

Bingwi Neyaashi Anishinaabek
Consolidated Financial Statements
March 31, 2021

Bingwi Neyaashi 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 Members of Bingwi Neyaashi Anishinaabek:

The accompanying consolidated financial statements of Bingwi Neyaashi 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 Bingwi Neyaashi Anishinaabek Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the 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.

February 5, 2022



Director of Finance & Operations

To the Chief and Council and Members of Bingwi Neyaashi Anishinaabek:

Opinion

We have audited the consolidated financial statements of Bingwi Neyaashi Anishinaabek and its subsidiaries (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 significant accounting policies.

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

Basis for Opinion

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 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

February 5, 2022

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

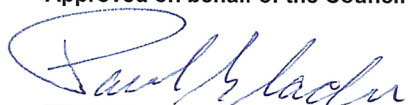
Bingwi Neyaashi Anishinaabek

Consolidated Statement of Financial Position

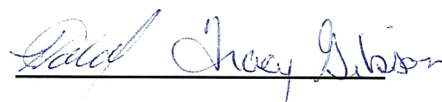
As at March 31, 2021

	2021	2020
Financial assets		
Cash and cash equivalents (Note 3)	3,728,913	3,828,613
Accounts receivable (Note 4)	261,369	295,275
Due from government and other government organizations (Note 5)	578,642	162,556
Portfolio investments (Note 6)	25,000	25,000
Inventory held for resale (Note 7)	519,392	89,107
Investment in government business enterprise (Note 8)	242,150	186,424
	5,355,466	4,586,975
Liabilities		
Accounts payable and accruals (Note 10)	972,185	333,991
Due to government and other government organizations (Note 11)	46,136	29,389
Deferred revenue (Note 12)	1,706,061	605,508
Due to related First Nation entities (Note 13)	89,097	92,806
Long-term debt (Note 14)	2,154,367	1,615,129
	4,967,846	2,676,823
Net financial assets	387,620	1,910,152
Contingencies (Note 15)		
Non-financial assets		
Tangible capital assets (Note 16) (Schedule 1)	9,158,146	6,481,715
Prepaid expenses	54,750	52,489
	9,212,896	6,534,204
Accumulated surplus	9,600,516	8,444,356

Approved on behalf of the Council



Chief



Councillor

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

Bingwi Neyaashi Anishinaabek
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Revenue			
Indigenous Services Canada (Note 17)	4,899,181	2,797,120	2,603,245
First Nation and Inuit Health (Note 17)	-	-	141,745
Ministry of Children, Community and Social Services (Note 17)	272,348	446,007	275,348
Ministry of Indigenous Affairs (Note 17)	212,716	191,353	258,913
Canada Mortgage and Housing Corporation (Note 17)	936,740	66,501	-
Natural Resources Canada (Note 17)	1,169,500	506,900	644,000
Other government funding	137,885	450,750	326,361
OFNLP2008	-	553,715	560,802
Other revenue	1,288,020	135,046	172,215
Independent First Nations	166,135	210,297	209,415
Independent Electricity System Operator	-	91,733	-
Royalties	-	68,745	89,026
First Nations Land Management	-	160,457	35,946
Wood sales	193,902	268,498	131,660
Rental income	18,720	22,814	2,176
Interest income	-	18,249	33,547
Administration fees	162,427	122,012	531,474
Recovery of funding	-	-	330,932
Deferred revenue - prior year (Note 12)	-	605,508	548,008
Deferred revenue - current year (Note 12)	-	(1,706,061)	(605,508)
	9,457,574	5,009,644	6,289,305
Expenses			
Government and Administration	571,933	958,430	596,846
Employment, Education and Training	250,817	243,601	283,153
Health and Social Services	1,094,600	1,147,428	1,010,736
Planning and Development	6,615,327	1,242,449	1,756,472
COVID-19 Pandemic	113,782	315,188	-
	8,646,459	3,907,096	3,647,207
Surplus before other items	811,115	1,102,548	2,642,098
Other income (expense)			
Corporate taxes payable	-	(8,406)	(3,500)
Income from investment in government business enterprise	-	62,018	62,424
	-	53,612	58,924
Surplus	811,115	1,156,160	2,701,022
Accumulated surplus, beginning of year, as previously stated	-	8,665,141	5,153,026
Correction of an error (Note 22)	-	(220,785)	655,102
Change in nature of investment in government business enterprise	-	-	(64,794)
Accumulated surplus, beginning of year, as restated	-	8,444,356	5,743,334
Accumulated surplus, end of year	-	9,600,516	8,444,356

