

**Whitefish River First Nation
Consolidated Financial Statements
For the year ended March 31, 2022**

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For the year ended March 31, 2022**

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Whitefish River First Nation
Management's Responsibility for the Consolidated Financial Statements

March 31, 2022

The accompanying consolidated financial statements of Whitefish River 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 prescribed for governments as recommended by the Public Sector Accounting Board. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

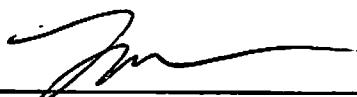
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the *consolidated financial statements*.

The external auditors, BDO Canada LLP, conduct an audit, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have access to financial management of Whitefish River First Nation and meet when required.

On behalf of Whitefish River First Nation:



Chief



Councillor

Independent Auditor's Report

To the Members of Whitefish River First Nation

Opinion

We have audited the consolidated financial statements of Whitefish River First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2022 and the consolidated statements of operations, 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 consolidated financial position of the First Nation as at March 31, 2022, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent Auditor's Report (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Sault Ste. Marie, Ontario
March 21, 2023

Whitefish River First Nation
Consolidated Statement of Financial Position

March 31	2022	2021
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Financial assets

Cash and short term investments	\$ 10,155,808	\$ 7,305,415
Accounts receivable	1,614,642	1,589,383
Accounts receivable - band members (Note 2)	112,140	118,762
Investments (Note 3)	3	3
Funds held in trust with Government of Canada (Note 4)	<u>1,225,365</u>	<u>1,206,305</u>
	<u><u>13,107,958</u></u>	<u><u>10,219,868</u></u>

Liabilities

Accounts payable and accrued liabilities	830,229	1,021,196
Deferred revenue (Note 5)	4,546,805	2,394,702
Due to Indigenous Services Canada	115,939	107,938
Loans payable (Note 6)	2,508	843,309
Future landfill closure and post-closure liabilities (Note 7)	379,400	335,600
Long term debt (Note 8)	<u>5,314,721</u>	<u>4,806,472</u>
	<u><u>11,189,602</u></u>	<u><u>9,509,217</u></u>

Net financial assets

Net financial assets	1,918,356	710,651
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Non-financial assets

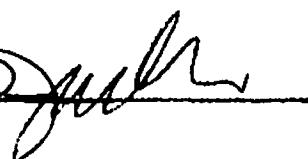
Tangible capital assets (Schedule 1)	30,151,817	31,035,578
Prepaid expenses and inventory of supplies	4,733	28,343
	<u><u>30,156,550</u></u>	<u><u>31,063,921</u></u>

Accumulated surplus (Note 10)

Accumulated surplus (Note 10)	\$ 32,074,906	\$ 31,774,572
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On behalf of Council:

 _____ Chief

 _____ **BAND MANAGER**
COUNCILLOR

**Whitefish River First Nation
Consolidated Statement of Operations**

For the year ended March 31	Budget	2022	2021
Revenue			
Indigenous Services Canada	\$ -	\$ 4,239,116	\$ 4,879,916
Canada Mortgage and Housing Corporation	-	545,797	1,717,054
Government of Canada	-	207,851	524,631
Ontario	-	1,208,869	1,745,010
Anishinabek organizations	-	4,737,318	4,144,523
OFNLP	-	559,602	917,577
Interest and other revenue	-	416,887	1,149,281
User fees, leases, rental income, sales and fundraising	-	1,212,986	1,361,757
	<hr/>	<hr/>	<hr/>
	- 13,128,426	16,439,749	
Expenses			
Social and family services	-	2,103,018	2,137,544
Administration	-	990,067	859,877
Lands and economic development	-	313,016	569,440
Education	-	3,769,349	3,584,871
Operations and maintenance	-	1,709,348	2,138,222
Housing and infrastructure development	-	1,322,287	1,512,488
Medical and other health services	-	1,825,329	2,154,363
Enterprises	-	652,635	645,776
Other	-	143,043	582,802
	<hr/>	<hr/>	<hr/>
	- 12,828,092	14,185,383	
Annual surplus (Note 10)	-	300,334	2,254,366
Accumulated surplus, beginning of year	<hr/>	<hr/>	<hr/>
Accumulated surplus, end of year (Note 10)	\$ -	\$ 32,074,906	\$ 31,774,572

Whitefish River First Nation
Consolidated Statement of Change in Net Financial Assets

