



**Flying Post First Nation**

**Consolidated Financial Statements**

**March 31, 2023**

**FLYING POST FIRST NATION**  
**March 31, 2023**

**Management's Responsibility for Financial Reporting**

The accompanying consolidated financial statements of Flying Post First Nation 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. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

Flying Post First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the consolidated financial statements are relevant, reliable and accurate and Flying Post First Nation's assets are appropriately accounted for and adequately safeguarded.

The Council of Flying Post First Nation is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. Council carries out this responsibility principally through its Financial Administration.

The Financial Administration meets periodically with the Chief and Council, as well as the 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 annual consolidated financial statements and the external auditors' report. The Financial Administration reports its findings to the Council for consideration when approving the financial statements for issuance to the Members.

The consolidated financial statements have been audited by Grant Thornton LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. Grant Thornton LLP has full and free access to the Council.



Chief



Councilor

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# Independent Auditor's Report

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To the Chief, Council and Members of  
Flying Post First Nation

## Opinion

We have audited the consolidated financial statements of Flying Post First Nation ("the First Nation"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, changes in fund balances, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Flying Post First Nation as at March 31, 2023, and its results of operations, its changes in net debt, and its 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.

## Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Schedules of Revenue and Expenses by Program, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## Responsibilities of Management and Those Charged with Governance 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.

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 a 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.

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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, handwritten font.

Thunder Bay, Canada  
August 30, 2024

Chartered Professional Accountants  
Licensed Public Accountants

**Flying Post First Nation** **Statement 1**  
**Consolidated Statement of Financial Position**

As at March 31

2023

2022

|   | \$                | \$         |
|---|-------------------|------------|
| <b>FINANCIAL ASSETS</b>                           |                   |            |
| Cash  | <b>10,564,435</b> | 9,310,396  |
| Accounts receivable [note 3]                      | 302,714           | 393,722    |
| Investments [note 4]                              | <b>13,072,147</b> | 8,120,760  |
| Investment Fund asset                             | 250,000           | 250,000    |
| Investment in Flying Post Development LP [note 6] | <b>6,504,514</b>  | 7,581,505  |
| Investment in Flying Post Development GP [note 6] | (9,255)           | (8,389)    |
| Restricted assets [note 5a and 5b]                | <b>14,886,905</b> | 8,869,670  |
| Trust Fund asset                                  | 3,352             | 3,351      |
| <b>Total financial assets</b>                     | <b>45,574,812</b> | 34,521,015 |
| <b>FINANCIAL LIABILITIES</b>                      |                   |            |
| Accounts payable and accrued liabilities          | 189,255           | 239,083    |
| Due to Ministry of Health and Long-Term Care      | <b>596,800</b>    | 487,778    |
| <b>Total financial liabilities</b>                | <b>786,055</b>    | 726,861    |
| <b>NET FINANCIAL ASSETS</b>                       | <b>44,788,757</b> | 33,794,154 |
| <b>NON-FINANCIAL ASSETS</b>                       |                   |            |
| Tangible capital assets, net [notes 7 and 17]     | 2,853,753         | 2,598,715  |
| Prepaid expenses                                  | 17,561            | 8,032      |
|   | <b>2,871,314</b>  | 2,606,747  |
| <b>Accumulated surplus</b>                        |                   |            |
| Accumulated operating surplus                     | 47,511,033        | 36,400,901 |
| Accumulated re-measurement gains                  | 150,901           | -          |
| <b>Total accumulated surplus</b>                  | <b>47,661,934</b> | 36,400,901 |

Contingencies [note 8]

See accompanying notes to the consolidated financial statements.

Approved by

Chief \_\_\_\_\_ Councillor \_\_\_\_\_

**Flying Post First Nation**  
**Consolidated Statement of Operations and Accumulated**  
**Surplus**

**Statement 2**

Year ended March 31

2023

2022

|   | \$                | \$                |
|---|-------------------|-------------------|
| <b>Revenue [note 16]</b>  |                   |                   |
| Indigenous Services Canada  | 806,426           | 743,730           |
| Ontario First Nations Limited Partnership                           | 469,007           | 320,398           |
| Health Canada   | 530,484           | 393,012           |
| Ministry of Health  | 300               | 20,947            |
| Wabun Tribal Council  | 173,229           | 122,655           |
| Nishnawbe Aski Nation   | 71,247            | 102,851           |
| Mining agreements   | 1,635,575         | 1,558,379         |
| Interest  | 491,148           | 130,313           |
| Provincial Resource Revenue Sharing                                 | 7,424,627         | 4,498,514         |
| Investment Income   | 10,772,143        | 8,471,188         |
| Other   | 15,809            | (10,457)          |
|   | <b>22,389,995</b> | <b>16,351,530</b> |
| <br><b>Expenses [note 16]</b>                                       |                   |                   |
| Band support  | 8,127,343         | 3,110,819         |
| Education   | 274,061           | 333,008           |
| Health Programs   | 191,018           | 128,554           |
| New Relationship Fund   | 82,905            | 63,836            |
| Mining Community Fund   | 535,488           | 7,389,739         |
| Casino Rama   | 325,179           | 447,317           |
| Resource Revenue Sharing  | 1,743,869         | 584,642           |
|   | <b>11,279,863</b> | <b>12,057,915</b> |
| <br><b>Excess (shortfall) of revenue over expenses for the year</b> | <b>11,110,132</b> | <b>4,293,615</b>  |
| <br>Total accumulated operating surplus, beginning of year          | <b>36,400,901</b> | <b>32,107,286</b> |
| <br><b>Total accumulated operating surplus, end of year</b>         | <b>47,511,033</b> | <b>36,400,901</b> |

See accompanying notes to the consolidated financial statements.

**Flying Post First Nation  
Consolidated Statement of Remeasurement Gains and  
Losses**

**Statement 3**

Year ended March 31

**2023**

\$

\$

Accuulated remeasurement gain (loss), beginning of year

- -

Unrealized gains (losses) attributable to:

|   |                |          |
|---|----------------|----------|
| Casino Rama   | (4,092)        | -        |
| Resource Revenue Sharing                                  | 103,145        | -        |
| General Programs  | 51,848         | -        |
| Change in net remeasurement gain for the year             | 150,901        | -        |
| <b>Accumulated remeasurement gain (loss), end of year</b> | <b>150,901</b> | <b>-</b> |

See accompanying notes to the consolidated financial statements.

