

Animbiigoo Zaagi'igan Anishinaabek
Consolidated Financial Statements
March 31, 2021

Animbiigoo Zaagi'igan Anishinaabek

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For the year ended March 31, 2021

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Management's Responsibility

To the Chief and Council and Council 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 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 Nation's external auditors.

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

June 15, 2022



Band Administrator



Financial Controller

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

Qualified Opinion

We have audited the consolidated financial statements of Animbiigoo Zaagi'igan Anishinaabek (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the 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, 2021, and the results of its consolidated operations, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The financial statements of Ombabika Equipment Inc., which are consolidated in these consolidated financial statements, have not been audited for the years ended March 31, 2021 and 2020. Ombabika Equipment Inc. is an inactive corporation with no known assets or operations, however, we were unable to satisfy ourselves that all liabilities of the consolidated entity had been recorded. Accordingly, we were unable to determine whether any adjustments might be necessary to the liabilities, net financial assets and accumulated surplus of the First Nation.

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

The audit opinion on the consolidated financial statements for the year ended March 31, 2020 was qualified accordingly because of the effects and possible effects of the limitation in scope and departure from Canadian public sector accounting standards.

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.

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 group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thunder Bay, Ontario

June 15, 2022

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Animbiigoo Zaagi'igan Anishinaabek

Consolidated Statement of Financial Position

As at March 31, 2021

	2021	2020 (Restated)
Financial assets		
Cash and cash equivalents (Note 4)	3,573,908	906,749
Accounts receivable (Note 5), (Note 9)	834,427	936,738
Due from government and other government organizations (Note 6)	213,363	1,216,566
Portfolio investments (Note 7)	3,619,580	3,346,261
Investment in government business enterprise (Note 8)	1	1
Total financial assets	8,241,279	6,406,315
Liabilities		
Accounts payable and accruals (Note 11)	318,446	288,985
Deferred revenue (Note 12)	1,314,660	138,236
Ontario Power Generation settlement due to members (Note 14)	495,000	510,000
Total liabilities	2,128,106	937,221
Net financial assets	6,113,173	5,469,094
Contingent liabilities (Note 15)		
Non-financial assets		
Tangible capital assets (Note 16) (Schedule 1)	3,825,703	3,445,076
Mineral rights	50,124	50,124
Prepaid expenses	6,964	12,239
Total non-financial assets	3,882,791	3,507,439
Accumulated surplus	9,995,964	8,976,533

Approved on behalf of the Council



Chief



Councillor

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

Animbiigoo Zaagi'igan Anishinaabek

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2021

	2021	2020 (Restated)
Revenue		
Indigenous Services Canada (Note 17)	2,846,047	3,990,837
OFNLP2008	618,125	633,054
Natural Resources Canada (Note 17)	-	97,500
Dilico Anishinabek Family Care	28,262	27,439
Ministry of Indigenous Affairs (Note 17)	304,548	85,000
Ministry of Children, Community and Social Services (Note 17)	580,799	376,624
Independent First Nations Alliance	393,255	268,369
AV Terrace Bay	80,000	60,000
Greenstone Gold Mines	151,828	1,417,580
Namewaminikan Hydro	68,089	87,093
Administrative fees	19,614	28,218
Hydro One Networks	31,000	137,380
Anishinabek Employment and Training Services	45,716	20,550
Other revenue	244,033	161,866
Interest income	32,117	91,561
Lac Des Mille Lacs First Nation	156,667	-
Ministry of Health (Note 17)	117,018	93,518
Ministry of Education (Note 17)	146,361	133,100
Dividends	7,500	-
Ne Daa Kii Me Naan Inc.	55,000	50,000
Ministry of Energy, Northern Development and Mines (Note 17)	27,849	27,849
Deferred revenue - prior year (Note 12)	138,236	196,219
Deferred revenue - current year (Note 12)	(1,314,660)	(138,236)
	4,777,404	7,845,521
Expenses		
Administration	288,099	700,772
Education	269,880	280,393
Animbiigoosagagun Economic Development Trust	5,165	7,359
Economic/Employment	397,449	1,235,374
Health	1,530,889	1,125,538
Community	814,911	449,486
Lands and Resources	144,694	140,684
Minor Capital	238,270	207,937
OFNLP2008	-	-
Social	41,617	-
Bagwisendam Training and Wellness Centre	11,449	-
Total	3,742,423	4,147,543
Surplus before other items	1,034,981	3,697,978

