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Indigenous Services Canada
Sudbury Business Center
760 Notre Dame Ave Unit M
Sudbury, ON P3A 2T4

Attention: Tammy Dionne

February 5, 2025

Re: Whitefish River First Nation

We enclose herewith for your information and retention, copies of the following documents to be published on the internet:

1. Consolidated financial statements for the year ended March 31, 2024.
2. Schedule of Remuneration and Expenses for Chief and Councillors along with an accompanying Review Engagement Report for the year ended March 31, 2024.

Should you have any questions concerning the foregoing, please contact the writer or Kathleen Hodgson of this office.

Yours sincerely

BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

Jennifer Archambault, CPA, CA
Partner through a corporation
/sb

Sent electronically to tammy.dionne@sac-isc.gc.ca

**Whitefish River First Nation
Consolidated Financial Statements
For the year ended March 31, 2024**

**Whitefish River First Nation
Consolidated Financial Statements
For the year ended March 31, 2024**

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

March 31, 2024

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.

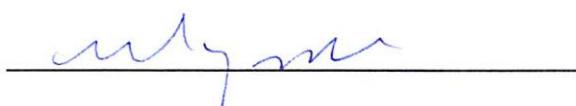
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the *consolidated* financial statements.

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



Band Manager

Independent Auditor's Report

To the Members of Whitefish River First Nation

Qualified 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, 2024 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, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2024, and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards

Basis for Qualified Opinion

Effective April 1, 2022, the First Nation was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retrospective application method, the asset retirement obligation on transition is to be recorded using assumptions as of April 1, 2022. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. Comparative figures are to be restated to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended March 31, 2024 and 2023, tangible capital assets and the asset retirement obligation as at March 31, 2024 and 2023, and accumulated surplus as at April 1 and March 31 for both the 2024 and 2023 years.

In addition as set out in note 7, the First Nation continued to follow PS 3270 Solid Waste Landfill Closure and Post-Closure Liabilities which was no longer in effect when the above noted PS 3280 became applicable.

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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

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

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

Independent Auditor's Report (continued)

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

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

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

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

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

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
February 5, 2025

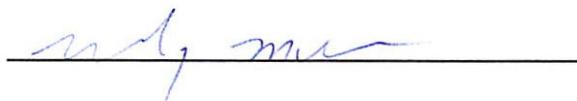
Whitefish River First Nation
Consolidated Statement of Financial Position

<u>March 31</u>	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and short term investments	\$ 18,273,012	\$ 21,554,828
Accounts receivable	2,349,245	850,226
Accounts receivable - band members (Note 3)	29,291	43,756
Robinson Huron Treaty settlement receivable (Note 13)	377,563,108	-
Investments (Note 4)	3	3
Funds held in trust with Government of Canada (Note 5)	<u>1,319,455</u>	<u>1,256,246</u>
	<u>399,534,114</u>	<u>23,705,059</u>
Liabilities		
Accounts payable and accrued liabilities	1,189,125	641,034
Deferred revenue (Note 6)	9,913,779	13,489,265
Due to funders	89,334	1,301,834
Future landfill closure and post-closure liabilities (Note 7)	481,000	427,600
Long term debt (Note 8)	<u>5,424,237</u>	<u>4,946,812</u>
	<u>17,097,475</u>	<u>20,806,545</u>
Net financial assets	<u>382,436,639</u>	<u>2,898,514</u>
Non-financial assets		
Tangible capital assets (Schedule 1)	37,921,316	31,830,980
Prepaid expenses and inventory of supplies	<u>4,733</u>	<u>4,733</u>
	<u>37,926,049</u>	<u>31,835,713</u>
Accumulated surplus (Note 10)	<u>\$ 420,362,688</u>	<u>\$ 34,734,227</u>

On behalf of Council:



Chief



Band Manager

Whitefish River First Nation
Consolidated Statement of Operations

For the year ended March 31	Budget	2024	2023
Revenue			
Indigenous Services Canada	\$ -	11,789,881	\$ 8,231,897
Canada Mortgage and Housing Corporation	-	419,032	386,983
Ontario	-	2,027,387	1,551,548
Anishinabek organizations	-	5,722,146	3,581,971
OFNLP	-	1,134,252	795,302
Robinson Huron Treaty Litigation Fund (Note 13)	-	377,600,777	-
Interest and other revenue	-	6,119,186	3,542,851
User fees, leases, rental income, sales and fundraising	-	1,003,680	2,289,869
Due (to) from Aboriginal Affairs	-	405,816,341	20,380,421
	-	-	(1,212,500)
	-	405,816,341	19,167,921
Expenses			
Social and family services	-	3,273,223	2,755,363
Administration	-	3,046,966	2,230,282
Lands and economic development	-	1,642,526	655,326
Education	-	5,302,945	4,339,588
Operations and maintenance	-	2,082,968	2,474,857
Housing and infrastructure development	-	2,131,855	1,495,357
Medical and other health services	-	1,206,912	1,287,116
Enterprises	-	987,863	1,057,520
Other	-	512,622	213,191
	-	20,187,880	16,508,600
Annual surplus (Note 10)	-	385,628,461	2,659,321
Accumulated surplus, beginning of year	-	34,734,227	32,074,906
Accumulated surplus, end of year (Note 10)	\$	- \$ 420,362,688	\$ 34,734,227

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

For the year ended March 31	Budget	2024	2023
Annual surplus	\$	- \$ 385,628,461	\$ 2,659,321
Acquisition of tangible capital assets	-	(7,584,647)	(3,139,176)
Amortization of tangible capital assets	-	1,494,311	1,460,013
Net change in net financial assets	-	379,538,125	980,158
Net financial assets , beginning of year	-	2,898,514	1,918,356
Net financial assets , end of year	\$	- \$ 382,436,639	\$ 2,898,514

Whitefish River First Nation
Consolidated Statement of Cash Flows

For the year ended March 31	2024	2023
Cash flows from operating activities		
Annual surplus	\$ 385,628,461	\$ 2,659,321
Items not involving cash		
Amortization	1,494,311	1,460,013
Unfunded landfill site costs	<u>53,400</u>	<u>48,200</u>
	387,176,172	4,167,534
Changes in non-cash working capital balances		
Accounts receivable	(1,484,554)	832,800
Robinson Huron Treaty settlement receivable	(377,563,108)	-
Accounts payable	548,091	(189,195)
Deferred revenue	(3,575,486)	8,942,460
Due to/from Indigenous Services Canada	(1,212,500)	1,185,895
Funds held in trust	<u>(63,209)</u>	<u>(30,881)</u>
	3,825,406	14,908,613
Capital transactions		
Acquisition of tangible capital assets	<u>(7,584,647)</u>	<u>(3,139,176)</u>
Cash flows from financing activities		
Repayment of long term debt	477,425	(367,909)
Repayment of loans payable	<u>-</u>	<u>(2,508)</u>
	477,425	(370,417)
Increase (decrease) in cash and equivalents	(3,281,816)	11,399,020
Cash and cash equivalents, beginning of year	21,554,828	10,155,808
Cash and cash equivalents, end of year	\$ 18,273,012	\$ 21,554,828

Whitefish River First Nation

Notes to Consolidated Financial Statements

March 31, 2024

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.

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

Whitefish River First Nation

Notes to Consolidated Financial Statements

March 31, 2024

1. Summary of significant accounting policies (continued)

g. 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.

h. Use of estimates

The preparation of 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 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.

i. Financial instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

2. Credit facilities

The First Nation's has an operating line of credit with the TD Bank and the amount available under the line is \$100,000. The line of credit is due on demand and has an interest rate of prime plus 0.5%. At March 31, 2024 the balance outstanding was nil.

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2024

3. Accounts receivable - band members

	2024	2023
Band members receivables	\$ 142,014	\$ 212,532
Less: doubtful accounts	<u>(112,723)</u>	<u>(168,776)</u>
	\$ 29,291	\$ 43,756

4. Investments

	2024	2023
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 cost.

