a result of the closure, management has assessed the amounts as not collectible and it was written off in the year ended March 31, 2022.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

5. Investment in Related Parties (continued)

Financial statements for each of the Band controlled corporations have been prepared for the year ended March 31, 2023, with the exception of Bkejwanong Gas & Convenience Incorporated and Walpole Algonac Ferry Ltd as the year-end financial information has not yet been finalized.

The key numbers from those financial statements relating to Walpole Island First Nation's ownership is as follows:

	2023	2022
<hr/>		
Three Fires Development Corporation		
Total assets	\$ 1,332,491	\$ 1,332,491
Total liabilities	80,000	80,000
Shareholder's equity	1,252,491	1,252,491
Revenue	377,404	377,404
Expenses	436,020	436,020
<hr/>		
Tahgahoning Enterprises Inc.		
Total assets	8,199,966	8,199,966
Total liabilities	1,355,979	1,355,979
Shareholder's equity	6,843,987	6,843,987
Revenue	3,768,375	3,768,375
Expenses	3,455,692	3,455,692
<hr/>		
Walpole Algonac Ferry Ltd.		
Total assets	-	1,136,932
Total liabilities	-	57,624
Shareholders equity	-	1,079,308
Revenue	-	56,709
Expenses	-	276,359
<hr/>		

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

6. Net Investment in Energy Projects

	2023	2022
Giiwedín Noodin FN Energy Corporation		
Total assets	\$13,236,273	\$ 12,802,771
Total liabilities	3,326,849	3,507,515
	<u>\$ 9,909,424</u>	<u>\$ 9,295,256</u>

The net investment in energy projects is accounted for on a net basis due to the limited recourse debt noted in each arrangement. Each debt agreement with the lenders for each project contains a waterfall clause that limits distributions. In addition, each corporation's investment in a wind energy partnership is pledged as security for the related debt.

7. Investment in Government Partnership

The investment in WIFN Development LP is the original investment made for two wind partnerships. WIFN Development LP indirectly has a 15% interest in each of these wind partnerships.

8. Deferred Revenue

	2023	2022
Indigenous Services Canada	\$29,226,790	\$ 22,293,283
Human Resources and Skills Development Canada	1,494,099	1,428,032
Other funding sources	1,543,927	2,380,059
Provincial funding	118,716	476,479
Leases and hosting agreements	1,401,025	1,236,346
	<u>\$33,784,557</u>	<u>\$ 27,814,199</u>

Walpole Island First Nation
Notes to Consolidated Financial Statements

March 31, 2023

9. Long-term Debt

	2023	2022
	<u>2023</u>	<u>2022</u>
0% promissory note due on settlement of the claim	\$ 97,240	\$ 97,240
0% promissory note due on settlement of the claim	83,091	83,091
0% promissory note due on settlement of the claim	103,910	103,910
0% promissory note due on settlement of the claim	39,402	39,402
0% promissory note due on settlement of the claim	59,355	59,355
0% promissory note due on settlement of the claim	143,850	-
0.98% housing project loan repayable in blended monthly installments of \$4,816 due April 2025 - Phase 1	657,045	708,123
	<u>\$ 1,183,893</u>	<u>\$ 1,091,121</u>

Subsequent to year-end work started on constructing the Phase 2 housing project. The loan related to Phase 2 has not yet been received.

Principal amounts due in the next three years are as follows:

2024	\$ 578,419
2025	52,079
2026	<u>553,395</u>
	<u>\$ 1,183,893</u>

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

10. Long-Term Debt Government Partnership

	<u>2023</u>	<u>2022</u>
7% loan payable relating to WIFN NK Borrower LP, due August 30, 2033	\$ 3,592,243	\$ 5,165,905
7% loan payable relating to WIFN BR Borrower LP, due February 27, 2033	<u>6,709,749</u>	<u>7,764,051</u>
	<u>\$10,301,992</u>	<u>\$ 12,929,956</u>

Principal amounts due in the next five years are as follows:

2024	2,504,415
2025	685,776
2026	740,598
2027	799,471
Thereafter	<u>5,571,732</u>
	<u>\$ 10,301,992</u>

WIFN NK Borrower LP and WIFN BR Borrower LP have the option to repay the loans at any time without penalty. Blended principal and interest payments are made quarterly are paid the last day of each quarter based on amounts calculated by the lenders.

