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**PRIVATE AND CONFIDENTIAL**  
**Indigenous Services Canada**  
100 Anemki Place, Suite 101  
Fort William First Nation, ON P7J 1A5

July 30, 2021

Dear Sir or Madam:

**Wahnapitae First Nation**

At the request of our client, Wahnapitae First Nation, we are submitting the following items regarding the March 31, 2021 year-end, which comply with terms of the FNFTA, and can be made available on your internet site:

- Audited Financial Statements
- Schedule of Remuneration and Expenses – Chief & Council

The following additional required reporting documents will not be published and are for your internal purposes only:

- Schedule of Remuneration and Expenses – Unelected Senior Officials
- Revenues and Expenses – Indigenous Services Canada

We trust this is satisfactory. Should you have any questions or require any additional information, please do not hesitate to contact our office.

Yours very truly

Kyle Ellis, CPA, CA, CBV  
Partner

/lb  
Enclosures:

Financial Statements of

**WAHNAPITAE FIRST NATION**

And Independent Auditors' Report thereon

Year ended March 31, 2021

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Wahnapiatē First Nation are the responsibility of management and have been approved by the Chief and Council of the First Nation.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles as described in note 1. 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.

The 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 financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

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

The Chief and Council review the First Nation's financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditors' report. The Chief and Council takes this information into consideration when approving the financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.

The financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the First Nation.



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Chief



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Executive Director



KPMG LLP  
Claridge Executive Centre  
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Canada  
Telephone (705) 675-8500  
Fax (705) 675-7586

## INDEPENDENT AUDITORS' REPORT

To the Members of Wahnapiatae First Nation

### ***Opinion***

We have audited the financial statements of Wahnapiatae First Nation (the "First Nation"), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and the notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB).

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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 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.

***Responsibility of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB), and 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.

In preparing the 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.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 risk of material misstatement of the 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, internal 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 purposes 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.



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- 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 the 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

*KPMG LLP*

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Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

July 29, 2021

# WAHNAPITAE FIRST NATION

## Index to Financial Statements

Year ended March 31, 2021

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### Financial Statements

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# WAHNAPITAE FIRST NATION

## Exhibit A - Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
<b>Financial assets</b>		
Cash	\$ 2,513,903	\$ 3,536,252
Accounts receivable (note 2)	966,823	914,704
Housing loans receivable (note 3)	188,603	191,127
Investment in N'Swakamok Forestry Corporation	1	1
Consolidated revenue fund	343,858	339,591
	4,013,188	4,981,675
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	535,564	472,825
Deferred revenue (note 5)	2,371,970	2,874,313
Loans payable to Indigenous Services Canada (note 6)	999,331	856,831
Long-term debt (note 7)	3,284,611	2,678,014
	7,191,476	6,881,983
<b>Net debt</b>	<b>(3,178,288)</b>	<b>(1,900,308)</b>
<b>Non-financial assets</b>		
Inventories	87,541	80,204
Tangible capital assets (note 8)	11,609,655	8,692,154
Prepaid expenses	107,172	109,900
	11,804,368	8,882,258
<b>Contingent liabilities (note 9)</b>		
<b>Accumulated surplus (note 10)</b>	<b>\$ 8,626,080</b>	<b>\$ 6,981,950</b>

See accompanying notes to financial statements.

On behalf of the First Nation:



Chief







Executive Director



# WAHNAPITAE FIRST NATION

## Exhibit B - Statement of Operations and Accumulated Surplus

Year ended March 31, 2021, with comparative information for 2020

	2021 Budget (note 13)	2021 Total	2020 Total
Revenue:			
Indigenous Services Canada (note 11)	\$ 1,040,575	\$ 3,723,875	\$ 2,182,851
Provincial	538,682	624,700	507,170
Ontario First Nations Limited Partnership	625,548	629,252	645,746
Kinoomaadziwin Education Body	868,596	1,085,518	910,736
Mining agreements and services	322,000	566,763	417,389
Union of Ontario Indians	-	439,604	288,211
Canada Mortgage and Housing Corporation	-	113,957	107,849
Business Enterprise	-	1,182,903	1,807,428
Other	442,463	1,433,142	980,396
	3,837,864	9,799,714	7,847,776
Expenses:			
Band Government	1,327,347	1,822,148	1,494,805
Education	1,344,231	1,374,515	1,147,862
Public Works and Community Development	530,787	683,531	726,084
Health Services	91,753	1,296,001	1,036,759
Lands	134,902	1,044,852	873,147
CMHC Housing	106,668	257,392	209,769
General Housing	-	327,812	382,351
Business Enterprise	64,614	1,349,333	1,913,249
	3,600,302	8,155,584	7,784,026
Excess of revenue over expenses	237,562	1,644,130	63,750
Accumulated surplus, beginning of year	6,981,950	6,981,950	6,918,200
Accumulated surplus, end of year	\$ 7,219,512	\$ 8,626,080	\$ 6,981,950

See accompanying notes to financial statements.

