

**Wawakapewin First Nation
Consolidated Financial Statements**
March 31, 2023

Wawakapewin First Nation
Consolidated Financial Statements - Table of Contents
For the year ended March 31, 2023

	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Changes in Net Financial Assets (Net Debt).....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	12
Schedule 2 - Consolidated Schedule of Expenses by Object.....	14
Schedule 3 - Consolidated Summary Schedule of Segment Operations.....	15
Schedule 4 - Consolidated Schedule of Segment Operations - Capital.....	16
Schedule 5 - Consolidated Schedule of Segment Operations - Economic Development.....	17
Schedule 6 - Consolidated Schedule of Segment Operations - First Nation Management.....	18
Schedule 7 - Consolidated Schedule of Segment Operations - Health.....	19
Schedule 8 - Consolidated Schedule of Segment Operations - Municipal Services.....	20
Schedule 9 - Consolidated Schedule of Segment Operations - Other.....	21

Management's Responsibility

To the Members of Wawakapewin First Nation:

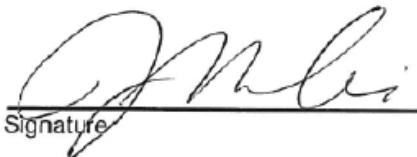
The accompanying consolidated financial statements of Wawakapewin First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Wawakapewin First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council on behalf of the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.



Signature

Band Administrator

MNP LLP

True North Square

242 Hargrave Street, Suite 1200, Winnipeg MB, R3C 0T8

1.877.500.0795 T: 204.775.4531 F: 204.783.8329

To the Members of Wawakapewin First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Wawakapewin First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, changes in net financial assets (net debt) 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 consolidated financial position of the First Nation as at March 31, 2023, and the results of its consolidated operations, consolidated changes in its net financial assets (net debt) and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Section PS 3280 *Asset Retirement Obligations* of the Canadian Public Sector Accounting Standards ("PSAS") was adopted by the First Nation on April 1, 2022 with prospective application. This standard requires the recognition of an asset retirement obligation ("ARO") liability when there is a legal obligation that establishes a clear responsibility to incur retirement costs in relation to a tangible capital asset. The First Nation has not identified any ARO liabilities as at March 31, 2023 and we were unable to satisfy ourselves concerning the completeness of those liabilities by alternative means. Consequently, we were not able to determine whether any adjustments would be necessary to total liabilities, net debt, tangible capital assets, accumulated surplus, expenses, annual surplus, or changes in net financial assets (net debt) as at and for the year-ended March 31, 2023.

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

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.

Winnipeg, Manitoba

May 10, 2024

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

MNP
LLP

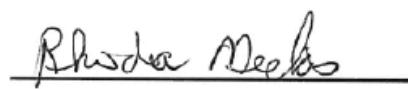
Wawakapewin First Nation
Consolidated Statement of Financial Position
As at March 31, 2023

	2023	2022
Financial assets		
Cash	1,916,797	3,589,988
Accounts receivable (Note 4)	635,061	674,200
Portfolio investments (Note 5)	106,473	106,208
Restricted cash (Note 6)	565,208	2,621,605
	3,223,539	6,992,001
Liabilities		
Accounts payable and accruals (Note 7)	1,584,148	1,166,833
Deferred revenue (Note 8)	2,297,481	5,388,561
	3,881,629	6,555,394
Net financial assets (net debt)	(658,090)	436,607
Contingencies (Note 9)		
Non-financial assets		
Tangible capital assets (Note 10) (Schedule 1)	13,372,818	5,950,774
Inventory held for use	334,868	373,278
Prepaid expenses	37,686	36,040
	13,745,372	6,360,092
Accumulated surplus (Note 11)	13,087,282	6,796,699

