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Biinjitiwaabik Zaaging Anishinaabek
Consolidated Financial Statements
March 31, 2016

Biinjitiwaabik Zaaging Anishinaabek
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For the year ended March 31, 2016

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Management's Responsibility

To the Chief and Council and Members of Biinjitiwaabik Zaaging Anishinaabek:

The accompanying consolidated financial statements of Biinjitiwaabik Zaaging Anishinaabek are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management 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 and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these consolidated financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and are ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditors' report.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Biinjitiwaabik Zaaging Anishinaabek and meet when required.

On behalf of Biinjitiwaabik Zaaging Anishinaabek:

August 31, 2016


Heather Hespance
Financial
Administrator

Independent Auditors' Report

To the Chief and Council of Biinjitiwaabik Zaaging Anishinaabek:

We have audited the accompanying consolidated financial statements of Biinjitiwaabik Zaaging Anishinaabek, which comprise the consolidated statement of financial position as at March 31, 2016 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

We were not in attendance to observe the taking of inventory recorded in the amount of \$12,334 at the end of the prior year. Since inventories enter into the determination of the results of operations and changes in financial position, we were unable to determine whether adjustments were necessary to inventory, liabilities and accumulated surplus as at March 31, 2016 or results of operations and cash flows for the year ended March 31, 2016.

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

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for the Qualified Opinion paragraph and the omission of budgeted figures, the consolidated financial statements present fairly, in all material respects, the financial position of Biinjitiwaabik Zaaging Anishinaabek as at March 31, 2016 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

MNP LLP

Thunder Bay, Ontario
August 31, 2016

Chartered Professional Accountants
Licensed Public Accountants

Biinjitiwaabik Zaaging Anishinaabek
Consolidated Statement of Financial Position

As at March 31, 2016

	2016	2015
Financial assets		
Cash resources (Note 2)	1,293,392	1,724,734
Portfolio investments (Note 3)	913,588	908,737
Accounts receivable (Note 4)	57,015	128,850
Inventory for resale (Note 5)	34,927	12,334
Due from government and other government organizations (Note 6)	386,878	519,652
Loans receivable (Note 7)	34,132	34,132
Trust funds held by federal government (Note 8)	3,771	3,692
Total financial assets	2,723,703	3,332,131
Liabilities		
Line of credit (Note 9)	141,000	207,000
Accounts payable and accruals (Note 11)	520,995	783,144
Due to government and other government organizations (Note 12)	173,702	171,991
Employee benefit obligations (Note 13)	30,221	17,898
Long-term debt (Note 14)	37,057	61,704
Total liabilities	902,975	1,241,737
Net financial assets	1,820,728	2,090,394
Contingencies (Note 18)		
Non-financial assets		
Tangible capital assets (Note 10)	10,746,008	11,034,405
Prepaid expenses	17,221	26,507
Total non-financial assets	10,763,229	11,060,912
Accumulated surplus	12,583,957	13,151,306

Approved on behalf of the Council

Andi Hardy

Chief

Lance Plock Councillor

Biinjitiwaabik Zaaging Anishinaabek
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2016

	2016	2015
Revenue		
Indigenous and Northern Affairs Canada	2,557,486	2,362,994
Canada Mortgage and Housing Corporation	23,870	15,510
Health Canada	294,161	245,216
Anishinabek Employment and Training Services	96,529	86,169
Confectionary	209,715	169,934
Dilico Ojibway Child and Family Services	152,012	152,130
Fish sales	106,773	204,525
Fuel	504,480	502,136
Interest income	4,852	27,967
Ministry of Indigenous Relations & Reconciliation	124,457	109,544
Ministry of Community and Social Services	450,273	412,075
Ministry of Health and Long-Term Care	89,406	114,659
Ontario First Nations Limited Partnership	577,823	576,204
Other revenue	159,068	162,908
Union of Ontario Indians	58,901	61,639
YES Employment Services	7,000	9,744
Total revenue	5,416,806	5,213,354
Expenses		
Administration	553,222	518,056
Medical Services	317,751	302,835
Education	1,458,852	1,531,760
Capital	432,742	141,148
Operations and Maintenance	695,509	713,215
Social Services	657,458	621,826
Social/Cultural Programs	348,265	369,774
Other Programs	87,010	75,469
Employment/Economic Programs	536,461	440,617
Business Enterprise Projects	896,885	740,068
Casino Rama Fund	-	20
Total expenses (Schedule 2)	5,984,155	5,454,788
Annual deficit	(567,349)	(241,434)
Accumulated surplus, beginning of year	13,151,306	13,392,740
Accumulated surplus, end of year	12,583,957	13,151,306