# WAHNAPITAE FIRST NATION

## Exhibit C - Statement of Changes in Net Debt

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Excess of revenue over expenses	\$ 1,644,130	\$ 63,750
Acquisition of tangible capital assets	(3,468,971)	(1,238,379)
Amortization of tangible capital assets	551,469	537,484
Net book value of disposal of tangible capital assets	-	30,841
	(1,273,372)	(606,304)
Use of inventories	(7,336)	(40,112)
Use (acquisition) of inventory	2,728	(109,900)
Change in net financial debt	(1,277,980)	(756,316)
Net debt, beginning of year	(1,900,308)	(1,143,992)
Net debt, end of year	\$ (3,178,288)	\$ (1,900,308)

See accompanying notes to financial statements.

# WAHNAPITAE FIRST NATION

## Exhibit D - Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Operating transactions:		
Excess of revenue over expenses	\$ 1,644,130	\$ 63,750
Adjustments for:		
Amortization of tangible capital assets	551,469	537,484
Loss on disposal of tangible capital assets	-	2,841
	2,195,599	604,075
Change in non-cash working capital:		
Accounts receivable	(52,119)	(178,295)
Accounts payable and accrued liabilities	62,739	34,751
Deferred revenue	(502,342)	1,631,134
Prepaid expenses	2,728	(109,900)
Inventories	(7,337)	(40,112)
	1,699,268	1,941,653
Financing transactions:		
Issuance of long-term debt	876,140	253,450
Issuance of notes payable	142,500	-
Principal payments on housing loans receivable	2,524	1,042
Principal payments on long-term debt	(269,543)	(192,899)
	751,621	61,593
Investing transactions:		
Proceeds from disposal of tangible capital assets	-	28,000
Cash used to acquire tangible capital assets	(3,468,971)	(1,238,379)
Consolidated revenue fund	(4,267)	(6,537)
	(3,473,238)	(1,216,916)
Net increase (decrease) in cash position	(1,022,349)	786,330
Cash, beginning of year	3,536,252	2,749,922
Cash, end of year	\$ 2,513,903	\$ 3,536,252

See accompanying notes to financial statements.

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

The Wahnapiatae First Nation (the "First Nation"), located in Capreol, Ontario, administers programs and provides services to First Nation members.

### 1. Significant accounting policies:

These financial statements of the First Nation are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants of Canada. The following is a summary of the significant accounting policies followed in the preparation of these financial statements:

#### (a) Reporting entity:

The reporting entity includes activities of all committees of the First Nation under the control of Chief and Council.

#### (b) Basis of accounting:

The First Nation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

#### (c) 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.

##### (i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land improvements	25
Buildings and building improvements	25 - 40
Vehicles	5 - 10
Furniture, computers and fixtures	3 - 10
Machinery and equipment	5 - 20
Roads infrastructure	40 - 50

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

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### 1. Significant accounting policies (continued):

#### (c) Non-financial assets (continued):

##### (ii) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

##### (iii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

#### (d) Revenue recognition:

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the statement of financial activities.

#### (e) Investment in N'Swakamok Forestry Corporation:

The investment is accounted for by the equity method and represents a 20% interest in the corporation.

#### (f) Consolidated revenue funds:

Funds held in trust are comprised of funds held in Ottawa Trust accounts and 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 and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

#### (g) 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 revenue and expenses during the periods specified. Significant items subject to such estimates and assumptions include the carrying value of capital assets and valuation allowances for accounts receivable. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

### 2. Accounts receivable:

	2021	2020
Vale Canada Limited	\$ 52,225	\$ 2,225
Indigenous Services Canada	351,031	623,666
KGHM International	51,500	12,748
KEB	782	39,080
Union of Ontario Indians	181,315	19,500
Canada Mortgage and Housing Corporation	11,086	8,754
Ontario Power Generation	20,000	20,000
Government of Canada	10,532	10,532
Glencore	34,200	7,700
Independent Electricity System Operator	52,292	52,292
Other	392,835	309,182
Allowance for doubtful accounts	(190,975)	(190,975)
	<u>\$ 966,823</u>	<u>\$ 914,704</u>

### 3. Housing loans receivable:

Housing loans to band members bear interest at various rates, have terms of five years and are secured by the specific band member's homes.