Approved on behalf of the Chief and Council



Chief



Councillor

Wawakapewin First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2023

	<i>Schedules</i>	<i>2023 Budget</i>	<i>2023</i>	<i>2022</i>
Revenue				
Indigenous Services Canada (Note 12)		1,529,092	5,366,628	5,625,959
Canada Mortgage and Housing Corporation		-	-	1,501,760
Drinking Water Settlement		500,000	500,000	-
Ontario First Nations Limited Partnership (Note 13)		770,979	764,911	538,733
Ministry of Indigenous Relations and Reconciliation		205,600	85,000	205,600
Ministry of Northern Development and Mines		295,535	195,534	195,534
Other revenue		1,895,024	517,282	547,333
Reimbursement of FAM fees		-	11,226	-
Revenue deferred in prior year (Note 8)		-	5,388,561	2,914,199
Revenue deferred to subsequent year (Note 8)		-	(2,297,481)	(5,388,561)
		5,196,230	10,531,661	6,140,557
Segment expenses				
Capital	4	2,389,665	88,768	409,036
Economic Development	5	20,415	133,896	47,185
First Nation Management	6	744,556	1,392,497	1,223,646
Health	7	820,623	1,098,020	1,336,999
Municipal Services	8	468,940	1,112,301	814,636
Other	9	766,031	415,596	815,132
Total segment expenses (Schedule 2)		5,210,230	4,241,078	4,646,634
Annual surplus		558,884	6,290,583	1,493,923
Accumulated surplus, beginning of year		6,796,699	6,796,699	5,302,776
Accumulated surplus, end of year		7,355,583	13,087,282	6,796,699

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

Wawakapewin First Nation
Consolidated Statement of Changes in Net Financial Assets (Net Debt)
For the year ended March 31, 2023

	2023 Budget	2023	2022
Annual surplus	1,030,708	6,290,583	1,493,923
Purchases of tangible capital assets	(200,521)	(7,876,236)	(2,112,794)
Amortization of tangible capital assets	285,000	454,192	388,109
Change in inventory held for use	-	38,410	(271,964)
Change in prepaid expenses	-	(1,646)	(5,836)
Increase (decrease) in net financial assets (net debt)	1,115,187	(1,094,697)	(508,562)
Net financial assets, beginning of year	436,607	436,607	945,169
Net financial assets (net debt), end of year	1,551,794	(658,090)	436,607

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

Wawakapewin First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	6,290,583	1,493,923
Non-cash items		
Amortization	454,192	388,109
	6,744,775	1,882,032
Changes in working capital accounts		
Accounts receivable	39,139	(337,570)
Accounts payable and accruals	417,315	(94,181)
Deferred revenue	(3,091,080)	2,474,364
Inventory held for use	38,410	(271,964)
Prepaid expenses	(1,646)	(5,836)
	4,146,913	3,646,845
Capital activity		
Purchases of tangible capital assets	(7,876,236)	(2,112,794)
Investing activities		
Portfolio investments	(265)	(422)
Restricted cash	2,056,397	(1,888,179)
	2,056,132	(1,888,601)
Change in cash resources	(1,673,191)	(354,550)
Cash resources, beginning of year	3,589,988	3,944,538
Cash resources, end of year	1,916,797	3,589,988

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

1. Nature of operations

Wawakapewin First Nation (the "First Nation") is located in the province of Ontario and provides various services to its Members. Wawakapewin First Nation includes the First Nation government and all related entities that are accountable to the First Nation that are either owned or controlled by the First Nation.

2. Change in accounting policy

Effective April 1, 2022, the First Nation adopted the PS 3280 *Asset Retirement Obligations* standard. The related impact on the First Nation's significant accounting policies is described in Note 3.

3. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting entity consolidated

These consolidated financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity. The First Nation has consolidated the assets, liabilities, revenue and expenses of Sheila Childforever Memorial Economic Development Corporation, a controlled organization. All inter-entity balances have been eliminated on consolidation.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash

Cash is comprised of balances with banks. Cash subject to restrictions, if any, is included in restricted cash.

Portfolio investments

Portfolio investments are valued at the lower of cost and market value.

Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Net financial assets (net debt)

The First Nation's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the First Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets, prepaid expenses and inventory held for use.

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

3. Significant accounting policies *(Continued from previous page)*

Inventory held for use

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Inventories are written down to net realizable value when the cost is not estimated to be recoverable. When circumstances that previously caused inventories to be written down below cost no longer exist, the amount of the write-down previously recorded is reversed.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records.

Assets under construction represents the total cost of assets being constructed that are not available for use. When the construction phase has been completed and the assets are available for use they are amortized according to the rates indicated below.

