

Ginoogaming First Nation
Consolidated Financial Statements
March 31, 2020

Ginoogaming First Nation

Contents

For the year ended March 31, 2020

Page

Management's Responsibility

Independent Auditors' Report

Consolidated Financial Statements

Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5

Management's Responsibility

To the Members of Ginoogaming First Nation


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

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

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

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

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

A handwritten signature in black ink, appearing to read "H. Waboon", is written over a horizontal line.

Band Manager

Independent Auditor's Report

**To the Members of
Ginoogaming First Nation**

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Ginoogaming First Nation, and its entities (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, changes in net debt, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying consolidated financial statements of the First Nation. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

The First Nation was not able to provide satisfactory audit evidence with respect to the completeness or existence of revenues and expenses due to a lack of supporting documentation, the lack of supporting audit evidence with respect to the Education Authority and the lack of controls over the bingo operations. Accordingly, we were unable to confirm or verify by alternate means that all revenues and expenses of the First Nation have been properly recorded, nor whether the classification of revenues or expenses is appropriate. As a result, we were unable to determine whether any adjustments might be necessary to revenues, expenses, annual surplus, accounts receivable, accounts payable, deferred revenues and accumulated surplus.

The First Nation did not prepare budgets, which is not in compliance with Canadian public sector accounting standards.

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.



Independent Auditor's Report (continued)

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

Our responsibility is to conduct an audit of the First Nation's consolidated financial statements in accordance with Canadian generally accepted auditing standards and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

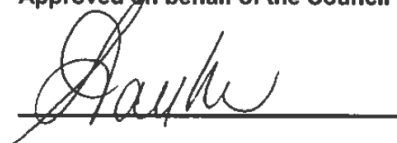
Thunder Bay, Ontario

February 10, 2022

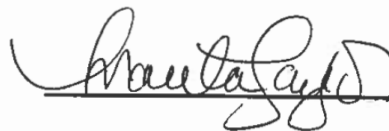
Ginoogaming First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
Financial assets		
Cash resources (Note 3)	1,925,703	-
Accounts receivable (Note 4)	1,274,424	1,641,118
Due from government and other government organizations (Note 5)	1,876,435	1,853,797
	5,076,562	3,494,915
Investment in First Nation partnerships (Note 6)	-	2,174,384
Portfolio investments (Note 7)	12	10
Investment in First Nation business entities (Note 8)	(113,191)	(113,131)
Funds held in Ottawa trust fund (Note 9)	3,450	3,383
Total financial assets	4,966,833	5,559,561
Liabilities		
Bank indebtedness (Note 10)	-	299,057
Accounts payable and accruals (Note 11)	7,809,168	7,297,606
Government remittances payable (Note 13)	625,433	693,758
Due to government and other government organizations (Note 14)	604,912	650,152
	9,039,513	8,940,573
Long-term debt (Note 15)	872,387	921,886
Deferred revenue (Note 16)	531,817	268,297
Total financial liabilities	10,443,717	10,130,756
Net debt	(5,476,884)	(4,571,195)
Contingencies (Note 17)		
Subsequent events (Note 25)		
Non-financial assets		
Tangible capital assets (Note 18) (Schedule 1)	5,923,392	6,177,435
Inventories of supplies	3,294	3,294
Total non-financial assets	5,926,686	6,180,729
Accumulated surplus	449,802	1,609,534