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

Bingwi Neyaashi Anishinaabek
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Annual surplus	977,192	1,156,160	2,701,022
Purchases of tangible capital assets	(4,130,663)	(3,179,954)	(2,862,253)
Amortization of tangible capital assets	-	503,523	253,818
Change in nature of investment in government business enterprise tangible capital assets	-	-	68,005
Acquisition of prepaid expenses	-	(2,261)	(23,648)
Increase (decrease) in net financial assets	(3,153,471)	(1,522,532)	136,944
Net financial assets, beginning of year	-	1,910,152	1,773,208
Net financial assets, end of year	(3,153,471)	387,620	1,910,152

Bingwi Neyaashi Anishinaabek
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Surplus	1,156,160	2,701,022
Non-cash items		
Amortization	503,523	253,818
Change in investment in government business enterprise	-	37,875
Income from investment in government business enterprise	(62,018)	(62,424)
	1,597,665	2,930,291
Changes in working capital accounts		
Accounts receivable	33,906	(76,116)
Due from government and other government organizations	(416,086)	278,251
Inventory held for resale	(430,285)	(1,790)
Accounts payable and accruals	638,194	(328,775)
Due to government and other government organizations	16,747	22,273
Deferred revenue	1,100,553	57,500
Prepaid expenses	(2,261)	(23,648)
Due to related First Nation entities	(3,709)	-
	2,534,724	2,857,986
Financing activities		
Advances of long-term debt	728,640	1,206,250
Repayment of long-term debt	(189,402)	(173,976)
	539,238	1,032,274
Capital activities		
Purchases of tangible capital assets	(3,179,954)	(2,862,253)
Investing activities		
Distributions from government business enterprise	6,292	-
Increase (decrease) in cash resources	(99,700)	1,028,007
Cash resources, beginning of year	3,828,613	2,800,606
Cash resources, end of year	3,728,913	3,828,613

1. Operations

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

Uncertainty with respect to COVID-19

In early March 2020 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 by having to, on multiple occasions, temporarily close its offices and limit access to the First Nation lands which caused delays in operational activities and capital projects.

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 it unknown, we anticipate this outbreak may have caused increased government relations which may negatively impact the First Nations's operations 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:

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 basis of accounting, only the First Nation's investment in government business enterprises/partnerships and the enterprises'/partnerships' net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from the First Nation.

Organizations consolidated in the First Nation's consolidated financial statements include:

- Papasay Management Corporation
- Papasay Value Added Wood Products Ltd.
- Papasay Value Added Wood Products LP
- Wawasum Group Limited
- 2626189 Ontario Ltd.

Organizations accounted for on a modified equity basis include:

- Papasay Management Limited Partnership

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

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 equivalent include balances with banks and short-term investments that are cashable or have maturities of three months or less subsequent to year-end.

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. They are recorded at cost, less any provision for other than temporary impairment.

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.

Inventory for resale

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

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 directly 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.

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:

	Method	Rate
Buildings	straight-line	30 years
Equipment	straight-line	5 years
Infrastructure	straight-line	30 years
Computer hardware and software	straight-line	3 years
Heavy equipment	straight-line	7 years
Automobiles	straight-line	7 years
Leasehold improvements	straight-line	2 years

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

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 quoted market prices. Any impairment is included in surplus for the year.