Continued on next page

Animbiigoo Zaagi'igan Anishinaabek
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2021

	2021	2020
Surplus before other items <i>(Continued from previous page)</i>	1,034,981	3,697,978
Other income (expense)		
Loss on disposal of tangible capital assets	(15,550)	-
Loss from investment in government business enterprise	-	(2,987)
Loss from investment in government business partnership	-	(1,116)
	(15,550)	(4,103)
Surplus	1,019,431	3,693,875
Accumulated surplus, beginning of year, as previously stated	9,140,535	5,282,658
Correction of an error <i>(Note 2)</i>	(164,002)	-
Accumulated surplus, beginning of year, as restated	8,976,533	5,282,658
Accumulated surplus, end of year	9,995,964	8,976,533

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

Animbiigoo Zaagi'igan Anishinaabek
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2021

	2021	2020 <i>(Restated)</i>
Annual surplus	1,019,431	3,693,875
Purchases of tangible capital assets	(522,689)	(2,547,541)
Amortization of tangible capital assets	126,512	51,386
Loss on disposal of tangible capital asset	15,550	-
Acquisition of prepaid expenses	-	(10,903)
Use of prepaid expenses	5,275	-
Increase in net financial assets	644,079	1,186,817
Net financial assets, beginning of year	5,469,094	4,282,277
Net financial assets, end of year	6,113,173	5,469,094

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

Animbiigoo Zaagi'igan Anishinaabek

Consolidated Statement of Cash Flows

For the year ended March 31, 2021

	2021	2020 (Restated)
Cash provided by (used for) the following activities		
Operating activities		
Surplus	1,019,431	3,693,875
Non-cash items		
Amortization	126,512	51,386
Loss from investment in government business enterprise	-	2,987
Loss from investment in government business partnership	-	1,116
Loss on disposal of tangible capital assets	15,550	-
	1,161,493	3,749,364
Changes in working capital accounts		
Accounts receivable	102,311	(537,774)
Due from government and other government organizations	1,003,203	(1,018,250)
Prepaid expenses	5,275	(10,903)
Accounts payable and accruals	29,461	93,166
Deferred revenue	1,176,424	(57,983)
Ontario Power Generation settlement due to members	(15,000)	(45,000)
	3,463,167	2,172,620
Capital activities		
Purchases of tangible capital assets	(522,689)	(2,547,541)
Investing activities		
Purchase of portfolio investments	(3,350,286)	(2,613,858)
Proceeds on disposal of portfolio investments	3,076,967	2,948,395
	(273,319)	334,537
Increase (decrease) in cash resources	2,667,159	(40,384)
Cash resources, beginning of year	906,749	947,133
Cash resources, end of year	3,573,908	906,749

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

Animbiigoo Zaagi'igan Anishinaabek

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

1. Operations

Animbiigoo Zaagi'igan Anishinaabek (the "First Nation") is located in the province of Ontario, and provides various services to its members. Animbiigoo Zaagi'igan Anishinaabek includes the First Nation's members, government and all related entities that are accountable to the First Nation and are either owned or controlled by the First 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 the 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 from members for assistance 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 unspent program funding may be used to offset COVID-19 related expenses in future periods. 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 increased government regulations, all of which may negatively impact the First Nation's business and financial condition.

2. Correction of an error

During the year, the First Nation determined that Indigenous Services Canada revenue was recorded in the incorrect period as a receivable in the prior year consolidated financial statements. For 2020, the impact of this correction has resulted in a decrease in due from government and other government organization and other revenue of \$164,002, and for 2021, a decrease in opening accumulated surplus of \$164,002.