Approved on behalf of the Council



Chief



Councillor

Ginoogaming First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2020

	2020	2019
Indigenous Services Canada (Note 19)		
Fixed Contribution Funding	2,292,602	2,362,369
Set Contribution Funding	917,101	1,281,911
Grant funding	251,428	489,734
Ministry of Community and Social Services (Note 19)	1,358,449	925,035
First Nation and Inuit Health Branch (Note 19)	1,398,231	1,327,634
Canada Mortgage and Housing Corporation (Note 19)	78,303	59,433
Administration fees	394,485	428,483
Bingo revenue	61,032	16,074
Dilico	213,128	208,321
HST Rebates	327,923	-
Greenstone Gold	1,489,421	91,916
Matawa Tribal council	414,253	684,161
Ministry of Education (Note 19)	205,783	251,290
Ministry of Energy, Northern Development and Mines (Note 19)	95,318	66,915
Ministry of Health (Note 19)	104,736	105,112
Ministry of Indigenous Affairs (Note 19)	162,400	104,784
Nishnawbe Aski Nation	159,699	176,792
OFNLP2008	801,177	926,134
Other revenue	329,336	706,630
Ottawa Trust Fund	66	145
Rental income	40,320	70,405
Timberclaim	123,089	968,673
User fees	43,397	26,658
Deferred revenue - beginning of year (Note 16)	268,297	700,612
Deferred revenue - end of year (Note 16)	(531,817)	(268,297)
Recovery of funding	(5,117)	116,152
	10,993,040	11,827,076
Expenses		
Administration	1,770,754	1,164,255
Community Infrastructure	909,916	1,196,566
Education	2,384,607	2,386,645
Social Housing	283,751	520,363
Social Services	1,521,263	1,501,442
Health Services	1,633,208	1,739,821
Employment and Economic Development	1,395,212	410,802
Other First Nation Activities	1,321,363	1,328,765
	11,220,074	10,248,659
Surplus (deficit) before other items	(227,034)	1,578,417
Other income (expense)		
Loss on disposal of investment in government partnership	(941,658)	-
Gain on disposal of capital assets	-	12,700
Replacement reserve	8,960	8,960
	(932,698)	21,660
Surplus (deficit)	(1,159,732)	1,600,077
Accumulated surplus, beginning of year	1,609,534	9,457
Accumulated surplus, end of year	449,802	1,609,534

The accompanying notes are an integral part of these financial statements

Ginoogaming First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2020

	2020	2019
Annual surplus (deficit)	(1,159,732)	1,600,077
Purchases of tangible capital assets	(29,580)	(2,260,580)
Transfer of tangible capital assets on disposal of investment in First Nation partnership	(356,304)	-
Amortization of tangible capital assets	544,928	354,943
Gain on sale of tangible capital assets	-	(12,700)
Proceeds of disposal of tangible capital assets	94,999	12,700
Increase in net debt	(905,689)	(305,560)
Net debt, beginning of year	(4,571,195)	(4,265,635)
Net debt, end of year	(5,476,884)	(4,571,195)

Ginoogaming First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	(1,159,732)	1,600,077
Non-cash items		
Amortization	544,928	354,943
Loss on disposal of investments	941,658	-
Transfer of tangible capital assets on disposal of investment in First Nation Partnership	356,304	-
Gain on disposal of capital assets	-	(12,700)
Ottawa trust fund	(66)	(145)
	683,092	1,942,175
Changes in working capital accounts		
Accounts receivable	366,694	(602,742)
Due from government and other government organizations	(22,638)	(102,196)
Accounts payable and accruals	511,560	774,344
Government remittances payable	(68,325)	(8,399)
Deferred revenue	263,520	(432,315)
Due to government and other government organizations	(45,240)	(111,774)
Investment in government business enterprise	60	3,730
	1,688,723	1,462,823
Financing activities		
Advances of current portion of long-term debt	-	51,963
Repayment of current portion of long-term debt	(49,499)	(41,208)
	(49,499)	10,755
Capital activities		
Purchases of tangible capital assets	(29,580)	(2,260,580)
Proceeds of disposal of tangible capital assets	94,999	12,700
	65,419	(2,247,880)
Investing activities		
Proceeds from disposal of Investment in First Nation partnership	520,119	-
Investment in portfolio investments	(2)	-
	520,117	-
Increase (decrease) in cash resources	2,224,760	(774,302)
Cash resources, beginning of year	(299,057)	475,245
Cash resources, end of year	1,925,703	(299,057)

Ginoogaming First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

1. Operations

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

2. Significant accounting policies

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

Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Principles of consolidation

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

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

- Rocky Shore Development Corporation

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

Under the modified equity method of accounting, only the First Nation's investment in the government business enterprise and 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 the First Nation.