<u>For the year ended March 31</u>	<u>Budget</u>	<u>2022</u>	<u>2021</u>
Annual surplus	\$ -	\$ 300,334	\$ 2,254,366
Acquisition of tangible capital assets	-	(576,693)	(2,293,091)
Amortization of tangible capital assets	-	1,460,454	1,393,988
Prepaid expenses and inventory of supplies	-	23,610	(25,543)
Net change in net financial assets	-	1,207,705	1,329,720
Net financial assets (debt), beginning of year	-	710,651	(619,069)
Net financial assets, end of year	\$ -	\$ 1,918,356	\$ 710,651

**Whitefish River First Nation
Consolidated Statement of Cash Flows**

For the year ended March 31	2022	2021
Cash flows from operating activities		
Annual surplus	\$ 300,334	\$ 2,254,366
Items not involving cash		
Amortization	1,460,454	1,393,988
Unfunded landfill site costs	<u>43,800</u>	<u>39,800</u>
	1,804,588	3,688,154
Changes in non-cash working capital balances		
Accounts receivable	(18,637)	1,050,126
Prepaid expenses	23,610	(25,543)
Accounts payable	(190,967)	417,654
Deferred revenue	2,152,103	147,209
Due to/from Indigenous Services Canada	8,001	107,938
Funds held in trust	<u>(19,060)</u>	<u>(4,971)</u>
	3,759,638	5,380,567
Capital transactions		
Acquisition of tangible capital assets	<u>(576,693)</u>	<u>(2,293,091)</u>
Cash flows from financing activities		
Repayment of long term debt	508,249	(320,598)
Repayment of loans payable	<u>(840,801)</u>	<u>(5,258)</u>
	(332,552)	(325,856)
Increase in cash and equivalents	2,850,393	2,761,620
Cash and cash equivalents, beginning of year	7,305,415	4,543,795
Cash and cash equivalents, end of year	\$ 10,155,808	\$ 7,305,415

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2022

1. Summary of significant accounting policies

a. Basis of accounting

These consolidated financial statements of the Whitefish River First Nation have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board.

b. Reporting entity

The Whitefish River First Nation reporting entity includes the First Nation government and all entities that are controlled by the First Nation.

c. Principles of consolidation

These financial statements reflect the assets, liabilities, revenue and expenses of all programs under the control of Chief and Council and fully consolidate on a line-by-line basis the activities of the Whitefish River Development Corporation and the Birch Island Construction Company.

d. Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Government transfers are recognized 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 statement of operations as the stipulation liabilities are settled.

Contributions, other than government transfers, are deferred when restrictions are placed on their use by external 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 being performed, is deferred and recognized when the fee is earned or service performed.

e. 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.

f. Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing in the year the asset is available for productive use as follows:

Land improvements	10 to 30 years
Buildings	25 to 40 years
Machinery and equipment	4 to 40 years
Vehicles	7 years
Infrastructure	10 to 75 years
Housing	25 to 40 years

In the year of acquisition tangible capital assets are amortized at one-half the above rates.

Whitefish River First Nation
Notes to Consolidated Financial Statements

March 31, 2022

1. Summary of significant accounting policies (continued)

g. Cash and short term deposit receipts

The First Nation's bank accounts and short term deposit receipts are maintained at one financial institution which has also provided a \$100,000 operating loan facility. As at March 31, 2022 there were no amounts outstanding against this credit facility.

h. Pension plan

Whitefish River First Nation provides a defined contribution pension plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee.

i. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Accounts receivable - band members

	2022	2021
Band members receivables	\$ 601,626	\$ 608,249
Less: doubtful accounts	<u>(489,487)</u>	<u>(489,487)</u>
	<u>\$ 112,139</u>	<u>\$ 118,762</u>

Whitefish River First Nation
Notes to Consolidated Financial Statements

March 31, 2022

3. Investments

	2022	2021
Hotel and conference centre		
7043821 Canada Inc.		
Common share (1 of 7 shares issued)	\$ 1	\$ 1
Great Lakes Hospitality Group Limited Partnership	<u>1</u>	<u>1</u>
	2	2
Other investments		
Mnidoo Mnising Power Limited Partnership	<u>1</u>	<u>1</u>
	\$ 3	\$ 3

The First Nation entered into shareholder and limited partnership agreements with six other First Nations on March 7, 2012 to participate in the development of a hotel and conference centre located on Manitoulin Island.