**Flying Post First Nation  
Consolidated Statement of Changes in Fund Balances**

Year ended March 31

**Statement 4**

**2023**

|   | <b>Beginning<br/>Accumulated<br/>Surplus (Deficit)</b><br>\$ | <b>Revenue</b><br>\$ | <b>Expenses and<br/>Capital<br/>Expenditures</b><br>\$ | <b>Excess<br/>(Shortfall) of<br/>Revenue Over<br/>Expenses</b><br>\$ | <b>Transfers</b><br>\$ | <b>Ending<br/>Accumulated<br/>Surplus<br/>(Deficit)</b><br>\$ |
|---|--|----------------------|--|--|------------------------|---|
| <b>Operating Fund:</b>                                    |  |                      |  |  |                        |   |
| General Programs <i>[schedule 1]</i>                      | 26,144,786   | 11,773,526           | 8,127,343  | 3,646,183  | 391,758                | 30,182,727  |
| Education <i>[schedule 2]</i>                             | (231,059)  | 332,558              | 274,061  | 58,497   | -                      | (172,562)   |
| Health Programs <i>[schedule 3]</i>                       | 351,710  | 530,484              | 191,018  | 339,466  | -                      | 691,176   |
| New Relationship Fund <i>[schedule 4]</i>                 | 86,581   | 81,350               | 82,905   | (1,555)  | -                      | 85,026  |
| Community mining and Exploration Fund <i>[schedule 5]</i> | 1,054,148  | 1,635,575            | 535,488  | 1,100,087  | -                      | 2,154,235   |
| Remeasurement gains and losses <i>[statement 3]</i>       | -  | 150,901              | -  | 150,901  | -                      | 150,901   |
| Trust Fund <i>[statement 5]</i>                           | 3,352  | -                    | -  | -  | -                      | 3,352   |
| Investment Fund <i>[statement 6]</i>                      | 250,000  | -                    | -  | -  | -                      | 250,000   |
| Casino Rama <i>[statement 7]</i>                          | 2,741,211  | 542,975              | 325,179  | 217,796  | -                      | 2,959,007   |
| Resource Revenue Sharing <i>[statement 8]</i>             | 6,000,172  | 7,493,527            | 1,743,869  | 5,749,658  | (391,758)              | 11,358,072  |
|   | <b>36,400,901</b>  | <b>22,540,896</b>    | <b>11,279,863</b>                                      | <b>11,261,033</b>  | <b>-</b>               | <b>47,661,934</b>   |

See accompanying notes to the consolidated financial statements.

**Flying Post First Nation  
Consolidated Trust Fund Statement of Changes in  
Fund Balance**

**Statement 5**

| Year ended March 31                       | 2023         | 2022         |
|---|--------------|--------------|
|   | \$           | \$           |
| <b>Revenue</b>                            |              |              |
| Interest Income                           | -            | 3,352        |
| Fund Balance, beginning of year           | <b>3,352</b> | 212,140      |
| Transfer to Resource Revenue Sharing Fund |              | (212,140)    |
| <b>Fund Balance, end of year</b>          | <b>3,352</b> | <b>3,352</b> |

See accompanying notes to the consolidated financial statements.

**Flying Post First Nation** **Statement 6**  
**Consolidated Investment Fund Statement of Changes in**  
**Fund Balance**

| Year ended March 31              | 2023           | 2022    |
|----------------------------------|----------------|---------|
|                                  | \$             | \$      |
| Fund Balance, beginning of year  | <b>250,000</b> | 250,000 |
| <b>Fund Balance, end of year</b> | <b>250,000</b> | 250,000 |

See accompanying notes to the consolidated financial statements.

**Flying Post First Nation****Statement 7****Consolidated Casino Rama Fund Statement of Changes in Fund Balance**

Year ended March 31

**2023****2022**

|   | \$               | \$               |
|---|------------------|------------------|
| <b>Revenue</b>  |                  |                  |
| Ontario First Nations Limited Partnership                       |                  |                  |
| Regular   | 469,007          | 320,398          |
| Interest  | 73,968           | 41,489           |
|   | <b>542,975</b>   | <b>361,887</b>   |
| <b>Expenses</b>   |                  |                  |
| Bank charges  | 446              | 216              |
| Community development   | 244,888          | 386,933          |
| Cultural development  | 1,261            | 180              |
| Economic development  | 9,878            | 2,990            |
| Education   | 29,905           | 40,832           |
| Health  | 38,801           | 16,166           |
|   | <b>325,179</b>   | <b>447,317</b>   |
| <b>Excess (shortfall) of revenue over expenses for the year</b> | <b>217,796</b>   | <b>(85,430)</b>  |
| Fund balance, beginning of year                                 | 2,741,211        | 2,826,641        |
| <b>Fund balance, end of year</b>                                | <b>2,959,007</b> | <b>2,741,211</b> |

See accompanying notes to the consolidated financial statements.

# Flying Post First Nation

# Statement 8

## Consolidated Resource Revenue Sharing Fund Statement of Changes in Fund Balance

Year ended March 31

2023

2022

|   | \$                | \$               |
|---|-------------------|------------------|
| <b>Revenue</b>                                      |                   |                  |
| Resource Revenue Sharing                            | 7,424,627         | 4,498,514        |
| Interest  | 68,900            | 1,183            |
|   | <b>7,493,527</b>  | <b>4,499,697</b> |
| <b>Expenses</b>                                     |                   |                  |
| Bank charges  | 415               | 17               |
| Community development                               | 1,479,243         | 464,450          |
| Cultural development                                | 25,441            | 13,470           |
| Economic development                                | 42,872            | 2,867            |
| Education   | 33,281            | 13,574           |
| Health  | 14,124            | 311              |
| Administrative cost                                 | 148,493           | 89,970           |
|   | <b>1,743,869</b>  | <b>584,659</b>   |
| <b>Excess of revenue over expenses for the year</b> | <b>5,749,658</b>  | 3,915,038        |
| Capital assets acquired or constructed              | -                 | -                |
|   | <b>5,749,658</b>  | <b>3,915,038</b> |
| Fund balance, beginning of year                     | 6,000,172         | 4,488,213        |
| Adjustment for capital assets constructed           | -                 | (2,615,219)      |
| Fund balance, beginning of year, restated           | 6,000,172         | 1,872,994        |
| Transfer from Trust Fund                            | -                 | 212,140          |
| Transfer to General Programs                        | (391,758)         | -                |
| <b>Fund balance, end of year</b>                    | <b>11,358,072</b> | <b>6,000,172</b> |

See accompanying notes to the consolidated financial statements.