Organizations accounted for on a modified equity basis include:

- Giizhagaakwe Development Corporation (GDC)

A government partnership exists where the First Nation has shared control over the board or entity. The First Nation's pro-rata share of the assets, liabilities, revenues and expenditures are reflected in the consolidated financial statements using the proportionate consolidation method. The First Nation's proportionate interest of the following government partnerships are reflected in the consolidated financial statements:

- Anishinaabeg Gikinoow A'Maagoziwin Education Authority - 38.36%

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

Asset classification

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

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

Cash and cash equivalents

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

Portfolio investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

Long-lived assets and discontinued operations

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using discounted future cash flows. Any impairment is included in surplus for the year ended.

Tangible capital assets

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

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

Contributed tangible capital assets are recorded into revenue 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. Transfers of capital assets from related parties are recorded at nominal value.

Certain assets have historical or cultural value, including works of art, historical documents, and historical and cultural artifacts, are not recognized as tangible capital assets.

Tangible capital assets that are not yet ready for use are recorded as construction in progress. No amortization is recorded until the asset is ready for use.

Ginoogaming First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

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

Amortization

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

	Method	Rate
Commercial buildings	straight-line	5-20 years
Furniture and fixtures	straight-line	5 years
Housing	straight-line	20 years
Infrastructure	straight-line	10-20 years
Machinery and equipment	straight-line	5-10 years
Office equipment	straight-line	3-5 years
Vehicles	straight-line	5 years

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements.

Rental revenue is recognized over the rental term. Other revenues are earned from other services provided by the First Nation and are recognized when the service has been provided and collectibility is reasonably assured.

Revenues from trust monies are recognized when measurable, earned and collection is reasonably assured. These monies are reported on by the Government of Canada.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Government Transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Administration fees

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as administration fee revenue.

Net financial assets (net debt)

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

Use of estimates

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

Ginoogaming First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

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

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

Provisions are made for slow moving and obsolete inventory.

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

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

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

Expense allocation

Certain expenses which pertain to the operations as a whole have been allocated to various programs at the discretion of Chief and Council.

Segments

The First Nation conducts its business through 8 reportable segments: Administration, Community Infrastructure, Education, Social Housing, Social Services, Health Services, Employment and Economic Development and Community Development. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

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

3. Cash resources

	2020	2019
Administration	606,033	-
Social Assistance	110,750	-
Canada Mortgage and Housing Corporation (restricted)	3,098	-
Bingo	12,738	-
Casinorama	1,193,084	-
	1,925,703	-

The First Nation is required under the terms of its funding agreement with Canada Mortgage and Housing Corporation to set aside designated funds for the replacement of the constructed units under its S.95 Housing program. At year end, \$3,098 (2019 – \$625) was set aside to replace units constructed under this program.

Ginoogaming First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

4. Accounts receivable

	2020	2019
Trade receivables	410,618	332,327
OFNLP2008	534,472	926,134
Matawa Tribal Council	329,334	382,657
Due from members	363,345	362,099
	1,637,769	2,003,217
Less: Allowance for doubtful accounts	363,345	362,099
	1,274,424	1,641,118

5. Due from government and other government organizations

	2020	2019
Federal		
Indigenous Services Canada	859,337	1,489,025
First Nation and Inuit Health Branch	292,807	22,081
Canada Mortgage and Housing Corporation	170,971	92,668
HST Rebates	370,411	19,990
	1,693,526	1,623,764
Provincial		
Ministry of Education	24,500	24,500
Ministry of Energy, Northern Development and Mines	61,289	66,915
Ministry of Indigenous Affairs	97,120	138,618
	182,909	230,033
	1,876,435	1,853,797

6. Investment in government partnership

The First Nation had an interest in the Anishinaabeg Gikino A'Maagoziwin Education Authority ("The Education Authority"). The Education Authority provided elementary and secondary education services to the members of the First Nation.

Due to a dispute between the partners, management had been unable to obtain information regarding the carrying amounts of the First Nation proportion of the Education Authority.

Subsequent to year end, both parties agreed to wind up the Education Authority, and assets were distributed to the partners. As a result of the distribution, the First Nation received commercial building assets with a net book value of \$356,304.

Ginoogaming First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

7. Portfolio investments

	2020	2019
Ne-Daa-Kii-Me-Naan Inc.	10	10
OFN Asset Management	1	-
Sovereign Wealth LP	1	-
	12	10

8. Investments in government business enterprise

Ginoogaming First Nation owns 100% of Giizhagaakwe Development Corporation. Giizhagaakwe Development Corporation harvests timber for sale to a local pulp mill.