The First Nation has a 51% interest in the Helios Whitefish River Limited Partnership and accounts for the investment using the portfolio method.

The First Nation has a 16.55% interest in the Mnidoo Mnising Power Limited Partnership and accounts for the investment using the portfolio method.

4. Funds held in Trust by Government of Canada

	Revenue	Capital	2022 Total	2021 Total
Balance, beginning of year	\$ 1,147,104	\$ 59,201	\$ 1,206,305	\$ 1,201,334
Revenue				
Government interest	<u>19,060</u>	-	<u>19,060</u>	4,971
Balance, end of year	\$ 1,166,164	\$ 59,201	\$ 1,225,365	\$ 1,206,305

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.

Whitefish River First Nation
Notes to Consolidated Financial Statements

March 31, 2022

5. Deferred revenue and government transfers

	Balance March 31, 2021	Funding Received 2022	Revenue Recognized 2022	Balance March 31, 2022
Indigenous Services Canada	\$ 858,401	\$ 5,003,744	\$ 4,239,116	\$ 1,623,029
Canada Mortgage and Housing Corporation	-	377,876	377,876	-
Health Canada and other	52,724	207,851	232,165	28,410
Ontario	105,772	1,801,427	1,208,869	698,330
Anishinabek Organizations	1,196,901	4,737,396	3,903,527	2,030,770
Other	180,904	2,024,002	2,038,640	166,266
	\$ 2,394,702	\$ 14,152,296	\$ 12,000,193	\$ 4,546,805

Deferred revenue by program is as follows:

	2022	2021
INAC Summer Career Placement	\$ 25,619	\$ -
Health Centre Operating	33,072	-
Band Representative	121,557	362,628
Social Development	-	55,816
Journey Together	3,497	10,000
Community Buildings	20,314	5,028
Community Economic Development	368,671	-
FN YES	100,196	14,733
Medical Transportation	57,379	13,649
Healthy Child Development	15,784	20,465
Health Con - Pandemic	-	102,933
NRF - GIS Project	16,976	15,747
NGPFA	36,471	55,890
FN Child & Family Services	44,775	9,776
Post Secondary Education	149,615	62,927
Federal Restart Funding	309,185	80,024
Provincial Schools	119,402	95,312
Shawanosowe School	1,298,957	607,363
OUI Youth Life Promotion	160,495	158,550
Tobacco Control Strategy	8,542	7,528
MNAAMODZAWIN Health Services	3,080	16,775
Daycare UOI	11,756	81,226
Taking Our Learning Outdoors	7,217	-
Waste Planning & Landfill Assessment	413,898	16,609
Water Treatment Plant	334,281	34,258
Curiosity In Kindergarten	2,810	-
Fire Protection	291,326	-
MMIWGT2S	28,410	52,724
IESO	126,060	138,607
UOI Federal Family Violence	4,535	4,535
UOI Family Well Being program	167,343	108,549
UOI Youth Cultural Camp	10,399	5,776
Infrastructure Construction Transfer Station	214,977	214,977
	4,506,599	2,352,405
Prepaid lease revenue	40,206	42,297
	\$ 4,546,805	\$ 2,394,702

**Whitefish River First Nation
Notes to Consolidated Financial Statements**

March 31, 2022

6. Loans payable

	2022	2021
Indigenous Services Canada promissory note - boundary claim, interest free unless in default, repaid in full	\$ -	\$ 833,790
Waubetek Business Development Corporation, repayable \$584 monthly for 120 months including interest at 6%, secured by furnishings and a Band guarantee	2,508	9,519
	<hr/>	<hr/>
	\$ 2,508	\$ 843,309

7. Accrued landfill closure and post-closure costs

Landfill closure and post-closure requirements include costs to close and monitor the existing landfill site. The reported liability is based on estimates and assumptions with respect to events extending over a fifty year period using the best information currently available to management. Future events may result in significant changes to total estimated expenditures, capacity used or total capacity and estimated liability. Any such changes would be applied prospectively as a change in estimate, when applicable.

The estimated remaining useful life of the landfill site is 3 years, after which the period for post-closure care costs is estimated to be 30 years. The estimated liability for landfill closure and post-closure costs is recognized as the landfill site's capacity is used.

The estimated total net present value of expenditures to close and maintain the landfill site is approximately \$379,400 based on an estimated 90% usage to date.