**Flying Post First Nation  
Consolidated Statement of Cash Flows**

**Statement 9**

Year Ended March 31

|  | <b>2023</b>        | <b>2022</b> |
|--|--------------------|-------------|
|  | \$                 | \$          |
| <b>OPERATING ACTIVITIES</b>  |                    |             |
| Excess (shortfall) of revenue over expenses for the year                   | 11,110,132         | 4,293,616   |
| Add charges (deduct credits) to operations not requiring an outlay of cash | -                  | 19,949      |
| Amortization of tangible capital assets                                    | 136,720            | 140,089     |
| Loss on disposal of capital assets   | -                  | 19,949      |
|  | <b>11,246,852</b>  | 4,453,654   |
| Add (deduct) changes in non-cash working capital items                     |                    |             |
| Accounts receivable  | 91,008             | 251,736     |
| Prepaid expenses   | (9,529)            | (406)       |
| Accounts payable and accrued liabilities                                   | (49,828)           | 122,197     |
| Due to Ministry of Health and Long-Term Care                               | 109,022            | 216,385     |
| <b>Cash provided by operating activities</b>                               | <b>11,387,525</b>  | 5,043,566   |
| <b>INVESTING ACTIVITIES</b>  |                    |             |
| Increase in investments  | (3,873,530)        | (7,070,396) |
| Increase in accumulated re-measurement gains                               | 150,901            | -           |
| Increase in restricted assets invested in GICs                             | (4,111,245)        | (97,895)    |
| Decrease (increase) in Trust Fund asset                                    | -                  | 208,788     |
| Disposal (purchase) of capital assets                                      | (391,758)          | (11,470)    |
| <b>Cash used in investing activities</b>                                   | <b>(8,225,632)</b> | (6,970,973) |
| <b>Increase (decrease) in cash during the year</b>                         | <b>3,161,893</b>   | (1,927,407) |
| Cash and cash equivalents, beginning of year                               | 16,076,562         | 18,003,968  |
| <b>Cash and cash equivalents, end of year</b>                              | <b>19,238,455</b>  | 16,076,562  |
| <b>Cash and cash equivalents consists of:</b>                              |                    |             |
| Cash and cash equivalents  | 10,564,435         | 9,310,396   |
| Restricted assets [note 5]   | 8,672,157          | 6,766,166   |
|  | <b>19,236,592</b>  | 16,076,562  |

**Flying Post First Nation** **Statement 10**  
**Consolidated Statement of Changes in Net Financial Assets**

| Year ended March 31                                 | 2023              | 2022       |
|---|-------------------|------------|
|   | \$                | \$         |
| <b>Excess of revenue over expenses for the year</b> | <b>11,110,132</b> | 4,293,616  |
| Decrease (increase) in prepaid expenses             | (9,529)           | (406)      |
| Disposal (purchase) of capital assets               | (391,758)         | 8,479      |
| Remeasurement gains                                 | 150,901           | -          |
| Amortization of tangible capital assets             | 136,720           | 140,088    |
|   | <b>10,996,466</b> | 4,441,777  |
| Net financial assets, beginning of year             | <b>33,794,154</b> | 29,352,377 |
| <b>Net financial assets, end of year</b>            | <b>44,790,620</b> | 33,794,154 |

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# **Flying Post First Nation**

## **Notes to Consolidated Financial Statements**

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March 31, 2023

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### **GENERAL**

Flying Post First Nation is a band management group recognized under the Indian Act. The purpose of Flying Post First Nation is to provide leadership and accountability to the members of the band.

### **1. ADOPTION OF NEW GUIDANCE**

The Public Sector Accounting Board issued Section PS 3280 Asset Retirement Obligations. This new section addresses how to account for and report a liability for asset retirement obligations. An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset.

The Public Sector Accounting Board issued Section PS 3450 Financial instruments, PS 2601 Foreign currency translation, PS 1201 Financial statement presentation, and PS 3041 Portfolio investments. Section PS 3450 Financial instruments requires a public sector entity to recognize a financial asset or a financial liability on its statement of financial position when it becomes a party to the contractual provisions of the instrument. Financial instruments within the scope of the Section are assigned to one of two measurement categories: fair value, or cost / amortized cost. Almost all derivatives are measured at fair value. Fair value measurement is required for portfolio investments in equity instruments that are quoted in an active market.

Other financial assets and financial liabilities are generally measured at cost or amortized cost.

Until an item is derecognized, gains and losses arising due to fair value remeasurement are reported in the statement of remeasurement gains and losses. When the public sector entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis, the entity may elect to include these items in the fair value category. Additional disclosures with respect to financial instruments are required, including the nature and extent of risks arising from a public sector entity's financial instruments.

PS 2601 Foreign currency translation revises and replaces Section PS 2600 Foreign currency translation. Section 2601 requires that until the period of settlement, foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses rather than the statement of operations, unless an irrevocable election is made at initial measurement to recognize exchange gains and losses on a financial asset or financial liability directly in the statement of operations. PS 1201 Financial statement presentation revises and replaces Section PS 1200 Financial statement presentation. The main amendment to this Section is the addition of the statement of remeasurement gains and losses. PS 3041 Portfolio investments revises and replaces Section PS 3040 Portfolio investments.