Biinjitiwaabik Zaaging Anishinaabek
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2016

	2016	2015
Annual deficit	(567,349)	(241,434)
Purchases of tangible capital assets	(236,596)	(89,252)
Amortization of tangible capital assets	524,993	542,294
Acquisition of prepaid expenses	-	(9,461)
Use of prepaid expenses	9,286	-
Increase (decrease) in net financial assets	(269,666)	202,147
Net financial assets, beginning of year	2,090,394	1,888,247
Net financial assets, end of year	1,820,728	2,090,394

Biinjitiwaabik Zaaging Anishinaabek
Consolidated Statement of Cash Flows
For the year ended March 31, 2016

	2016	2015
Cash provided by (used for) the following activities		
Operating activities		
Annual deficit	(567,349)	(241,434)
Non-cash items		
Amortization	524,993	542,294
Changes in working capital accounts	(42,356)	300,860
Accounts receivable	71,835	(11,983)
Inventory for resale	(22,593)	(519)
Due from government and other government organizations	132,774	(291,891)
Prepaid expenses	9,286	(9,461)
Due to government and other government organizations	1,711	(39,691)
Employee benefit obligations	12,323	(40,825)
Trust funds held by federal government	(79)	(100)
Accounts payable and accruals	(262,149)	193,493
	(99,248)	99,883
Financing activities		
Line of credit advances (repayments)	(66,000)	2,000
Debt retirement	(24,647)	(23,460)
	(90,647)	(21,460)
Capital activities		
Purchases of tangible capital assets	(236,596)	(89,252)
Investing activities		
Purchase of portfolio investments	(888,588)	(883,737)
Proceeds from redemption of portfolio investments	883,737	2,725,241
	(4,851)	1,841,504
Increase (decrease) in cash resources	(431,342)	1,830,675
Cash resources (bank indebtedness), beginning of year	1,724,734	(105,941)
Cash resources, end of year	1,293,392	1,724,734

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

1. 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 Chartered Professional Accountants of Canada.

Reporting entity

The Biinjitiwaabik Zaaging Anishinaabek (the "First Nation") reporting entity includes the First Nation government and all related entities that are controlled by the First Nation.

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.

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

Organizations consolidated in Biinjitiwaabik Zaaging Anishinaabek's financial statements include:

- Amik Business Trust
- Amik Forest Renewal Trust
- Asinika Wiikwedong Sawmill Trust
- Gi-Niijaasinaanig Obimadiziwinowaa Community Corporation
- Biinjitiwaabik Zaaging Anishinaabek Development Inc.

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, including bank overdrafts when bank balances fluctuate frequently from being positive to overdrawn, and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Portfolio investments

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

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 management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

1. 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.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

Capital lease

Leases that transfer substantially all of the benefits and risks of ownership to the lessee are recorded as a capital lease. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and the First Nation's incremental cost of borrowing.

Amortization

Amortization of tangible capital assets is recognized as an expense in the consolidated statement of operations. Tangible capital assets are amortized over their expected useful lives using the declining balance method at the following rates:

	Method	Rate
Computer hardware	declining balance	30 %
Computer software	declining balance	55 %
Furniture and fixtures	declining balance	20 %
Automotive	declining balance	30 %
Bridge	declining balance	4 %
Equipment	declining balance	20 %
Houses and buildings	declining balance	4 %
Non-fixed buildings	declining balance	10 %
Firehall	declining balance	4 %
School	declining balance	4 %
Water and sewage retrofit	declining balance	20 %
Water treatment plant	declining balance	4 %
Roads	declining balance	4 %

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

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

Revenue recognition

Funding

Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. All revenue is recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government Transfers

The First Nation recognizes government transfers as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the consolidated statement of operations and accumulated operating surplus as the stipulation liabilities are settled.

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.

Accumulated Surplus

A portion of the accumulated surplus includes surpluses and/or deficits contributed by government agencies. Such surpluses/deficits may be subject to recovery by the contributing agencies, depending on the terms and conditions of the relevant contribution agreements.