3. Significant accounting policies

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

Basis of accounting

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

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

Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the 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.

Investments in First Nation partnerships are accounted for using the proportionate consolidation method whereby the First Nation's pro-rata share of the assets, liabilities, revenue, and expenses of the First Nation partnership are combined on a line-by-line basis with similar items of the First Nation. Partnerships which meet the definition of a government business partnership are included in the consolidated financial statements on a modified equity basis.

Under the modified equity method of accounting, only the First Nation's investment in the government business enterprise or government business partnership, and the enterprise's partnerships 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 consolidated in the First Nation's consolidated financial statements include:

- Animbiigoosagagun Economic Development Trust
- Bagwisendam Training and Wellness Centre
- Maajiikan Inc.
- Ombabika Equipment Inc.

Organizations accounted for on a modified equity basis include:

- Wawasum Group Limited
- Wawasum Group LP

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.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

Loans receivable

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by Chief and Council and Band management. Interest income is accrued on loans receivable to the extent it is deemed collectible.

Portfolio investments

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

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

Tangible capital assets

Tangible capital assets are 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 directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Tangible capital assets are written down when conditions indicate that they no longer contribute to First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations and accumulated surplus.

Contributed 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 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.

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>
Building	declining balance	4 %
Automotive	declining balance	30 %
Office equipment	declining balance	20 %
Computer equipment	declining balance	30 %
General equipment	declining balance	20 %
Roads	declining balance	5 %
Subdivision	declining balance	4 %

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.

Loan guarantees

The First Nation records a provision for losses on loan guarantees when it determines that a loss is likely.

The provision is determined based on the current circumstances of the individual borrowers and is reviewed on an ongoing basis as new events occur, as more experience is acquired, or as additional information is obtained. Any changes in the provision is charged or credited to expenses. A provision for loss on a loan guarantee is removed from the First Nation's consolidated statement of financial position when the guaranteed loan has been discharged or the term of the loan guarantee has expired.

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

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 consolidated 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.

Other

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.

Revenue related to fees or 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.

Interest and investment income is recognized as revenue when earned.

Management and administration fees are recognized when services are provided, the amount is measurable and collectability is reasonably assured.

Administration fees

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as program administration fees revenue on the Administration Program schedule of revenue and expense.

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.

Measurement uncertainty

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.

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 unspent at year-end.

Animbiigoo Zaagi'igan Anishinaabek

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

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

Segments

The First Nation conducts its business through ten 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 consolidated financial statements as disclosed in Note 3 of the Significant accounting policies.

Employee future benefits

The First Nation's employee future benefit programs consist of a defined contribution pension plan. The First Nation contributions to the defined contribution plan are expensed as incurred.

4. Cash and cash equivalents

	2021	2020
Cash on hand	(688)	5,562
General (unrestricted)	1,248,506	268,600
OFNLP2008 (unrestricted)	637,924	6,963
Ontario Power Generation disbursements (internally restricted)	145,000	505,615
Recreation Fund (internally restricted)	70,493	114,368
Own Source Funds (unrestricted)	1,472,497	851
AEDT	176	4,790
	3,573,908	906,749

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

5. Accounts receivable

	2021	2020
Due from members		
Loans	-	705
Medical transportation	12,646	37,689
	12,646	38,394
Due from others		
Accrued interest receivable	5,991	52,172
Dilico Anishinabek Family Care	28,262	13,654
First Nations Land Management Resources Inc.	-	33,000
Greenstone Gold Mines	29,818	23,365
Hydro One Networks Inc.	-	137,380
Independent First Nations Alliance	136,098	143,856
Lac Des Mille Lacs First Nation	156,667	-
Namewaminikan Hydro	22,773	9,266
Nokiiwin Tribal Council Inc.	-	7,294
OFNLP2008	411,452	422,316
Wawasum Group Limited	18,335	18,335
Other receivables	29,799	93,555
	839,195	954,193
Less: allowance for doubtful accounts	(17,414)	(55,849)
	834,427	936,738