	2020	2019
Giizhagaakwe Development Corporation	(113,191)	(113,131)

The following table presents condensed financial information for this government business enterprise:.

	<i>Giizhagaakwe Development Corporation As at March 31, 2020</i>	<i>Giizhagaakwe Development Corporation As at March 31, 2019</i>
Cash	1,079	1,139
Due from related party	45,614	45,614
Total assets	46,693	46,753
Accounts payable and accruals	114,270	114,270
Total liabilities	114,270	114,270
Deficit	(67,577)	(67,517)
Total liabilities and deficit	46,693	46,753
 Total expenses	 60	 60
Net loss before other items	(60)	(60)
Loss on disposal	-	(2,065)
Net loss	(60)	(2,125)

Ginoogaming First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

9. Funds held in Ottawa Trust Funds

	2020	2019
Capital Trust		
Balance, beginning of year	24	24
Balance, end of year	24	24
Revenue Trust		
Balance, beginning of year	3,359	3,214
Interest	67	145
Balance, end of year	3,426	3,359
	3,450	3,383

The trust funds arise from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

10. Bank indebtedness

	2020	2019
Administration	-	365,565
Social assistance	-	(30,013)
Bingo	-	(1,625)
Canada Mortgage and Housing Corporation (CMHC) (restricted)	-	(625)
Casinorama	-	(34,245)
	-	299,057

The First Nation is required under the terms of its funding agreement with Canada Mortgage and Housing Corporation to set aside designated funds for the replacement of the constructed units under its S.95 Housing program. At year end, \$3,098 (2019 – \$625) was set aside to replace units constructed under this program.

11. Accounts payable and accruals

	2020	2019
Trade payables	7,407,670	6,492,035
Accrued salaries and benefits	129,820	99,353
Other accrued payables	271,678	706,218
	7,809,168	7,297,606

12. Defined contribution plans

Defined contribution pension plan

The First Nation has a defined contribution pension plan covering select employees who have completed one year of service. Members are required to contribute 3% of their basic salary. The First Nation contributes 3% which is directed to the members' contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the members' withdrawal from the plan. The First Nation contributions and corresponding expenses totalled \$62,057 in 2020 (2019 - \$63,455). Indigenous Services Canada provides funding to the First Nation for its share of pension contributions for full-time employees.

Ginoogaming First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

13. Government remittances payable

	2020	2019
Receiver General - payroll deductions	625,433	693,758

14. Due to government and other government organizations

	2020	2019
Federal		
Indigenous Services Canada	490,472	650,152
Provincial		
Ministry of Community and Social Services	16,032	-
Ministry of Health	72,429	-
Ministry of Indigenous Affairs	25,979	-
	114,440	-
	604,912	650,152

15. Long-term debt

	2020	2019
CMHC Mortgage payable with payments of \$4,784 per month including interest at 2.52% per annum, maturing April 2038, with a renewal date of September 2023. Secured by a ministerial guarantee from Indigenous Services Canada in the amount of \$833,963 and a first mortgage on seven housing units with a net book value of \$745,074.	833,963	869,924
Ford Truck Loan payable with payments of \$1,015 per month including interest at 2.99% per annum, maturing October 2022. Secured by a general security agreement and vehicle equipment with a net book value of \$40,571.	31,096	42,162
Ford Truck Loan payable with payments of \$235 per month including interest at 3.99%, maturing December 2022. Secured by a general security agreement and vehicle equipment with a net book value of \$36,125.	7,328	9,800
	872,387	921,886

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

	Principal
2021	52,523
2022	52,223
2023	48,789
2024	39,750
2025	40,764
	234,049
Thereafter	638,338

Interest on long-term debt amounted to \$22,898 (2019 - \$19,127)

