

Animbiigoo Zaagi'igan Anishinaabek
Consolidated Financial Statements
March 31, 2014

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Animbiigoo Zaagi'igan Anishinaabek

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Management's Responsibility

To the Chief and Council and Members of Animbiigoo Zaagi'igan Anishinaabek:

The accompanying consolidated financial statements of Animbiigoo Zaagi'igan Anishinaabek 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 the consolidated financial statements.

The Animbiigoo Zaagi'igan Anishinaabek Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils 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 First Nation's external auditors.

MNP LLP is appointed by the Chief and Council to audit the 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.

September 27, 2014



Chief



Councillor

Independent Auditors' Report

To the Chief and Council and Members of Animbiigoo Zaagi'igan Anishinaabek:

We have audited the accompanying consolidated financial statements of Animbiigoo Zaagi'igan Anishinaabek, which comprise the consolidated statement of financial position as at March 31, 2014 and the consolidated statements of operations and surplus (deficit), change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Adverse Opinion

The First Nation has not consolidated the financial statements of Ombabika Resources Corp. and Ombabika Equipment Inc. because the financial records are unavailable. These investments are therefore accounted for on a cost basis. Under Canadian public sector accounting standards, the companies should have been consolidated as they are controlled by the First Nation. Had these companies been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined in the current or the prior period.

The First Nation's loan receivable and an amount due from Ombabika Equipment Inc. are carried at \$1,426,168 (2013: \$1,451,069) and \$78,364 (2013: \$78,364), respectively, on the consolidated statement of financial position as at March 31, 2014 and March 31, 2013. We were unable to obtain sufficient appropriate audit evidence of the carrying amount of these balances because the financial information was not available. Consequently, we were unable to determine whether any adjustments to these amounts were necessary in the current or prior periods.

As the First Nation does not have a formal process in place to prepare and approve the budget, MNP was unable to gain appropriate audit evidence over the budgeted figures presented in the consolidated audit for the current and prior period.

Adverse Opinion

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraphs, the consolidated financial statements do not present fairly the financial position of Animbiigoo Zaagi'igan Anishinaabek as at March 31, 2014 and the results of its operations and surplus (deficit), change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Thunder Bay, Ontario

September 27, 2014

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants


Animbiigoo Zaagi'igan Anishinaabek

Consolidated Statement of Financial Position

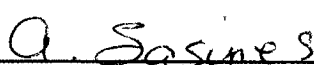
As at March 31, 2014

	2014	2013
Financial assets		
Cash resources (Note 3)	123,630	89,922
Accounts receivable (Note 4)	84,788	240,654
Due from government and other government organizations (Note 5)	65,564	142,609
Due from Ombabika Equipment Inc. (Note 6)	78,364	78,364
Loan receivable from Ombabika Equipment Inc. (Note 6)	1,426,168	1,451,069
Portfolio investments (Note 7)	921,261	731,245
Total financial assets	2,699,775	2,733,863
Liabilities		
Bank indebtedness (Note 8)	290,124	317,046
Accounts payable and accruals (Note 9)	119,027	213,011
Deferred revenue (Note 10)	206,877	79,671
Due to government and other government organizations	-	521
Employee benefit obligations (Note 11)	30,722	70,578
Total liabilities	646,750	680,827
Net financial assets	2,053,025	2,053,036
Contingent liability (Note 12)		
Non-financial assets		
Tangible capital assets (Note 13) (Schedule 1)	490,885	449,908
Mineral property	50,124	50,124
Prepaid expenses	13,518	13,329
Total non-financial assets	554,527	513,361
Accumulated surplus	2,607,552	2,566,397

Approved on behalf of the Board



Chief



Councillor

The accompanying notes are an integral part of these financial statements

Animbiigoo Zaagi'igan Anishinaabek
Consolidated Statement of Operations and Surplus (Deficit)
For the year ended March 31, 2014