Measurement uncertainty

In preparing the consolidated financial statements for Biinjitiwaabik Zaaging Anishinaabek First Nation, management is required 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 period. Actual results could differ from these estimates.

Administration fees

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

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 ended.

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

1. Significant accounting policies (Continued from previous page)

Inventory

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

Segments

The First Nation conducts its business through eleven reportable segments: Administration, Education, Medical Services, Operations and Maintenance, Social/Cultural Programs, Social Services, Capital Projects, Other Programs, Employment/Economic Programs, Business Enterprise Projects, and Casino Rama Fund. 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.

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.

2. Cash resources (Bank Indebtedness)

The First Nation has available to it the following credit facilities:

Several Royal Bank of Canada operating lines of credit totalling \$315,000 on five of the First Nation's bank accounts incurring interest at the bank's prime rate plus 1.5%. The bank's prime rate at March 31, 2016 was 2.7% (2015 - 2.85%). The balance of the lines of credit was \$141,000 at March 31, 2016 (2015 - \$207,000). Secured by a general security agreement.

The First Nation also has outstanding an \$18,000 Letter of Guarantee in favour of Hydro One Networks Inc.

The First Nation also has outstanding a \$25,000 Letter of Guarantee in favour of Pye Brothers Fuels Limited.

	2016	2015
General (overdraft) (unrestricted)	5,453	(245,437)
Education Authority (overdraft) (unrestricted)	(61,014)	(82,394)
Capital Account (overdraft) (restricted)	(44)	(44)
Gas Station Account (overdraft) (unrestricted)	(23,871)	(22,799)
New Elementary School (unrestricted)	(406)	(406)
Social Services (overdraft) (unrestricted)	(16,807)	(19,123)
Recreation (unrestricted)	4,881	4,921
Youth Account (unrestricted)	6,990	6,990
Capital Account #2 (unrestricted)	114,560	1,193
Casino Rama (unrestricted)	1,263,299	2,081,766
Amik Business Trust	351	67
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	1,293,392	1,724,734

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

3. Portfolio Investments

Portfolio investments consist of the following:

	2016	2015
-Cashable GIC with interest at 0.5% maturing February 3, 2017	173,031	-
-Non redeemable GIC with interest at 0.45% maturing June 20, 2016	715,557	-
-Non redeemable GIC with interest at 0.6% matured June 22, 2015	-	711,822
-Non redeemable GIC with interest at 0.65% matured February 3, 2016	-	171,915
-Investment in Waaskiinaysay Zibii Inc. (20% interest)	25,000	25,000
	<hr/>	<hr/>
	913,588	908,737

4. Accounts receivable

	2016	2015
Due from members:		
Advances	9,039	13,436
Due from others:		
Anishinabek Employment and Training Services	-	57,687
Dilico Anishinabek Family Care	19,043	45,385
TransCanada Pipelines	16,434	-
Amik Business Trust receivables	11,000	11,000
Other accounts receivable	1,499	1,342
	<hr/>	<hr/>
	47,976	115,414
	<hr/>	<hr/>
	57,015	128,850

5. Inventory for resale

	2016	2015
Biinjitiwaabik Zaaging Anishinaabek Development Inc. inventory	34,927	12,334

The cost of inventories recognized as an expense and included in cost of goods sold amounted to \$698,051 (2015 -\$604,655).

6. Due from government and other government organizations

	2016	2015
Federal government		
Indigenous and Northern Affairs Canada	311,187	446,119
Canada Mortgage and Housing Corporation	8,170	15,510
Health Canada	51,579	-
Other government organizations		
HST receivable	-	4,348
First Nations gasoline retailers tax rebate receivable	15,942	53,675
	<hr/>	<hr/>
	386,878	519,652

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

7. Loans receivable

Loans receivable consist of the following:

	2016 Net recoverable value	2015 Net recoverable value
Loans to member business. The loans are unsecured, bear no interest, and have no fixed terms of repayment.	34,132	34,132
Loan to member business	8,000	8,000
Receivable in monthly instalments of \$133 without interest, matured November 2013		
Less: valuation allowance	(8,000)	(8,000)
	<hr/>	<hr/>
	34,132	34,132

8. Trust funds held by federal government

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Council.