Ginoogaming First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

16. Deferred revenue

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

	<i>Balance, beginning of year</i>	<i>Revenue received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Greenstone Gold - Tote Road Claim	-	1,278,133	1,191,000	87,133
ISC - Consultations and Policy Development	8,177	-	8,177	-
ISC - Drainage Study	-	50,000	-	50,000
ISC - Indigenous early learning and child care	-	91,357	-	91,357
ISC - Lands and Trusts	42,151	-	42,151	-
KKETS - FNICCI	103,883	214,755	168,841	149,797
Matawa - Post Secondary	114,086	320,747	322,406	112,427
Nuclear Waste Management Organization	-	60,000	18,897	41,103
	268,297	2,014,992	1,751,472	531,817

17. Contingent liabilities

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

In addition, in the normal course of operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and expense recorded in the First Nation's consolidated financial statements. As of March 31, 2020, no contingent liabilities have been recorded in the consolidated financial statements.

18. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Commercial buildings include one building with a carrying value of \$3,092,479 (2019 - \$4,095,677). No amortization of this asset has been recorded during the year because it is currently under construction at March 31, 2020.

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

Ginoogaming First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

19. Government Transfers

	<i>Operating</i>	<i>Capital</i>	<i>2020</i>	<i>2019</i>
Indigenous Services Canada	3,258,377	202,754	3,461,131	4,134,014
First Nation and Inuit Health Branch	1,398,231	-	1,398,231	1,327,634
Canada Mortgage and Housing Corporation	78,303	-	78,303	59,433
Total federal transfers	4,734,911	202,754	4,937,665	5,521,081
Ministry of Community and Social Services	1,358,449	-	1,358,449	925,035
Ministry of Education	205,783	-	205,783	251,290
Ministry of Energy, Northern Development and Mines	95,318	-	95,318	66,915
Ministry of Health	104,736	-	104,736	105,112
Ministry of Indigenous Affairs	162,400	-	162,400	104,784
Total provincial transfers	1,926,686	-	1,926,686	1,453,136
	6,661,597	202,754	6,864,351	6,974,217

20. Reserves

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") the First Nation established the following:

In 2012, a replacement reserve was established by an annual allocation of \$8,960, to ensure replacement of buildings financed by CMHC. At March 31, 2020, \$62,720 (2019 - \$53,760) was required to be set aside to fund the reserve. The unfunded portion at March 31, 2020 was \$59,662 (2019 - \$53,135).

A subsidy operating surplus reserve was established by retaining excess federal payments received since the inception of the project. Reserve funds may be used to meet future subsidy requirements of income test occupants, over and above the maximum federal assistance. In the current year, there existed a deficit of \$60 (2019- \$6,385) in operations. These deficits were applied against prior operating surpluses.

In accordance with the terms of the agreements, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC.

	<i>2020</i>	<i>2019</i>
CMHC - replacement reserve		
Opening balance	53,760	44,800
addition to replacement reserve	8,960	8,960
Closing balance - CMHC replacement reserve	62,720	53,760
CMHC - operating reserve		
Opening balance	17,763	24,148
Deficit from operations for the year	(60)	(6,385)
Closing balance - CMHC operating reserve	17,703	17,763
CMHC - contingency reserve		
Opening balance	7,000	5,600
addition to contingency reserve	1,400	1,400
Closing balance - CMHC contingency reserve	8,400	7,000
	88,823	78,523

21. Segments

During 2020, the First Nation had 8 reportable segments: These segments are differentiated by major activities or services they provide. The First Nation's segments are as follows:

Administration

Administration oversees the delivery of all government 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 to Chief and Council.

Community Development

Community Development contains activities that provide a benefit to the community.

Community Infrastructure

Community infrastructure contains activities that provide infrastructure to the community such as road maintenance, sewer and water, community buildings and public utilities.

Education

Education provides public services to elementary and secondary students by entering into contracts with provincially funded area school boards, as well as native language study. In addition, the department provides sponsorship to students attending post secondary institutions.

Employment and Economic Development

Employment and Economic Development provides a wide array of activities to further support the development and progressively enhance the First Nation's economy and community.

Health Services

Health Services contains activities that provide medical services to band members. Furthermore, the community wellness department provides a diverse bundle of services directed towards medical transportation, prenatal, health representation, traditional healing, family violence prevention, mental health and many other smaller programs designed to enhance the health of members.

Social Housing

Social Housing contains activities that provide housing and repairs and maintenance to band members.