	2014	2013
Revenue		
Aboriginal Affairs and Northern Development Canada	656,841	757,415
Administrative fees	6,741	40,381
Ontario First Nations Limited Partnership	489,276	488,811
Ontario Power Generation	36,476	169,232
Health Canada	112,781	152,041
Canada Mortgage and Housing Corporation	-	10,000
Human Resources and Skills Development Canada	56,738	6,984
Dilico Anishinabek Family Care	25,193	100,193
Independent First Nations	78,738	95,162
Ministry of Aboriginal Affairs	105,000	177,499
Ministry of Health	7,286	7,286
Waaskiinaysay Ziibi Inc.	62,693	217,828
Bonspiel revenue	-	20,771
Ministry of Community and Social Services	129,618	133,918
Anishinabek Employment and Training Services	49,199	36,060
Interest revenue	9,469	6,345
Confederation College	20,000	-
HST refunds	38,262	30,472
Chippewas of Nawash Band	15,915	12,856
Ministry of Northern Development and Mines	2,654	2,712
Miscellaneous	-	4,812
Ontario Trillium Foundation	50,000	-
Dividends	6,000	-
Environment Canada	15,000	-
TransCanada Pipelines Limited	15,000	-
Deferred revenue, beginning of year (Note 10)	79,671	-
Deferred revenue, end of year (Note 10)	(206,877)	(79,671)
Nokiiwin Tribal Council	4,500	-
	1,866,174	2,391,107
Expenses		
Administration	614,910	961,577
Education	292,065	296,568
Animbiigoosagagun Economic Development Trust	54,526	26,193
Investment fund	26,245	3,634
Economic/Employment	380,646	565,390
Social	34,392	45,625
Health	189,606	245,291
Community	165,968	133,918
Lands and resources	2,009	102,096
Minor capital	64,652	97,909
	1,825,019	2,478,201
Surplus (deficit)	41,155	(87,094)
Accumulated surplus, beginning of year	2,566,397	2,653,491
Accumulated surplus, end of year	2,607,552	2,566,397

The accompanying notes are an integral part of these financial statements

Animbiigoo Zaagi'igan Anishinaabek
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2014

	2014	2013
Annual surplus (deficit)	41,155	(87,094)
Purchases of tangible capital assets	(78,482)	(30,845)
Amortization of tangible capital assets	37,505	30,570
Acquisition of prepaid expenses	(189)	(1,707)
Decrease in net financial assets	(11)	(89,076)
Net financial assets, beginning of year	2,053,036	2,142,112
Net financial assets, end of year	2,053,025	2,053,036

The accompanying notes are an integral part of these financial statements

Animbiigoo Zaagi'igan Anishinaabek
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

	2014	2013
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	41,155	(87,094)
Non-cash items		
Amortization of tangible capital assets	37,505	30,570
	78,660	(56,524)
Changes in working capital accounts		
Accounts receivable	155,866	(21,833)
Due from government and other government organizations	77,045	24,645
Prepaid expenses	(189)	(1,707)
Accounts payable and accruals	(93,984)	(34,217)
Due to government and other government organizations	(521)	(491)
Deferred revenue	127,206	79,671
Due from Ombabika Equipment Inc.	-	(49,718)
Employee benefit obligations	(39,856)	33,313
	304,227	(26,861)
Financing activities		
Net repayments of bank indebtedness	(26,922)	(5,514)
Capital activities		
Purchases of tangible capital assets	(78,482)	(30,845)
Investing activities		
Purchase of portfolio investments	(802,251)	(595,295)
Repayments received for loan receivable	24,901	96,980
Proceeds on disposal of portfolio investments	612,235	624,100
	(165,115)	125,785
Increase in cash resources	33,708	62,565
Cash resources, beginning of year	89,922	27,357
Cash resources, end of year	123,630	89,922
Supplementary cash flow information		
Interest paid	12,839	12,086

The accompanying notes are an integral part of these financial statements

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

1. Operations

Animbiigoo Zaagi'igan Anishinaabek (the "First Nation") is located in the province of Ontario, and provides various services to its members.

2. Significant accounting policies

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

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity.

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

- Animbiigoosagagun Economic Development Trust

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.

Incorporated business enterprises that are owned or controlled by the First Nation but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

Investments in First Nation partnerships are accounted for using the proportionate consolidation method. The First Nation's pro-rata share of the assets, liabilities, revenue, and expenses of the First Nation partnership, Wawasum Group Limited, have been combined on a line-by-line basis with similar items of the First Nation.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash resources

Cash includes cash on hand and balances with banks net of bank overdrafts. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Loans receivable

Loans receivable are initially recorded at fair value and subsequently measured at their amortized cost less impairment. Amortized cost is calculated as the loans' principal amount plus unamortized loan administration fees, less any allowance for anticipated losses, plus accrued interest. Interest revenue is recorded on the accrual basis using the effective interest method. Loan administration fees are amortized over the term of the loan using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the carrying amount of the financial asset.