	2016	2015
Capital Trust		
Balance, beginning of year	1,635	1,635
Balance, end of year	1,635	1,635
Revenue Trust		
Balance, beginning of year	2,057	1,957
Interest	79	100
Balance, end of year	2,136	2,057
	<hr/>	<hr/>
	3,771	3,692

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

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

9. Line of credit

	2016	2015
Royal Bank of Canada		
General Account - operating line of credit to a maximum of \$100,000, payable on demand, interest at prime plus 1.5% (4.20% per annum at year-end (2015 - 4.35%))	-	100,000
Social Services Account - operating line of credit to a maximum of \$50,000, payable on demand, interest at prime plus 1.5% (4.20% per annum at year-end (2015 - 4.35%))	45,000	20,000
Education Account - operating line of credit to a maximum of \$15,000, payable on demand, interest at prime plus 1.5% (4.20% per annum at year-end (2015 - 4.35%))	4,000	-
Amik Business Trust - operating line of credit to a maximum of \$100,000, payable on demand, interest at prime plus 1.5% (4.20% per annum at year-end (2015 - 4.35%))	85,000	80,000
Biinjitiwaabik Zaaging Anishinaabek Development Inc. - operating line of credit to a max of \$50,000, payable on demand, interest at prime plus 1.5% (4.20% per annum at year-end (2015 - 4.35%))	7,000	7,000
	141,000	207,000

Above loans are secured by a general security agreement over the First Nation's investments.

10. 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. 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.

11. Accounts payable and accruals

	2016	2015
Trade payables	499,920	762,091
Other accrued liabilities	21,075	21,053
	520,995	783,144

12. Due to government and other government organizations

	2016	2015
Federal government		
Canada Revenue Agency - Payroll deductions	29,598	27,887
Canada Revenue Agency - HST	144,104	144,104
	173,702	171,991

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

13. Employee benefit obligations

	2016	2015
Vacation and overtime	30,221	17,898

Vacation and overtime

The vacation and overtime liability is comprised of the vacation and overtime 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 plan for which all full-time, permanent employees of the First Nation are eligible. Members are required to contribute between 3.5% and 5.5% of their salary. The First Nation contributes between 3.5% and 5.5% which is directed to the members' contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. Employer contributions during the year were \$16,683 (2015 - \$31,102). The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2016.

14. Long-term debt

Royal Bank of Canada Loan

	2016	2015
The loan is repayable in monthly payments of \$2,264 including interest at a fixed rate of 4.99%, maturing August 29, 2017.		
Secured by a general security agreement.	37,057	61,704

Principal repayments on long-term debt in each of the next two years, assuming all long-term debt is subject to contractual terms of repayment, are estimated as follows:

	<i>Principal</i>
2017	25,906
2018	11,151
	<hr/> 37,057

15. Comparative figures

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

16. Economic dependence

Biinjitiwaabik Zaaging Anishinaabek receives a significant portion of its revenue from Indigenous and Northern Affairs Canada (INAC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by INAC 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.

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

17. Interfund transfers

An amount of \$1,401,142 (2015 - \$442,646) was transferred from the Casino Rama fund to the Operating fund in order to fund disbursements for operating activities.

18. Contingencies

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

In addition, in the normal course of operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on the First Nation's consolidated financial statements. As of March 31, 2016, no contingent liabilities have been recorded in the consolidated financial statements.

19. Budget information

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

20. Segments

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

Administration - includes administration, governance activities and band operations.

Education - includes the operations of education programs.

Medical Services - activities include delivering health programs.

Operations & Maintenance - includes activities for the maintenance of the community and its infrastructure.

Social/Cultural Programs - activities include delivering community service programs.

Social Services - activities include delivering social programs.

Capital Projects - includes the operations of capital programs.

Other Programs - includes miscellaneous programs administered by the First Nation.

Employment/Economic Programs - includes the operations of economic programs.

Business Enterprise Projects - includes the operations of significantly influenced business enterprises for consolidation.

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

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

21. Consolidated entities

The First Nation controls the below entities, which are fully consolidated in the consolidated financial statements. Financial information for these entities included in the consolidated statement of financial position is shown below. Inter-company balances which were eliminated upon consolidation have been included.