### 4. Line of credit:

The First Nation has available an operating line of credit in the amount of \$1,000,000, secured by a general security agreement over the assets of the First Nation. Interest on amounts drawn is charged at the prime lending rate plus 0.75%.

### 5. Deferred revenue:

Deferred revenue relates to cash received in advance for future periods. The balance includes \$54,237 (2020 - \$65,595) in tenant receipts for business enterprise lot fees. This revenue has been deferred as the services have yet to be provided.

### 6. Loans payable to Indigenous Services Canada:

The loans payable to Indigenous Services Canada ("ISC") are secured, by a promissory non-interest bearing note and are due on the earlier of the settlement of the land claim or March 31, 2022.

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

### 7. Long-term debt:

	2021	2020
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$776 including interest at 1.73%, due 2025	\$ 71,513	\$ 79,515
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$549 including interest at 0.69%, due 2025	57,439	63,551
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,894 including interest at 2.22%, due 2024	250,918	267,912
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,677 including interest at 1.30%, due 2026	275,644	292,350
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,610 including interest at 1.43%, due 2022	277,499	292,753
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,970 including interest at 1.87%, due 2024	364,042	380,742
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,403 including interest at 1.03%, due 2021	302,851	316,396
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$2,737 including interest at 0.68%, due 2025	455,817	—
Waubetek Business Development Corporation, payable in monthly installments of \$1,138 non-interest bearing, due 2024, security described in i) below	48,954	56,924
Toronto Dominion Bank term loan, payable in monthly instalments of \$4,742 including interest at 4.65%, due 2024, security described in ii) below	195,490	242,125
Toronto Dominion Bank term loan, payable in monthly instalments of \$7,795 including interest at 4.91%, due 2028	555,907	620,462
Toronto Dominion Bank term loan, payable in monthly instalments of \$1,770 including interest at 4.92%, due 2023	47,723	65,284
Toronto Dominion Bank term loan, payable in monthly instalments of \$4,907 including interest at 2.95%, due 2026	264,959	—
Toronto Dominion Bank term loan, payable in monthly instalments of \$4,907 including interest at 2.95%, due 2026	115,855	—
	\$ 3,284,611	\$ 2,678,014

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

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### 7. Long-term debt (continued):

- i. The Waubetek Business Development Corporation loan payable is secured by specific equipment and assets having a carrying value of \$64,051 (2020 - \$66,963).
- ii. The Toronto Dominion Bank term loans payable is secured under a security agreement where the lender has first position on specific equipment having a carrying value of \$552,399

Principal payments required on long-term debt within each of the next five years are as follows:

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2022	\$ 352,553
2023	362,985
2024	360,366
2025	342,644
2026	268,494
Thereafter	1,597,569

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# WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2021

## 8. Tangible capital assets:

Cost	Balance at March 31, 2020	Additions	Disposals	Balance at March 31, 2021
Land improvements	\$ 149,309	\$ -	\$ -	\$ 149,309
Buildings	6,229,117	141,892	-	6,371,009
Road infrastructure	1,564,542	375,015	-	1,939,557
Machinery and equipment	1,952,266	748,454	(62,000)	2,638,720
Furniture, computer and fixtures	269,333	29,774	-	299,107
Social housing	3,082,383	-	-	3,082,383
Assets under construction	152,450	2,326,286	(152,450)	2,326,286
<b>Total</b>	<b>\$ 13,399,400</b>	<b>\$ 3,621,421</b>	<b>\$ (214,450)</b>	<b>\$ 16,806,371</b>

Accumulated amortization	Balance at March 31, 2020	Disposals	Amortization expense	Balance at March 31, 2021
Land improvements	\$ 77,757	\$ -	\$ 5,973	\$ 83,730
Buildings	1,723,325	-	187,589	1,910,914
Road infrastructure	678,564	-	38,930	717,494
Machinery and equipment	1,324,602	(62,000)	192,006	1,454,608
Furniture, computer and fixtures	212,034	-	20,971	233,005
Social housing	690,965	-	106,000	796,965
<b>Total</b>	<b>\$ 4,707,247</b>	<b>\$ (62,000)</b>	<b>\$ 551,469</b>	<b>\$ 5,196,716</b>