The First Nation has not designated any source of revenue to fund the cost of closing and maintaining the landfill site.

8. Long term debt

	2022	2021
Canada Mortgage and Housing, repayable \$2,509 monthly including interest at 2.5%, renewal date April 1, 2023	\$ 32,867	\$ 62,426
Canada Mortgage and Housing, repayable \$2,053 monthly including interest at 0.68%, renewal date October 1, 2025	193,844	217,094
Canada Mortgage and Housing, repayable \$2,644 monthly including interest at 0.74%, renewal date February 1, 2026	271,376	300,998
Canada Mortgage and Housing, repayable \$2,637 monthly, including interest at 1.57% renewal date December 1, 2026	284,073	311,265
Canada Mortgage and Housing, repayable \$2,918 monthly, including interest at 1.84%, renewal date September 1, 2022	329,863	358,597
Canada Mortgage and Housing, repayable \$4,364 monthly, including interest at 2.39%, renewal date March 1, 2023	507,510	547,400
Canada Mortgage and Housing, repayable \$2,234 monthly, including interest at 1.35%, renewal date May 1, 2022	366,109	387,854

Whitefish River First Nation
Notes to Consolidated Financial Statements

March 31, 2022

8. Long term debt (continued)

	2022	2021
Canada Mortgage and Housing, repayable \$2,951 monthly, including interest at 1.30%, renewal date June 1, 2022	490,279	519,169
Canada Mortgage and Housing, repayable \$3,890 monthly including interest at 1.50%, renewal date July 1, 2022	819,091	853,306
Canada Mortgage and Housing, repayable \$7,662 monthly including interest at 0.69%, renewal date July 1, 2025	1,165,214	1,248,363
Canada Mortgage and Housing, repayable \$3,354 monthly including interest at 1.13%, renewal date July 1, 2026	<u>854,495</u>	-
	<hr/> <u>\$ 5,314,721</u>	<hr/> <u>\$ 4,806,472</u>

The above Canada Mortgage and Housing Corporation mortgages are secured by a Ministerial guarantee by Indigenous Services Canada and Northern Development Canada.

Assuming renewal on comparable terms, principal payments required on long term debt for the next five years and thereafter are due as follows:

Year	Amount
2023	\$ 383,557
2024	360,129
2025	361,737
2026	366,031
2027	370,382
Thereafter	<u>3,472,885</u>
	<hr/> <u>\$ 5,314,721</u>

9. Pension plan

Employees are eligible to participate in a defined contribution pension plan. Employer contributions totalled \$96,885 (2021 - \$101,192) and were fully expensed.

**Whitefish River First Nation
Notes to Consolidated Financial Statements**

March 31, 2022

10. Allocation of annual surplus and accumulated surplus

Allocation of annual surplus

	2022	2021
Reserves and reserve funds:		
Mnidoo Mnising Power	\$ 110,817	\$ 234,025
Bursary fund	-	-
Restricted -		
Casino Rama	-	-
- Casino Rama - future generations	559,311	692,546
- OFN 2008 Limited Partnership agreement	-	-
Canada Mortgage and Housing Corporation	<u>103,352</u>	<u>48,278</u>
	773,480	974,849
Equity in tangible capital assets	(1,391,971)	1,219,696
General surplus	109,775	99,940
Land claim negotiating costs to be recovered	833,790	-
Equity (deficit) in enterprises	-	(5,290)
Unfunded landfill liabilities	(43,800)	(39,800)
Funds held in trust	<u>19,060</u>	<u>4,971</u>
	<u><u>\$ 300,334</u></u>	<u><u>\$ 2,254,366</u></u>

Accumulated surplus

	2022	2021
Reserves set aside for specific purposes by Chief and Council:		
Future capital projects	\$ 1,001,769	\$ 890,952
Highway 6 Settlement Claim	1,550,000	1,550,000
Bursary fund	4,000	4,000
Restricted -		
Casino Rama	1,252,370	1,252,370
- Casino Rama - future generations	2,687,517	2,128,206
- OFN 2008 Limited Partnership agreement	1,542,414	1,542,414
Reserve funds:		
Canada Mortgage and Housing Corporation	<u>832,218</u>	<u>728,866</u>
	8,870,288	8,096,808
Equity in tangible capital assets	24,837,128	26,229,099
General surplus (deficit)	(1,963,375)	(2,073,150)
Land claim negotiating costs to be recovered	-	(833,790)
Equity (deficit) in enterprises	(515,100)	(515,100)
Unfunded landfill liabilities	(379,400)	(335,600)
Funds held in trust by Government of Canada	<u>1,225,365</u>	<u>1,206,305</u>
	<u><u>\$ 32,074,906</u></u>	<u><u>\$ 31,774,572</u></u>

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2022

11. Indigenous Services Canada funding

The Whitefish River First Nation has a funding arrangement with Indigenous Services Canada. The funds are used by the First Nation to administer its operations and provide service to its members in accordance with the terms of the funding arrangement.