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.

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value. Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on the declining balance basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Amortization

Tangible capital assets are amortized annually using the declining balance method at rates intended to amortize the cost of the assets over their estimated useful lives as follows:

	Method	Rate
Automotive	declining balance	30 %
Building	declining balance	4 %
Computer equipment	declining balance	30 %
General equipment	declining balance	20 %
Office equipment	declining balance	20 %

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. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. 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 (deficit) for the year.

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, mineral property and prepaid expenses.

Net financial assets

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

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.

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

Revenue recognition

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 consolidated statement of financial position in the year of receipt.

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligible 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.

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

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

Investment income is recognized when it is earned.

Retirement benefits

The First Nation has a defined contribution pension plan covering substantially all full-time employees who have completed six months of service. There are no prior service costs. Contributions are mandatory, and are based on 5.5% of each participant's contributions. The First Nation follows the policy of funding retirement plan contributions as accrued. The First Nation contributions totalled \$17,073 (2013 - \$25,512).

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. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

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

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.

Deferred revenue is estimated based on management's review of revenue received, but not spent at year end.

Segments

The First Nation conducts its business through eleven reportable segments. 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 financial statements as disclosed in the *Significant Accounting Policies*.

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

3. Cash resources

	2014	2013
Cash on hand		
General	847	450
Ontario First Nations Limited Partnership	19,950	-
Wawasum Group Limited	65,313	42,029
	37,520	47,443
	123,630	89,922

4. Accounts receivable

	2014	2013
Due from members		
Loans		
Medical transportation	36,422	55,068
	7,625	15,376
	44,047	70,444
Due from others		
Accrued interest receivable		
Axor Group	754	1,206
Biinjitiwaabik Zaaging Anishinaabek	-	16,904
Chippewas of Nawash Band	-	3,000
Chippewas of Nawash Band	-	7,506
Independent First Nations	41,223	49,304
Nokiiwin Tribal Council Inc.	4,500	-
Other receivables	47,995	54,309
University of Alberta	-	6,378
Waaskiinaysay Ziibi Inc.	5,175	109,306
	99,647	247,913
Less: allowance for doubtful accounts	(58,906)	(77,703)
	84,788	240,654

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

5. Due from government and other government organizations

	2014	2013
Federal government		
Aboriginal Affairs and Northern Development Canada	3,500	61,772
Canada Mortgage and Housing Corporation	10,000	10,000
Environment Canada	15,000	-
HST recoverable	16,419	27,680
	44,919	99,452
Provincial government		
Ontario Power Generation	-	9,960
Other government organizations		
Anishinabek Employment and Training Services	8,048	12,203
Dilico Anishinabek Family Care	12,597	20,994
	20,645	33,197
	65,564	142,609

6. Related party transactions

Chief and Council of Animbiigoo Zaagi'igan Anishinaabek control the First Nation's operations and therefore are related to the First Nation.

Ombabika Equipment Inc. is 100% owned by the Animbiigoosagagun Economic Development Trust. A loan is receivable from Ombabika Equipment Inc. in the amount of \$1,426,168 (2013 - \$1,451,069). An amount of \$78,364 (2013 - \$78,364) is due from Ombabika Equipment Inc.

Transactions occurring during the year between related parties were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration agreed to by the parties. Related party transactions included in the consolidated statement of operations consist of the following:

Salaries, honoraria and travel paid to the Chief and Council amounted to \$226,979 (2013 - \$248,192).

