

**Whitesand First Nation
Consolidated Financial Statements**
March 31, 2018

Whitesand First Nation
Contents
For the year ended March 31, 2018

	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Consolidated Financial Statements.....	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	14
Schedule 2 - Consolidated Schedule of Expenses by Object.....	17
Schedule 3 - Consolidated Schedule of Revenue and Expenses for Band Administration.....	18
Schedule 4 - Consolidated Schedule of Revenue and Expenses for Education.....	19
Schedule 5 - Consolidated Schedule of Revenue and Expenses for Economic Development.....	20
Schedule 6 - Consolidated Schedule of Revenue and Expenses for Capital Programs.....	21
Schedule 7 - Consolidated Schedule of Revenue and Expenses for Social Services.....	22
Schedule 8 - Consolidated Schedule of Revenue and Expenses for Health Programs.....	23
Schedule 9 - Consolidated Schedule of Revenue and Expenses for Other Programs.....	24

Management's Responsibility

To the Chief and Council and Members of Whitesand First Nation:

The accompanying consolidated financial statements of Whitesand 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 consolidated financial statements.

The Whitesand First Nation Chief and 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 Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP is appointed by the Chief and Council 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 Chief and Council and management to discuss their audit findings.

December 22, 2023



Acting Band
Manager / Finance
Administrator

To the Chief and Council and Members of Whitesand First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Whitesand First Nation and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, changes 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 effects and possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2018, and the results of its consolidated operations, changes in its net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

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

We were not in attendance to observe the taking of inventory recorded in the amount of \$4,764 (2017 - \$4,764) at the end of the year and were not able to satisfy ourselves concerning inventory quantities and prices by alternative means. Since inventories enter into the determination of the results of operations and changes in financial position, we were unable to determine whether any adjustments might be necessary to cost of sales, net earnings and cash flows from operations for the years ended March 31, 2018 and inventory, liabilities and accumulated surplus as at March 31, 2018.

We were unable to obtain sufficient appropriate audit evidence relating to the amounts recorded in other revenue of \$856,724 for the year ended March 31, 2018 and accounts receivable of \$2,021,361 as at March 31, 2018 as we were not able to obtain certain financial records required to verify these amounts. Consequently, we were unable to determine whether any adjustments might have been necessary in respect of other revenue and cash flows from operations for the year ended March 31, 2018 and accounts receivable and accumulated surplus as at March 31, 2018.

We were unable to obtain sufficient appropriate audit evidence relating to the amounts recorded in expenses of \$1,356,179 and due to government and other government organizations of \$278,746, for the year ended and as at March 31, 2018, of a consolidated entity, 2237987 Ontario Limited ("Sagatay"), as we were not able to obtain certain financial records required to verify these amounts. Consequently, we were unable to determine whether any adjustments might have been necessary in respect of expenses and cash flows from operations for the year ended March 31, 2018 and due to government and other government organizations and accumulated surplus as at March 31, 2018.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Matter

The consolidated financial statement for the year ended March 31, 2017 were audited by another auditor who expressed an unmodified opinion on those statements on October 4, 2021

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

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

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

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the 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.

MNP LLP

Thunder Bay, Ontario

Chartered Professional Accountants

December 22, 2023

Licensed Public Accountants

MNP

Whitesand First Nation
Consolidated Statement of Financial Position
As at March 31, 2018

	2018	2017
Financial assets		
Cash and cash equivalents (Note 3)	968,950	2,252,825
Accounts receivable (Note 4)	2,021,361	2,187,347
Portfolio investments (Note 5)	6,019,545	6,126,272
Due from government and other government organizations (Note 6)	601,629	296,267
Total of assets	9,611,485	10,862,711
Liabilities		
Bank indebtedness (Note 7)	889,759	1,700,797
Accounts payable and accruals (Note 8)	1,968,817	1,607,569
Due to government and other government organizations (Note 9)	1,491,180	617,275
Deferred revenue (Note 10)	162,592	144,856
Long-term debt (Note 11)	2,803,800	3,273,243
Total of financial liabilities	7,316,148	7,343,740
Net financial assets	2,295,337	3,518,971
Non-financial assets		
Tangible capital assets (Note 12) (Schedule 1)	12,586,732	9,586,932
Inventories held for use	4,764	4,764
Prepaid expenses	11,134	27,851
Total non-financial assets	12,602,630	9,619,547
Accumulated surplus	14,897,967	13,138,518