Amik Business Trust

As at December 31	2015	2014
Financial assets		
Cash	351	67
Accounts receivable	11,000	11,000
Due from related party	6,945	6,945
	<hr/>	<hr/>
	18,296	18,012
Liabilities		
Demand loans	85,000	80,000
Accounts payable and accruals	12,881	11,881
Due to government and other government organizations	117,483	117,483
Due to related party	97,251	97,251
	<hr/>	<hr/>
	312,615	306,615
Net financial assets (net debt)	<hr/>	<hr/>
	(294,319)	(288,603)
Non-financial assets		
Tangible capital assets	70,679	73,736
Accumulated surplus (deficit)	<hr/>	<hr/>
	(223,640)	(214,867)

The due from related party balance of \$6,945 (2014 - \$6,945) and the due to related party balance of \$97,251 (2014 - \$97,251) were eliminated in the consolidated statement of financial position.

Amik Forest Renewal Trust

As at December 31	2015	2014
Financial assets		
Accounts receivable	281	281
Due from related party	6,721	6,721
	<hr/>	<hr/>
	7,002	7,002
Liabilities		
Accounts payable and accruals	3,300	3,300
Due to government and other government organizations	9,434	9,434
Due to related party	5,302	5,302
	<hr/>	<hr/>
	18,036	18,036
Net financial assets (net debt)	<hr/>	<hr/>
	(11,034)	(11,034)
Accumulated surplus (deficit)	<hr/>	<hr/>
	(11,034)	(11,034)

Bilinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

21. Consolidated entities (Continued from previous page)

The due from related party balance of \$6,721 (2014 - \$6,721) and the due to related party balance of \$5,302 (2014 - \$5,302) were eliminated in the consolidated statement of financial position.

Asiniika Wiikwedong Sawmill Trust

As at December 31	2015	2014
Liabilities		
Accounts payable and accruals	3,631	3,631
Due to government and other government organizations	17,187	17,187
Due to related party	120,217	120,217
	141,035	141,035
Net financial assets (net debt)	(141,035)	(141,035)
Accumulated surplus (deficit)	(141,035)	(141,035)

The due to related party balance of \$120,217 (2014 - \$120,217) was eliminated in the consolidated statement of financial position.

Gi-NiijaasInaanig Obimadiziwinowaa Community Corporation

As at December 31	2015	2014
Liabilities		
Due to related party	298,466	298,466
Net financial assets (net debt)	(298,466)	(298,466)
Non-financial assets		
Tangible capital assets	298,466	298,466
Accumulated surplus (deficit)		

The due to related party balance of \$298,466 (2014 - \$298,466) was eliminated in the consolidated statement of financial position.

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

21. Consolidated entities (Continued from previous page)

Biinjitiwaabik Zaaging Anishinaabek Development Inc.

As at March 31	2016	2015
Financial assets		
Accounts receivable	1,166	1,011
Due from government and other government organizations	11,594	53,675
Inventory for resale	34,927	11,815
	47,687	66,501
Liabilities		
Bank indebtedness	23,871	22,799
Demand loan	7,000	7,000
Accounts payable and accruals	30,178	74,610
Due to government and other government organizations	1,388	3,186
Due to related party	327,651	143,353
	390,088	250,948
Net financial assets (net debt)	(342,401)	(184,447)
Non-financial assets		
Tangible capital assets	98,593	105,334
Accumulated surplus (deficit)	(243,808)	(79,113)

The due to related party balance of \$327,651 (2015 - \$143,353) was eliminated in the consolidated statement of financial position.

22. Government transfers

	Operating	Capital	2016 Total	2015 Total
Federal government transfers				
Indigenous and Northern Affairs Canada	2,311,198	246,288	2,557,486	2,378,052
Health Canada	294,161	-	294,161	245,216
Canada Mortgage and Housing Corporation	-	23,870	23,870	15,510
	2,605,359	270,158	2,875,517	2,638,778
Provincial government transfers				
Ministry of Indigenous Relations and Reconciliation	124,457	-	124,457	94,486
Ministry of Community and Social Services	450,273	-	450,273	412,075
Ministry of Health and Long-Term Care	89,406	-	89,406	114,659
	664,136	-	664,136	621,220
	3,269,495	270,158	3,539,653	3,259,998

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

23. Upcoming accounting pronouncements

New and Amended Standards

PS 3210 Assets (New)

In June 2015, new PS 3210 Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section provides guidance for applying the definition of assets set out in PS 1000 Financial Statement Concepts. The main features of this standard are as follows:

- Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.
- Economic resources can arise from such events as agreements, contracts, other government's legislation, the government's own legislation, and voluntary contributions.
- The public is often the beneficiary of goods and services provided by a public sector entity. Such assets benefit public sector entities as they assist in achieving the entity's primary objective of providing public goods and services.
- A public sector entity's ability to regulate an economic resource does not, in and of itself, constitute control of an asset, if the interest extends only to the regulatory use of the economic resource and does not include the ability to control access to future economic benefits.
- A public sector entity acting as a trustee on behalf of beneficiaries specified in an agreement or statute is merely administering the assets, and does not control the assets, as future economic benefits flow to the beneficiaries.
- An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes.

The Standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

PS 3320 Contingent Assets (New)

In June 2015, new PS 3320 Contingent Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

- Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.
- Passing legislation that has retroactive application after the financial statement date cannot create an existing condition or situation at the financial statement date.
- Elected or public sector entity officials announcing public sector entity intentions after the financial statement date cannot create an existing condition or situation at the financial statement date.
- Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the bases for any estimates of extent made.
- When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

Biinjitiwaabik Zaaging Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

23. Upcoming accounting pronouncements (Continued from previous page)

PS 3380 Contractual Rights (New)

In June 2015, new PS 3380 Contractual Rights was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). This new Section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.
- Disclosures should include descriptions about nature, extent, and timing.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

PS 3430 Restructuring Transactions (New)

In June 2015, new PS 3430 Restructuring Transactions was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

- A restructuring transaction is defined separately from an acquisition. The key distinction between the two is the absence of an exchange of consideration in a restructuring transaction.
- A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration.
- Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments.
- The increase in net assets or net liabilities resulting from recognition and derecognition of individual assets and liabilities received from all transferors, and transferred to all recipients in a restructuring transaction, is recognized as revenue or as an expense.
- Restructuring-related costs are recognized as expenses when incurred.
- Individual assets and liabilities received in a restructuring transaction are initially classified based on the accounting policies and circumstances of the recipient at the restructuring date.
- The financial position and results of operations prior to the restructuring date are not restated.
- Disclosure of information about the transferred assets, liabilities and related operations prior to the restructuring date by the recipient is encouraged but not required.

The Section is effective for new restructuring transactions that occur in fiscal periods beginning on or after April 1, 2018. Earlier application is encouraged.

Biinjitiwaabik Zaaging Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2016

	Computer hardware	Furniture and fixtures	Automotive	Bridge	Equipment	Houses and buildings	Subtotal
Cost							
Balance, beginning of year	127,419	48,649	539,086	88,090	387,588	5,400,497	6,591,329
Acquisition of tangible capital assets	5,297	-	47,673	-	94,925	76,701	224,596
Disposal of tangible capital assets	(840)	-	-	-	-	-	(840)
Balance, end of year	131,876	48,649	586,759	88,090	482,513	5,477,198	6,815,085
Accumulated amortization							
Balance, beginning of year	118,785	36,764	450,985	14,767	263,363	1,675,908	2,560,572
Annual amortization	3,264	2,377	33,566	2,933	34,416	156,578	233,134
Balance, end of year	122,049	39,141	484,551	17,700	297,779	1,832,486	2,793,706
Net book value of tangible capital assets	9,827	9,508	102,208	70,390	184,734	3,644,712	4,021,379
2015 Net book value of tangible capital assets	8,614	11,886	88,122	73,323	123,386	3,724,590	4,029,921

Biinjitiwaabik Zaaging Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2016

	Subtotal	Non-fixed building	Firehall	School	Water and sewage retrofit	Water treatment plant	Subtotal
Cost							
Balance, beginning of year	6,591,329	144,623	228,329	3,659,137	1,218,082	4,128,262	15,969,762
Acquisition of tangible capital assets	224,596	-	-	-	-	-	224,596
Disposal of tangible capital assets	(840)	-	-	-	-	-	(840)
Balance, end of year	6,815,085	144,623	228,329	3,659,137	1,218,082	4,128,262	16,193,518
Accumulated amortization							
Balance, beginning of year	2,560,572	109,285	101,831	537,359	1,064,700	1,007,322	5,381,069
Annual amortization	233,134	3,534	5,080	124,871	20,996	126,774	514,369
Balance, end of year	2,793,706	112,819	106,891	662,230	1,085,696	1,134,096	5,895,438
Net book value of tangible capital assets	4,021,379	31,804	121,438	2,996,907	132,386	2,994,166	10,298,080
2015 Net book value of tangible capital assets	4,029,921	35,338	126,498	3,121,778	104,982	3,169,338	10,587,855