Each loan is secured by a general security of the Borrower LP and by a pledge agreement of the respective Investor LP and Investor GP

March 31, 2023

11. Tangible Capital Assets

		Land	Building and Structures	Infrastructure	Vehicles	Equipment	Computers Hardware	Assets under Construction	2023 Total
Cost, beginning of year	\$	44,600	\$ 21,917,792	\$ 17,180,291	\$ 3,866,338	\$ 4,210,680	\$ 586,993	\$ -	\$ 47,806,694
Additions		-	1,006,396	15,828	1,345,552	148,488	18,549	-	2,534,813
Disposals		-	-	-	-	-	-	-	-
Cost, end of the year		44,600	22,924,188	17,196,119	5,211,890	4,359,168	605,542	-	50,341,507
Accumulated amortization, beginning of the year		-	10,751,938	12,262,384	3,081,477	3,078,728	475,476	-	29,650,003
Amortization		-	619,182	660,205	515,485	194,391	118,058	-	2,107,321
Disposals		-	-	-	-	-	-	-	-
Accumulated amortization, end of year		-	11,371,120	12,922,589	3,596,962	3,273,119	593,534	-	31,757,324
Net carrying amount, end of year	\$	44,600	\$ 11,553,068	\$ 4,273,530	\$ 1,614,928	\$ 1,086,049	\$ 12,008	\$ -	\$ 18,584,183

									2022 Total
Cost, beginning of year	\$	44,600	\$ 20,148,153	\$ 17,102,653	\$ 3,294,190	\$ 4,119,855	\$ 586,993	\$ 1,617,461	\$ 46,913,905
Additions		-	94,012	77,638	760,438	90,825	-	58,166	1,081,079
Transfers		-	1,675,627	-	-	-	-	(1,675,627)	-
Disposals		-	-	-	(188,290)	-	-	-	(188,290)
Cost, end of the year		44,600	21,917,792	17,180,291	3,866,338	4,210,680	586,993	-	47,806,694
Accumulated amortization, beginning of the year		-	10,186,569	11,371,388	2,953,430	2,894,187	343,731	-	27,749,305
Amortization		-	565,369	890,996	316,337	184,541	131,745	-	2,088,988
Disposals		-	-	-	(188,290)	-	-	-	(188,290)
Accumulated amortization, end of year		-	10,751,938	12,262,384	3,081,477	3,078,728	475,476	-	29,650,003
Net carrying amount, end of year	\$	44,600	\$ 11,165,854	\$ 4,917,907	\$ 784,861	\$ 1,131,952	\$ 111,517	\$ -	\$ 18,156,691

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

12. Accumulated Surplus

	2023	2022
Operating reserves		
Investment in tangible capital assets	\$17,927,137	\$ 17,448,568
Unrestricted accumulated surplus	26,985,978	25,683,382
Enterprise reserve	8,636,202	9,013,479
Net investment in energy projects	9,909,424	9,295,256
Government partnership	10,222,689	7,613,754
Internal restricted reserves		
Economic development	20,000	20,000
Community initiatives	3,169,783	1,719,694
Triangle prairie	5,773	5,773
Waterworks	102,892	102,892
Land purchase future development	40,000	40,000
Aboriginal and treaty rights and defence	3,256,394	3,459,582
External restricted reserves		
Canada Mortgage and Housing Corporation	37,560	34,339
Trust Funds in Ottawa	1,014,600	984,190
Ontario First Nations Limited Partnership	5,647,786	6,032,622
	<u>\$86,976,218</u>	<u>\$ 81,453,531</u>

13. Contingent Liabilities

Various claims have been filed against the First Nation for wrongful dismissals. It is management's opinion that these claims are unfounded and the First Nation will vigorously defend the claims. The outcome and the amount of losses, if any, are not determinable at this time and accordingly, no provision for losses have been made in these financial statements.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

14. Change in Accounting Policy - Asset Retirement Obligations

Effective April 1, 2022, the First Nation adopted new Public Sector Accounting Handbook Standard, PS Section 3280, Asset Retirement Obligations. The Standard requires an obligation to be recognized related to legal obligations associated with the retirement of tangible capital assets. This change in accounting policy has been applied retroactively with restatement of prior periods, using the modified retroactive application method. Under this method, the asset retirement obligation on transition is recorded using assumptions as of April 1, 2022. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus.