Flying Post First Nation adopted these standards and amendments as at April 1, 2022 and applied the new accounting policies prospectively. As a result of the adoptions, Portfolio investments are now measured at fair value with unrealized gains and losses being presented on the consolidated statement of re-measurement gains and losses. There were no impacts to the Council's consolidated financial statements other than additional note disclosures.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements of Flying Post First Nation are prepared by management in accordance with accounting policies generally accepted for the public sector as prescribed by the Public Sector Accounting Board ("PSAB") of CPA Canada. The more significant of these accounting policies are as follows:

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# **Flying Post First Nation**

## **Notes to Consolidated Financial Statements**

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March 31, 2023

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### **Reporting entity**

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the Operating Fund, externally restricted Casino Rama Fund, externally restricted Resource Revenue Sharing Fund and Indigenous and Northern Affairs Canada Trust Fund of Flying Post First Nation and include all band activities under the control of the First Nation, including those within Flying Post Holdings Inc., Flying Post Development LP and Flying Post General Partner Inc.

- [a] Investments wherein the First Nation owns a minority interest, or nonparticipating equity, and is not directly or indirectly, through partnerships, involved in the management of the business operations are accounted for by the cost method.

Under the cost method, investments are carried at cost and earnings are reflected only to the extent of dividends received. The carrying value of an investment is written-down to its net recoverable amount if a decline in market value is judged to be other than temporary.

- [b] Business enterprise investments wherein the First Nation owns a participating equity interest and is directly or indirectly, through partnerships, involved in the management of the business operations are accounted for by the modified equity method.

Under the modified equity method, the investment is initially recorded at cost and the carrying value is thereafter adjusted to include the First Nation's pro rata share of post acquisition earnings of the investee. The amount of the adjustment is included in the determination of net income of the First Nation's Investment Fund and the investment account is also increased or decreased to reflect the First Nation's share of capital transactions.

The equity method is only modified to the extent that the business enterprise's accounting principles are not adjusted to conform with those of the First Nation.

All interfund balances and transactions have been eliminated.

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# **Flying Post First Nation**

## **Notes to Consolidated Financial Statements**

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March 31, 2023

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### **Cash**

Cash consists of cash on hand, balances in banks and term deposits with a maturity period of three months or less at the date of acquisition.

### **Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.

### **Tangible capital assets**

Tangible capital assets are initially recorded at cost. Subsequently, tangible capital assets are recorded at cost, less accumulated amortization and write-downs, if any. Cost includes all amounts that are directly attributable to acquisition, construction, development or betterment of the assets. The cost of the tangible capital assets are amortized on a declining balance basis at the rates set out below:

|                    |           |
|--------------------|-----------|
| Automotive         | 30%       |
| Building           | 4%        |
| Computer equipment | 33%       |
| Office equipment   | 20% - 33% |
| Program supplies   | 20%       |

### **Long-lived assets**

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using undiscounted future cash flows. Any impairment is included in surplus for the year.

### **Fund accounting**

The First Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the summary financial statements.

The Operating Fund reports on programs administered for the community on behalf of various government agencies and corporate entities.

The Trust Fund reports on Trust Funds owned by the First Nation and held by the Government of Canada.

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# **Flying Post First Nation**

## **Notes to Consolidated Financial Statements**

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The Investment Fund reports the First Nation's share of earnings and equity in investments and restricted contributions from investee corporations. These funds are currently held in trust by the Wabun Tribal Council.

The Casino Rama Fund reports the activities financed in whole or in part by proceeds from Ontario First Nations Limited Partnership and Ontario First Nations (2008) Limited Partnership.

The Resource Revenue Sharing Fund reports activities financed in whole or in part by proceeds from Resource Revenue Sharing funds.

### **Government transfers**

Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction expected to be repaid in the future or expected to produce a direct financial return. Government transfers received are recognized in the consolidated financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers made to a recipient by the First Nation are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

### **Revenue recognition**

Other revenue is recognized in the period in which the related services are performed. Amounts collected for which the related services have yet to be performed are recognized as a liability and recognized as revenue when the related services are performed.

Mining revenue and interest is recognized as it is earned.

Funds received, other than government transfers, for specified purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position.

The revenue is recognized in the year in which it is used for the specified purpose.

Revenues from trust monies are recognized when measurable, earned and collection is reasonably assured. These monies are reported on by the Government of Canada.

### **Financial instruments**

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as liability until the criterion attached to the restriction has been met, upon which the gain or loss is recognized in the statement of operations.

# **Flying Post First Nation**

## **Notes to Consolidated Financial Statements**

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Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

### **Segments**

The First Nation conducts its business through eight reportable segments: Band Support, Economic Development, Education, Health, New Relationship Fund, Community Mining and Exploration Agreements, Casino Rama, and Resource Revenue Sharing. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

### **Use of estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions the First Nation may undertake in the future. Significant estimates include valuation allowance for accounts receivable and investments and recoveries from and payments to government agencies related to surpluses/deficiencies of funds transferred.

### **3. ACCOUNTS RECEIVABLE**

|                                       | <b>2023</b>    | <b>2022</b>    |
|---------------------------------------|----------------|----------------|
|                                       | \$             | \$             |
| Accounts receivable                   | 302,714        | 401,463        |
| Less: Allowance for doubtful accounts | -              | (7,741)        |
|                                       | <b>302,714</b> | <b>393,722</b> |

# Flying Post First Nation

## Notes to Consolidated Financial Statements

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### 4. INVESTMENTS

|   | 2023       |              | 2022      |              |
|---|------------|--------------|-----------|--------------|
|   | Cost       | Market Value | Cost      | Market Value |
|   | \$         | \$           | \$        | \$           |
| Elcora Resources Corp.                  | 5,000      | 5,150        | 5,000     | 2,145        |
| Galleon Gold Corp.                      | 20,000     | 70,000       | 20,000    | 145,000      |
| GFG Resources Inc.                      | 1,688      | 1,018        | 1,688     | 1,688        |
| Red Pine Exploration Inc.               | 2,000      | 950          | 2,000     | 2,150        |
| Ophir Gold Corp.                        | 1,000      | 2,000        | 1,000     | 583          |
| Probe Metals Inc.                       | 42,750     | 27,500       | 42,750    | 41,000       |
| Pancontinental Resources Corp.          | 3,037      | 3,037        | 3,037     | 7,567        |
| Leede Jones Gable Common Shares         | 1,151      | 55,737       | -         | -            |
| Minor Trusts GIC's                      | 6,234,425  | 6,234,425    | -         | -            |
| GICs and CI Corporate Bond Class A Fund | 6,709,249  | 6,672,330    | 8,045,285 | 8,045,285    |
|   | 13,020,300 | 13,072,147   | 8,120,760 | 8,245,418    |

The First Nation owns 50,000 [2022 – 50,000] common shares of Elcora Resources Corp.