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

7. Portfolio investments

	2014	2013
Operating Fund - Investments recorded at cost		
Investment in Waaskiinaysay Ziibi Inc. (20% interest)	25,000	25,000
Investment in Landmark Inn General Partner Ltd. (7.4% interest)	1,000	1,000
Investment in Landmark Inn Leasing Corporation (7.4% interest)	1,000	1,000
Investment in Landmark Inn Limited Partnership (7.4% interest)	92,000	92,000
	119,000	119,000
Casino Rama Fund		
TD Bank GIC (1.20% interest - maturing June 6, 2014)	75,982	74,860
TD Bank GIC (1.25% interest - maturing June 9, 2014)	119,935	118,739
TD Bank GIC (1.25% interest - maturing June 9, 2014)	119,935	118,739
TD Bank GIC (1.25% interest - maturing June 9, 2014)	119,935	118,739
TD Bank GIC (1.25% interest - maturing June 8, 2014)	119,935	118,739
TD Bank GIC (1.20% interest - maturing May 7, 2014)	46,209	45,479
TD Bank GIC (1.65% interest - maturing April 4, 2014)	17,561	16,950
TD Bank GIC (0.75% interest - maturing June 9, 2014)	60,136	-
TD Bank GIC (1.10% interest - maturing June 19, 2014)	1,495	-
TD Bank GIC (1.25% interest - maturing June 11, 2014)	121,138	-
	802,261	612,245
	921,261	731,245

8. Bank indebtedness

At March 31, 2014, the First Nation had available lines of credit totalling \$100,000 (2013 - \$100,000) bearing interest at bank prime rate of 3% (2013 - bank prime rate of 3%), none of which were drawn (2013 - \$36,222). The following has been collateralized in connection with this line of credit:

- First ranking security interest in the guaranteed investment certificates of the First Nation; and
- Assignment of Casino Rama funds.

At March 31, 2014, Animbiigoosagagun Economic Development Trust had lines of credit totalling \$300,000 (2013 - \$300,000) bearing interest at bank prime rate of 3% (2013 - bank prime rate of 3%), \$290,124 which were drawn (2013 - \$280,824). Secured by a guarantee by the First Nation. The guarantee was provided without recourse.

9. Accounts payable and accruals

	2014	2013
Trade payables	79,712	158,442
Accrued wages and benefits payable	19,315	39,569
Other accruals	20,000	15,000
	119,027	213,011

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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>Funding received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Aboriginal Affairs and Northern Development Canada - Planning and Development	79,671	143,353	59,834	163,190
Human Resources and Skills Development Canada - New Horizons for Seniors Program	-	25,000	-	25,000
TransCanada Pipelines Limited - Energy East Project	-	15,000	-	15,000
Confederation College - Education Program	-	20,000	16,313	3,687
	79,671	203,353	76,147	206,877

11. Employee benefit obligations

	2014	2013
Vacation and overtime	30,722	70,578

Vacation and overtime

The vacation and overtime liability is comprised of the vacation that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

Pension plan

The First Nation has a defined contribution pension plan for which all full-time, permanent employees of the First Nation are eligible. Pension benefits are determined by the performance of the sponsor's and employee's contributions. Actuarial valuations are normally not required as the pension equals the net assets available for benefits. Employer contributions during the year were \$27,698 (2013 - \$30,584).

12. Contingent liability

The First Nation has agreements with AANDC and other government bodies for each restricted fund which states that the First Nation may be required to return any surplus which may arise. The First Nation is solely responsible for any deficits.

13. Tangible capital assets

Buildings includes construction-in-progress with a carrying value of \$59,000 (2013 - \$59,000). No amortization of this asset has been recorded during the year because it is currently under construction.

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.

14. Economic dependence

Animbiigoo Zaagi'igan Anishinaabek receives 35% (2013 - 32%) of its revenue from Aboriginal Affairs and Northern Development Canada (AANDC) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by AANDC 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.

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

15. Segments

The First Nation has eleven reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Administration - includes administration, governance activities and band operations.

Education - includes the operations of education programs.

Animbiigoosagagun Economic Development Trust - reports on the First Nation's Trust activities.

Investment Fund - reports on the First Nation's investments in Wawasum Group Limited and Landmark Inn Limited Partnership.

Economic/Employment - includes activities for the maintenance of the community and its infrastructure.

Social - activities include delivering social programs.

Health - activities include delivering health programs.

Community - activities include delivering community support programs.

Lands and Resources - includes activities for the maintenance of the community.

Minor Capital - includes the operations of capital programs.

Casino Rama Fund - reports on the First Nation's Ontario First Nations Limited Partnership funding.