The First Nation has not recognized an asset retirement obligation for legal obligations associated with the retirement of its buildings, primarily expected to be the removal of asbestos. Although there is potentially asbestos in some of the buildings, no asset retirement obligation has been recorded because a reasonable estimate of the amount of the liability cannot be made at this time, as the appropriate experts have not yet been engaged.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

15. Classification of Expenditure by Object (Type of Expense)

The consolidated statement of operations presents the expenditures by function. The following classifies the same expenditures by object.

	2023	2022
Amortization	\$ 2,107,321	\$ 2,088,988
Bad debts (recovery)	249,177	892,049
Consolidated revenue fund		
Administration	63,726	111,312
Childcare	240,249	240,249
Core services	180,815	135,588
Labour market	171,016	214,476
Partnership development	67,059	55,220
Construction and renovations	-	2,450
Consulting and management Fees	321,289	172,509
Education services and allowances	2,671,536	2,588,528
Employment insurance fund		
Administration	156,164	43,447
Core services	152,410	100,858
Labour market fund	224,738	71,336
Partnership development	37,595	32,065
Equipment	117,666	192,902
General office and supplies	511,712	475,435
Grants, donations and incentives	71,427	89,572
Honoraria	39,933	5,650
Honoraria - Chief & Council	282,138	276,018
Insurance	312,016	344,232
Interest and bank charges	803,263	1,091,793
Lower Indian Reserve disbursements	18,000	6,000
Materials, supplies and outside purchases	6,884,597	6,920,858
Miscellaneous	887,652	723,088
Professional fees	797,800	448,932
Program resources	879,242	368,933
Rent and utilities	852,548	823,800
Repairs and maintenance	1,853,397	624,778
Residential school survivors	309,000	-
Salaries and benefits	19,886,292	18,535,036
Social assistance benefits	5,347,940	5,166,029
Telephone	245,138	245,401
Training and professional development	999,148	909,432
Transportation	664,658	581,271
Travel	674,752	157,369
Vehicle	235,561	152,793
Total expenses by object	<u>\$49,316,975</u>	<u>\$ 44,888,397</u>

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

16. Segmented Information

Walpole Island First Nation is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, medical and other health services, administration, capital, enterprises and other services.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocation on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

Services are provided by departments and their activities are reported in these segments. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Governance and Administration

The governance and administration department oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the government activities of Chief and Council.

Operations and Maintenance

The operations and maintenance department is responsible for monitoring and maintaining the First Nation resources. This department supports other departments of the First Nation to ensure the continued success of the services being provided to the community. This department is also responsible for public services such as the operation and maintenance of roads, the water and sanitation system and waste management. Maintenance of Band buildings and community infrastructure is also included in this segment.

Education

The education department provides services to elementary students through operation of Bkejwanong Elementary school, Bkejwanong Children's Centre and the public library. It also provides support for secondary students, primarily by entering into service contracts with provincially funded area school boards. In addition, the department supports post-secondary students by providing funds for tuition fees, books and living allowances.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

16. Segmented Information (continued)

Health and Social

The health department provides a diverse bundle of services directed towards the well-being of members including such activities as medical transportation, home support services, prenatal and early childhood care, nursing, health representation, traditional hearing and many other smaller programs designed to enhance the health of members.

The social assistance department is responsible for administering assistance payments as well as providing services directed towards members.

Economic Development

The economic development provides a wide array of other services, including fire protection, police protection, family violence prevention, youth employment projects and economic development. Also included are community events such as the Pow Wow and Community Days.

Housing and Band Rentals

The housing and band rentals department is responsible for all housing including rental units, CMHC rent-to-own housing and any Residential Repair Assistance Programs (RRAP).

Independent First Nations

The Independent First Nations department is responsible to provide services to the member of the First Nation that are funded by the Independent First Nations.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

17. Settlement Trust (Lower Indian Reserve)

Walpole has an economic interest in the Bkejwanong Trust (the "Trust"). The Trust was settled under a Deed of Trust by Walpole Island First Nation as Settlor for a land settlement of \$28,000,000. The Trust was created on September 29, 2015 with \$7,000,000 transferred to the trust on May 6, 2016.

The Trust was established with the purpose of holding any settlement amounts transferred from the First Nation as a long term asset for the use and benefit of the First Nation.