Administration fees

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as administration recovery revenue under Government and Administration on the consolidated schedule of revenue and expenses and surplus (deficit).

Employee future benefits

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

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 services performed is deferred and recognized when the fee is earned or service performed.

Interest and investment income is recognized as revenue when earned.

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

2. Significant accounting policies (Continued from previous page)

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.

Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end. 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 years in which they become known.

Segments

The First Nation conducts its business through five reportable segments: Government and Administration; Employment, Education and Training; Health and Social Services; Planning and Development; and COVID-19 Pandemic. 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 2.

3. Cash and cash equivalents

	2021	2020
Operating accounts	3,204,295	1,956,777
Guaranteed Income Certificates	521,424	1,868,642
Other cash resources	3,153	3,153
Funds held in trust with Indigenous Services Canada	41	41
	3,728,913	3,828,613

4. Accounts receivable

	2021	2020
Interest receivable	478	19,558
Trade receivables	266,968	281,794
	267,446	301,352
Less: allowance for doubtful accounts	6,077	6,077
	261,369	295,275

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

5. Due from government and other government organizations	2021	2020
Federal Government		
Indigenous Services Canada	99,617	12,525
Natural Resources Canada	287,362	64,400
Canada Revenue Agency - HST recoverable	127,179	49,517
Canada Mortgage and Housing Corporation	-	16,114
	514,158	142,556
Provincial Government		
Ministry of Indigenous Affairs	-	20,000
Ministry of Children, Community and Social Services	64,484	-
	64,484	20,000
	578,642	162,556
6. Portfolio investments	2021	2020
Waaskiinaysay Ziibi Inc. (20% interest, 250 Class A shares)	25,000	25,000
7. Inventory held for resale	2021	2020
Raw materials inventory	7,237	3,137
Finished goods	37,305	85,970
Aggregate	474,850	-
	519,392	89,107

The cost of inventories recognized as an expense and included in material amounted to \$113,065 (2020 - \$97,600).

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

8. Investment in government business enterprise

The First Nation has an investment in the following entity:

		2021
	<i>Investment cost</i>	<i>Net advances and cumulative share of earnings</i>
		<i>Total investment</i>
First Nation Business Entities - Modified Equity:		
Papasay Management Limited Partnership	100	242,050
		242,150

Summary financial information for the government business enterprise, accounted for using the modified equity method, for the respective year-end is as follows:

	<i>Papasay Management Limited Partnership As at March 31, 2021</i>
Assets	
Cash	67,386
Accounts receivable	40,300
Prepaid expenses	382
Investments	1,426
Due from related parties	81,942
Property, plant and equipment	48,332
Total assets	239,768
Liabilities	
Accounts payable and accruals	5,377
Total liabilities	5,377
	234,391
Total revenue	91,311
Total expenses	35,328
Net income	55,983

9. Lines of credit

The First Nation has a Royal Bank operating line of credit with a limit of \$150,000. The line of credit bears interest at prime plus 1.45% (effective interest rate of 3.90%; 2020 - 4.60%) and is secured by a general security agreement. As at March 31, 2021, the First Nation has a balance available on the line of credit of \$150,000 (2020 - \$150,000).

10. Accounts payable and accruals

	2021	2020
Trade payables	808,260	228,301
Wages, vacation and benefits payable	128,880	77,169
Holdbacks payable	35,045	26,964
Other payables	-	1,557
	972,185	333,991

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

11. Due to government and other government organizations

	2021	2020
Federal Government		
Canada Revenue Agency - payroll deductions	36,581	25,889
Canada Revenue Agency - corporate taxes payable	9,555	3,500
	46,136	29,389

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>Contributions received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	220,785	1,478,390	263,759	1,435,416
Independent First Nations	110,897	247,992	188,144	170,745
Natural Resources Canada	273,826	99,900	273,826	99,900
	605,508	1,826,282	725,729	1,706,061

13. Related party transactions

During the year, the First Nation conducted the following transactions with related entities. The transactions were recorded at exchange amount at the date of transaction.