6. Due from government and other government organizations

	2021	2020 <i>(Restated)</i>
Federal government		
Indigenous Services Canada	18,886	1,076,239
First Nation and Inuit Health Branch	23,069	7,280
Environment and Climate Change Canada	1,100	1,100
Natural Resources Canada	9,750	-
Canada Revenue Agency - sales tax recoverable	76,225	89,463
	129,030	1,174,082
Provincial government		
Ministry of Indigenous Affairs	13,480	13,480
Ministry of Education	1,155	1,155
Ministry of Children, Community and Social Services	14,000	-
Ministry of Energy, Northern Development and Mines	55,698	27,849
	84,333	42,484
	213,363	1,216,566

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

7. Portfolio investments

	2021	2020
Operating Fund - investments recorded at cost		
Waaskiinaysay Ziibi Inc.	25,000	25,000
Landmark Inn General Partner Ltd.	1,000	1,000
Landmark Inn Leasing Corporation	1,000	1,000
Landmark Inn Limited Partnership	92,000	92,000
Aboriginal Employment and Training Services General Partnership Inc.	10	10
Aboriginal Employment and Training Services Limited Partnership	10	10
Ontario First Nations Sovereign Wealth Limited Partnership	1	1
Ontario First Nations Asset Management General Partnership Corporation	1	1
Four Nations Forestry LP	10	10
Four Nations Forestry GP Inc.	250	250
Ne Daa Kii Me Naan Inc.	10	10
Minodahmun Development LP	150,001	150,001
Minodahmun Development Inc.	1	1
	269,294	269,294
OFNLP2008		
TD Bank non-redeemable GIC (0.45% interest - maturing March 9, 2022)	588,830	550,000
TD Bank term deposit (0.50% interest - maturing November 12, 2021)	377,910	374,543
TD Bank term deposit (0.50% interest - maturing November 12, 2021)	132,231	130,634
TD Bank term deposit (0.50% interest - maturing November 12, 2021)	132,231	130,634
TD Bank term deposit (0.50% interest - maturing November 12, 2021)	132,231	130,634
TD Bank non-redeemable GIC (0.45% interest - maturing June 25, 2021)	424,673	405,000
	1,788,106	1,721,445
Ontario Power Generation disbursements		
TD Bank term deposit (0.51% interest - maturing November 2, 2021)	1,072,180	1,062,522
Minors		
TD Bank term deposit (0.51% interest - maturing November 3, 2021)	490,000	293,000
	3,619,580	3,346,261

Animbiigoo Zaagi'igan Anishinaabek

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

8. Investment in government business enterprise

Animbiigoo Zaagi'igan Anishinaabek owns 50% of the common shares of Wawasum Group Limited. The net amount owing to Animbiigoo Zaagi'igan Anishinaabek from Wawasum Group Limited as at March 31, 2021 was \$18,335 (2020 - \$18,335).

	2021	2020
Wawasum Group Limited	1	1

The following table presents unaudited condensed financial information for the commercial enterprise:

Wawasum Group Limited	March 31, 2021	March 31, 2020
Cash and cash equivalents	54,036	54,036
Accounts receivable	-	-
Investment in Wawasum Group LP	7	7
Due from related parties	<u>349</u>	<u>349</u>
Total assets	<u>54,392</u>	<u>54,392</u>
Accounts payable and accruals	17,950	17,950
Due to related parties	<u>45,304</u>	<u>45,304</u>
Total liabilities	63,254	63,254
Share capital	20	20
Retained earnings	<u>(8,882)</u>	<u>(8,882)</u>
Total liabilities and equity	<u>54,392</u>	<u>54,392</u>
Revenue	-	167
Expenses	<u>-</u>	<u>6,202</u>
Net profit (loss)	<u>-</u>	<u>(6,035)</u>

Animbiigoo Zaagi'igan Anishinaabek

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

9. Related party transactions

The First Nation is related to Wawasum Group Limited as it is significantly influenced by the First Nation.