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

5. Funds held in Trust with Government of Canada

	Revenue	Capital	2024 Total	2023 Total
Balance, beginning of year	\$ 1,197,045	\$ 59,201	\$ 1,256,246	\$ 1,225,365
Revenue				
Government interest	<u>63,209</u>	-	<u>63,209</u>	30,881
Balance, end of year	\$ 1,260,254	\$ 59,201	\$ 1,319,455	\$ 1,256,246

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, 2024

6. Deferred revenue and government transfers

	Balance March 31, 2023	Funding Received 2024	Revenue Recognized 2024	Balance March 31, 2024
Indigenous Services Canada	\$ 6,679,885	\$ 8,779,792	\$ 11,789,877	\$ 3,669,800
Canada Mortgage and Housing Corporation	-	415,424	415,424	-
Health Canada and other	28,410	20,000	48,410	-
Ontario	889,025	2,346,896	2,027,388	1,208,533
Anishinabek Organizations	4,183,954	6,101,218	5,722,145	4,563,027
Other	1,667,785	7,717,091	8,952,663	432,213
User fees, leases, rental	40,206	-	-	40,206
	\$ 13,489,265	\$ 25,380,421	\$ 28,955,907	\$ 9,913,779

Deferred revenue by program is as follows:

	2024	2023
Social and Family Services	\$ 2,623,032	\$ 1,523,749
Administration, Lands, Trust, and Economic Development	1,154,748	821,258
Education	3,657,776	3,715,538
Operations and Maintenance	918,381	1,187,624
Housing and Infrastructure	409,304	5,213,205
Medical and other Health Services	973,252	812,055
Other	137,080	175,630
	9,873,573	13,449,059
Prepaid lease revenue	40,206	40,206
	\$ 9,913,779	\$ 13,489,265

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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 0 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 \$481,000 based on an estimated 100% 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

	2024	2023
Canada Mortgage and Housing, repayable \$2,509 monthly including interest at 2.5%, repaid during the year	\$ -	\$ 2,629
Canada Mortgage and Housing, repayable \$2,053 monthly including interest at 0.68%, renewal date October 1, 2025	146,870	170,436
Canada Mortgage and Housing, repayable \$2,644 monthly including interest at 0.74%, renewal date February 1, 2026	211,475	241,534
Canada Mortgage and Housing, repayable \$2,637 monthly, including interest at 1.57% renewal date December 1, 2026	228,776	256,637
Canada Mortgage and Housing, repayable \$3,123 monthly, including interest at 3.29%, renewal date September 1, 2027	273,824	301,937
Canada Mortgage and Housing, repayable \$4,667 monthly, including interest at 3.81%, renewal date March 1, 2028	428,062	467,215
Canada Mortgage and Housing, repayable \$2,518 monthly, including interest at 3.06%, renewal date May 1, 2027	326,731	346,741

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2024

8. Long term debt (continued)

	2024	2023
Canada Mortgage and Housing, repayable \$3,337 monthly, including interest at 3.04%, renewal date June 1, 2027	437,898	464,348
Canada Mortgage and Housing, repayable \$4,770 monthly including interest at 3.75%, renewal date July 1, 2027	762,263	790,678
Canada Mortgage and Housing, repayable \$7,662 monthly including interest at 0.69%, renewal date July 1, 2025	996,169	1,080,976
Canada Mortgage and Housing, repayable \$3,354 monthly including interest at 1.13%, renewal date July 1, 2026	792,535	823,681
Canada Mortgage and Housing, repayable \$6,221 monthly including interest at 0.96%, renewal date July 1, 2028	819,634	-
	<hr/>	<hr/>
	\$ 5,424,237	\$ 4,946,812

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
2025	\$ 495,610
2026	497,398
2027	499,205
2028	515,835
2029	515,835
Thereafter	<hr/> <u>2,900,354</u>
	<hr/> <u>\$ 5,424,237</u>

9. Pension plan

Employees are eligible to participate in a defined contribution pension plan. Employer contributions totalled \$168,187 (2023 - \$121,068) and were fully expensed.