	2021	2020
Repairs and maintenance expense from Papasay Management Limited Partnership, a related First Nation business enterprise.	5,400	5,400

Amounts due to/from related First Nation entities are as follows:

	2021	2020
Due to:		
Papasay Management Limited Partnership, a government business enterprise. The advance bears no interest and has no fixed terms of repayment.	88,934	91,512
Wawasum Group Limited, a portfolio investment. The advance bears no interest and has no fixed terms of repayment.	163	1,294
	89,097	92,806

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

14. Long-term debt

	2021	2020
RBC term loan, repaid during the year.	-	97,992
CMHC term loan, repayable in monthly instalments of \$5,359 including interest at 1.72%, maturing March 2025.	800,089	850,000
BMO term loan, repayable in monthly principal plus interest instalments of \$1,979, bearing interest at prime plus 1.65% (4.10% per annum at year-end, 2020 - 4.60%), maturing August 2025 and secured by land and building having a net book value of \$525,498.	318,646	342,397
RBC term loan, repayable in monthly instalments of \$2,865 including interest at prime plus 1.65% (4.10% per annum at year-end; 2020 - 4.60%), maturing April 2023 and secured by land and building having a net book value of \$443,244.	306,992	324,740
CMHC term loan, repayable in monthly instalments of \$5,216 including interest at 1.12%, maturing October 2026.	728,640	-
	2,154,367	1,615,129

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
2022	93,442
2023	95,328
2024	97,259
2025	99,337
2026	101,381
	486,747

Interest on long-term debt amounted to \$47,391 (2020 - \$43,079).

15. Contingencies

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 these agreements.

In addition, in the normal course of operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur. To the extent that the future event is likely to occur, and a reasonable estimate of loss can be made, an estimated liability is accrued and an expense recorded on the First Nation's consolidated financial statements. As of March 31, 2021, the First Nation is involved in a dispute over the legal ownership of certain property. The effects of any contingent claims relating to this dispute are not determinable at the date of this report and no liability has been recorded.

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

16. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

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

17. Government transfers

	<i>Operating</i>	<i>Capital</i>	<i>2021 Total</i>	<i>2020 Total</i>
Federal government transfers				
Indigenous Services Canada	1,881,050	916,070	2,797,120	2,603,245
First Nation and Inuit Health	-	-	-	141,745
Natural Resources Canada	-	506,900	506,900	644,000
FedNor	-	-	-	3,795
Human Resources Development Canada	-	-	-	6,497
Canada Mortgage and Housing Corporation	66,501	-	66,501	-
	1,947,551	1,422,970	3,370,521	3,399,282
Provincial government transfers				
Ministry of Children, Community and Social Services	446,007	-	446,007	275,348
Ministry of Indigenous Affairs	191,353	-	191,353	258,913
Ministry of Health ("MOH")	126,635	-	126,635	85,635
Ministry of Natural Resources	-	-	-	244
Northern Ontario Heritage Fund Corporation	-	-	-	33,008
	763,995	-	763,995	653,148
	2,711,546	1,422,970	4,134,516	4,052,430

18. Defined benefit and contribution plans and other post-employment benefits

Defined contribution pension plan

The First Nation has a defined contribution pension plan covering all elected officials and employees. The First Nation contributions and corresponding expense totalled \$46,222 in 2021 (2020 - \$39,427).

19. Segments

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

Government and Administration - This segment provides oversight of the First Nation and administrative activities that are needed to operate the First Nation.

Employment, Education and Training - This segment focuses on the improvement and development of general and employment skills of the First Nation's members which includes recreational or cultural programming and career development programs.