The financial position and results of operations for the Trust are as follows:

December 31,	2022	2021
Financial Position		
Total assets	\$ 9,214,774	\$ 10,388,913
Total liabilities	1,537,756	1,641,156
Beneficiaries capital	\$ 7,677,018	\$ 8,747,757
Operations		
Total revenue	\$ 350,459	\$ 979,802
Total expenses	107,231	102,113
Unrealized loss	1,283,258	-
Revenue over expenses	\$ (1,040,030)	\$ 877,689

Included in total liabilities above is \$1,500,978 (2020 - \$1,486,768) owing to Walpole Island First Nation.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

18. Minors Trust (Lower Indian Reserve)

Walpole has an economic interest in the Walpole Island Lower Indian Reserve Minors Trust (the "Trust"). The Trust was settled under a Deed of Trust by Walpole Island First Nation as Settlor for a settlement of \$600,000. The Trust was created on November 29, 2017 with \$600,000 transferred to the trust on the creation date.

The Trust was established with the purpose of holding any settlement amounts transferred from the First Nation for both the long and short-term benefit of the Eligible Minors and provide for the management, investment and disbursement of Trust Property to that end.

The financial position and results of operations for the Trust are as follows:

December 31,	2022	2021
Financial Position		
Total assets	\$ 476,814	\$ 476,814
Total liabilities	7,238	7,238
Beneficiaries capital	\$ 469,576	\$ 469,576
Operations		
Total revenue	\$ 30,178	\$ 33,805
Total expenses (total unrealized loss 60,356)	12,009	13,214
Unrealized loss	60,356	-
Revenue over expenses	\$ (42,187)	\$ 20,591

Included in total assets above is \$12,186 (2020 - \$21,991) due from Bkejwanong Trust (Note 16).

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

19. Financial Instrument Classification

The carrying value of each class of the First Nation's financial instruments is provided in the following table.

2023				
	Fair Value	Designated at Fair Value	Cost/Amortized Cost	Total
Cash	\$ 72,834,091	\$ -	\$ -	\$ 72,834,091
Trust funds in Ottawa	1,014,600	-	-	1,014,600
Accounts receivable	-	-	8,925,052	8,925,052
Loans to Band members	-	-	2,588,310	2,588,310
Investment in related parties	-	8,636,202	-	8,636,202
Investment in energy projects	-	9,909,424	-	9,909,424
Investment in government partnership	-	19,211,763	-	19,211,763
Accounts payable	-	-	(7,076,567)	(7,076,567)
Payable to funding sources	-	-	(2,502,422)	(2,502,422)
Housing commitments	-	-	(519,353)	(519,353)
Long-term debt	-	-	(11,485,885)	(11,485,885)
	<u>\$ 73,848,691</u>	<u>\$ 37,757,389</u>	<u>\$ (10,070,865)</u>	<u>\$ 101,535,215</u>
2022				
	Fair Value	Designated at Fair Value	Cost/Amortized Cost	Total
Cash	\$ 64,176,158	\$ -	\$ -	\$ 64,176,158
Trust funds in Ottawa	984,190	-	-	984,190
Accounts receivable	-	-	6,799,950	6,799,950
Loans to Band members	-	-	3,131,215	3,131,215
Investment in related parties	-	9,013,479	-	9,013,479
Investment in energy projects	-	9,295,256	-	9,295,256
Investment in government partnership	-	19,211,763	-	19,211,763
Accounts payable	-	-	(4,891,210)	(4,891,210)
Payable to funding sources	-	-	(2,168,854)	(2,168,854)
Housing commitments	-	-	(775,540)	(775,540)
Long-term debt	-	-	(14,021,077)	(14,021,077)
	<u>\$ 65,160,348</u>	<u>\$ 37,520,498</u>	<u>\$ (11,925,516)</u>	<u>\$ 90,755,330</u>

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

20. Financial Instrument Risk Management

The First Nation is exposed to credit risk, liquidity risk and interest rate risk from its financial instruments. This note describes the First Nation's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The First Nation is exposed to credit risk through its cash and accounts receivable.

The Nation manages its credit risk by having its cash held in a reputable bank and by having most of its receivables owed from the federal and provincial government and reputable organizations who grant money on a regular basis.