	Net book value, March 31, 2020	Net book value, March 31, 2021
Land improvements	\$ 71,552	\$ 65,579
Buildings	4,505,792	4,460,095
Road infrastructure	885,978	1,222,063
Machinery and equipment	627,664	1,184,112
Furniture, computer and fixtures	57,299	66,102
Social housing	2,391,418	2,285,418
Assets under construction	152,450	2,326,286
<b>Total</b>	<b>\$ 8,692,153</b>	<b>\$ 11,609,655</b>

# WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2021

## 8. Tangible capital assets (continued):

Cost	Balance at March 31, 2019	Additions	Disposals	Balance at March 31, 2020
Land improvements	\$ 149,309	\$ -	\$ -	\$ 149,309
Buildings	6,227,537	1,580	-	6,229,117
Road infrastructure	1,514,668	49,874	-	1,564,542
Machinery and equipment	1,529,625	477,123	(54,479)	1,952,269
Furniture, computer and fixtures	239,445	29,888	-	269,333
Social housing	2,554,917	527,466	-	3,082,383
Assets under construction	-	152,450	-	152,450
<b>Total</b>	<b>\$ 12,215,501</b>	<b>\$ 1,238,381</b>	<b>\$ (54,479)</b>	<b>\$ 13,399,403</b>

Accumulated amortization	Balance at March 31, 2019	Disposals	Amortization expense	Balance at March 31, 2020
Land improvements	\$ 71,784	\$ -	\$ 5,973	\$ 77,757
Buildings	1,541,411	-	181,914	1,723,325
Road infrastructure	646,569	-	31,995	678,564
Machinery and equipment	1,157,288	(23,638)	190,950	1,324,600
Furniture, computer and fixtures	192,184	-	19,850	212,034
Social housing	584,165	-	106,800	690,965
<b>Total</b>	<b>\$ 4,193,401</b>	<b>\$ (23,638)</b>	<b>\$ 537,482</b>	<b>\$ 4,707,245</b>

	Net book value, March 31, 2019	Net book value, March 31, 2020
Land improvements	\$ 77,525	\$ 71,552
Buildings	4,686,126	4,505,792
Road infrastructure	868,099	885,978
Machinery and equipment	372,337	627,669
Furniture, computer and fixtures	47,261	57,299
Social housing	1,970,752	2,391,418
Assets under construction	-	152,450
<b>Total</b>	<b>\$ 8,022,100</b>	<b>\$ 8,692,158</b>

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

### 9. Contingent liabilities:

#### (a) Government funding:

The First Nation has entered into accountable contribution arrangements with several government funding agencies. All such programs are subject to audit by the various governments, with audit adjustments repayable to the government.

#### (b) Loan guarantees - Band members:

The First Nation is contingently liable for loan guarantees to various chartered banks in favour of individual Band members. The guarantees total \$310,544 (2020 - \$332,970).

#### (c) In accordance with the terms and conditions of a financing arrangement between the Bank of Montreal and the Robinson Huron Treaty Trust ("Trust"), the First Nation as a beneficiary of the Trust has guaranteed borrowings in proportion to its beneficial interest in the Trust in the amount of \$203,000. As of March 31, 2021, its proportional outstanding loan balance as part of the Trust is \$203,000 (2020 - \$203,000).

### 10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2021	2020
Surplus (deficit):		
Invested in capital assets	\$ 8,842,204	\$ 6,014,130
Operations	(1,948,453)	(2,026,998)
Unfinanced capital	(1,115,646)	—
Land claim	(1,735,328)	(1,352,501)
	4,042,777	2,634,631
Reserves set aside for specific purpose by Council:		
Consolidated revenue trust	343,858	339,591
Ontario First Nations Limited Partnership	1,643,065	1,397,817
Community Development	894,715	894,715
Education	45,698	45,698
CMHC replacement reserves	96,310	109,841
Ontario Power Generation Settlement	1,559,657	1,559,657
	4,583,303	4,347,319
	\$ 8,626,080	\$ 6,981,950

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

### 11. Indigenous Services Canada Funding:

	2021	2020
Total funding per confirmation	\$ 2,789,373	\$ 3,649,200
Deferred revenue – beginning	2,078,268	622,606
Adjustment	–	(10,687)
Revenue from confirmation not earned	(18,755)	–
Deferred revenue – ending	(1,125,011)	(2,078,268)
<b>Total funding per financial statements</b>	<b>\$ 3,723,875</b>	<b>\$ 2,182,851</b>

### 12. Comparative information:

Certain 2020 comparative information have been reclassified to conform with the presentation adopted in 2021.