Social Services

Social Services contains activities that provide financial support or support by other means to band members that are aimed at developing both the individual as well as the community.

Inter-segment transfers are recorded at their exchange amount. The accounting policies of the segments are the same as those described in Note 2.

22. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

23. Budget information

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

24. Economic dependence

Ginoogaming First Nation receives a significant portion of its revenue from Indigenous Services Canada as a result of Treaties entered into with the Government of Canada. These treaties are administered by Indigenous Services Canada under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

25. Uncertainty with respect to COVID-19

COVID-19 (coronavirus) has had a significant impact on First Nation communities through the restrictions put in place by the Canadian, Provincial and Municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, Band operations, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. The First Nation is actively monitoring the effect on its financial condition and operations.

Ginoogaming First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Commercial buildings</i>	<i>Furniture and fixtures</i>	<i>Housing</i>	<i>Infrastructure</i>	<i>Machinery and equipment</i>	<i>Office equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	5,933,673	49,174	5,142,804	257,512	193,308	270,649	11,847,120
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Construction-in-progress	29,580	-	-	-	-	-	29,580
Disposal of tangible capital assets	(94,999)	-	-	-	-	-	(94,999)
Transfer of tangible capital assets from investment	3,563,035	-	-	-	-	-	3,563,035
Balance, end of year	9,431,289	49,174	5,142,804	257,512	193,308	270,649	15,344,736
Accumulated amortization							
Balance, beginning of year	2,302,137	49,174	2,875,834	128,817	184,739	270,649	5,811,350
Annual amortization	286,379	-	208,914	10,764	952	-	507,009
Accumulated amortization on disposals	-	-	-	-	-	-	-
Transfer of accumulated amortization from investment	3,206,731	-	-	-	-	-	3,206,731
Balance, end of year	5,795,247	49,174	3,084,748	139,581	185,691	270,649	9,525,090
Net book value of tangible capital assets	3,636,042	-	2,058,056	117,931	7,617	-	5,819,646
2019							
Net book value of tangible capital assets	3,631,536	-	2,266,970	128,695	8,569	-	6,035,770

Ginoogaming First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Vehicles</i>	<i>2020</i>	<i>2019</i>
Cost				
Balance, beginning of year	11,847,120	401,401	12,248,521	10,033,432
Acquisition of tangible capital assets	-	-	-	182,432
Construction-in-progress	29,580	-	29,580	2,078,148
Disposal of tangible capital assets	(94,999)	-	(94,999)	(45,491)
Transfer of tangible capital assets from investment	3,563,035	-	3,563,035	-
Balance, end of year	15,344,736	401,401	15,746,137	12,248,521
Accumulated amortization				
Balance, beginning of year	5,811,350	259,736	6,071,086	5,761,634
Annual amortization	507,009	37,919	544,928	354,943
Accumulated amortization on disposals	-	-	-	(45,491)
Transfer of accumulated amortization from investment	3,206,731	-	3,206,731	-
Balance, end of year	9,525,090	297,655	9,822,745	6,071,086
Net book value of tangible capital assets	5,819,646	103,746	5,923,392	6,177,435
				2019
Net book value of tangible capital assets	6,035,770	141,665	6,177,435	

Ginoogaming First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2020

	2020	2019
Consolidated expenses by object		
Administration	394,485	428,483
Advertising	5,837	5,013
Amortization	544,928	354,943
Bad debts	1,246	18,093
Bank charges and interest	22,722	23,943
Busing	163,496	150,075
Co-management fees	306,633	122,065
Community donations	10,693	164,835
Contingency	1,400	-
Food and beverage	68,442	79,114
Fuel	44,159	13,110
Fire protection	5,663	4,000
Honourarium	607,625	721,216
Insurance	56,151	65,364
Interest on long-term debt	22,898	19,127
Medical supplies and prescriptions	28,747	-
Miscellaneous	20,355	203
Office supplies	55,426	13,087
Professional fees	360,279	451,616
Rent	55,058	65,488
Repairs and maintenance	264,369	209,236
Replacement reserve	8,960	8,960
Salaries and benefits	2,634,160	2,291,263
Sanitation	400	-
Settlement payout	1,023,000	-
Social assistance	1,243,204	1,183,952
Student allowances	-	5,000
Supplies	392,828	528,774
Telephone	65,681	47,143
Training	51,067	40,302
Travel	575,357	746,337
Tuition	1,818,124	1,670,423
Utilities	366,681	817,494
	11,220,074	10,248,659