Whitefish River First Nation
Notes to Consolidated Financial Statements

March 31, 2024

10. Allocation of annual surplus and accumulated surplus

Allocation of annual surplus

	2024	2023
Reserves and reserve funds:		
Mnidoo Mnising Power	\$ 2,804	\$ 134,065
Robinson Huron Treaty	377,563,108	-
Restricted - Casino Rama - future generations	1,134,252	795,302
Canada Mortgage and Housing Corporation	346,442	134,395
	1,483,498	1,063,762
Equity in tangible capital assets	5,612,913	2,047,038
General surplus	967,055	(438,370)
Equity (deficit) in enterprises	(7,922)	4,211
Unfunded landfill liabilities	(53,400)	(48,200)
Funds held in trust	63,209	30,881
	\$ 385,628,461	\$ 2,659,322

Accumulated surplus

	2024	2023
Reserves set aside for specific purposes by Chief and Council:		
Future capital projects	\$ 1,138,638	\$ 1,135,834
Highway 6 Settlement Claim	1,550,000	1,550,000
Bursary fund	4,000	4,000
Robinson Huron Treaty	377,563,108	-
Restricted - Casino Rama	1,252,370	1,252,370
- Casino Rama - future generations	4,617,071	3,482,819
- OFN 2008 Limited Partnership agreement	1,542,414	1,542,414
Reserve funds:		
Canada Mortgage and Housing Corporation	1,313,055	966,613
	388,980,656	9,934,050
Equity in tangible capital assets	32,497,079	26,884,166
General surplus (deficit)	(1,434,691)	(2,401,746)
Equity (deficit) in enterprises	(518,811)	(510,889)
Unfunded landfill liabilities	(481,000)	(427,600)
Funds held in trust by Government of Canada	1,319,455	1,256,246
	\$ 420,362,688	\$ 34,734,227

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2024

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	\$ 11,789,881
Deferred revenue, end of year	3,669,800
Deferred revenue, beginning of year	<u>(6,679,885)</u>
	8,779,796
Indigenous Services Canada funding per confirmation report	<u>8,779,796</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, 2023 of \$1,327,944. 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. Robinson Huron Treaty Litigation Fund

On August 31, 2023, the First Nation, as a member of the Robinson Huron Treaty Litigation Fund ("RHTLF") entered into a settlement agreement with the Federal Government and Ontario Provincial Government for past compensation arising from obligations to the First Nations from the Robertson Huron Treaty of 1850. The settlement arises from claims put forward by the First Nations in 2012, that the Crown breached its obligations under the treaty.

As a result, a receivable of \$377,563,108 has been recorded in these financial statements. The funds owing will be divided into tranches, paid to the First Nation over time.

Subsequent to year end, the First Nation committed to the payment of a per capita distribution to each of its members and the balance of the funds would be contributed to a trust for the benefit of the First Nation and its members.

Whitefish River First Nation

Notes to Consolidated Financial Statements

March 31, 2024

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, 2024

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. Financial instruments

The First Nation is exposed to credit risk, liquidity risk, interest rate risk and other price risk from its financial instruments. This note describes the First Nation's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The First Nation is exposed to credit risk through its cash and accounts receivable.

The First Nation's maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as presented on the statement of financial position. The First Nation holds its cash accounts with large reputable financial institutions, from which management believes the risk of loss due to credit risk to be remote.

The First Nation is exposed to credit risk in accounts receivable which includes government and other receivables. The First Nation measures its exposure to credit risk with respect to accounts receivable based on how long the amounts have been outstanding and management's analysis of accounts including managements on-going monitoring of outstanding accounts. In the opinion of management, the credit risk exposure in accounts receivable is considered to be moderate.

b) Liquidity risk

Liquidity risk is the risk that the company cannot repay its obligations when they become due to its creditors. The First Nation is exposed to this risk relating to its accounts payable and accrued liabilities, long term debt and due to funders.

The First Nation reduces its exposure to liquidity risk by monitoring cash and investing activities and expected outflow through extensive budgeting and maintaining enough cash or line of credit to repay trade creditors as payables become due. In the opinion of management, the liquidity risk exposure to the First Nation is low.

Whitefish River First Nation Notes to Consolidated Financial Statements

March 31, 2024

15. Financial instruments (continued)

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The First Nation is mainly exposed to interest rate risk.

i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The First Nation is exposed to this risk through its line of credit. See note 2 for information on this. The First Nation does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management, the interest rate risk exposure to the First Nation is low.

The First Nation holds long-term debt with fixed interest rates; which therefore, limits the exposure to interest rate risk for the First Nation.

There have not been any changes from the prior year in the First Nation's exposure to all of the above risks or the policies, procedures and methods it uses to measure these risks.