	2021	2020
Balances due from related parties, included in accounts receivable:		
Balance receivable from Wawasum Group Limited	18,335	18,335

10. Bank indebtedness

At March 31, 2021 the First Nation had available lines of credit totalling \$100,000 (2020 - \$100,000) bearing interest at bank prime plus 1.0% (3.45% at year-end) (2020 - prime plus 1.0% (3.45%)), none of which were drawn. 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 OFNLP2008 funds.

At March 31, 2021, Animbiigoosagagun Economic Development Trust had available lines of credit totalling \$25,000 (2020 - \$25,000) bearing interest at bank prime rate of 2.45% (2020 - bank prime rate of 2.45%), of which \$Nil was drawn (2020 - \$Nil). Secured by a guarantee of the First Nation.

11. Accounts payable and accruals

	2021	2020
Trade payables	139,317	80,165
Accrued wages and benefits payable	31,129	28,820
Other accruals	20,000	20,000
Greenstone Gold Mine bonus payable to members	128,000	160,000
	318,446	288,985

12. 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>
Ministry of Indigenous Affairs - Core Development	-	85,000	9,113	75,887
Lac Dec Mille Lacs First Nation - Nation Building Project	-	156,667	-	156,667
Indigenous Services Canada - Child and Family Services	-	1,232,948	468,363	764,585
Ne Daa Kii Me Naan Inc. - Children's Sports Program	66,352	55,000	45,675	75,677
Independent First Nations Alliance - Early Learning and Child Care Initiative	71,884	26,558	98,442	-
Independent First Nations Alliance - Prev Focused Customary Care	-	146,970	-	146,970
Indigenous Services Canada - COVID-19 Assistance	-	512,788	417,914	94,874
	138,236	2,215,931	1,039,507	1,314,660

13. Employee benefit obligations

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 \$52,088 (2020 - \$76,027).

14. Ontario Power Generation settlement due to members

In 2016, the First Nation received a settlement from Ontario Power Generation ("OPG") totalling \$3,500,000. The First Nation committed to issuing a per capital distribution to all registered members of the First Nation effective December 7, 2015. As of year-end, a total of \$495,000 (2020 - \$510,000) remained owing to First Nation members, of which \$100,000 (2020 - \$50,000) was owing to adult members and \$395,000 (2020 - \$460,000) was owing to minor children.

15. 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 may become 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 an expense recorded on the First Nation's consolidated financial statements.

As at March 31, 2021, no contingent liabilities have been recorded in the consolidated financial statements.

16. Tangible capital assets

The consolidated schedule of tangible capital assets (Schedule 1) presents all balances and changes in the year relating to the tangible capital assets owned by the First Nation.

Subdivision includes construction-in-progress with a carrying value of \$215,510 (2020 - \$2,761,996). 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.

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

17. Government transfers

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

	<i>Operating</i>	<i>Capital</i>	<i>2021</i>	<i>2020</i>
Federal government				
Indigenous Services Canada	2,804,725	41,322	2,846,047	3,990,837
Natural Resources Canada	-	-	-	97,500
	2,804,725	41,322	2,846,047	4,088,337
 Provincial government				
Ministry of Education	146,361	-	146,361	133,100
Ministry of Indigenous Affairs	304,548	-	304,548	85,000
Ministry of Health	117,018	-	117,018	93,518
Ministry of Children, Community and Social Services	580,799	-	580,799	376,624
Ministry of Energy, Northern Development and Mines	27,849	-	27,849	27,849
	1,176,575	-	1,176,575	716,091
	3,981,300	41,322	4,022,622	4,804,428

18. Segments

The First Nation has ten 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, Landmark Inn Limited Partnership and Ombabika Resources Inc.

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

Social - activities include delivering social services programs.