The following is a reconciliation of funding provided:

Indigenous Services Canada revenue per consolidated statement of operations	\$ 4,239,116
Deferred revenue, end of year	1,623,029
Deferred revenue, beginning of year	<u>(858,401)</u>
	5,003,744
Indigenous Services Canada funding per confirmation report	<u>5,003,744</u>
	\$ _____

12. Contingencies and commitments

The Whitefish River First Nation has guaranteed Canada Mortgage and Housing Corporation loans on behalf of various Band members under the Rural Rehabilitation Assistance Program and is contingently liable to Canada Mortgage and Housing Corporation pursuant to the Indian On-Reserve Housing Regulations in the event of any default by the borrowers. Also, the First Nation is contingently liable in the amount of \$79,092 in respect to an on-reserve housing loan.

The First Nation, as a limited partner, has provided a guarantee proportional to its 17.6% ownership interest in the partnership on a loan facility agreement between the Bank of Montreal and the Great Lakes Hospitality Group Limited Partnership. The total loan outstanding as at December 31, 2022 of \$1,778,943. Additionally, the First Nation, in conjunction with the other limited partners, has guaranteed on a joint and several basis obligations to make any payments due by GLHLP under terms of the loan facility.

13. Comparative figures

The comparative amounts presented in the financial statements have been restated where necessary to conform to the current year's presentation.

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2022

14. Segmented Information

The Whitefish River First Nation is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, medical and other health services, administration, enterprises and other services. For management reporting purposes the First Nation's operations and activities are organized and reported by Department. Departments were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations.

Services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Social and family services

This department is responsible for administering programs focusing on improving the lives of members and families of the First Nation, including social assistance and adult care policies and as well, providing services directed towards members including day care and employment support initiatives.

Administration, lands, trusts and economic development

The administration department oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of chief and council. This department also oversees economic development programs within the community.

Education

The education department provides services to elementary and secondary students primarily by entering into service contracts with provincially funded area school boards, as well as native language study. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post-secondary institutions.

Operations and maintenance

The infrastructure department provides public services that contribute to community development and sustainability through the provision of operating services such as roads, water and sanitation, fire protection, electrical and community buildings.

Housing and infrastructure development

This department oversees construction and renovation of housing and various capital projects in the community and as well, operates the CMHC projects and other band-owned homes.

Medical and other health services

The community wellness department provides a diverse bundle of services directed towards the well-being of members including such activities as long term care, medical transportation, pre-natal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

Enterprises

Band operated enterprises are activities conducted by the First Nation with the objective of promoting economic self-sufficiency. These activities could include income generated from renting out band-owned equipment, lease income and other projects from time to time.

**Whitefish River First Nation
Notes to Consolidated Financial Statements**

March 31, 2022

14. Segmented information (continued)

Other services

The First Nation provides a wide array of other services, including youth employment projects, library, spiritual, cultural and recreation activities.

For each reported segment, revenues and expenses include 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, including transfers that have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies. For additional information see Schedule 2 - Consolidated Segment Disclosure.

15. Contingencies and uncertainty due to COVID-19

The full financial implications of this pandemic cannot be determined and as the impacts of COVID-19 continue, there could be further impact on the organization and its funder. Management is actively monitoring the affect on its financial condition and liquidity of the organization.