Whitefish River First Nation
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended March 31, 2024

	Land Improvements	Housing	Buildings	Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 1,787,217	\$ 11,955,346	\$ 14,252,652	\$ 1,809,821	\$ 1,281,575	\$ 17,657,651	\$ 3,434,911	\$ 52,179,173
Additions	-	1,566,667	-	315,527	50,309	-	-	9,151,314
Disposals	-	-	-	-	-	-	(1,566,667)	(1,566,667)
Cost, end of year	1,787,217	13,522,013	14,252,652	2,125,348	1,331,884	17,657,651	9,087,055	59,763,820
Accumulated amortization, beginning of year	1,271,994	4,289,885	6,315,730	1,452,499	920,082	6,098,003	-	20,348,193
Amortization	84,214	367,675	390,379	103,989	111,005	437,049	-	1,494,311
Accumulated amortization, end of year	1,356,208	4,657,560	6,706,109	1,556,488	1,031,087	6,535,052	-	21,842,504
Net carrying amount, end of year	\$ 431,009	\$ 8,864,453	\$ 7,546,543	\$ 568,860	\$ 300,797	\$ 11,122,599	\$ 9,087,055	\$ 37,921,316

The net book value of tangible capital assets not being amortized because they are under construction/development or have been removed from service is \$9,087,055 (2023 - \$3,434,911).

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, 2023 (comparative figures)

	Land Improvements	Housing	Buildings	Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning 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
Additions	-	108,525	-	-	-	-	3,139,176	3,247,701
Capitalized construction	-	-	-	-	-	-	(108,525)	(108,525)
Cost, end of year	1,787,217	11,955,346	14,252,652	1,809,821	1,281,575	17,657,651	3,434,911	52,179,173
Accumulated amortization, beginning of year	1,187,780	3,921,976	5,925,351	1,380,062	812,054	5,660,957	-	18,888,180
Amortization	84,214	367,909	390,379	72,437	108,028	437,046	-	1,460,013
Accumulated amortization, end of year	1,271,994	4,289,885	6,315,730	1,452,499	920,082	6,098,003	-	20,348,193
Net carrying amount, end of year	\$ 515,223	\$ 7,665,461	\$ 7,936,922	\$ 357,322	\$ 361,493	\$ 11,559,648	\$ 3,434,911	\$ 31,830,980

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

Whitefish River First Nation
Schedule 2 - Consolidated Segment Disclosure

For the year ended March 31, 2024

	Social and Family Services			Administration, Lands, Trusts and Economic Development			Education		
	Budget	2024	2023	Budget	2024	2023	Budget	2024	2023
Revenue									
Indigenous Services Canada	\$ -	\$ 1,559,473	\$ 1,127,320	\$ -	\$ 830,850	\$ 538,019	\$ -	\$ 1,059,839	\$ 634,992
Canada	-	-	-	-	-	-	-	-	-
Ontario	-	1,540,247	1,254,105	-	263,150	153,476	-	-	-
Anishinabek organizations	-	287,052	92,524	-	131,614	113,580	-	4,304,528	2,639,094
Interest and other revenue	-	9,213	1,010	-	4,299,838	6,380,012	-	113,040	-
User fees, leases, rentals, sales and fundraising	-	-	-	-	3,254	-	-	-	1,249,679
Robinson Huron Treaty Litigation Fund	-	-	-	-	377,600,777	-	-	-	-
Due from (to) Indigenous Services Canada	-	-	-	-	-	-	-	-	-
	-	3,395,985	2,474,959	-	383,129,483	7,185,087	-	5,477,407	4,523,765
Expenses									
Salaries, wages and benefits	-	1,241,631	998,290	-	1,698,814	1,234,790	-	1,219,755	982,993
Materials and supplies	-	814,553	769,051	-	499,510	441,433	-	241,901	258,552
Contracted services	-	404,002	210,601	-	3,452,910	1,830,225	-	554,213	466,096
Rents and financial expenses	-	2,906	3,392	-	10,988	333,860	-	5,203	5,579
External transfers and other	-	430,383	324,191	-	109,317	54,373	-	2,712,336	2,163,399
Amortization	-	21,211	21,211	-	(1,082,047)	(1,009,073)	-	-	-
Transfers between segments - administration	-	358,537	428,627	-	-	-	-	569,537	462,969
	-	3,273,223	2,755,363	-	4,689,492	2,885,608	-	5,302,945	4,339,588
Annual surplus (deficit)	\$ -	\$ 122,762	\$ (280,404)	\$ -	\$ 378,439,991	\$ 4,299,479	\$ -	\$ 174,462	\$ 184,177