Health - activities include delivering health programs.

Community - activities include delivering community support programs.

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

Minor Capital - includes the operations of capital programs.

OFNLP2008 Fund - reports on the First Nation's OFNLP2008 funding.

Bagwisendam Training and Wellness Centre - reports on the First Nation's training and wellness centre activities.

Inter-segment transfers are recorded at their exchange amount. The accounting policies are the same as those described in Note 3.

Animbiigoo Zaagi'igan Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

19. Interfund transfers

An amount of \$169,833 (2020 - \$360,000) was transferred from the OFNLP2008 Fund to the Operating Fund in order to fund disbursements for operating activities.

20. 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.

21. First Nations Financial Transparency Act

The First Nation is required by the *First Nations Financial Transparency Act* to post its consolidated financial statements on a website and submit the consolidated financial statements to ISC by July 29, 2021. As the audit report date is after this date, the First Nation is not in compliance with the requirement. The possible effects of non-compliance, if any, have not yet been determined.

Animbiigoo Zaagi'igan Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2021

	<i>Land</i>	<i>Building</i>	<i>Automotive</i>	<i>Office Equipment</i>	<i>Computer Equipment</i>	<i>General Equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	33,596	518,080	83,419	83,621	82,138	106,567	907,421
Acquisition of tangible capital assets	85,971	257,376	-	-	179,342	-	522,689
Disposal of tangible capital assets	-	(16,663)	(36,058)	(2,000)	-	(37,595)	(92,316)
Balance, end of year	119,567	758,793	47,361	81,621	261,480	68,972	1,337,794
Accumulated amortization							
Balance, beginning of year	-	208,623	79,539	58,478	66,516	89,722	502,878
Annual amortization	-	16,915	3,238	5,016	31,588	1,945	58,702
Accumulated amortization on disposals	-	(8,505)	(35,851)	(1,937)	-	(30,474)	(76,767)
Balance, end of year	-	217,033	46,926	61,557	98,104	61,193	484,813
Net book value of tangible capital assets	119,567	541,760	435	20,064	163,376	7,779	852,981
2020 Net book value of tangible capital assets	33,596	309,457	3,880	25,143	15,622	16,845	404,543

Animbiigoo Zaagi'igan Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Roads</i>	<i>Subdivision</i>	<i>2021</i>	<i>2020</i>
					<i>(Restated)</i>
Cost					
Balance, beginning of year	907,421	337,620	2,761,996	4,007,037	1,459,496
Acquisition of tangible capital assets	522,689	-	-	522,689	2,547,541
Disposal of tangible capital assets	(92,316)	-	-	(92,316)	-
Balance, end of year	1,337,794	337,620	2,761,996	4,437,410	4,007,037
Accumulated amortization					
Balance, beginning of year	502,878	59,083	-	561,961	510,575
Annual amortization	58,702	16,881	50,930	126,513	51,386
Accumulated amortization on disposals	(76,767)	-	-	(76,767)	-
Balance, end of year	484,813	75,964	50,930	611,707	561,961
Net book value of tangible capital assets	852,981	261,656	2,711,066	3,825,703	3,445,076
2020 Net book value of tangible capital assets	404,543	278,537	2,761,996	3,445,076	

Animbiigoo Zaagi'igan Anishinaabek
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2021