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

16. Government transfers

During the year, the First Nation recognized the following government transfers:

	<i>Operating</i>	<i>Capital</i>	<i>2014</i>	<i>2013</i>
Federal government transfers				
Aboriginal Affairs and Northern Development Canada	656,841	-	656,841	757,415
Health Canada	112,781	-	112,781	152,041
Canada Mortgage and Housing Corporation	-	-	-	10,000
Environment Canada	15,000	-	15,000	-
Human Resources and Skills Development Canada	31,738	-	31,738	6,984
Total Federal	816,360	-	816,360	926,440
Provincial government transfers				
Ontario Power Generation	36,476	-	36,476	169,232
Ministry of Aboriginal Affairs	105,000	-	105,000	177,499
Ministry of Health	7,286	-	7,286	7,286
Ministry of Community and Social Services	129,618	-	129,618	133,918
Ministry of Northern Development and Mines	2,654	-	2,654	2,712
Ontario Trillium Foundation	-	50,000	50,000	-
Ontario First Nations Limited Partnership	489,276	-	489,276	488,811
Total Provincial	770,310	50,000	820,310	979,458
	1,586,670	50,000	1,636,670	1,905,898

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements

For the year ended March 31, 2014

17. Interfund transfers

An amount of \$286,000 (2013 - \$447,500) was transferred from the Casino Rama fund to the Operating fund in order to fund disbursements for operating activities.

18. 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 (deficit) have not been reported in these consolidated financial statements. While having no effect on reported revenue, expenses, and surplus (deficit), omission of this information is considered a departure from PSA standards.

19. Comparative figures

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

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

20. Consolidated entities

The First Nation controls the operations of Animbiigoosagagun Economic Development Trust, which is fully consolidated in the consolidated financial statements. The First Nation is a partner in Wawasum Group Limited, which is accounted for using the proportionate consolidation method. Financial information for these entities included in the consolidated statement of financial position is shown below. Inter-company balances which were eliminated upon consolidation have been included.

Animbiigoosagagun Economic Development Trust	2013	2012
As at December 31		
Financial assets		
Accounts receivable	1,000	1,000
Loan receivable	1,426,168	1,451,069
Due from Ombabika Equipment Inc.	78,364	78,364
	1,505,532	1,530,433
Liabilities		
Bank indebtedness	290,124	280,824
Accounts payable and accruals	5,188	6,186
Due to Animbiigoo Zaagi'igan Anishinaabek	233,620	197,606
Loan payable to Animbiigoo Zaagi'igan Anishinaabek	1,366,168	1,391,069
	1,895,100	1,875,685
Net debt	(389,568)	(345,252)
Non-financial assets		
Tangible capital assets	186,860	196,071
Mineral property	50,124	50,124
	236,984	246,195
Accumulated deficit	(152,584)	(99,057)

The due to Animbiigoo Zaagi'igan Anishinaabek of \$233,620 (2013 - \$197,606) and loan payable to Animbiigoo Zaagi'igan Anishinaabek of \$1,366,168 (2013 - \$1,391,069) were eliminated in the consolidated statement of financial position.

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

20. Consolidated entities *(Continued from previous page)*

Wawasum Group Limited	2014	2013
As at March 31		
Financial assets		
Cash	37,520	47,443
Accounts receivable	96	-
	37,616	47,443
Liabilities		
Accounts payable and accruals	37,024	28,577
Due to related parties	8,545	25,302
	45,569	53,879
Net debt	(7,954)	(6,436)
Non-financial assets		
Tangible capital assets	59,565	59,000
Accumulated surplus	51,611	52,564

The proportionate interest in a balance owing to Animbiigoo Zaagi'igan Anishinaabek of \$8,545 (2013 - \$8,545) included in due to related parties was eliminated in the consolidated statement of financial position.

Animbiigoo Zaagi'Igan Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

	<i>Land</i>	<i>Building</i>	<i>Automotive</i>	<i>Office Equipment</i>	<i>Computer Equipment</i>	<i>Subtotal</i>
Cost						
Balance, beginning of year	10,091	393,457	62,814	48,944	54,850	569,856
Acquisition of tangible capital assets	-	59,158	-	-	779	59,937
Construction-in-progress	-	59,000	-	-	-	59,000
Balance, end of year	10,091	511,615	62,814	48,944	55,329	688,793
Accumulated amortization						
Balance, beginning of year	-	120,302	59,094	18,883	40,336	238,415
Annual amortization	-	12,111	1,116	6,052	4,476	23,757
Balance, end of year	-	132,413	60,210	24,735	44,814	262,172
Net book value of tangible capital assets	10,091	379,202	2,604	24,209	10,515	426,621
2013 Net book value of tangible capital assets	10,091	332,155	3,720	30,262	14,214	390,442