At year end, the amounts outstanding for the First Nation's accounts receivable are as follows:

As at March 31,	2023			2022		
	Accounts receivable	Less: Impairment Allowance	Total	Accounts receivable	Less: Impairment Allowance	Total
Current	\$ 2,404,475	\$ -	\$ 2,404,475	\$ 2,925,105	-	\$ 2,925,105
31 to 60 days	18,406	-	18,406	4,363	-	4,363
61 to 90 days	10,462	-	10,462	1,766	-	1,766
Over 90 days	8,128,016	(1,636,307)	6,491,709	5,798,753	(1,930,037)	3,868,716
Total	\$ 10,561,359	\$ (1,636,307)	\$ 8,925,052	\$ 8,729,987	(1,930,037)	\$ 6,799,950

There have not been any changes from the prior year in the First Nation's exposure to credit risk or the policies, procedures and methods it uses to manage and measure the risk.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

20. Financial Instrument Risk Management (continued)

Liquidity risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation is exposed to liquidity risk through its accounts payable, housing commitments and long-term debt.

The First Nation manages its liquidity risk by monitoring cash activities and expected outflows through budgeting.

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

	2023			
	Within 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable	\$ 7,076,567	\$ -	\$ -	\$ -
Housing commitments	-	519,353	-	-
Payable to funding sources	-	2,502,422	-	-
Long-term debt	724,484	724,483	4,754,720	5,282,197
	<u>\$ 7,801,051</u>	<u>\$ 3,746,258</u>	<u>\$ 4,754,720</u>	<u>\$ 5,282,197</u>

	2022			
	Within 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable	\$ 4,891,210	\$ -	\$ -	\$ -
Housing commitments	-	775,540	-	-
Payable to funding sources	-	2,168,854	-	-
Long-term debt	917,646	917,647	4,306,316	7,879,468
	<u>\$ 5,808,856</u>	<u>\$ 3,862,041</u>	<u>\$ 4,306,316</u>	<u>\$ 7,879,468</u>

There have not been any changes from the prior year in the First Nation's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The First Nation is not exposed to these risks.

Walpole Island First Nation Notes to Consolidated Financial Statements

March 31, 2023

21. Budget Information

PS1202 - Financial Statement Presentation of Public Sector Accounting Board Handbook requires the disclosure of budgeted information. A formal budget was not prepared or approved for the current year.

22. Comparative Figures

Certain information contained in the consolidated financial statements have been reclassified to conform with the current method of presentation.

Walpole Island First Nation Consolidated Summary of Schedules

For the year ended March 31, 2023	Revenue	Expenses
Schedule 1 - Governance and Administration	\$ 3,337,156	\$ 6,812,902
Schedule 2 - Operations and Maintenance	14,345,960	8,833,651
Schedule 3 - Education	13,450,058	12,447,837
Schedule 4 - Health and Social	19,039,678	16,673,353
Schedule 5 - Economic Development	3,816,997	3,948,605
Schedule 6 - Housing and Band Rentals	784,679	365,552
Schedule 7 - Independent First Nations	260,781	235,075
Total	<u>\$ 55,035,309</u>	<u>\$ 49,316,975</u>

For the year ended March 31, 2022	Revenue	Expenses
Schedule 1 - Governance and Administration	\$ 2,150,505	\$ 5,528,111
Schedule 2 - Operations and Maintenance	14,843,561	8,688,207
Schedule 3 - Education	13,698,613	12,004,131
Schedule 4 - Health and Social	16,773,255	14,750,759
Schedule 5 - Economic Development	2,907,764	3,307,835
Schedule 6 - Housing and Band Rentals	598,520	322,230
Schedule 7 - Independent First Nations	348,971	333,230
Total	<u>\$ 51,321,189</u>	<u>\$ 44,934,503</u>

Walpole Island First Nation

Consolidated Schedule 1 - Governance and administration

For the year ended March 31	2023 Budget	2023	2022
Revenue			
Indigenous Services Canada			
Grant	\$ -	\$ 879,889	\$ 807,445
Fixed contribution	-	855,147	560,465
Flexible contribution	-	804,865	762,478
Health Canada		206,293	-
Other	-	590,962	20,117
	-	3,337,156	2,150,505
Expenses			
Amortization	-	758,765	343,798
Consulting and management fees	-	-	75,302
Bad debt	-	1,124	1,016
Equipment	-	89,997	28,050
General office and supplies	-	50,695	11,538
Honoraria	-	312,459	281,443
Insurance	-	2,930	6,253
Interest and bank charges	-	122,476	108,627
Material, supplies and outside purchases	-	1,598,723	1,728,176
Professional services	-	422,623	305,636
Rent and utilities	-	13,843	19,541
Repairs and maintenance	-	81	505
Residential school survivors	-	309,000	-
Telephone	-	69,330	69,229
Training and professional development	-	41,223	21,149
Travel	-	263,996	11,007
Vehicle	-	20,916	12,991
Wages and benefits	-	2,734,721	2,503,850
	-	6,812,902	5,528,111
Annual deficit	\$ -	\$ (3,475,746)	\$ (3,377,606)