Approved on behalf of the Council

Tom Koos
Renew

Chief

Councillor

John Smith
J. Dobby

Councillor

Councillor

Whitesand First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2018

	2018	2017
Revenue		
Indigenous Services Canada (Note 13)	5,023,660	2,769,180
Indigenous Services Canada - FNIHB (Note 13)	508,638	480,479
Canada Mortgage and Housing Corporation (Note 13)	270,044	441,694
Ministry of Children, Community and Social Services (Note 13)	968,670	832,848
Other revenue	856,724	801,795
FedNor (Note 13)	844,819	-
Natural Resource Canada (Note 13)	138,000	155,800
Ministry of Natural Resources (Note 13)	10,065	-
Ministry of Health and Long-term Care (Note 13)	37,795	45,353
Ministry of Indigenous Affairs (Note 13)	90,000	314,750
Ministry of Transportation (Note 13)	-	17,557
Northern Ontario Heritage Fund Corporation (Note 13)	822,460	841,894
Independent Electricity System Operator	-	500,000
Province of Ontario (Note 13)	3,883	44,127
Independent First Nation Alliance	99,491	27,610
Ontario First Nation Limited Partnership	826,918	816,612
Union of Ontario Indians	200,868	173,176
Lakehead Board of Education	65,929	54,920
Dilico Anishinabek Family Care	157,749	137,188
Ryerson University	230,000	-
Investment income	-	248,048
2237987 Ontario Limited (Sagatay Economic Development Corporation)	986,183	815,890
Rental income	401,950	393,950
Administration fees	40,690	78,906
	12,584,536	9,991,777
Program expenses (Schedule 2)		
Band Administration	1,573,785	882,653
Education	1,831,921	1,623,598
Economic Development	2,558,156	2,452,309
Capital Programs	799,374	936,208
Social Services	806,760	799,800
Health Programs	1,104,899	955,683
Other Programs	1,278,562	2,081,414
	9,953,457	9,731,665
Surplus	2,631,079	260,112
Accumulated surplus, beginning of year	13,138,518	12,838,798
Allocation to replacement reserve (Note 14)	39,901	39,608
Prior year surplus recoveries	(911,531)	-
Accumulated surplus, end of year	14,897,967	13,138,518

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

Whitesand First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2018

	2018	2017
Annual surplus	2,631,079	260,112
Purchases of tangible capital assets	(3,731,768)	(1,167,819)
Amortization of tangible capital assets	731,968	672,319
Acquisition of prepaid expenses	-	(22,173)
Provision and Interest increase to Replacement Reserve	39,901	39,608
Use of prepaid expenses	16,717	-
Prior year surplus recoveries	(911,531)	-
 Decrease in net financial assets	 (1,223,634)	 (217,953)
Net financial assets, beginning of year	3,518,971	3,736,924
 Net financial assets, end of year	 2,295,337	 3,518,971

Whitesand First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2018

	2018	2017
Cash provided by (used for) the following activities		
Operating activities		
Surplus	2,631,079	260,112
Prior year surplus recoveries	(911,531)	-
Non-cash items		
Amortization	731,968	672,319
Allocation to replacement reserve	39,901	39,165
	2,491,417	971,596
Changes in working capital accounts		
Accounts receivable	165,986	(838,252)
Due from government and other government organizations	(305,362)	49,046
Prepaid expenses	16,717	(22,173)
Accounts payable and accruals	361,246	(170,744)
Due to government and other government organizations	873,905	397,983
Trust funds, net (increase) decrease	-	227,386
Deferred revenue	17,736	100,756
	3,621,645	715,598
Financing activities		
Advances of long-term debt	-	764,618
Repayment of long-term debt	(469,443)	(360,035)
Repayment of bank indebtedness	(811,038)	-
	(1,280,481)	404,583
Capital activities		
Purchases of tangible capital assets	(3,731,768)	(1,167,819)
Investing activities		
Change in investments	106,729	1,096
Decrease in cash resources	(1,283,875)	(46,542)
Cash resources, beginning of year	2,252,825	2,299,367
Cash resources, end of year	968,950	2,252,825

Whitesand First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2018

1. Operations

The Whitesand First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its members. Whitesand 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.

Impact on operations of COVID-19

In early March 2020 the impact of the global outbreak of COVID-19 began to have a significant impact on businesses through restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The First Nation's operations were impacted by COVID-19 due to closure of the Band office, increased demand for assistance, project and programming delays, and cancellation of events.