Whitefish River First Nation
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended March 31, 2022

	Land Improvements	Housing	Buildings	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 1,787,217	\$ 10,508,191	\$ 14,157,652	\$ 1,768,821	\$ 1,161,885	\$ 17,657,651	\$ 1,421,887	\$ 48,463,304
Additions	-	1,338,630	95,000	41,000	119,690		321,003	1,915,323
Disposals	-	-	-	-	-		(1,338,630)	(1,338,630)
Cost, end of year	1,787,217	11,846,821	14,252,652	1,809,821	1,281,575	17,657,651	404,260	49,039,997
Accumulated amortization, beginning of year	1,103,566	3,553,626	5,534,972	1,307,625	704,026	5,223,911	-	17,427,726
Amortization	84,214	368,350	390,379	72,437	108,028	437,046	-	1,460,454
Accumulated amortization, end of year	1,187,780	3,921,976	5,925,351	1,380,062	812,054	5,660,957	-	18,888,180
Net carrying amount, end of year	\$ 599,437	\$ 7,924,845	\$ 8,327,301	\$ 429,759	\$ 469,521	\$ 11,996,694	\$ 404,260	\$ 30,151,817

The net book value of tangible capital assets not being amortized because they are under construction/development or have been removed from service is \$404,260 (2021 - \$1,421,887).

The First Nation holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

Whitefish River First Nation
Schedule 1 - Consolidated Tangible Capital Assets (continued)

For the year ended March 31, 2021 (comparative figures)

	Land Improvements	Housing	Buildings	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 1,787,217	\$ 7,447,175	\$ 14,157,652	\$ 1,589,809	\$ 1,161,885	\$ 17,657,651	\$ 2,368,824	\$ 46,170,213
Additions	-	3,061,016	-	179,012	-	-	1,421,887	4,661,915
Disposals	-	-	-	-	-	-	(2,368,824)	(2,368,824)
Cost, end of year	1,787,217	10,508,191	14,157,652	1,768,821	1,161,885	17,657,651	1,421,887	48,463,304
Accumulated amortization, beginning of year	1,019,352	3,233,033	5,142,104	1,239,288	613,096	4,786,865	-	16,033,738
Amortization	84,214	320,593	392,868	68,337	90,930	437,046	-	1,393,988
Accumulated amortization, end of year	1,103,566	3,553,626	5,534,972	1,307,625	704,026	5,223,911	-	17,427,726
Net carrying amount, end of year	\$ 683,651	\$ 6,954,565	\$ 8,622,680	\$ 461,196	\$ 457,859	\$ 12,433,740	\$ 1,421,887	\$ 31,035,578

The net book value of tangible capital assets not being amortized because they are under construction (or development or have been removed from service) is \$1,421,887 (2021 - \$2,368,824).

The First Nation holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

Whitefish River First Nation
Schedule 2 - Consolidated Segment Disclosure

For the year ended March 31, 2022

	Social and Family Services			Administration, Lands, Trusts and Economic Development			Education		
	Budget	2022	2021	Budget	2022	2021	Budget	2022	2021
Revenue									
Indigenous Services Canada	\$ -	\$ 719,369	\$ 687,482	\$ -	\$ 1,117,073	\$ 699,166	\$ -	\$ 795,529	\$ 454,958
Canada									
Ontario		- 1,161,236	1,376,224		- (208,773)	93,967			45,303
Anishinabek organizations		- 121,635	46,948		- 872,911	118,308		- 2,905,734	3,084,610
Interest and other revenue		- -	-		- 359,570	1,010,126		- -	-
User fees, leases, rentals, sales and fundraising		- -	-		- -	-		- -	-
		- 2,002,240	2,110,654		- 2,140,781	1,921,567		- 3,701,263	3,584,871
Expenses									
Salaries, wages and benefits	-	758,408	804,720	-	928,438	860,708	-	1,189,953	1,193,901
Materials and supplies	-	531,794	655,514	-	199,039	146,462	-	213,034	195,777
Contracted services	-	226,885	201,971	-	719,176	635,179	-	241,730	79,618
Rents and financial expenses	-	3,318	-	-	9,725	17,778	-	-	-
External transfers and other	-	407,233	323,182	-	82,866	43,281	-	1,788,974	2,035,575
Amortization	-	21,211	21,211	-	-	-	-	-	-
Transfers between segments - administration	-	154,169	130,946	-	(636,161)	(274,091)	-	335,658	80,000
		- 2,103,018	2,137,544		- 1,303,083	1,429,317		- 3,769,349	3,584,871
Annual surplus (deficit)	\$ -	\$ (100,778)	\$ (26,890)	\$ -	\$ 837,698	\$ 492,250	\$ -	\$ (68,086)	\$ -

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

Whitefish River First Nation
Schedule 2 - Consolidated Segment Disclosure (continued)