Amortization

Tangible capital assets are amortized annually using the straight-line method at the following rates which are intended to amortize the cost of the assets over their estimated useful lives. Assets under construction are not amortized until the assets are put into use. One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

	Years
Band housing	15
Generating station	15
General buildings	10
Heavy vehicles	5
Land improvement	15
Roads	10
Vehicles and equipment	3-5
Water and sewer infrastructure	15

Revenue recognition

Government transfers

Government transfer revenue, including, but not limited to, Indigenous Services Canada funding, is recognized as the funding becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with related department expenses in the year of their occurrence. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Ontario First Nations Limited Partnership

Revenue from Ontario First Nations Limited Partnership is recognized in the period in which the revenue was earned.

Other revenue

Investment and interest revenue is recognized on an accrual basis in the year that it is earned.

All other types of revenue are recognized by the First Nation when the services are provided or the goods are shipped and collectability is reasonably assured.

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

3. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Inventory is stated after provisions have been made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements and stipulations have been met on government transfer revenue and externally restricted revenue.

These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the statement of operations in the year in which they become known.

Liability for contaminated sites

A liability for remediation of contaminated sites is recognized at the best estimate of the amount required to remediate the contaminated sites when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2023.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

3. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through six reportable segments as identified below. These reportable segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions and to assess operational performance. For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment. These segments are differentiated by the major activities or services they provide. The First Nation's reportable segments are as follows:

Capital - includes capital projects, operations and maintenance of all on-reserve housing.

Economic Development - includes the activities of First Nation's economic development initiatives.

First Nation Management - includes governance and administration activities.

Health - includes health services provided to members of the First Nation.

Municipal Services - includes the development and maintenance of the community's infrastructure, buildings, roads and the provision of other more specialized community services.

Other - includes the planning, managing and delivery of large scale infrastructure and capital projects to the First Nation.

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

4. Accounts receivable

	2023	2022
Indigenous Services Canada	282,129	508,103
Members	57,982	62,809
Goods and Services Tax and Harmonized Sales Tax	118,201	93,452
Nishnawbe Aski Nation	171,532	49,252
Province of Ontario	57,383	12,750
	687,227	726,366
Less: Allowance for doubtful accounts	52,166	52,166
	635,061	674,200

The allowance for doubtful accounts pertains to accounts receivable from Members.

5. Portfolio investments

	2023	2022
Measured at cost:		
Guaranteed Investment Certificate, maturing August 2024, 1.90% interest per annum	106,330	106,065
Investment in 2472881 Ontario Inc. - 1 share (4.55% interest)	10	10
Investment in Ontario First Nations Limited Partnership - 1 unit (1.77% interest)	10	10
Ontario First Nations Sovereign Wealth LP - 1 share (0.77% interest)	1	1
OFN Asset Management GP Corp - 1 share (0.77% interest)	1	1
Investment in Ontario First Nations Limited Partnership - 1 unit (1.77% interest)	1	1
Thawikayhigan Limited Partnership - 100 units (16.64% interest)	100	100
2665686 Ontario Inc. - 20 shares (16.67% interest)	20	20
	106,473	106,208

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

6. Restricted cash

	2023	2022
Capital projects	529,123	2,586,051
Ottawa Trust Fund	36,085	35,554
	565,208	2,621,605

Capital projects

Funding received from Indigenous Services Canada and Canada Mortgage and Housing Corporation that must be used only on the construction of related capital projects has been recognized as restricted cash separate from cash resources.

Ottawa Trust Fund

The Ottawa Trust Fund arises 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 similarly governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned, when it is measurable and when collection is reasonably assured. Capital and Revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with consent of the First Nation's Chief and Council.