The impact of COVID-19 has been partially offset by announcements from government funding agencies releasing held funds for immediate use for COVID-19 related expenses and announcements that the First Nation would be eligible for additional COVID-19 related funding. Eligibility under these announcements have evolved since first announced and can be subject to changes in legislation or administrative positions, further, there is significant uncertainty of the period of time into the future that the government will continue these programs.

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, 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. While the extent of the impact is unknown, we anticipate this outbreak may cause increased support requests from members, supply chain disruptions, staff shortages, and increase government regulations, all of which may negatively impact the First Nation's business and financial condition.

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:

Reporting entity consolidated

The 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 Whitesand 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:

- 2237987 Ontario Limited (Sagatay Economic Development Corporation)
- Sagatay Economic Development LP

All inter-entity balances have been eliminated on consolidation.

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, prepaid expenses and inventories held for use.

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.

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

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

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.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Cost of inventories of items that are segregated for specific projects is assigned by using specific identification of their individual costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to March 31, 2018, the First Nation has committed to sell the asset;
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the First Nation can reasonably be expected within one year.

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.

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.

	<i>Method</i>	<i>Rate</i>
Automotive	declining balance	30 %
Buildings	declining balance	4 %
Housing	declining balance	4 %
Computer equipment	declining balance	30 %
Office furniture and equipment	declining balance	20 %
Machinery & equipment	declining balance	30 %
Infrastructure	declining balance	4 %
Recreational assets	declining balance	10 %
Education assets	declining balance	20 %

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

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

Tangible capital assets *(Continued from previous page)*

Long-term debt

Long-term financing received to fund tangible capital asset purchases is recognized in the period the financing is acquired and recorded as an increase in long-term debt.

Repayments of long-term financing are recognized as a decrease in long-term debt.

Long-lived assets

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.

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

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.

Use of estimates

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

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. Deferred revenue is estimated based on management's review of revenue received, but unspent at year-end.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated 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 year in which they become known.

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

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

Segments

The First Nation conducts its business through seven reportable segments: Band Administration, Education, Economic Development, Capital Programs, Social Services, Health Programs and Other Programs. 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.

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

3. Cash and cash equivalents

	2018	2017
Administration	73,562	529,097
Casino Rama	3,622	5,510
Fuels	103,741	6,822
Special Projects	315,394	1,125,713
Housing	224,915	330,729
Local delivery mechanism	13,348	91,331
2237987 Ontario Limited	198,016	144,161
Social assistance	20,224	9,833
Administration rental	16,128	9,629
	968,950	2,252,825

4. Accounts receivable

	2018	2017
Accounts receivable	4,231,361	4,666,595
Less: Allowance for doubtful accounts	2,210,000	2,479,248
	2,021,361	2,187,347

5. Portfolio investments

The First Nation has recorded portfolio investments at cost.

	2018	2017
Measured at cost:		
Landmark Inn Limited Partnership	98,000	207,237
Landmark Inn Leasing Corporation	1,000	-
Landmark Inn General Partner Ltd.	1,000	-
Guaranteed investment certificate (bearing interest at 0.45%, maturing July 2018)	58,478	57,968
Whitesand First Nation Community Trust	5,861,067	5,861,067
	6,019,545	6,126,272

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

6. Due from government and other government organizations

	2018	2017
Federal government		
Indigenous Services Canada	122,993	4,203
Indigenous Services Canada - FNIHB	16,285	9,897
Natural Resources Canada	30,000	-
Canadian Mortgage and Housing Corporation	368,789	135,995
Canada Revenue Agency - HST	13,764	77,660
	551,831	227,755
Provincial government		
WSIB	49,798	68,512
	601,629	296,267

7. Bank indebtedness

The First Nation has available the following credit facilities:

	2018	2017
Bank of Montreal non-revolving construction line of credit credit facility to a maximum of \$1,700,000 bearing interest at the Bank of Montreal's prime rate plus 1.00% (4.45% at year-end; 2017 - 3.70%) per annum. Secured by Band Council Resolution and undertaking directing Casino Rama funds to BMO once facility converts to a fixed rate term loan.	889,759	1,600,797
Royal Bank of Canada operating line of credit, fully repaid during the year.	-	100,000
	889,759	1,700,797

8. Accounts payable and accruals

	2018	2017
Trade accounts payable	1,932,217	1,566,751
Accrued wages and benefits payable	36,600	40,818
	1,968,817	1,607,569

