

Financial Statements of

WAHNAPITAE FIRST NATION

And Independent Auditors' Report thereon

Year ended March 31, 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

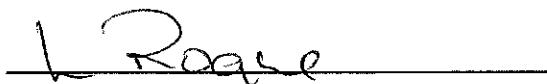
The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles as described in note 1. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management 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.



Chief



Executive Director



KPMG LLP
Claridge Executive Centre
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INDEPENDENT AUDITORS' REPORT

To the Members of Wahnapitae First Nation

Opinion

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

- the statement of financial position as at March 31, 2022
- 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, 2022, 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 and Those Charged with Governance 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. Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

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.



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- 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 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.

A handwritten signature in black ink that reads "KPMG LLP" in a stylized, cursive font. A thin black line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

July 28, 2022

WAHNAPITAE FIRST NATION

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Year ended March 31, 2022

Financial Statements

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WAHNAPITAE FIRST NATION

Exhibit A - Statement of Financial Position

March 31, 2022, with comparative information for 2021

	2022	2021
Financial assets		
Cash	\$ 3,703,795	\$ 2,513,903
Accounts receivable (note 2)	1,686,377	966,823
Housing loans receivable (note 3)	183,371	188,603
Investment in N'Swakamok Forestry Corporation	1	1
Consolidated revenue fund	349,292	343,858
	<u>5,922,836</u>	<u>4,013,188</u>
Financial liabilities		
Accounts payable and accrued liabilities	703,078	535,564
Deferred revenue (note 5)	3,757,281	2,371,970
Loans payable to Indigenous Services Canada (note 6)	999,331	999,331
Long-term debt (note 7)	3,773,986	3,284,611
	<u>9,233,676</u>	<u>7,191,476</u>
Net debt	(3,310,840)	(3,178,288)
Non-financial assets		
Inventories	78,635	87,541
Tangible capital assets (note 8)	11,715,613	11,609,655
Prepaid expenses	89,024	107,172
	<u>11,883,272</u>	<u>11,804,368</u>
Contingent liabilities (note 9)		
Accumulated surplus (note 10)	\$ 8,572,432	\$ 8,626,080

See accompanying notes to financial statements.

On behalf of the First Nation:

L Roque
Chief

W. K. Malone
Executive Director

WAHNAPITAE FIRST NATION

Exhibit B - Statement of Operations and Accumulated Surplus

Year ended March 31, 2022, with comparative information for 2021

	2022 Budget	2022 Total	2021 Total
	(note 13)		
Revenue:			
Government Transfers - Provincial	\$ 648,597	\$ 683,007	\$ 624,700
- Federal (note 11)	1,652,101	3,077,981	3,723,875
Ontario First Nations Limited Partnership	481,548	383,083	629,252
Kinoomaadziwin Education Body	1,686,080	1,252,566	1,085,518
Mining agreements and services	449,608	568,012	566,763
Union of Ontario Indians	163,544	561,454	439,604
Canada Mortgage and Housing Corporation	156,574	136,846	113,957
Business Enterprise	-	1,560,137	1,182,903
Other	918,261	1,253,377	1,433,142
	6,156,313	9,476,463	9,799,714
Expenses:			
Band Government	1,029,784	1,992,542	1,822,148
Education	1,476,900	1,536,147	1,374,515
Public Works	410,234	1,063,663	683,531
Health Services	1,132,495	2,030,906	1,296,001
Lands	1,074,847	874,327	1,044,852
CMHC Housing	468,950	293,429	257,392
General Housing	65,801	134,414	327,812
Business Enterprise	76,153	1,604,683	1,349,333
	5,735,164	9,530,111	8,155,584
Excess (deficiency) of revenue over expenses	421,149	(53,648)	1,644,130
Accumulated surplus, beginning of year	8,626,080	8,626,080	6,981,950
Accumulated surplus, end of year	\$ 9,047,229	\$ 8,572,432	\$ 8,626,080

See accompanying notes to financial statements.

WAHNAPITAE FIRST NATION

Exhibit C - Statement of Changes in Net Debt

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Excess (deficiency) of revenue over expenses	\$ (53,648)	\$ 1,644,130
Acquisition of tangible capital assets	(797,390)	(3,468,971)
<u>Amortization of tangible capital assets</u>	<u>691,432</u>	<u>551,469</u>
	(159,606)	(1,273,372)
Use (acquisition) of inventories	8,916	(7,336)
Use of prepaids	18,138	2,728
Change in net financial debt	(132,552)	(1,277,980)
Net debt, beginning of year	(3,178,288)	(1,900,308)
Net debt, end of year	\$ (3,310,840)	\$ (3,178,288)

See accompanying notes to financial statements.