Capital trust \$3 (2022 - \$3); interest revenue \$nil (2022 - \$nil);
Revenue trust \$36,082 (2022 - \$35,551); interest revenue \$531 (2022 - \$903); land lease - Bell Canada \$nil (2022 - \$nil)

7. Accounts payable and accruals

	2023	2022
Trade payables and accruals	1,571,251	1,155,855
Related party - Shibogama First Nations Council (Note 14)	12,897	10,978
	1,584,148	1,166,833

8. Deferred revenue

	2023	2022
Indigenous Services Canada	2,274,781	3,877,578
Sioux Lookout Area Aboriginal Management Board	22,700	-
Ministry of Indigenous Relations and Reconciliation	-	4,705
Ministry of Long-Term Care	-	4,518
CMHC - Rapid Housing Initiative	-	1,501,760
	2,297,481	5,388,561

9. Contingencies

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. It has not yet been determined to what extent any funding amounts related to the year ended March 31, 2023 might be recovered.

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

10. Tangible capital assets

	2023	2022
Assets under construction		
Water treatment plant	3,459,595	3,146,013
Hydro compound	2,754,480	154,712
Garage	55,052	55,052
Community Electrical System Upgrade	-	399,379
Capital Housing Renovations	732,922	-
Housing Construction	443,497	-
DGS - Emergency Repairs	164,117	-
Rapid Housing Initiatives	2,909,781	-
Backup Power Project	113,196	-
	10,632,640	3,755,156
Tangible capital assets in use	2,740,178	2,195,618
	13,372,818	5,950,774

11. Accumulated surplus

	2023	2022
Invested in tangible capital assets	13,372,818	5,950,774
OFNLP - Internally restricted for future expenses	-	267,225
Drinking Water Settlement - Internally restricted for future expenses	200,000	-
Unrestricted accumulated surplus (deficit)	(521,621)	543,146
Ottawa Trust Fund	36,085	35,554
	13,087,282	6,796,699

12. Reconciliation of funding from Indigenous Services Canada

The Indigenous Services Canada ("ISC") revenue of \$5,366,628 (2022 – \$5,625,959) on the statement of operations and accumulated surplus agrees to the ISC confirmation.

13. Ontario First Nations Limited Partnership

Based on the agreement between the First Nation and Ontario First Nations Limited Partnership ("OFNLP"), the First Nation receives from OFNLP twelve monthly payments equal to one-twelfth of 1.7% of the aggregate provincial gross gaming revenue. The use of these funds, according to agreements, is restricted to community development, health, education, cultural development and economic development activities.

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2023

14. Related party transactions

During the year, the First Nation conducted the following transactions with Shibogama First Nations Council ("Shibogama"). The First Nation is a member of Shibogama. These transactions were recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2023	2022
Revenue - Administration fees and other	-	43,724
Expenses - Other	15,691	6,241

15. Line of credit

The First Nation has an approved operating line of credit of \$100,000 with interest to be charged at RBC prime interest rate plus 2.00% per annum. At March 31, 2023 and 2022, no amount was outstanding on the line of credit, and the prime rate was 7.20% (2022 - 4.70%).

16. Budget information

The disclosed budget information was approved by the Chief and Council of Wawakapewin First Nation on April 6, 2022.

17. Economic dependence

Wawakapewin First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

18. Compliance with laws and regulations

First Nations Financial Transparency Act

The First Nation was required to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 28, 2023. Since the audit report date is dated after this date, the First Nation has not complied with this requirement. The possible effect of this non-compliance has not yet been determined. The First Nation fully intends to post its consolidated financial statements on a website upon release of these consolidated financial statements.

Wawakapewin First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Assets under construction</i>	<i>Band housing</i>	<i>Building</i>	<i>Generating station</i>	<i>General buildings</i>	<i>Heavy vehicles</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	3,755,156	671,572	432,578	2,357,651	3,046,720	1,735,262	11,998,939
Acquisition of tangible capital assets	-	-	-	-	317,600	-	317,600
Construction-in-progress	7,276,863	-	-	-	-	-	7,276,863
Transfer to tangible capital assets	(399,379)	-	-	-	399,379	-	-
Balance, end of year	10,632,640	671,572	432,578	2,357,651	3,763,699	1,735,262	19,593,402
Accumulated amortization							
Balance, beginning of year	-	661,826	60,292	1,175,924	2,748,320	1,562,930	6,209,292
Annual amortization	-	5,771	24,117	130,842	79,189	115,864	355,783
Balance, end of year	-	667,597	84,409	1,306,766	2,827,509	1,678,794	6,565,075
Net book value of tangible capital assets	10,632,640	3,975	348,169	1,050,885	936,190	56,468	13,028,327
2022 Net book value of tangible capital assets	3,755,156	9,746	372,286	1,181,727	298,400	172,332	5,789,647