9. Due to government and other government organizations

	2018	2017
Federal Government		
Indigenous Services Canada	1,166,633	255,102
Canada Revenue Agency - payroll source deductions	209,434	211,393
Canada Revenue Agency - HST	115,113	150,780
	1,491,180	617,275

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

10. 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>Contributions received</i>	<i>Amortization</i>	<i>Balance, end of year</i>
Indigenous Services Canada - FNIHB - HIV	4,203	-	4,203	-
Independent First Nations - Treaty & Education	62,372	-	-	62,372
Independent First Nations - Gambling	8,535	-	-	8,535
Union of Ontario Indians	69,746	21,939	-	91,685
	144,856	21,939	4,203	162,592

11. Long-term debt

	2018	2017
Canada Mortgage and Housing Corporation ("CMHC") Phase III Mortgage payable with payments of \$10,449 per month including interest of 1.88% per annum maturing October 2021. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on an twenty-two-unit housing project with a net book value of \$972,218.	434,218	550,782
Canada Mortgage and Housing Corporation ("CMHC") Phase IV Mortgage payable with payments of \$4,451 per month including interest of 2.00% per annum maturing October 2023 with a renewal date of November 2018. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on an 12-unit housing project with a net book value of \$649,897.	282,001	329,286
Canada Mortgage and Housing Corporation ("CMHC") Phase VI Mortgage payable with payments of \$2,558 per month including interest of 1.19% per annum maturing May 2025 with a renewal date of November 2020. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on a six-unit housing project with a net book value of \$250,501.	210,781	238,793
Canada Mortgage and Housing Corporation ("CMHC") Phase VII Mortgage payable with payments of \$4,260 per month including interest of 1.14% per annum maturing March 2026 with a renewal date of June 2021. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on an eight-unit housing project with a net book value of \$390,743.	390,743	437,135
Canada Mortgage and Housing Corporation ("CMHC") Phase VIII Mortgage payable with payments of \$5,242 per month including interest of 1.48% per annum maturing December 2036 with a renewal date of January 2022. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on an eight-unit housing project with a net book value of \$1,282,166.	1,029,710	1,077,038
Canada Mortgage and Housing Corporation ("CMHC") Phase V Mortgage payable with payments of \$1,422 per month including interest of 1.05% per annum maturing February 2025 with a renewal date of April 2020. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on 7 housing units with a net book value of \$213,825.	113,825	129,609
Term loan payable to Cat Financial. Repayable at \$3,717 per month including interest at 5.45% per annum. Secured by machinery with a net book value of \$93,255	74,119	113,686

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

11. Long-term debt *(Continued from previous page)*

	2018	2017
Term loan payable to Royal Bank of Canada with payments of \$3,905 per month including interest of 4.81% per annum, secured by an office building and maturing February 2020.	268,403	396,914
	2,803,800	3,273,243
Less: current portion	384,808	301,534
	2,418,992	2,971,709

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
2019	384,808
2020	379,265
2021	353,702
2022	307,781
2023	240,766
	<hr/>
	1,666,322
Thereafter	<hr/>
	1,137,478

Interest on long-term debt amounted to \$87,400 (2017 - \$45,032)

12. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.Tangible capital assets acquired after March 31, 1997 are recorded at acquisition cost less amortization on the consolidated statement of financial position. Tangible capital assets acquired prior to April 1, 1997 are deemed to have been fully amortized and are recorded at a nominal value.

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

13. Government transfers

	<i>Operating</i>	<i>Capital</i>	2018	2017
Federal government transfers				
Indigenous Services Canada	2,900,636	2,123,024	5,023,660	2,769,180
Indigenous Services Canada - FNIHB	508,638	-	508,638	480,479
Canada Mortgage and Housing Corporation	37,250	232,794	270,044	441,694
FedNor	-	844,819	844,819	-
Natural Resources Canada	-	138,000	138,000	155,800
	3,446,524	3,338,637	6,785,161	3,847,153
Provincial government transfers				
Ministry of Children, Community and Social Services	968,670	-	968,670	832,848
Ministry of Natural Resources	10,065	-	10,065	-
Ministry of Health and Long-term Care	37,795	-	37,795	45,353
Ministry of Indigenous Affairs	90,000	-	90,000	314,750
Ministry of Transportation	-	-	-	17,557
Northern Ontario Heritage Fund Corporation	-	822,460	822,460	841,894
Province of Ontario	3,883	-	3,883	44,127
	1,110,413	822,460	1,932,873	2,096,529
	4,556,937	4,161,097	8,718,034	5,943,682