Walpole Island First Nation Consolidated Schedule 2 - Operations and maintenance

For the year ended March 31	2023 Budget	2023	2022
Revenue			
Indigenous Services Canada			
Fixed Contribution	\$ -	\$ 3,318,703	\$ 2,454,277
Flexible contribution	-	-	286,863
Province of Ontario	-	265,404	263,860
Ontario First Nations Limited Partnership	-	1,782,307	1,273,595
Lease, rent and hosting	-	725,517	845,737
Interest and dividends	-	4,889,365	3,331,844
User fees	-	208,914	196,029
Other	-	3,103,498	545,935
Other federal funding	-	52,252	-
Wind farm distributions	-	-	5,645,421
	-	14,345,960	14,843,561
Expenses			
Amortization	-	875,334	1,216,858
Bad debts (recovery)	-	248,140	890,256
Consulting and management fees	-	301,356	80,080
Equipment	-	1,139	37,715
General office and supplies	-	14,304	29,523
Grants, donations and incentives	-	30,000	52,500
Honoraria	-	-	225
Insurance	-	218,200	233,629
Interest and bank charges	-	680,479	982,021
Lower Indian Reserve disbursements	-	18,000	6,000
Material, supplies and outside purchases	-	894,497	1,098,930
Miscellaneous	-	887,652	723,088
Professional fees	-	111,748	33,116
Program resources	-	953,851	456,962
Rent and utilities	-	234,211	336,251
Repair and maintenance	-	1,629,586	417,492
Telephone	-	32,261	31,624
Training and professional development	-	33,068	6,487
Travel	-	55,644	2,483
Vehicle	-	137,725	74,404
Wages and benefits	-	1,476,456	1,978,563
	-	8,833,651	8,688,207
Annual surplus	\$ -	\$ 5,512,309	\$ 6,155,354

Walpole Island First Nation Consolidated Schedule 3 - Education

For the year ended March 31	2023 Budget	2023	2022
Revenue			
Indigenous Services Canada			
Fixed contribution	\$ -	\$10,784,677	\$ 11,340,472
Province of Ontario	-	1,407,743	1,470,081
Health Canada	-	62,461	126,084
Lease and rent revenue	-	10,760	10,080
User fees	-	42,782	149,067
Other	-	1,141,635	602,829
		<u>13,450,058</u>	<u>13,698,613</u>
Expenses			
Amortization	-	127,581	150,811
Consulting and management fees	-	19,933	17,128
Education services and allowances	-	2,671,536	2,588,528
Equipment	-	19,020	23,399
General office and supplies	-	163,409	68,567
Insurance	-	34,193	36,321
Materials, supplies and outside purchases	-	1,417,736	1,230,873
Rent and utilities	-	138,401	122,041
Repairs and maintenance	-	61,010	53,534
Telephone	-	17,524	21,568
Training and professional development	-	78,121	155,961
Transportation	-	467,887	447,439
Travel	-	41,755	16,046
Vehicle	-	583	1,490
Wages and benefits	-	7,189,148	7,070,425
		<u>12,447,837</u>	<u>12,004,131</u>
Annual surplus	\$ -	\$ 1,002,221	\$ 1,694,482