Ginoogaming First Nation

Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2020

	ISC Revenue	Other Revenue	Deferred Revenue	Funds Held in Trust	Total Revenue	Total Expenses	Transfers From (To)	Current Surplus (Deficit)
Administration								
Minor Capital	311,460	-	-	-	311,460	311,528	-	(68)
Registry Events	6,985	-	-	-	6,985	6,985	-	-
Council and Admin	455,384	1,020,529	-	66	1,475,979	1,377,674	(7,766)	90,539
Capacity Development	8,448	-	8,177	-	16,625	19,256	-	(2,631)
Giizhaggawke Development Corp.	-	-	-	-	-	60	-	(60)
Lands and Trusts	-	-	42,151	-	42,151	42,151	-	-
Election	-	-	-	-	-	10,400	10,400	-
OFNLP2008	-	801,177	-	-	801,177	2,700	(798,477)	-
	782,277	1,821,706	50,328	66	2,654,377	1,770,754	(795,843)	87,780
Community Infrastructure								
O&M	77,738	12,461	-	-	90,199	428,842	334,626	(4,017)
Road Repairs/Fire Protect	27,883	-	-	-	27,883	38,170	-	(10,287)
Wastewater infiltration	50,000	-	(50,000)	-	-	-	-	-
Community Complex	35,796	-	-	-	35,796	421,427	-	(385,631)
Water O&M	10,122	-	-	-	10,122	10,122	-	-
Wastewater O&M	11,355	-	-	-	11,355	11,355	-	-
	212,894	12,461	(50,000)	-	175,355	909,916	334,626	(399,935)
Education								
Education	145,732	-	-	-	145,732	149,682	3,950	-
Post Secondary	320,747	-	1,659	-	322,406	322,406	-	-
Band Employee Benefits	12,925	-	-	-	12,925	12,925	-	-
Band Operated School	121,621	144,544	-	-	266,165	121,621	-	144,544
Secondary/Elementary Education	1,159,741	2,056	-	-	1,161,797	1,443,064	281,267	-
Education Ancilliary Support	212,955	-	-	-	212,955	184,264	(3,950)	24,741
Ministry of Education - Journey Together	-	150,645	-	-	150,645	150,645	-	-
Aboriginal Headstart - Indigenous Early Learning and Child Care (IELCC) Transformation Initiative	91,357	-	(91,357)	-	-	-	-	-
	2,065,078	297,245	(89,698)	-	2,272,625	2,384,607	281,267	169,285
Housing								
CMHC Residential Rehabilitation Assistance Program (RRAP)	-	17,115	-	-	17,115	17,115	-	-
User Fees	-	43,397	-	-	43,397	55,770	(43,397)	(55,770)
CMHC Rent - 7 Unit Project	-	79,807	-	-	79,807	115,781	14,561	(21,413)
Housing	-	40,267	-	-	40,267	95,085	54,818	-
	-	180,586	-	-	180,586	283,751	25,982	(77,183)

Ginoogaming First Nation
Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2020