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, 2024

	Operation and Maintenance			Housing and Infrastructure Development			Medical and Other Health Services		
	Budget	2024	2023	Budget	2024	2023	Budget	2024	2023
Revenue									
Indigenous Services Canada	\$ -	\$ 1,549,833	\$ 740,395	\$ -	\$ 6,587,125	\$ 4,905,032	\$ -	\$ 202,761	\$ 286,139
Canada	-	-	-	-	390,622	386,983	-	-	-
Ontario	-	34,371	-	-	-	-	-	4,898	129,605
Anishinabek organizations	-	180,250	148,729	-	-	-	-	744,241	584,754
Interest and other revenue	-	8,221	-	-	1,186,890	-	-	381,703	71,917
User fees, leases, rentals, sales and fundraising	-	6,538	787	-	499,237	454,359	-	-	-
Due from (to) Indigenous Services Canada	-	-	-	-	-	(1,212,500)	-	-	-
	-	1,779,213	889,911	-	8,663,874	4,533,874	-	1,333,603	1,072,415
Expenses									
Salaries, wages and benefits	-	304,328	251,899	-	294,759	259,414	-	611,356	470,697
Materials and supplies	-	298,238	477,000	-	816,784	76,507	-	335,585	481,454
Contracted services	-	539,098	953,092	-	320,948	282,080	-	144,003	213,403
Rents and financial expenses	-	-	9,299	-	111,670	191,901	-	3,074	1,223
External transfers and other	-	79,039	93,643	-	26,370	6,700	-	-	27,536
Amortization	-	805,401	634,083	-	537,685	670,498	-	39,424	39,424
Transfers between segments - administration	-	56,864	55,841	-	23,639	8,257	-	73,470	53,379
	-	2,082,968	2,474,857	-	2,131,855	1,495,357	-	1,206,912	1,287,116
Annual surplus (deficit)	\$ -	\$ (303,755)	\$ (1,584,946)	\$ -	\$ 6,532,019	\$ 3,038,517	\$ -	\$ 126,691	\$ (214,701)

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, 2024

	Enterprises			Other			Consolidated Total		
	Budget	2024	2023	Budget	2024	2023	Budget	2024	2023
Revenue									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,231,897
Canada	-	-	-	-	28,410	-	-	-	\$ 419,032
Ontario	-	-	-	-	184,721	14,363	-	-	386,983
Anishinabek organizations	-	-	-	-	74,461	3,290	-	-	1,551,548
OFNLP	-	1,134,252	795,302	-	-	-	-	-	3,581,971
Interest and other revenue	-	2,137	-	-	118,144	103,654	-	-	1,134,252
User fees, leases, rentals, sales and fundraising	-	494,651	585,044	-	-	-	-	-	795,302
Robinson Huron Treaty Litigation Fund	-	-	-	-	-	-	-	-	-
Due from (to) Indigenous Services Canada	-	-	-	-	-	-	-	-	(1,212,500)
	-	1,631,040	1,380,346	-	405,736	121,307	-	405,816,341	19,167,921
Expenses									
Salaries, wages and benefits	-	577,809	466,434	-	91,800	78,802	-	-	6,040,252
Materials and supplies	-	65,381	78,083	-	14,809	63,178	-	-	3,086,761
Contracted services	-	253,858	387,137	-	286,977	11,136	-	-	2,645,258
Rents and financial expenses	-	228	31,069	-	-	-	-	-	4,353,770
External transfers and other	-	90,587	94,797	-	119,036	60,075	-	-	576,323
Amortization	-	-	-	-	-	-	-	-	3,476,481
Transfers between segments - administration	-	-	-	-	-	-	-	-	2,729,917
Impairment write-down on investment	-	-	-	-	-	-	-	-	1,494,308
	-	987,863	1,057,519	-	512,622	213,191	-	20,187,880	16,508,600
Annual surplus (deficit)	\$ -	\$ 643,177	\$ 322,827	\$ -	\$ (106,886)	\$ (91,884)	\$ -	\$ 385,628,461	\$ 2,659,321

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