The First Nation owns 250,000 [2022 – 250,000] common shares of Galleon Gold Corp.

On November 12, 2019, Explor amalgamated with 2227390 Alberta Ltd. (a wholly owned subsidiary of Galleon Gold) to form GGO Gold Corp. In connection with the amalgamation, Galleon Gold Corp. issued 95,198,612 common shares to the shareholders of Explor in exchange for all 190,397,224 issued and outstanding shares of Explor, excluding common shares owned by Galleon Gold Corp.

The First Nation owns 8,333 [2022 – 8,333] common shares of Ophir Gold Corp.

On April 22, 2019, Kapuskasing Gold Corp. changed its name to MinKap Resources Inc. and consolidated its common shares on a six (6) for one (1) basis. Effective October 21, 2020, MinKap Resources Inc. changed its name to Ophir Gold Corp.

# Flying Post First Nation

## Notes to Consolidated Financial Statements

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The First Nation owns 11,250 [2022 – 11,250] common shares of GFG Resources Inc.

The First Nation owns 25,000 [2022 – 25,000] common shares of Probe Metals Inc. In addition, the First Nation held 50,000 warrants of Probe Metals Inc. which expired September 9, 2021.

The First Nation owns 5,000 [2022 – 50,000] common shares of Red Pine Exploration Inc. On March 11, 2021, Red Pine Exploration Inc. announced TSXV approval for a consolidation of common shares. Shareholders received 1 new common share for every 10 old common shares owned.

The First Nation owns 50,000 [2022 - 50,000] common shares of Pancontinental Resources Corporation. In addition, the First Nation holds 50,000 warrants of Pancontinental Resources Corporation expiring November 12, 2023 that entitle the First Nation to acquire one common share for each warrant at an exercise price of \$0.06 per share.

The GIC's bear interest from 4.10% - 5.22% and mature between August, 2023 and November, 2027.

### 5. RESTRICTED ASSETS

[a] Restricted assets relating to the Ontario First Nations Limited Partnership and Ontario First Nations (2008) Limited Partnership profit distribution consist of bank balances and amounts held in GIC's. As at year-end, this balance was comprised as follows:

|  | 2023             | 2022      |
|--|------------------|-----------|
|  | \$               | \$        |
| Undistributed funds on deposit with bank and investment accounts | 924,185          | 690,670   |
| Undistributed funds invested in GIC's and other investments      | <u>2,083,987</u> | 2,103,504 |
|  | <u>3,008,172</u> | 2,794,174 |

The GIC's bear interest from 1.58% – 4.90% and mature between December, 2023 and February 2028.

[b] Restricted assets related to the Resource Revenue Sharing Agreement consists of a bank balances and amounts held in GIC's and other investments. As at year-end, this balance was comprised as follows:

|  | 2023              | 2022      |
|--|-------------------|-----------|
|  | \$                | \$        |
| Undistributed funds on deposit with bank and investment accounts | 7,747,972         | 6,075,496 |
| Undistributed funds invested in GIC and other investments        | <u>4,130,761</u>  | -         |
|  | <u>11,878,733</u> | 6,075,496 |

The GIC bears interest at 5.25% and matures November, 2027.

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# **Flying Post First Nation**

## **Notes to Consolidated Financial Statements**

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March 31, 2023

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### **6. INVESTMENTS UNDER CONTROL OF FLYING POST FIRST NATION**

Flying Post First Nation owns and controls Flying Post Development Limited Partnership and Flying Post Development General Partner Inc. Flying Post Development Limited Partnership holds an investment of 50.9% in Flying Post Camp Logistics Limited Partnership and 51% in Flying Post Camp and Logistics Inc.

Flying Post Development Limited Partnership's balance sheet is comprised of total assets of \$6,568,266 [2022 - \$7,644,493], total liabilities of \$60,936 [2022 - \$61,248], and partners' capital of \$6,507,330 [2022 - \$7,583,245]. Flying Post Development Limited Partnership's statement of earnings is comprised of total revenues of \$10,915,110 [2022 - \$9,013,925], and total expenses of \$141,024 [2022 - \$126,793]. Flying Post Development Limited Partnership distributed \$11,850,000 [2022 - \$9,853,000] of partners' capital to Flying Post First Nation during the year.

Flying Post Development General Partner Inc.'s balance sheet is comprised of total assets of \$2,917 [2022 - \$1,840], total liabilities of \$12,172 [2022 - \$10,229], and shareholder's deficit of (\$9,355) [2022 - (\$8,489)]. Flying Post Development General Partner Inc.'s statement of loss and deficit is comprised of total revenues of \$1,077 [2022 - \$889], and total expenses of \$1,943 [2022 - \$1,750].

### **7. TANGIBLE CAPITAL ASSETS**

The consolidated statement of tangible capital assets (note 17) presents all balances and changes in the year relating to tangible capital assets owned by the First Nations. 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.

### **8. CONTINGENCIES**

The fund balances may include surpluses/deficits from funds contributed by government agencies. Such surpluses/deficits may be subject to recovery/payment by the contributing agencies. These potential liabilities/receivables are not recorded until they become payable/recoverable. Some restrictions may apply to the use of the funds.

### **9. ANNUAL BUDGET**

The First Nation does not prepare an annual budget in a format that is comparable to these consolidated financial statements; therefore, comparative budget figures have not been presented.

# Flying Post First Nation

## Notes to Consolidated Financial Statements

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### 10. COMPARATIVE FIGURES

Certain of the prior year comparative figures have been reclassified to conform to the presentation adopted in the current year.