### 13. Budget figures:

The budget data presented in these consolidated financial statements is based upon the operating and capital budgets approved by Council. The reconciliation of the approved budget to the budget figures reported on these consolidated financial statements is listed below.

Approved revenue budget:	
Total revenues per budget	\$ 3,837,864
<b>Revenue budget per financial statements</b>	<b>\$ 3,837,864</b>
Approved expense budget:	
Total expenses per budget	\$ 3,048,833
Add: Amortization of tangible capital assets	551,469
<b>Expense budget per financial statements</b>	<b>\$ 3,600,302</b>

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

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### 14. Other risks:

The First Nations main sources of revenue are government grant revenues. In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus.

The impact of COVID-19 is expected to negatively impact operations for a duration that cannot be reasonably predicted. The further overall operational and financial impact is highly dependent on the duration of COVID-19, including the potential occurrence of additional waves of the pandemic, and could be affected by other factors that are currently not known at this time. Management is actively monitoring the effect of the pandemic on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the pandemic and the global responses to curb its spread, the First Nation is not able to fully estimate the effects of the pandemic on its results of operations, financial condition, or liquidity at this time.

### 15. Segmented information:

Wahnapitae First Nation is a diversified governmental institution that provides a wide range of services to its band members, including band support, health services, education, sustainable development and capital. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special 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.

#### **General / Band Support**

The band support 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, the operations of the band's business operations, community development, public works, management and assistance for computer and communications related projects and services.

#### **Health Services**

The health services department provides a diverse bundle of services directed toward the well-being of the members of the First Nation including such activities as long-term care, health centers, diabetes, fetal alcohol syndrome, mental health, smoke free programs, traditional healing and training designed to enhance the health of member communities.

# WAHNAPITAE FIRST NATION

## Notes to Financial Statements

Year ended March 31, 2021

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### 15. Segmented information (continued):

#### Education

The education department provides education management services to the member First Nations as well as overseeing various small incentives on behalf of the communities.

#### Lands

The lands department provides services to make use of the natural landscape of the First Nation in the form of mining and mineral agreements with local mining companies to provide long-term sustainable resources to the First Nation and its members.

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 allocations 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 financial statements as disclosed in the summary of significant accounting policies.

# WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2021

## 15. Segmented information (continued):

	General/Band Support	Health Services	Education	Lands	2021 Total
Revenue:	\$ 5,964,793	\$ 1,348,606	\$ 1,397,125	\$ 1,089,190	\$ 9,799,714
Expenses:					
Salaries, benefits and honoraria	1,236,616	729,877	389,293	715,438	3,071,224
Travel and training	121,647	36,232	11,331	28,257	197,467
Materials, supplies and rentals	4,498,517	176,043	133,794	51,769	4,860,123
Contractual and professional fees	689,552	135,378	162,649	168,160	1,155,739
Interest on long-term debt	70,465	-	3,672	-	74,137
Tuition and student allowances	-	-	535,237	-	535,237
Other	703,658	204,163	173,523	97,855	1,179,199
Amortization of tangible capital assets	469,861	45,609	31,096	4,903	551,469
Investment in tangible capital assets	(3,346,414)	(32,995)	-	(89,602)	(3,469,011)
	4,443,902	1,294,307	1,440,595	976,780	8,155,584
Excess (deficiency) of revenue over expenses	\$ 1,520,891	\$ 54,299	\$ (43,470)	\$ 112,410	\$ 1,644,130

# WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2021

## 15. Segmented information (continued):

	General/Band Support	Health Services	Education	Lands	2020 Total
Revenue:	\$ 4,793,534	\$ 1,112,531	\$ 1,166,540	\$ 775,171	\$ 7,847,776
Expenses:					
Salaries, benefits and honoraria	1,262,653	460,622	270,748	550,507	2,544,530
Travel and training	168,612	85,027	47,615	32,940	334,194
Materials, supplies and rentals	2,751,842	308,700	116,744	42,877	3,220,160
Contractual and professional fees	574,716	103,163	110,905	178,824	967,608
Interest on long-term debt	62,066	-	3,816	-	65,882
Tuition and student allowances	1,800	1,120	461,539	-	464,459
Other	533,585	151,648	156,008	46,846	888,087
Amortization of tangible capital assets	431,887	53,345	31,096	21,154	537,482
Investment in tangible capital assets	(1,060,901)	(126,866)	(50,609)	-	(1,238,376)
	4,726,260	1,036,759	1,147,862	873,148	7,784,026
Excess (deficiency) of revenue over expenses	\$ 67,274	\$ 75,772	\$ 18,678	\$ (97,977)	\$ 63,750