For the year ended March 31, 2022

	Operation and Maintenance				Housing and Infrastructure Development			Medical and Other Health Services		
	Budget	2022	2021	Budget	2022	2021	Budget	2022	2021	
Revenue										
Indigenous Services Canada	\$ -	\$ 703,691	\$ 708,594	\$ -	\$ 631,206	\$ 1,293,228	\$ -	\$ 272,248	\$ 1,036,488	
Canada	-	-	-	-	521,483	1,551,402	-	207,851	260,504	
Ontario	-	-	-	-	-	-	-	242,043	215,154	
Anishinabek organizations	-	131,352	249,479	-	-	-	-	705,686	619,891	
Interest and other revenue	-	-	-	-	-	3,155	-	-	-	
User fees, leases, rentals, sales and fundraising	-	19,605	21,085	-	452,405	369,750	-	-	-	
Transfers between segments	-	5,760	247,656	-	-	-	-	-	-	
	-	860,408	1,226,814	-	1,605,094	3,217,535	-	1,427,828	2,132,037	
Expenses										
Salaries, wages and benefits	-	186,046	225,513	-	250,259	289,974	-	751,361	702,111	
Materials and supplies	-	189,347	325,543	-	61,328	151,573	-	819,985	521,139	
Contracted services	-	648,247	817,469	-	260,318	360,437	-	110,434	855,841	
Rents and financial expenses	-	-	119,698	-	68,979	66,843	-	-	10,500	
External transfers and other	-	36,625	15,916	-	10,464	15,615	-	18,466	15,798	
Amortization	-	634,083	634,083	-	670,939	628,046	-	39,424	22,326	
Transfers between segments - administration	-	15,000	-	-	-	-	-	85,659	26,648	
	-	1,709,348	2,138,222	-	1,322,287	1,512,488	-	1,825,329	2,154,363	
Annual surplus (deficit)	\$ -	\$ (848,940)	\$ (911,408)	\$ -	\$ 282,807	\$ 1,705,047	\$ -	\$ (397,501)	\$ (22,326)	

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

Whitefish River First Nation
Schedule 2 - Consolidated Segment Disclosure (continued)

For the year ended March 31, 2022

	Enterprises			Other			Consolidated Total		
	Budget	2022	2021	Budget	2022	2021	Budget	2022	2021
Revenue									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ 24,314	\$ 429,779	\$ -	\$ 4,239,116	\$ 4,879,916
Canada	-	-	-	-	14,363	14,362	-	753,648	2,241,685
Ontario	-	-	-	-	-	25,287	-	1,208,869	1,745,010
Anishinabek organizations	-	-	-	-	-	-	-	4,737,318	4,144,523
OFNLP	-	559,602	917,577	-	-	-	-	559,602	917,577
Interest and other revenue	-	5,760	22,626	-	51,557	113,374	-	416,887	1,149,281
User fees, leases, rentals, sales and fundraising	-	740,976	970,922	-	-	-	-	1,212,986	1,361,757
Transfers between segments	-	(5,760)	(247,656)	-	-	-	-	-	-
	-	<u>1,300,578</u>	<u>1,663,469</u>	-	<u>90,234</u>	<u>582,802</u>	-	<u>13,128,426</u>	<u>16,439,749</u>
Expenses									
Salaries, wages and benefits	-	275,986	294,428	-	58,830	107,862	-	4,399,281	4,479,218
Materials and supplies	-	40,464	13,507	-	27,085	33,888	-	2,082,076	2,043,401
Contracted services	-	241,388	249,264	-	11,453	404,555	-	2,459,631	3,604,334
Rents and financial expenses	-	-	254	-	-	-	-	82,022	215,073
External transfers and other	-	94,797	88,323	-	-	-	-	2,344,628	2,449,367
Amortization	-	-	-	-	-	-	-	1,460,454	1,393,989
Transfers between segments - administration	-	-	-	-	45,675	36,497	-	-	1
Impairment writedown on investment	-	-	-	-	-	-	-	-	-
	-	<u>652,635</u>	<u>645,776</u>	-	<u>143,043</u>	<u>582,802</u>	-	<u>12,828,092</u>	<u>14,185,383</u>
Annual surplus (deficit)	\$ -	\$ 647,943	\$ 1,017,693	\$ -	\$ (52,809)	\$ 582,802	\$ -	\$ 300,334	\$ 2,254,366

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