Biinjitiwaabik Zaaging Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2016

	<i>Subtotal</i>	<i>Roads</i>	<i>Land</i>	<i>Other fully amortized assets</i>	<i>Computer software</i>	<i>2016</i>	<i>2015</i>
Cost							
Balance, beginning of year	15,969,762	181,885	298,466	1	11,577	16,461,691	16,368,692
Acquisition of tangible capital assets	224,596	-	-	-	12,000	236,596	89,252
Disposal of tangible capital assets	(840)	-	-	-	-	(840)	-
Balance, end of year	16,193,518	181,885	298,466	1	23,577	16,697,447	16,457,944
Accumulated amortization							
Balance, beginning of year	5,381,069	36,546	-	-	8,831	5,426,446	4,881,245
Annual amortization	514,369	5,814	-	-	4,810	524,993	542,294
Balance, end of year	5,895,438	42,360	-	-	13,641	5,951,439	5,423,539
Net book value of tangible capital assets	10,298,080	139,525	298,466	1	9,936	10,746,008	11,034,405
2015 Net book value of tangible capital assets	10,587,855	145,337	298,466	1	2,746	11,034,405	

Biinjitiwaabik Zaaging Anishinaabek
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2016

	2016	2015
Consolidated expenses by object		
Administration	3,183	5,061
Advertising	558	
Amortization	524,993	542,294
Bank charges and interest	26,740	23,213
Community meetings	-	1,964
Contracted services	384,617	83,258
Cost of goods sold	698,051	604,655
Honouraria	72,957	68,600
Insurance	71,254	53,976
Interest on long-term debt	2,521	3,708
Miscellaneous	8,808	6,976
Professional fees	103,406	75,454
Rent	2,753	
Salaries and benefits	1,718,185	1,692,881
Social assistance	477,560	417,221
Special projects	800	500
Student expenses	5,097	3,370
Supplies	806,218	702,421
Training	660	1,628
Transportation	96,013	103,682
Travel	126,931	118,552
Tuition	437,384	467,392
Upgrading allowance	215,444	277,246
Utilities	203,333	197,425
	5,984,155	5,454,788

Biinjitiwaabik Zaaging Anishinaabek
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>INAC Revenue</i>	<i>Other Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/Transfers From (To)</i>	<i>Current Operating Surplus (Deficit)</i>
Administration						
Administration - Band Operations	308,921	58,932	367,853	494,522	114,556	(12,113)
Administration - Band Employee Benefits	58,700	-	58,700	58,700	-	
Section subtotal	367,621	58,932	426,553	553,222	114,556	(12,113)
Medical Services						
Medical Services - Scheduled Transportation	-	93,942	93,942	127,508	-	(33,566)
Medical Services - Family Support Worker	-	99,455	99,455	105,211	-	(5,756)
Medical Services - Community Health Representative	-	66,211	66,211	71,967	-	(5,756)
Medical Services - Prescriptions	-	-	-	3,172	5,622	2,450
Medical Services - Children's Oral Health Initiative	-	9,893	9,893	9,893	-	
Section subtotal	-	269,501	269,501	317,751	5,622	(42,628)
Education						
Education - Tuition Agreements	354,300	-	354,300	350,436	641,946	645,810
Education - Other Education	498,273	-	498,273	498,273	-	
Education - Band Operated School	169,575	-	169,575	169,575	-	
Education - Enhanced Teachers Salaries	9,700	-	9,700	9,700	-	
Education - Other Education Authority	413,510	17,358	430,868	430,868	-	
Section subtotal	1,445,358	17,358	1,462,716	1,458,852	641,946	645,810
Capital						
Capital - New School	-	-	-	124,871	-	
Capital - General Projects	246,288	23,870	270,158	307,871	181,336	(124,871)
Section subtotal	246,288	23,870	270,158	432,742	181,336	18,752
Operations & Maintenance						
Operations & Maintenance - Water Systems	52,572	-	52,572	183,228	43,916	(86,740)
Operations & Maintenance - Fire	18,726	-	18,726	33,871	-	(15,145)
Operations & Maintenance - Roads & Bridges	11,470	-	11,470	18,468	-	(6,998)
Operations & Maintenance - Waste Disposal	35,470	-	35,470	70,791	-	(35,321)
Operations & Maintenance - Community Buildings	27,332	-	27,332	190,506	-	(163,174)
Operations & Maintenance - Enhanced Water O&M	45,000	-	45,000	45,000	-	
Operations & Maintenance - Enhanced Wastewater	55,063	-	55,063	55,063	-	
Operations & Maintenance - Enhanced Water	98,582	-	98,582	98,582	-	
Section subtotal	344,215	-	344,215	695,509	43,916	(307,378)
Social Services						