Health and Social Services - This segment provides public health services to improve the overall health of the population and overcome health inequalities.

Planning and Development - This segment represents all activities that provide economic and infrastructure support for the First Nation.

COVID-19 Pandemic - This segment represents all activities related to services and supports relating to funding provided for the purposes of fighting and preventing COVID-19.

20. Economic dependence

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

21. Comparative figures

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

22. Correction of an error

During the year, the First Nation determined that in the prior year it had not recorded deferred revenue from Indigenous Services Canada which met the definition of a liability. The impact of this correction on the current year has resulted in a decrease in opening accumulated surplus of \$220,785. The impact of this correction on the prior year has resulted in an increase in deferred revenue, a decrease in revenue, a decrease in surplus and a decrease in accumulated surplus in the amount of \$220,785.

23. 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 Indigenous Services Canada 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 effect of this non-compliance has not yet been determined.

Bingwi Neyaashi Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2021

	<i>Automobiles</i>	<i>Equipment</i>	<i>Computer hardware</i>	<i>Computer software</i>	<i>Land</i>	<i>Infrastructure</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	211,767	470,623	64,876	24,063	1,096,228	2,055,937	3,923,494
Acquisition of tangible capital assets	96,519	340,416	3,390	2,058	82,705	921,962	1,447,050
Balance, end of year	308,286	811,039	68,266	26,121	1,178,933	2,977,899	5,370,544
Accumulated amortization							
Balance, beginning of year	112,228	314,720	54,987	24,063	-	204,770	710,768
Annual amortization	39,453	130,982	8,750	686	-	99,263	279,134
Balance, end of year	151,681	445,702	63,737	24,749	-	304,033	989,902
Net book value of tangible capital assets	156,605	365,337	4,529	1,372	1,178,933	2,673,866	4,380,642
2020							
Net book value of tangible capital assets	99,539	155,903	9,889	-	1,096,228	1,851,167	3,212,726

Bingwi Neyaashi Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Buildings</i>	<i>Leasehold improvements</i>	<i>Heavy equipment</i>	<i>2021 Total</i>	<i>2020 Total</i>
Cost						
Balance, beginning of year	3,923,494	3,558,074	122,054	31,652	7,635,274	4,773,021
Acquisition of tangible capital assets	1,447,050	1,224,863	373,041	135,000	3,179,954	2,862,253
Balance, end of year	5,370,544	4,782,937	495,095	166,652	10,815,228	7,635,274
Accumulated amortization						
Balance, beginning of year	710,768	368,124	47,256	27,411	1,153,559	899,741
Annual amortization	279,134	163,746	40,296	20,347	503,523	253,818
Balance, end of year	989,902	531,870	87,552	47,758	1,657,082	1,153,559
Net book value of tangible capital assets	4,380,642	4,251,067	407,543	118,894	9,158,146	6,481,715
	2020					
Net book value of tangible capital assets	3,212,726	3,189,950	74,798	4,241	6,481,715	

Bingwi Neyaashi Anishinaabek
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Consolidated expenses by object			
Administration	325,931	122,012	531,474
Advertising	12,200	16,675	75,167
Amortization	-	503,523	253,818
Band support	171,152	481,458	159,296
Bank charges and interest	-	8,950	11,961
Honouraria	22,200	175,206	166,589
Insurance	4,020	64,038	39,226
Interest on long-term debt	-	47,391	43,079
Materials	-	113,068	97,600
Occupancy costs	35,000	34,351	44,975
Office supplies and expenses	4,291,065	175,868	108,851
Professional development	82,645	6,561	38,445
Professional fees	2,383,832	475,620	701,239
Program expense	199,763	245,164	193,708
Property tax	-	26,345	15,447
Repairs and maintenance	4,220	28,913	57,409
Salaries and benefits	986,979	1,320,502	974,500
Travel and meetings	127,452	19,617	83,784
Utilities	-	41,834	28,639
	8,646,459	3,907,096	3,625,207