	2021	2020 <i>(Restated)</i>
Consolidated expenses by object		
Administration	183,688	74,106
Amortization	126,512	51,386
Bad debts	55,597	51,353
Bank charges and interest	963	1,440
Books and supplies	9,025	14,627
Building costs	-	58,927
Chief and Council expenses	4,608	48,992
Community meetings	-	29,693
Community outreach	60,000	73,648
Compassionate contributions	511,591	635,516
Contracted services	105,272	12,816
Donations	-	3,531
Education allowance	108,422	113,035
Emergency assistance	950	23,775
Equipment	12,729	13,596
Facility rental	-	10,500
Guidance, counselling, and career fair	61,426	65,273
Honoraria	143,247	244,458
Insurance	12,024	23,550
Members special needs	91	-
Miscellaneous	-	64,367
Office expenses	96,588	151,904
Office rent	-	15,421
Professional fees	105,746	48,567
Project costs	45,675	55,542
Property tax	4,271	4,508
Purchased services	156,987	454,192
Repairs and maintenance	65,819	5,242
Safe space costs	20,721	46,256
Salaries and benefits	1,054,434	1,015,384
Scholarships	-	3,339
Summer students (recovery)	(1,653)	7,130
Supplies	25,435	29,681
Telephone	185	240
Training	102,763	100,816
Transportation	-	9,435
Travel	33,500	174,665
Tuition	86,907	80,863
Workshops	548,900	329,769
	3,742,423	4,147,543

Animbiigoo Zaagi'igan Anishinaabek

Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Deferred Revenue (net)</i>	<i>Deferred revenue, end of year</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Administration								
Administration - Band Operations	130,649	104,672	-	-	235,321	258,372	30,154	7,103
Administration - Band Employee Benefits	24,727	-	-	-	24,727	24,727	-	-
Administration - Administration and Support Services	5,000	-	-	-	5,000	5,000	-	-
	160,376	104,672	-	-	265,048	288,099	30,154	7,103
Education								
Education	355,541	-	-	-	355,541	269,880	-	85,661
Animbiigoosagagun Economic Development Trust								
Animbiigoosagagun Economic Development Trust	-	64,458	-	-	64,458	5,165	-	59,293
Investment Fund								
Investment Fund - Landmark Inn Limited Partnership	-	7,500	-	-	7,500	-	-	7,500
	-	7,500	-	-	7,500	-	-	7,500
Economic/Employment Programs								
Economic/Employment Programs - Economic Development Officer	105,747	68,089	-	-	173,836	117,082	-	56,754
Economic/Employment Programs - Fishing License	-	2,826	-	-	2,826	2,129	-	697
Economic/Employment Programs - Anishinabek Employment and Training Services	-	30,154	-	-	30,154	-	(30,154)	-
Economic/Employment Programs - Core Development	-	85,000	(75,887)	-	9,113	9,113	-	-
Economic/Employment Programs - Specific and Special Claims Submission	-	-	-	-	-	144,933	144,933	-
Economic/Employment Programs - OPG Financial Compensation	-	7,348	-	-	7,348	-	-	7,348
Economic/Employment Programs - MNDM Values Mapping	-	27,849	-	-	27,849	52,749	24,900	-
Economic/Employment Programs - Landore	-	55,580	-	-	55,580	-	-	55,580
Economic/Employment Programs - Long-Term Relationship Agreement	-	19,976	-	-	19,976	473	-	19,503
Economic/Employment Programs - Nation Building Project	-	-	(156,667)	156,667	-	-	-	-
Economic/Employment Programs - Implementation Coor	-	134,852	-	-	134,852	70,970	-	63,882
	105,747	431,674	(232,554)	156,667	461,534	397,449	139,679	203,764
Social								
Social Programs - Systems Planning	-	41,617	-	-	41,617	41,617	-	-
Health								
Health Programs - Aboriginal Diabetes Initiative	6,402	-	-	-	6,402	6,402	-	-
Health Programs - AIDS Bureau	-	7,486	-	-	7,486	7,842	-	(356)
Health Programs - Diabetes Education	-	37,600	-	-	37,600	37,248	-	352
Health Programs - Victim Services	-	17,250	-	-	17,250	17,250	-	-