WAHNAPITAE FIRST NATION

Exhibit D - Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Operating transactions:		
Excess (deficiency) of revenue over expenses	\$ (53,648)	\$ 1,644,130
Adjustments for:		
<u>Amortization of tangible capital assets</u>	691,432	551,469
	637,784	2,195,599
Change in non-cash working capital:		
Accounts receivable	(719,554)	(52,120)
Accounts payable and accrued liabilities	167,514	62,739
Deferred revenue	1,385,311	(502,342)
Prepaid expenses	18,148	2,728
Inventories	8,906	(7,336)
	1,498,109	1,699,268
Financing transactions:		
Issuance of long-term debt	848,785	876,140
Issuance of notes payable	-	142,500
Principal payments on housing loans receivable	5,232	2,524
Principal payments on long-term debt	(359,410)	(269,543)
	494,607	751,621
Investing transactions:		
Cash used to acquire tangible capital assets	(797,390)	(3,468,971)
Consolidated revenue fund	(5,434)	(4,267)
	(802,824)	(3,473,238)
Net increase (decrease) in cash position	1,189,892	(1,022,349)
Cash, beginning of year	2,513,903	3,536,252
Cash, end of year	\$ 3,703,795	\$ 2,513,903

See accompanying notes to financial statements.

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2022

The Wahnapitae 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 (continued)

Year ended March 31, 2022

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 (continued)

Year ended March 31, 2022

2. Accounts receivable:

	2022	2021
Vale Canada Limited	\$ 90,836	\$ 52,225
Indigenous Services Canada	990,847	351,031
KGHM International	10,583	51,500
KEB	—	782
Union of Ontario Indians	116,623	181,315
Canada Mortgage and Housing Corporation	12,414	11,086
Ontario Power Generation	20,000	20,000
Government of Canada	19,032	10,532
Glencore	2,200	34,200
Independent Electricity System Operator	37,292	52,292
Other	579,590	392,835
Allowance for doubtful accounts	(193,040)	(190,975)
	<hr/> \$ 1,686,377	<hr/> \$ 966,823

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 \$25,000, 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 \$46,455 (2021 - \$54,237) 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, 2024.

WAHNAPITAE FIRST NATION

Notes to Financial Statements (continued)

Year ended March 31, 2022

7. Long-term debt:

	2022	2021
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$776 including interest at 1.73%, due 2025	\$ 63,376	\$ 71,513
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$549 including interest at 0.69%, due 2025	51,231	57,439
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,894 including interest at 2.22%, due 2024	233,557	250,918
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,677 including interest at 1.30%, due 2026	258,970	275,644
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,709 including interest at 2.27%, due 2027	262,037	277,499
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,970 including interest at 1.87%, due 2024	347,043	364,042
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,418 Including interest at 1.51%, due 2026	289,503	302,851
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$2,737 Including interest at 0.68%, due 2025	425,981	455,817
Canada Mortgage and Housing Corporation construction Financing, payable in monthly instalments of \$3,398 Including interest at 1.51%, due 2026	839,594	—
Waubetek Business Development Corporation, payable in monthly installments of \$1,138 non-interest bearing, due 2024, security described in i) below	35,293	48,954
Toronto Dominion Bank term loan, payable in monthly instalments of \$4,742 including interest at 4.65%, due 2024, security described in ii) below	146,639	195,490
Toronto Dominion Bank term loan, payable in monthly instalments of \$7,795 including interest at 4.91%, due 2028	488,195	555,907
Toronto Dominion Bank term loan, payable in monthly instalments of \$1,770 including interest at 4.92%, due 2023	29,189	47,723
Toronto Dominion Bank term loan, payable in monthly instalments of \$4,907 including interest at 2.95%, due 2026	213,192	264,959
Toronto Dominion Bank term loan, payable in monthly instalments of \$2,456 including interest at 0.3%, due 2024	90,186	115,855
	<hr/> \$ 3,773,986	<hr/> \$ 3,284,611

WAHNAPITAE FIRST NATION

Notes to Financial Statements (continued)

Year ended March 31, 2022

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 \$61,139 (2021 - \$64,051).
- 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 \$468,959
- iii. The First Nation has a \$1,000,000 equipment financing line of credit available, of which they have drawn \$450,017

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

2023	\$ 383,383
2024	381,957
2025	363,662
2026	289,830
2027	239,723
Thereafter	2,115,431