Bingwi Neyaashi 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</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Government and Administration							
ISC Band Support	120,219	5,667	-	125,886	139,711	-	(13,825)
ISC Pension (BEB)	45,014	-	-	45,014	52,719	-	(7,705)
ISC Michano Litigation	187,133	-	(79,238)	107,895	107,895	-	-
MIA Michano Litigation	-	54,157	-	54,157	66,363	-	(12,206)
Sand Point First Nation	-	218,927	-	218,927	564,974	-	(346,047)
Staff Development/Appreciation	-	15,396	-	15,396	5,522	-	9,874
Nomewaminikan	-	68,185	-	68,185	-	-	68,185
First Nations Elections	-	-	-	-	6,623	-	(6,623)
P/D E-Timecards & Laptops	-	-	-	-	14,623	-	(14,623)
Entity 172	-	2,450	(2,450)	-	-	-	-
	352,366	364,782	(81,688)	635,460	958,430	-	(322,970)
Employment, Education and Training							
ISC Band Registry	5,000	-	-	5,000	7,254	-	(2,254)
ISC P&ID	75,000	-	-	75,000	48,745	-	26,255
ISC Housing Management	62,859	-	(62,859)	-	-	-	-
ISC P&ID CPP	150,000	-	-	150,000	68,576	-	81,424
ISC Aboriginal Language Initiative	-	-	-	-	6,782	-	(6,782)
Summer Students (Park)	-	19,650	-	19,650	41,063	-	(21,413)
OPG	-	14,100	-	14,100	4,868	-	9,232
OFNLP2008 Cultural Development	-	56,000	-	56,000	55,320	-	680
OFNLP2008 Education	-	2,000	-	2,000	2,062	-	(62)
Employment Advisor	-	14,000	-	14,000	8,931	-	5,069
	292,859	105,750	(62,859)	335,750	243,601	-	92,149
Health and Social Services							
ISC Child Welfare Prevention	78,897	-	-	78,897	6,479	-	72,418
ISC Band Representative	-	-	-	-	108,091	-	(108,091)
MCCSS Family Well Being	-	375,065	-	375,065	375,065	-	-
DSSAB Early On/Journey	-	157,156	-	157,156	157,176	-	(20)
IFN Youth	-	134,500	(27,043)	107,457	107,457	-	-
Community Well Worker	-	56,411	-	56,411	56,411	-	-
Violence Prevention	-	25,500	-	25,500	25,500	-	-
HBHC	-	19,231	-	19,231	19,862	-	(631)
MOH HCC	5,800	85,635	-	91,435	91,435	-	-
HC Healthy Child Development	12,678	-	-	12,678	10,550	-	2,128
HC Aboriginal Diabetes Initiative	6,159	-	-	6,159	-	-	6,159
HC Data Collection	10,195	-	-	10,195	260	-	9,935
HC BHC/Mental Health	64,679	-	-	64,679	44,384	-	20,295
HC Home Care HCCP	50,273	-	-	50,273	10,925	-	39,348
IFN Diabetes	-	30,330	(19,837)	10,493	10,493	-	-
IFN Gambling	-	4,268	(4,268)	-	-	-	-