Walpole Island First Nation
Consolidated Schedule 4 - Health and Social

For the year ended March 31	2023 Budget	2023	2022
Revenue			
Indigenous Services Canada			
Fixed contribution	\$ -	\$ 2,959,397	\$ 2,220,566
Flexible contribution	-	1,112,144	166,646
Set contribution	-	618,931	202,041
Health Canada	-	3,582,860	3,727,340
Other federal funding	-	3,353	9,019
Province of Ontario	-	9,676,927	9,815,101
Independent First Nations	-	30,594	187,246
Other	-	1,053,422	445,296
User fees	-	2,050	-
	-	19,039,678	16,773,255
Expenses			
Amortization	-	89,663	112,819
Equipment	-	37,124	16,233
General office and supplies	-	134,896	207,192
Grants, donations and incentives	-	41,427	37,072
Honoraria	-	2,400	-
Insurance	-	15,555	22,755
Materials, supplies and outside purchases	-	2,385,939	2,257,036
Professional fees	-	140,807	88,215
Rent and utilities	-	262,485	192,100
Repairs and maintenance	-	15,933	27,627
Social assistance benefits	-	5,347,940	5,253,032
Telephone	-	97,512	95,628
Training and professional development	-	785,525	540,676
Transportation	-	196,772	133,833
Travel	-	287,327	89,774
Vehicle	-	32,145	38,430
Wages and benefits	-	6,799,903	5,638,337
	-	16,673,353	14,750,759
Annual surplus	\$ -	\$ 2,366,325	\$ 2,022,496

Walpole Island First Nation
Consolidated Schedule 5 - Economic Development

For the year ended March 31	2023 Budget	2023	2022
Revenue			
Indigenous Services Canada			
Fixed contribution	\$ -	\$ 619,942	\$ 501,520
Human Resources and Skills Development			
Canada	-	1,300,842	1,055,777
Other federal funding	-	116,905	524,893
Province of Ontario	-	267,672	307,504
Interest and dividends	-	54,612	7,965
User fees	-	200,966	83,420
Other	-	1,256,058	426,685
	-	3,816,997	2,907,764
Expenses			
Amortization	-	162,533	171,258
Bad debts (recovery)	-	(87)	
Consolidated revenue fund			
Administration	-	39,384	43,937
Childcare	-	240,249	240,249
Core services	-	180,815	135,588
Labour market programs	-	171,016	214,476
Partnership development	-	67,059	55,220
Employment insurance fund			
Administration	-	156,477	94,618
Core services	-	152,410	100,858
Labour market programs	-	223,349	71,336
Partnership development	-	37,595	32,065
Equipment	-	2,926	52,208
General office and supplies	-	145,699	29,589
Honoraria	-	7,211	
Insurance	-	30,935	35,974
Material, supplies and outside purchases	-	397,912	351,789
Rent and utilities	-	149,148	109,215
Repairs and maintenance	-	76,372	63,454
Professional fees	-	122,623	21,966
Telephone	-	26,555	25,469
Training and professional development	-	30,680	169,901
Travel	-	23,794	37,162
Vehicle	-	44,192	25,477
Wages and benefits	-	1,459,758	1,226,026
	-	3,948,605	3,307,835
Annual deficit	\$ -	\$ (131,608)	\$ (400,071)

Walpole Island First Nation

Consolidated Schedule 6 - Housing and Band rentals

For the year ended March 31	2023 Budget	2023	2022
Revenue			
Indigenous Services Canada			
Fixed contribution	\$ -	\$ 592,218	\$ 366,962
Lease and rent revenue	-	119,602	115,037
User fees	-	5,279	1,452
Canada Mortgage and Housing Corporation	-	67,580	115,069
	-	784,679	598,520
Expenses			
Amortization	-	93,445	93,445
Bad debts	-	-	777
Construction and renovations	-	-	2,450
Equipment	-	2,730	-
General office and supplies	-	2,577	4,162
Insurance	-	10,203	9,299
Interest and bank charges	-	158	1,070
Material, supplies and outside purchases	-	31,323	34,915
Rent and utilities	-	29,310	33,343
Repairs and maintenance	-	50,933	54,214
Telephone	-	1,956	1,882
Training and professional development	-	1,219	8,134
Travel	-	2,236	753
Wages and benefits	-	139,462	77,786
	-	365,552	322,230
Annual surplus (deficit)	\$ -	\$ 419,127	\$ 276,290

Walpole Island First Nation
Consolidated Schedule 7 - Independent First Nations

For the year ended March 31	2023 Budget	2023	2022
Revenue			
Independent First Nations	\$ -	\$ 260,781	\$ 348,971
Expenses			
General office and supplies	-	132	8,887
Materials, supplies and outside purchases	-	118,786	274,592
Rent and utilities	-	-	2,435
Training and professional development	-	29,313	7,124
Travel	-		144
Wages and benefits	-	86,844	40,048
	-	235,075	333,230
Annual surplus	\$ -	\$ 25,706	\$ 15,741