### 11. INTER-FUND TRANSFERS

During the year, an amount of \$nil [2022 - \$nil] was transferred between funds.

### 12. ECONOMIC DEPENDENCE

The First Nation receives a significant portion of its revenues from various funding agencies, the largest being, Indigenous Services Canada (ISC), and treaties entered into with the Government of Canada. These treaties are administered by ISC 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.

### 13. GOVERNMENT TRANSFERS

|  | Operating<br>\$  | Capital<br>\$ | 2023<br>\$       | 2022<br>\$       |
|--|------------------|---------------|------------------|------------------|
| <b>Federal Government transfers</b>    |                  |               |                  |                  |
| Indigenous Services Canada             | 806,426          | -             | 806,426          | 743,730          |
| Health Canada                          | 530,484          | -             | 530,484          | 393,012          |
| <b>Total Federal</b>                   | <b>1,336,910</b> | -             | <b>1,336,910</b> | <b>1,136,742</b> |
| <b>Provincial Government transfers</b> |                  |               |                  |                  |
| Ministry of Health                     | 300              | -             | 300              | 20,947           |
| <b>Total Provincial</b>                | <b>300</b>       | -             | <b>300</b>       | <b>20,947</b>    |
|  | <b>1,337,210</b> | -             | <b>1,337,210</b> | <b>1,157,690</b> |

### 14. SEGMENTED INFORMATION

Flying Post First Nation provides a range of services to its members. For management reporting purposes, Flying Post First Nation's operations and activities are organized and reported by Fund. The Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. The activities can also be categorized into segments. The following segments have been identified and separately disclosed:

#### Band support

Band support services are comprised of various administrative and other activities related to the operations of the First Nation.

#### Economic development

Economic development contains the activities related to economic development for the First Nation.

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# **Flying Post First Nation**

## **Notes to Consolidated Financial Statements**

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March 31, 2023

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### **Education**

Education contains the funding revenue and financial support to the First Nation members for elementary, secondary and post-secondary education.

### **Health**

Health contains the revenue and expenses related to various health programs and services provided to the First Nation members.

### **New Relationship Fund**

The New Relationship Fund contains the revenue and expenses related to the First Nation dealing with land and resource issues as funded by the Wabun Tribal Council.

### **Community Mining and Exploration Agreements**

This segment includes the activity related to agreements signed with Pan American Silver Corp. (Tahoe Resources Inc./Lake Shore Gold), Newmont Goldcorp Corporation (Goldcorp) and various other exploration companies. This program has been established to accumulate funding from various mining agreements for the benefit of the community.

### **Casino Rama**

Other includes the activities of the Trust Fund and Casino Rama Fund.

## **15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Flying Post First Nation is exposed to a variety of financial risks including credit risk, liquidity risk and market risk.

### **Credit risk**

Credit risk is the risk of financial loss to Flying Post First Nation if a debtor fails to discharge their obligations. Flying Post First Nation's principal financial assets are cash, accounts receivable and investments, which are subject to this risk. The carrying amounts of financial assets on the Consolidated Statement of Financial Position represent Flying Post First Nation's maximum credit exposure as at year-end.

### **Liquidity risk**

Liquidity risk is the risk that Flying Post First Nation will not be able to meet all cash outflow obligations as they come due. Flying Post First Nation mitigates this risk by monitoring cash activities and expected outflows through maintaining adequate cash balances.

### **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and other price risk.

Flying Post First Nation is minimally exposed to interest rate risk with regards to its short and long-term investments. Given the composition of its fixed rate instruments subject Flying Post First Nation to a fair value risk.

Flying Post First Nation is not exposed to significant currency or other price risk. There were no changes in exposure to credit risk during the period.