Wawakapewin First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2023

	<i>Subtotal</i>	<i>Land improvement</i>	<i>Roads</i>	<i>Vehicles and equipment</i>	<i>Water and sewer infrastructure</i>	2023	2022
Cost							
Balance, beginning of year	11,998,939	28,000	72,000	863,975	648,433	13,611,347	11,498,553
Acquisition of tangible capital assets	317,600	-	-	281,773	-	599,373	50,408
Construction-in-progress	7,276,863	-	-	-	-	7,276,863	2,062,386
Transfer to tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	19,593,402	28,000	72,000	1,145,748	648,433	21,487,583	13,611,347
Accumulated amortization							
Balance, beginning of year	6,209,292	28,000	72,000	709,827	641,454	7,660,573	7,272,464
Annual amortization	355,783	-	-	94,912	3,497	454,192	388,109
Balance, end of year	6,565,075	28,000	72,000	804,739	644,951	8,114,765	7,660,573
Net book value of tangible capital assets	13,028,327	-	-	341,009	3,482	13,372,818	5,950,774
2022 Net book value of tangible capital assets	5,789,647	-	-	154,148	6,979	5,950,774	

Wawakapewin First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2023

	2023	2022
Consolidated expenses by object		
Amortization	454,192	388,109
Bank charges and interest	7,502	8,829
Contingency	6,391	-
Economic development	5,947	-
Equipment rent	104,836	205,333
Food and beverage	14,272	-
Fuel and gas	132,678	401,563
Honoraria	174,499	120,198
Housing renovation	39,518	159,634
Insurance	73,728	66,967
Land based activities and supplies	225,019	74,151
Funding recovery	4,518	-
Materials	208,664	297,288
Office rent	582	-
Other	144,002	383,255
Monthly internet fees	28,680	28,680
Professional fees	305,433	197,578
Program delivery	80,420	295,466
Property management fees	2,520	11,400
Rent	18,822	12,810
Repairs and maintenance	438,223	425,805
Salaries and benefits	906,631	841,383
Supplies	311,023	338,075
Telephone	21,926	15,616
Training	54,101	10,000
Travel	476,951	364,494
	4,241,078	4,646,634

Wawakapewin First Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations
For the year ended March 31, 2023

	<i>Schedule #</i>	<i>Revenue</i>	<i>Expenses</i>	<i>Transfers From (To)</i>	<i>2023 Surplus (Deficit)</i>	<i>2022 Surplus (Deficit)</i>
Segments						
Capital	4	2,297,089	88,768	1,104,322	3,312,643	28,015
Economic Development	5	139,896	133,896	-	6,000	6,000
First Nation Management	6	1,012,167	1,392,497	(40,275)	(420,605)	(574,986)
Health	7	1,232,749	1,098,020	-	134,729	169,820
Municipal Services	8	1,135,019	1,112,301	48,695	71,413	156,448
Other	9	4,714,741	415,596	(1,112,742)	3,186,403	1,708,626
Total		10,531,661	4,241,078	-	6,290,583	1,493,923

Wawakapewin First Nation
Capital
Schedule 4 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	1,408,240	668,213
Canada Mortgage and Housing Corporation	-	1,501,760
Prior year funding recoveries and adjustments	-	(151,331)
Revenue deferred in prior year	1,813,383	33,462
Revenue deferred to subsequent year	(924,534)	(1,813,383)
	2,297,089	238,721
Expenses		
Bank charges and interest	642	-
Contingency	6,391	-
Housing renovation	39,518	159,634
Materials	23,390	212,777
Repairs and maintenance	18,827	36,625
	88,768	409,036
Surplus (deficit) before transfers	2,208,321	(170,315)
Transfers between segments	1,104,322	198,330
Surplus (deficit)	3,312,643	28,015

Wawakapewin First Nation
Economic Development
Schedule 5 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	36,000	36,000
Revenue deferred in prior year	103,896	121,081
Revenue deferred to subsequent year	-	(103,896)
	139,896	53,185
Expenses		
Honoraria	31,750	-
Other	34,902	2,162
Salaries and benefits	15,466	16,160
Supplies	-	968
Travel	51,778	27,895
	133,896	47,185
Surplus (deficit)	6,000	6,000