Biinjitiwaabik Zaaging Anishinaabek
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>INAC Revenue</i>	<i>Other Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/Transfers From (To)</i>	<i>Current Operating Surplus (Deficit)</i>
Social Services - Ontario Works	22,500	450,273	472,773	488,720	-	(15,947)
Social Services - National Child Benefit	18,200	-	18,200	18,200	-	-
Social Services - Homemakers	18,900	89,406	108,306	115,338	7,500	468
Social Services - Special Needs	800	-	800	800	-	-
Social Services - Basic Needs	34,400	-	34,400	34,400	-	-
Section subtotal	94,800	539,679	634,479	657,458	7,500	(15,479)
Social/Cultural Programs						
Social/Cultural Programs - ADI	-	23,507	23,507	24,472	-	(965)
Social/Cultural Programs - Maternal Child Health	-	7,699	7,699	7,699	-	-
Social/Cultural Programs - Building Healthy Communities	-	47,361	47,361	47,361	-	-
Social/Cultural Programs - Aboriginal Healing and Wellness	-	58,901	58,901	58,901	-	-
Social/Cultural Programs - Recreation	-	-	-	21,727	62,534	40,807
Social/Cultural Programs - Land and Resources	-	90,000	90,000	90,000	-	-
Social/Cultural Programs - Early Childhood Development	-	34,943	34,943	34,943	-	-
Social/Cultural Programs - Brighter Futures	-	63,162	63,162	63,162	-	-
Section subtotal	-	325,573	325,573	348,265	62,534	39,842
Other Programs						
Other Programs - Housing Coordinator	-	-	-	27,850	34,945	7,095
Other Programs - Membership	5,076	-	5,076	5,180	-	(104)
Other Programs - Pow Wow	-	-	-	33,415	30,000	(3,415)
Other Programs - Funeral Services	-	-	-	20,437	39,724	19,287
Other Programs - Registry Events	128	-	128	128	-	-
Section subtotal	5,204	-	5,204	87,010	104,669	22,863
Employment/Economic Programs						
Employment/Economic Programs - Economic Development Opportunities	12,000	-	12,000	12,000	-	-
Employment/Economic Programs - Rink Facility	-	-	-	8,155	-	(8,155)
Employment/Economic Programs - Economic Development	42,000	-	42,000	44,412	-	(2,412)
Employment/Economic Programs - Work/Training	-	103,529	103,529	254,935	167,063	15,657
Employment/Economic Programs - Rocky Bay Fisheries	-	106,773	106,773	109,622	-	(2,849)
Employment/Economic Programs - LEDSP	-	34,457	34,457	46,213	-	(11,756)
Employment/Economic Programs - Independent Electricity System Operator	-	26,931	26,931	7,128	-	19,803
Employment/Economic Programs - TransCanada Pipeline	-	55,847	55,847	53,996	-	1,851
Section subtotal	54,000	327,537	381,537	536,461	167,063	12,139
Business Enterprise Projects						
Amik Business Trust	-	-	-	7,773	-	(7,773)

Biinjitiwaabik Zaaging Anishinaabek
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2016

	<i>INAC Revenue</i>	<i>Other Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Operating Surplus (Deficit)</i>
Biinjitiwaabik Zaaging Anishinaabek Development Inc.	-	714,195	714,195	889,112	72,000	(102,917)
Section subtotal	-	714,195	714,195	896,885	72,000	(110,690)
Casino Rama Fund						
Casino Rama Fund	-	582,675	582,675	-	(1,401,142)	(818,467)
Total	2,557,486	2,859,320	5,416,806	5,984,155	-	(567,349)