**FLYING POST FIRST NATION**  
**Notes to Consolidated Financial Statements**

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| 16. SEGMENTED INFORMATION                          | Band Support     |                  | Economic Development |               | Education     |                 | Health         |                |
|--|------------------|------------------|----------------------|---------------|---------------|-----------------|----------------|----------------|
|  | 2023             |                  | 2022                 |               | 2023          |                 | 2022           |                |
|  | \$               | \$               | \$                   | \$            | \$            | \$              | \$             | \$             |
| <b>Revenue</b>                                     |                  |                  |                      |               |               |                 |                |                |
| Indigenous Services Canada                         | 419,918          | 381,136          | 53,950               | 55,520        | 332,558       | 307,074         | -              | -              |
| Ontario First Nations Limited Partnership          | -                | -                | -                    | -             | -             | -               | -              | -              |
| Health Canada                                      | -                | -                | -                    | -             | -             | -               | 530,484        | 393,012        |
| Ministry of Health                                 | 300              | 20,947           | -                    | -             | -             | -               | -              | -              |
| Wabun Tribal Council                               | 91,879           | 41,305           | -                    | -             | -             | -               | -              | -              |
| Nishnawbe Aski Nation                              | 71,247           | 102,851          | -                    | -             | -             | -               | -              | -              |
| Mining agreements                                  | -                | -                | -                    | -             | -             | -               | -              | -              |
| Provincial Resource Revenue Sharing                | -                | -                | -                    | -             | -             | -               | -              | -              |
| Interest   | 348,280          | 87,641           | -                    | -             | -             | -               | -              | -              |
| Investment income                                  | 10,772,143       | 8,471,188        | -                    | -             | -             | -               | -              | -              |
| Other  | 15,809           | (10,457)         | -                    | -             | -             | -               | -              | -              |
|  | 11,719,576       | 9,094,611        | 53,950               | 55,520        | 332,558       | 307,074         | 530,484        | 393,012        |
| <b>Expenses</b>                                    |                  |                  |                      |               |               |                 |                |                |
| Amortization                                       | 136,720          | 140,089          | -                    | -             | -             | -               | -              | -              |
| Bad debts  | -                | -                | -                    | -             | -             | -               | -              | -              |
| Band equipment                                     | -                | 8,627            | -                    | -             | -             | -               | -              | -              |
| Bank charges                                       | 5,292            | 2,904            | -                    | -             | -             | -               | -              | -              |
| Capital injection payment                          | -                | -                | -                    | -             | -             | -               | -              | -              |
| Health program expenses                            | -                | -                | -                    | -             | -             | -               | 191,018        | 128,554        |
| Casino Rama  | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Community development                            | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Cultural development                             | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Economic development                             | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Education  | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Health   | -                | -                | -                    | -             | -             | -               | -              | -              |
| Community outreach                                 | -                | -                | -                    | -             | -             | -               | -              | -              |
| Distribution                                       | 7,388,555        | 2,260,000        | -                    | -             | -             | -               | -              | -              |
| Education allowances and tuition                   | -                | -                | -                    | -             | 274,061       | 333,008         | -              | -              |
| Elder's services                                   | -                | 1,447            | -                    | -             | -             | -               | -              | -              |
| Equipment  | -                | -                | -                    | -             | -             | -               | -              | -              |
| Impairment - Investments                           | -                | -                | -                    | -             | -             | -               | -              | -              |
| Honorariums  | 72,000           | 63,400           | -                    | -             | -             | -               | -              | -              |
| Maintenance  | 26,704           | 62,572           | -                    | -             | -             | -               | -              | -              |
| Miscellaneous                                      | 38,149           | 85,972           | -                    | -             | -             | -               | -              | -              |
| Office   | 56,183           | 98,537           | -                    | -             | -             | -               | -              | -              |
| Professional fees                                  | 102,933          | 102,228          | -                    | -             | -             | -               | -              | -              |
| Rent   | -                | -                | -                    | -             | -             | -               | -              | -              |
| Resource Revenue Sharing                           | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Community development                            | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Business development                             | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Cultural development                             | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Education  | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Health   | -                | -                | -                    | -             | -             | -               | -              | -              |
| - Administrative cost                              | -                | -                | -                    | -             | -             | -               | -              | -              |
| Student employment                                 | 13,973           | 13,992           | -                    | -             | -             | -               | -              | -              |
| Training   | -                | -                | -                    | -             | -             | -               | -              | -              |
| Travel and meetings                                | 82,173           | 23,029           | -                    | -             | -             | -               | -              | -              |
| IBA coordination and environmental monitoring      | -                | -                | -                    | -             | -             | -               | -              | -              |
| Wages and benefits                                 | 204,660          | 248,022          | -                    | -             | -             | -               | -              | -              |
|  | 8,127,343        | 3,110,819        | -                    | -             | 274,061       | 333,008         | 191,018        | 128,554        |
| <b>Excess (shortfall) of revenue over expenses</b> | <b>3,592,233</b> | <b>5,983,793</b> | <b>53,950</b>        | <b>55,520</b> | <b>58,497</b> | <b>(25,934)</b> | <b>339,466</b> | <b>264,458</b> |