Wawakapewin First Nation
First Nation Management
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	221,883	651,230
Drinking Water Settlement	500,000	-
Other revenue	161,652	103,455
Revenue deferred in prior year	160,499	54,474
Revenue deferred to subsequent year	(31,867)	(160,499)
	1,012,167	648,660
Expenses		
Amortization	430,075	363,992
Bank charges and interest	5,347	7,546
Communication	12,300	61,889
Honoraria	137,445	120,198
Insurance	50,489	44,750
Materials	3,298	2,833
Office rent	582	-
Professional fees	194,288	153,797
Rent	12,810	12,810
Salaries and benefits	248,261	221,183
Supplies	82,168	111,047
Telephone	14,739	12,671
Training	15,866	-
Travel	184,829	110,930
	1,392,497	1,223,646
Surplus (deficit) before transfers	(380,330)	(574,986)
Transfers between segments	(40,275)	-
Surplus (deficit)	(420,605)	(574,986)

Wawakapewin First Nation
Health
Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	1,021,267	1,195,217
Ministry of Indigenous Relations and Reconciliation	-	120,600
Other revenue	278,614	322,298
Revenue deferred in prior year	628,685	497,389
Revenue deferred to subsequent year	(695,817)	(628,685)
	1,232,749	1,506,819
Expenses		
Food and beverage	14,272	-
Funding recovery	4,518	-
Land based activities and supplies	225,019	74,151
Materials	20,317	20,862
Other	80,852	267,133
Professional fees	3,013	3,150
Program delivery	80,420	295,466
Property management fees	-	9,000
Rent	6,012	-
Repairs and maintenance	-	26,461
Salaries and benefits	323,683	289,581
Supplies	110,885	152,003
Telephone	145	-
Training	34,621	10,000
Travel	194,263	189,192
	1,098,020	1,336,999
Surplus (deficit)	134,729	169,820

Wawakapewin First Nation
Municipal Services
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	836,447	1,271,254
Ministry of Northern Development and Mines	195,534	195,534
Other revenue	4,200	-
Revenue deferred in prior year	529,192	386,486
Revenue deferred to subsequent year	(430,354)	(529,192)
	1,135,019	1,324,082
Expenses		
Equipment rent	104,836	205,333
Fuel and gas	86,507	78,501
Insurance	9,406	9,108
Materials	157,136	28,296
Other	-	12,206
Repairs and maintenance	414,621	214,895
Salaries and benefits	194,765	207,829
Supplies	106,559	29,779
Telephone	3,000	-
Travel	35,471	28,689
	1,112,301	814,636
Surplus (deficit) before transfers	22,718	509,446
Transfers between segments	48,695	(352,998)
Surplus (deficit)	71,413	156,448

Wawakapewin First Nation
Other
Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada	1,842,791	1,804,045
Ministry of Indigenous Relations and Reconciliation	85,000	85,000
Ontario First Nations Limited Partnership	764,911	538,733
Other revenue	72,816	272,911
Reimbursement of FAM fees	11,226	-
Revenue deferred in prior year	2,152,906	1,821,307
Revenue deferred to subsequent year	(214,909)	(2,152,906)
	4,714,741	2,369,090
Expenses		
Amortization	24,117	24,117
Bank charges and interest	1,513	1,283
Economic development	5,947	-
Fuel and gas	46,171	323,062
Honouraria	5,304	-
Insurance	13,833	13,109
Materials	4,523	32,520
Monthly internet fees	28,680	28,680
Other	15,948	39,865
Professional fees	108,132	40,631
Property management fees	2,520	2,400
Repairs and maintenance	4,775	147,824
Salaries and benefits	124,456	106,630
Supplies	11,411	44,278
Telephone	4,042	2,945
Training	3,614	-
Travel	10,610	7,788
	415,596	815,132
Surplus (deficit) before transfers	4,299,145	1,553,958
Transfers between segments	(1,112,742)	154,668
Surplus (deficit)	3,186,403	1,708,626