	ISC Revenue	Other Revenue	Deferred Revenue	Funds Held in Trust	Total Revenue	Total Expenses	Transfers From (To)	Current Surplus (Deficit)
Social Services								
Social Assistance - Administration	78,700	76,300	-	-	155,000	155,000	-	-
Social Assistance - Basic Needs	-	1,072,521	-	-	1,072,521	1,107,438	-	(34,917)
Social Assistance - Time Limit Project	-	64,800	-	-	64,800	64,800	-	-
Homemaking - Ministry of Health	-	32,307	-	-	32,307	32,307	-	-
Social Assistance - Employment Support	29,520	69,700	-	-	99,220	99,220	-	-
Homemaking- In Home Care	3,800	-	-	-	3,800	3,800	-	-
Social Assistance - Transitional Support	-	58,648	-	-	58,648	58,698	-	(50)
	112,020	1,374,276	-	-	1,486,296	1,521,263	-	(34,967)
Health Services								
Canada Prenatal Nutrition Program (CPNP)	-	6,811	-	-	6,811	6,811	-	-
Victims Services	-	47,625	-	-	47,625	47,625	-	-
Medical Transport	-	64,164	-	-	64,164	64,164	-	-
Medical Transport - Administration	-	20,876	-	-	20,876	20,876	-	-
Brighter Futures	-	75,895	-	-	75,895	75,895	-	-
Children's Oral Health Initiative (COHI)	-	20,466	-	-	20,466	20,466	-	-
Dilico- Community Health Representative	-	106,938	-	-	106,938	106,938	-	-
Dilico - Family Support Worker	-	106,190	-	-	106,190	106,345	-	(155)
Suicide Prevention	-	3,924	-	-	3,924	3,924	-	-
Aboriginal Diabetes Initiative (ADI)	-	24,874	-	-	24,874	24,874	-	-
Building Healthy Communities - Mental Health (BHC-MH)	-	53,262	-	-	53,262	53,383	-	(121)
Building Healthy Communities Substance Abuse Program (BHC-SAP)	-	792	-	-	792	792	-	-
National Native Alcohol and Drug Abuse Program (NNADAP) Aftercare	-	216,405	-	-	216,405	165,509	-	50,896
Nishnawbe Aski Nation- Crisis	-	43,840	-	-	43,840	43,840	-	-
Nishnawbe Aski Nation - Healthy Babies/Healthy Children (HBHC)	-	14,141	-	-	14,141	14,141	-	-
Nishnawbe Aski Nation - Fetal Alcohol Spectrum Disorder (FASD)	-	8,118	-	-	8,118	8,118	-	-
Nishnawbe Aski Nation - Family Well Being	-	98,600	-	-	98,600	98,600	-	-
Non-Insured Health Benefits - Reimbursements	-	73,009	-	-	73,009	73,009	-	-
Jordan's Principle - Choose Life	-	485,408	-	-	485,408	485,408	-	-
Prevention/Least Disruptive Measures	212,490	-	-	-	212,490	212,490	-	-
	212,490	1,471,338	-	-	1,683,828	1,633,208	-	50,620
Employment and Economic Development								
Employment Councillng	-	50,000	-	-	50,000	50,000	-	-
Economic Development	49,400	-	-	-	49,400	49,400	-	-
Regional Process Framework	-	33,333	-	-	33,333	85,915	52,582	-
Nuclear Waste	-	60,000	(41,103)	-	18,897	18,897	-	-
Greenstone Gold	-	1,278,133	(87,133)	-	1,191,000	1,191,000	-	-
	49,400	1,421,466	(128,236)	-	1,342,630	1,395,212	52,582	-

Ginoogaming First Nation

Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2020

	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Deferred Revenue</i>	<i>Funds Held in Trust</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Other First Nation Activities								
Aboriginal Headstart	-	589,138	(45,914)	-	543,224	543,224	-	-
ACEP	-	-	-	-	-	5,416	5,416	-
Treaty Land Entitlement - Support for Community Negotiations	-	51,421	-	-	51,421	51,421	-	-
Rocky Shore Development Corporation - Bingo	-	61,032	-	-	61,032	67,583	6,551	-
Canteen	-	-	-	-	-	59,712	59,712	-
New Relationship Fund - Core	-	85,000	-	-	85,000	85,000	-	-
Community Events	-	129,989	-	-	129,989	130,041	-	(52)
LTRA - Implementation Committee	-	204,387	-	-	204,387	206,727	2,340	-
Strategic Partnership Initiative - Ministry of Energy, Northern Development and Mines	-	-	-	-	-	27,367	27,367	-
Community Communication Liason Officer (CCLO)	-	95,318	-	-	95,318	95,318	-	-
Skills Link program	26,972	-	-	-	26,972	26,972	-	-
COVID-19	-	-	-	-	-	22,582	-	(22,582)
	26,972	1,216,285	(45,914)	-	1,197,343	1,321,363	101,386	(22,634)
	3,461,131	7,795,363	(263,520)	66	10,993,040	11,220,074	-	(227,034)