Animbiigoo Zaagi'Igan Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

	Subtotal	General Equipment	2014	2013
Cost				
Balance, beginning of year	569,856	88,022	657,878	627,033
Acquisition of tangible capital assets	50,937	18,545	78,482	30,845
Construction-in-progress	59,000	-	59,000	59,000
Balance, end of year	680,793	106,567	795,360	716,878
Accumulated amortization				
Balance, beginning of year	238,415	28,555	266,970	236,400
Annual amortization	23,757	13,748	37,505	30,570
Balance, end of year	262,172	42,303	304,475	266,970
Net book value of tangible capital assets	428,621	64,264	490,885	449,908
2013 Net book value of tangible capital assets	390,442	59,486	449,908	

Animbligoo Zaagi'igan Anishinaabek
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2014

	2014	2013
Consolidated expenses by object		
Aboriginal day	-	14,721
Administrative costs	5,500	21,694
Amortization of tangible capital assets	37,505	30,570
Bad debts (recoveries)	(2,001)	1,577
Bonspiel expenses	-	22,298
Books and supplies	15,447	21,013
Building costs	19,603	65,045
Chief and council expenses	69,043	23,204
Community meetings	40,525	155,041
Community outreach	10,000	156,187
Compassionate contributions	23,360	12,581
Contracted services	15,841	-
Donations	625	2,775
Education allowance	127,733	132,717
Elders' expenses	1,928	21,470
Emergency assistance	4,177	53,619
Equipment	7,994	6,906
Guidance, counselling, and career fair	58,949	54,551
Honoraria	89,213	22,325
Insurance	12,719	11,006
Interest and bank charges	12,838	12,086
Materials	9,500	-
Members special needs	20,265	55,507
Miscellaneous	200	-
Municipal taxes	2,361	4,024
Office expenses	143,756	130,971
Office supplies	15,286	22,509
Professional development	911	-
Professional services	39,511	181,322
Project costs	10,651	4,600
Purchased services	11,338	12,000
Rent	8,059	4,113
Scholarships	3,000	3,175
Special events - contribution	400	200
Summer students	22,765	15,169
Supplies	8,333	5,500
Telephone	2,189	2,298
Training	56,195	49,407
Travel	128,134	170,103
Tuition	82,940	79,068
Wages and benefits	673,705	876,100
Workshops	34,602	18,749
	1,825,019	2,478,201

Animbiigoo Zaagi'igan Anishinaabek
Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2014

	AANDC Revenue	Other Revenue	Deferred revenue, beginning of year	Deferred revenue, end of year	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Surplus (Deficit)	Prior Year Surplus (Deficit)
Administration									
Administration - Total	220,240	90,036	-	-	310,276	614,910	126,529	(178,105)	(236,232)
Education									
Education	251,248	24,500	-	(3,687)	272,061	292,065	20,004	-	-
Animbiigoosagagun Economic Development Trust									
Animbiigoosagagun Economic Development Trust	-	-	-	-	-	54,528	-	(54,528)	(26,193)
Investment Fund									
Investment Fund - Total	-	31,291	-	-	31,291	28,245	-	5,046	(3,534)
Economic/Employment									
Economic/Employment Programs - Total	42,000	222,336	-	(15,000)	249,336	380,646	128,217	(3,093)	66,520
Social									
Social Programs - Total	-	34,392	-	-	34,392	34,392	-	-	83,767
Health									
Health Programs - Total	-	189,606	-	-	189,606	189,606	-	-	-
Community Programs									
Community Programs - Total	-	179,718	-	(25,000)	154,718	165,968	11,250	-	-
Lands & Resources									
Lands & Resources - Total	-	15,915	-	-	15,915	2,909	-	13,006	8,259
Minor Capital									
Minor Capital - Total	143,353	50,000	79,871	(183,190)	109,834	64,652	-	45,182	(7,235)
Casino Rama Fund									
Casino Rama Fund	-	498,745	-	-	498,745	-	(286,000)	212,745	47,656
Total	656,641	1,338,639	79,871	(206,877)	1,868,174	1,825,019	-	41,155	(87,092)