Bingwi Neyaashi 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	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Surplus (Deficit)
OFNLP2008 Health	-	62,000	-	62,000	61,870	-	130
Mental Health & Addictions	1,783	49,687	-	51,470	51,470	-	-
Cultural Camps & Programs	-	10,000	-	10,000	10,000	-	-
	230,464	1,009,783	(51,148)	1,189,099	1,147,428	-	41,671
Planning and Development							
WGL	-	103	-	103	353	-	(250)
PVAWPLP	-	266,600	-	266,600	336,798	-	(70,198)
2626189	-	(8,406)	-	(8,406)	124,669	-	(133,075)
PMC	-	560	-	560	21,198	-	(20,638)
PVAWP	-	-	-	-	1,626	-	(1,626)
Community Energy Champion	-	24,028	-	24,028	24,028	-	-
FNLM Environment Management	-	14,895	-	14,895	678	-	14,217
ISC FN Land Management Act	277,730	-	-	277,730	21,851	(322,154)	(66,275)
HC Special Projects	103,000	-	(76,236)	26,764	26,764	-	-
ISC FNIP On Reserve Housing	132,114	-	-	132,114	13,211	-	118,903
ISC Industrial Lot Development	75,613	-	-	75,613	-	293,504	369,117
Campsites	-	4,120	-	4,120	92	-	4,028
CMHC 4-Unit Housing	-	-	-	-	1,326	-	(1,326)
ISC CEDO Planning & Operations	42,000	-	-	42,000	17,443	(15,687)	8,870
ISC Other Economic Development	40,000	-	-	40,000	8,373	-	31,627
MIA Consultation Coordinator	-	85,000	-	85,000	85,000	-	-
Sawmill	-	9,711	-	9,711	752	-	8,959
Sawmill Plan	-	-	-	-	18,400	-	(18,400)
NRCAN Forestry Biomass	-	407,000	273,826	680,826	8,819	-	672,007
ISC Nation Rebuild	-	156,667	-	156,667	99,052	-	57,615
OFNLP2008 Community Development	-	93,000	-	93,000	92,903	-	97
OFNLP2008 Economic Development	-	340,715	-	340,715	124,757	-	215,958
Community Energy Plan	-	67,805	-	67,805	74,552	5,752	(995)
2021 ACRS Inspection	-	-	-	-	2,030	-	(2,030)
Land Use Plan	-	14,895	-	14,895	14,895	-	-
Infrastructure Maintenance Fund	-	4,127	-	4,127	-	-	4,127
EMP Implementation (LABRC)	-	46,005	-	46,005	86	-	45,919
BNA Legacy Project	-	52,162	-	52,162	47,819	-	4,343
Transmission Lines & ACRS	836,390	-	(836,390)	-	15,050	28,650	13,600
CMHC Duplex Operations	-	84,038	-	84,038	1,955	-	82,083
CMHC Single Family Dwelling	-	-	-	-	27,269	-	(27,269)
Flood Vulnerability Study	30,090	-	-	30,090	-	-	30,090
Operating FN Support	-	25,000	-	25,000	23,200	-	1,800
Greenhouse Project	-	3	-	3	-	9,935	9,938
Natural Resource Research	-	7,500	-	7,500	7,500	-	-
Sawmill Market Divers	-	99,900	(99,900)	-	-	-	-
	1,536,937	1,795,428	(738,700)	2,593,665	1,242,449	-	1,351,216

Bingwi Neyaashi 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</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
COVID-19 Pandemic							
COVID-19 \$25K	25,000	-	-	25,000	24,800	-	200
Pandemic Planner COVID-19	-	37,716	-	37,716	37,716	-	-
Greenstone COVID-19	-	27,500	-	27,500	24,000	-	3,500
Q23X Planning & Response	66,652	-	(51,702)	14,950	14,950	-	-
E-health Funding	3,415	-	-	3,415	-	-	3,415
Indigenous Community Support Fund	87,120	-	(87,120)	-	-	-	-
Community Based Emergency Funding	-	6,250	(6,250)	-	-	-	-
COVID-19 LEDSP	135,236	-	(21,086)	114,150	114,150	-	-
MCCSS - COVID-19	-	-	-	-	6,573	-	(6,573)
COVID-19 - Federal	-	14,480	-	14,480	15,648	-	(1,168)
COVID-19 - Federal	67,071	5,000	-	72,071	77,351	-	(5,280)
	384,494	90,946	(166,158)	309,282	315,188	-	(5,906)
	2,797,120	3,366,689	(1,100,553)	5,063,256	3,907,096	-	1,156,160