14. Replacement reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be created and maintained by the First Nation for the replacement of worn-out capital items. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts of instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. Funds in the account may only be used to replace items of a capital nature. For items not on the standard list outlined in Schedule "D" of the Operating Agreement, CMHC's prior approval is required. The First Nation may pool Post-1996 funds for investment purposes. At year-end, the funds in the reserve consisted of the following:

	2018	2017
Replacement reserve		
Balance, beginning of year	262,761	223,154
Contributions	39,901	39,607
Balance, end of year	302,662	262,761

Whitesand First Nation
Notes to the Consolidated Consolidated Financial Statements
For the year ended March 31, 2018

15. Segments

During 2018, the First Nation had seven reportable segments: Band Administration, Education, Economic Development, Capital Programs, Social Services, Health Programs and Other Programs. These segments are differentiated by major activities or services they provide. Information about other activities and segments that are not reportable have been combined and disclosed in an "Other Programs" category.

Band Administration - includes administration governance activities and Band operations

Education - includes the operations of education programs.

Economic Development - includes any program activities for the economic planning and development of the Community.

Capital Programs - includes the operations of capital programs.

Social Services - activities include delivering social programs.

Health Programs - activities include delivery health services and educational programs.

Other Programs - includes the activities of all other programs not specific above, including:

- a. **Casino Rama Fund** - reports on the First Nation's Ontario First Nations Limited Partnership funding and expenditures.
- b. **Investment Fund** - reports on the First Nation's investment in profit-oriented entities and its share of income or loss derived from the investments

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

16. Comparative figures

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

Whitesand First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Buildings</i>	<i>Housing</i>	<i>Machinery & equipment</i>	<i>Infrastructure</i>	<i>Computer Equipment</i>	<i>Subtotal</i>
Cost						
Balance, beginning of year	3,835,801	7,924,211	1,038,226	131,333	210,925	13,140,496
Acquisition of tangible capital assets	-	-	-	-	-	-
Construction-in-progress	3,695,019	-	-	-	-	3,695,019
Balance, end of year	7,530,820	7,924,211	1,038,226	131,333	210,925	16,835,515
Accumulated amortization						
Balance, beginning of year	207,624	3,608,161	699,773	70,025	134,953	4,720,536
Annual amortization	143,942	312,034	101,538	2,513	22,791	582,818
Balance, end of year	351,566	3,920,195	801,311	72,538	157,744	5,303,354
Net book value of tangible capital assets						
2017	7,179,254	4,004,016	236,915	58,795	53,181	11,532,161
Net book value of tangible capital assets	3,628,177	4,316,050	338,453	61,309	75,973	8,419,962

Whitesand First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Subtotal</i>	<i>Automotive Equipment</i>	<i>Office Equipment and Furniture</i>	<i>Recreational Assets</i>	<i>Education assets</i>	<i>Trapline</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	13,140,496	652,307	200,475	1,542,572	254,661	45,000	15,835,511
Acquisition of tangible capital assets	-	36,749	-	-	-	-	36,749
Construction-in-progress	3,695,019	-	-	-	-	-	3,695,019
Balance, end of year	16,835,515	689,056	200,475	1,542,572	254,661	45,000	19,567,279
Accumulated amortization							
Balance, beginning of year	4,720,536	534,745	128,948	610,279	254,071	-	6,248,579
Annual amortization	582,818	40,780	15,022	93,229	119	-	731,968
Balance, end of year	5,303,354	575,525	143,970	703,508	254,190	-	6,980,547
Net book value of tangible capital assets							
Net book value of tangible capital assets	11,532,161	113,531	56,505	839,064	471	45,000	12,586,732
2017	8,419,962	117,560	71,527	932,293	590	45,000	9,586,932

Whitesand First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2018

	<i>Subtotal</i>	<i>2018</i>	<i>2017</i>
Cost			
Balance, beginning of year	15,835,511	15,835,511	14,667,692
Acquisition of tangible capital assets	36,749	36,749	1,167,819
Construction-in-progress	3,695,019	3,695,019	-
Balance, end of year	19,567,279	19,567,279	15,835,511
Accumulated amortization			
Balance, beginning of year	6,248,579	6,248,579	5,576,260
Annual amortization	731,968	731,968	672,319
Balance, end of year	6,980,547	6,980,547	6,248,579
Net book value of tangible capital assets			
2017	12,586,732	12,586,732	9,586,932
Net book value of tangible capital assets			