**Flying Post First Nation**  
**Notes to Consolidated Financial Statements**

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| 16. SEGMENTED INFORMATION (CONT'D)                 | New Relationship Fund |               | Mining Agreements |                    | Casino Rama    |                 | Resource Revenue Sharing |                  | Total             | 2022             |
|--|-----------------------|---------------|-------------------|--------------------|----------------|-----------------|--------------------------|------------------|-------------------|------------------|
|  | 2023                  | 2022          | 2023              | 2022               | 2023           | 2022            | 2023                     | 2022             |                   |                  |
|  | \$                    | \$            | \$                | \$                 | \$             | \$              | \$                       | \$               | \$                | \$               |
| <b>Revenue</b>                                     |                       |               |                   |                    |                |                 |                          |                  |                   |                  |
| Indigenous Services Canada                         | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 806,426           | 743,730          |
| Ontario First Nations Limited Partnership          | -                     | -             | -                 | -                  | 469,007        | 320,398         | -                        | -                | 469,007           | 320,398          |
| Health Canada                                      | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 530,484           | 393,012          |
| Ministry of Health                                 | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 300               | 20,947           |
| Wabun Tribal Council                               | 81,350                | 81,350        | -                 | -                  | -              | -               | -                        | -                | 173,229           | 122,655          |
| Nishnawbe Aski Nation                              | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 71,247            | 102,851          |
| Mining agreements                                  | -                     | -             | 1,635,575         | 1,558,379          | -              | -               | -                        | -                | 1,635,575         | 1,558,379        |
| Provincial Resource Revenue Sharing                | -                     | -             | -                 | -                  | -              | -               | 7,424,627                | 4,498,514        | 7,424,627         | 4,498,514        |
| Interest   | -                     | -             | -                 | -                  | 73,968         | 41,489          | 68,900                   | 1,183            | 491,148           | 130,313          |
| Investment income                                  | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 10,772,143        | 8,471,188        |
| Other  | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 15,809            | (10,457)         |
|  | 81,350                | 81,350        | 1,635,575         | 1,558,379          | 542,975        | 361,887         | 7,493,527                | 4,499,697        | 22,389,995        | 16,351,530       |
| <b>Expenses</b>                                    |                       |               |                   |                    |                |                 |                          |                  |                   |                  |
| Amortization                                       | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 136,720           | 140,089          |
| Bad debts  | -                     | -             | -                 | -                  | -              | -               | -                        | -                | -                 | -                |
| Band equipment                                     | -                     | -             | -                 | -                  | -              | -               | -                        | -                | -                 | 8,627            |
| Bank charges                                       | -                     | -             | -                 | -                  | 446            | 216             | 415                      | -                | 6,153             | 3,120            |
| Capital injection payment                          | -                     | -             | -                 | 100,000            | -              | -               | -                        | -                | -                 | 100,000          |
| Health program expenses                            | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 191,018           | 128,554          |
| Casino Rama  | -                     | -             | -                 | -                  | -              | -               | -                        | -                | -                 | -                |
| - Community development                            | -                     | -             | -                 | -                  | 244,888        | 386,933         | -                        | -                | 244,888           | 386,933          |
| - Cultural development                             | -                     | -             | -                 | -                  | 1,261          | 180             | -                        | -                | 1,261             | 180              |
| - Economic development                             | -                     | -             | -                 | -                  | 9,878          | 2,990           | -                        | -                | 9,878             | 2,990            |
| - Education  | -                     | -             | -                 | -                  | 29,905         | 40,832          | -                        | -                | 29,905            | 40,832           |
| - Health   | -                     | -             | -                 | -                  | 38,801         | 16,166          | -                        | -                | 38,801            | 16,166           |
| Community outreach                                 | 7,019                 | -             | -                 | -                  | -              | -               | -                        | -                | 7,019             | -                |
| Distribution                                       | -                     | -             | 440,300           | 7,124,842          | -              | -               | -                        | -                | 7,828,855         | 9,384,842        |
| Education allowances and tuition                   | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 274,061           | 333,008          |
| Elder's services                                   | -                     | -             | -                 | -                  | -              | -               | -                        | -                | -                 | 1,447            |
| Equipment  | 945                   | 3,105         | -                 | -                  | -              | -               | -                        | -                | 945               | 3,105            |
| Impairment - Investments                           | -                     | -             | -                 | -                  | -              | -               | -                        | -                | -                 | -                |
| Honorariums  | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 72,000            | 63,400           |
| Maintenance  | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 26,704            | 62,572           |
| Miscellaneous                                      | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 38,149            | 85,972           |
| Office   | 4,000                 | 7,500         | -                 | -                  | -              | -               | -                        | -                | 60,183            | 106,037          |
| Professional fees                                  | -                     | -             | 20,188            | 89,897             | -              | -               | -                        | -                | 123,121           | 192,125          |
| Rent   | -                     | -             | -                 | -                  | -              | -               | -                        | -                | -                 | -                |
| Resource Revenue Sharing                           | -                     | -             | -                 | -                  | -              | -               | -                        | -                | -                 | -                |
| - Community development                            | -                     | -             | -                 | -                  | -              | -               | 1,479,243                | 464,450          | 1,479,243         | 464,450          |
| - Business development                             | -                     | -             | -                 | -                  | -              | -               | 42,872                   | 2,867            | 42,872            | 2,867            |
| - Cultural development                             | -                     | -             | -                 | -                  | -              | -               | 25,441                   | 13,470           | 25,441            | 13,470           |
| - Education  | -                     | -             | -                 | -                  | -              | -               | 33,281                   | 13,574           | 33,281            | 13,574           |
| - Health   | -                     | -             | -                 | -                  | -              | -               | 14,124                   | 311              | 14,124            | 311              |
| - Administrative cost                              | -                     | -             | -                 | -                  | -              | -               | 148,493                  | 89,970           | 148,493           | 89,970           |
| Student employment                                 | -                     | -             | -                 | -                  | -              | -               | -                        | -                | 13,973            | 13,992           |
| Training   | 5,536                 | 1,527         | -                 | -                  | -              | -               | -                        | -                | 5,536             | 1,527            |
| Travel and meetings                                | 13,044                | 6,704         | -                 | -                  | -              | -               | -                        | -                | 95,217            | 29,733           |
| IBA coordination and environmental monitoring      | -                     | -             | 75,000            | 75,000             | -              | -               | -                        | -                | 75,000            | 75,000           |
| Wages and benefits                                 | 52,361                | 45,000        | -                 | -                  | -              | -               | -                        | -                | 257,021           | 293,022          |
|  | 82,905                | 63,836        | 535,488           | 7,389,739          | 325,179        | 447,317         | 1,743,869                | 584,642          | 11,279,863        | 12,057,915       |
| <b>Excess (shortfall) of revenue over expenses</b> | <b>(1,555)</b>        | <b>17,514</b> | <b>1,100,087</b>  | <b>(5,831,360)</b> | <b>217,796</b> | <b>(85,430)</b> | <b>5,749,658</b>         | <b>3,915,055</b> | <b>11,110,132</b> | <b>4,293,615</b> |

**Flying Post First Nation**  
**Notes to Consolidated Financial Statements**

March 31, 2023

**17. CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS**

|  | Buildings        | Automotive    | Computer Equipment | Office Equipment | Program Supplies | Construction in-Progress | 2023             | 2022             |
|--|------------------|---------------|--------------------|------------------|------------------|--------------------------|------------------|------------------|
| <b>Cost</b>                                      |                  |               |                    |                  |                  |                          |                  |                  |
| Balance, beginning of year                       | 2,615,220        | 80,595        | 52,027             | 174,148          | 20,936           | -                        | 2,942,926        | 2,982,730        |
| Acquisition of tangible capital assets           | 391,758          | -             | -                  | -                | -                | -                        | 391,758          | 11,470           |
| Disposal of assets                               | -                | -             | -                  | -                | -                | -                        | -                | (51,274)         |
| Construction-in-progress                         | -                | -             | -                  | -                | -                | -                        | -                | -                |
|  | <b>3,006,978</b> | <b>80,595</b> | <b>52,027</b>      | <b>174,148</b>   | <b>20,936</b>    | <b>-</b>                 | <b>3,334,684</b> | <b>2,942,926</b> |
| <b>Accumulated amortization</b>                  |                  |               |                    |                  |                  |                          |                  |                  |
| Balance, beginning of year                       | 154,373          | 63,800        | 43,860             | 72,309           | 9,869            | -                        | 344,211          | 235,446          |
| Annual amortization                              | 106,252          | 5,038         | 2,695              | 20,432           | 2,303            | -                        | 136,720          | 140,089          |
| Accumulated amortization on disposals            | -                | -             | -                  | -                | -                | -                        | -                | (31,324)         |
|  | <b>260,625</b>   | <b>68,838</b> | <b>46,555</b>      | <b>92,741</b>    | <b>12,172</b>    | <b>-</b>                 | <b>480,931</b>   | <b>344,211</b>   |
| <b>Net book value of tangible capital assets</b> | <b>2,746,353</b> | <b>11,757</b> | <b>5,472</b>       | <b>81,407</b>    | <b>8,764</b>     | <b>-</b>                 | <b>2,853,753</b> | <b>2,598,715</b> |

During the year, interest costs of \$nil [2022 - \$nil] were capitalized.

During the year, impairment costs of \$nil [2022 - \$nil] were recognized.