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2022

8. Tangible capital assets:

Cost	Balance at March 31, 2021	Additions	Disposals	Balance at March 31, 2022
Land improvements	\$ 149,309	\$ -	\$ -	\$ 149,309
Buildings	6,371,009	1,597,847	-	7,968,856
Road infrastructure	1,939,557	5,340	-	1,944,897
Machinery and equipment	2,638,720	240,309	-	2,879,029
Furniture, computer and fixtures	299,107	15,976	-	315,083
Social housing	3,082,383	1,171,319	-	4,253,702
Assets under construction	2,326,286	92,886	(2,326,287)	92,885
Total	\$ 16,806,371	\$ 3,123,677	\$ (2,326,287)	\$ 17,603,761
Accumulated amortization	Balance at March 31, 2021	Disposals	Amortization expense	Balance at March 31, 2022
Land improvements	\$ 83,730	\$ -	\$ 5,973	\$ 89,703
Buildings	1,910,914	-	188,510	2,099,424
Road infrastructure	717,494	-	38,721	756,215
Machinery and equipment	1,454,608	-	277,988	1,732,596
Furniture, computer and fixtures	233,005	-	27,648	260,653
Social housing	796,965	-	152,592	949,557
Assets under construction	-	-	-	-
Total	\$ 5,196,716	\$ -	\$ 691,432	\$ 5,888,148
	Net book value, March 31, 2021		Net book value, March 31, 2022	
Land improvements	\$ 65,579		\$ 59,606	
Buildings	4,460,095		5,869,432	
Road infrastructure	1,222,063		1,188,682	
Machinery and equipment	1,184,112		1,146,433	
Furniture, computer and fixtures	66,102		54,430	
Social housing	2,285,418		3,304,145	
Assets under construction	2,326,286		92,885	
Total	\$ 11,609,655		\$ 11,715,613	

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2022

8. Tangible capital assets (continued):

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
Total	\$ 13,399,400	\$ 3,621,421	\$ (214,450)	\$ 16,806,371
<hr/>				
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
Total	\$ 4,707,247	\$ (62,000)	\$ 551,469	\$ 5,196,716
<hr/>				
	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	
Total	\$ 8,692,153		\$ 11,609,655	

WAHNAPITAE FIRST NATION

Notes to Financial Statements (continued)

Year ended March 31, 2022

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 \$280,837 (2021 - \$310,544).

(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, 2022, its proportional outstanding loan balance as part of the Trust is \$203,000 (2021 - \$203,000).

10. Accumulated surplus:

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

	2022	2021
Surplus (deficit):		
Invested in capital assets	\$ 8,458,531	\$ 8,842,204
Operations	(2,173,551)	(1,948,453)
Unfinanced capital	-	(1,115,646)
Land claim	<u>(2,408,492)</u>	<u>(1,735,328)</u>
	3,876,488	4,042,777
 Reserves set aside for specific purpose by Council:		
Consolidated revenue trust	349,292	343,858
Ontario First Nations Limited Partnership	1,736,741	1,643,065
Community Development	894,715	894,715
Education	45,698	45,698
CMHC replacement reserves	109,841	96,310
Ontario Power Generation Settlement	<u>1,559,657</u>	<u>1,559,657</u>
	4,695,944	4,583,303
 <hr/>	<hr/>	<hr/>
	\$ 8,572,432	\$ 8,626,080

WAHNAPITAE FIRST NATION

Notes to Financial Statements (continued)

Year ended March 31, 2022

11. Indigenous Services Canada Funding:

	2022	2021
Total funding per confirmation	\$ 3,973,742	\$ 2,789,373
Deferred revenue – beginning	1,125,011	2,078,268
Adjustment	71,345	–
Band representative 2022 revenue	420,481	–
Revenue from confirmation not earned	(63,683)	(18,755)
Deferred revenue – ending	(2,448,915)	(1,125,011)
 Total funding per financial statements	 \$ 3,077,981	 \$ 3,723,875

12. Comparative information:

Certain 2021 comparative information have been reclassified to conform with the presentation adopted in 2022.

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	\$ 6,156,313
 Revenue budget per financial statements	 \$ 6,156,313
Approved expense budget:	
Total expenses per budget	\$ 5,043,433
Add: Amortization of tangible capital assets	691,731
 Expense budget per financial statements	 \$ 5,735,164

WAHNAPITAE FIRST NATION

Notes to Financial Statements (continued)

Year ended March 31, 2022

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:

Wahnapietae 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 (continued)

Year ended March 31, 2022

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, 2022

15. Segmented information (continued):

	General/Band Support	Health Services	Education	Lands	2022 Total
Revenue:	\$ 4,868,452	\$ 2,127,792	\$ 1,712,217	\$ 768,002	\$ 9,476,463
Expenses:					
Salaries, benefits and honoraria	1,159,584	1,241,491	390,354	734,540	3,525,969
Travel and training	78,655	58,879	21,398	17,383	176,315
Materials, supplies and rentals	2,215,679	334,721	248,510	47,681	2,846,591
Contractual and professional fees	1,077,411	151,515	151,643	40,029	1,420,598
Interest on long-term debt	72,211	-	2,701	-	74,912
Tuition and student allowances	-	200	687,780	-	687,980
Other	414,747	280,177	166,818	41,962	903,704
Amortization of tangible capital assets	594,553	45,473	39,975	11,431	691,432
Investment in tangible capital assets	(524,109)	(81,550)	(173,032)	(18,699)	(797,390)
	5,088,731	2,030,906	1,536,147	874,327	9,530,111
Excess (deficiency) of revenue over expenses	\$ (220,279)	\$ 96,886	\$ 176,070	\$ (106,325)	\$ (53,648)

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2022

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