Animbiigoo Zaagi'igan Anishinaabek
Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Deferred revenue (net)</i>	<i>Funds Held in Trust</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Health Programs - HIV/AIDS Awareness	5,435	-	-	-	5,435	5,435	-	-
Health Programs - Health Consultation	34,688	-	-	-	34,688	34,688	-	-
Health Programs - Early Childhood Education	26,558	-	71,884	-	98,442	26,558	-	71,884
Health Programs - Fetal Alcohol Syndrome	-	53,350	-	-	53,350	52,548	-	802
Health Programs - Family Support Worker	-	28,262	-	-	28,262	28,262	-	-
Health Programs - Problem Gambling	-	8,535	-	-	8,535	8,339	-	196
Health Programs - Child Welfare Prevention	86,698	-	-	-	86,698	80,881	-	5,817
Health Programs - EVAIW Family Well Being	-	272,341	-	-	272,341	272,228	-	113
Health Programs - Youth Life Promotions	-	95,000	-	-	95,000	95,044	-	(44)
Health Programs - Home & Community Care	-	109,532	-	-	109,532	109,532	-	-
Health Programs - Child & Family Services	-	146,361	-	-	146,361	146,293	-	68
Health Programs - Youth Cultural Camps Program	-	10,000	-	-	10,000	10,000	-	-
Health Programs - Canada Prenatal Nutrition Program	3,885	-	-	-	3,885	3,885	-	-
Health Programs - ISC Child & Family Services	1,232,948	-	(764,585)	-	468,363	468,363	-	-
Health Programs - Canada's Tobacco Strategy	1,909	-	-	-	1,909	1,909	-	-
Health Programs - Mental Wellness Programs	97,035	-	-	-	97,035	97,035	-	-
Health Programs - Community Based Covid 19 Emergency Fund	-	6,250	-	-	6,250	2,327	-	3,923
Health Programs - Mental Health & Addictions	-	8,300	-	-	8,300	8,300	-	-
Health Programs - Youth Working Group	-	10,000	-	-	10,000	9,807	-	193
Health Programs - Tuberculosis	713	-	-	-	713	713	-	-
Health Programs - Prev Focussed Customary Care	-	146,970	(146,970)	-	-	-	-	-
	1,496,271	957,237	(839,671)	-	1,613,837	1,530,889	-	82,948
Community Programs								
Community Programs - Community Wellness Worker	-	243,865	-	-	243,865	243,694	-	171
Community Programs - Healthy Babies	-	22,976	-	-	22,976	22,972	-	4
Community Programs - Childrens Sports Program	-	55,000	(9,325)	-	45,675	45,675	-	-
Community Programs - Language Development	-	2,000	-	-	2,000	1,650	-	350
Community Programs - COVID-19 Assistance	512,788	262,348	(94,874)	-	680,262	680,262	-	-
Community Programs - Capital Purchases	-	-	-	-	-	(179,342)	-	179,342
	512,788	586,189	(104,199)	-	994,778	814,911	-	179,867
Lands & Resources								
Lands & Resources - Infrastructure Investment	-	-	-	-	-	67,811	-	(67,811)
Lands & Resources - Electrification Project	10,183	31,000	-	-	41,183	500	-	40,683
Lands & Resources - First Nations Land Management	-	-	-	-	-	235	-	(235)
Lands & Resources - Land Code Development	-	68,329	-	-	68,329	73,978	-	(5,649)
Lands & Resources - Road Construction	-	-	-	-	-	2,170	-	(2,170)
	10,183	99,329	-	-	109,512	144,694	-	(35,182)

Animbiigoo Zaagi'igan Anishinaabek

Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2021

	ISC Revenue	Other Revenue	Deferred revenue (net)	Funds Held in Trust	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Surplus (Deficit)
Minor Capital								
Minor Capital - Planning and Development	205,141	-	-	-	205,141	238,270	-	(33,129)
	205,141	-	-	-	205,141	238,270	-	(33,129)
OFNLP2008 Fund								
OFNLP2008 Fund	-	642,886	-	-	642,886	-	(169,833)	473,053
Bigwisendam Training and Wellness Centre								
Bagwisendam Training and Wellness Centre	-	-	-	-	-	11,449	-	(11,449)
Total	2,846,047	2,935,562	(1,176,424)	156,667	4,761,852	3,742,423	-	1,019,429