

**Obashkaandagaang First Nation**  
**Consolidated Financial Statements**  
*March 31, 2017*

# Obashkaandagaang First Nation

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*For the year ended March 31, 2017*

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## Management's Responsibility

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To the Members and Chief and Council of Obashkaandagaang First Nation:

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

Management is responsible for the preparation and 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 principles 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 Obashkaandagaang First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is 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 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 Council and management to discuss their audit findings.

August 30, 2017

Original Signed By:  
DON MORRISON

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Don Morrison

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## Independent Auditors' Report

To the Members and to the Chief and Council of Obashkaandagaang First Nation:

We have audited the accompanying consolidated financial statements of Obashkaandagaang First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations, accumulated deficit, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse audit opinion.

### *Basis for Adverse Opinion*

Beginning January 01, 2009 generally accepted accounting policies required that the First Nation record the net value of the tangible capital assets in its consolidated financial statements. The First Nation has not applied these financial reporting standards and has not adjusted the value of tangible capital assets on its consolidated statement of financial position, nor has it recorded any related amortization or impairment in its consolidated statement of operations and accumulated deficit because the First Nation did not provide us with a complete capital asset register reflecting the total cost of tangible capital assets owned by the First Nation and any impairment or related amortization attributable to each of those assets. We were unable to determine the new value of the tangible capital assets that should have been recorded as an asset and the related amortization or impairment that should have been recorded as an expense in the current and prior period. The effect on the consolidated financial statements of the failure to record tangible capital assets has not been determined.

In addition, we were unable to obtain sufficient, appropriate audit evidence to support various balances in expenses and we were unable to satisfy ourselves with respect to the completion of revenue in the Washagamis Bay Investment Corporation. As such, we were unable to determine what adjustments, if any, might have been necessary to the consolidated statements of operations and accumulated deficit and change in net debt.

### *Adverse Opinion*

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraphs, the consolidated financial statements do not present fairly the financial position of Obashkaandagaang First Nation as at March 31, 2017 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Kenora, Ontario

August 30, 2017



Chartered Professional Accountants

Licensed Public Accountants

# Obashkaandagaang First Nation

## Consolidated Statement of Financial Position

*As at March 31, 2017*

	2017	2016
<b>Financial assets</b>		
<b>Current</b>		
Cash (Note 3)	1,019,328	570,484
Accounts receivable (Note 4)	394,468	149,785
	1,413,796	720,269
<b>Investments in First Nation Partnerships (Note 5)</b>	4,099	-
<b>Funds held in Ottawa Trust Fund (Note 6), (Note 7)</b>	91,760	90,090
<b>Total financial assets</b>	1,509,655	810,359
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals (Note 8)	306,519	308,281
Deferred revenue (Note 9)	961,151	329,430
Repayable to Funders (Note 10)	129,804	12,275
	1,397,474	649,986
<b>Long-term debt (Note 11)</b>	1,221,861	1,223,841
<b>Total liabilities</b>	2,619,335	1,873,827
<b>Net debt</b>	(1,109,680)	(1,063,468)
<b>Contingent liabilities (Note 14)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 2)	758,899	730,999
Prepaid expenses	-	73,745
<b>Total non-financial assets</b>	758,899	804,744
<b>Accumulated deficit</b>	(350,781)	(258,724)
<b>Approved on behalf of the Council</b>		
Original Signed By: MARILYN SINCLAIR	Chief	Original Signed By: BRENDA CHARTRAND
		Original Signed By: ARVEL CHERRY
		Original Signed By: STARLA LEDOUX
		Councillor
		Councillor
		Councillor

# Obashkaandagaang First Nation

## Consolidated Statement of Operations and Accumulated Deficit

*For the year ended March 31, 2017*

	<i>Schedules</i>	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>				
Indigenous and Northern Affairs Canada (Note 12)		1,864,827	2,071,099	1,523,201
First Nations and Inuit Health (Note 12)		338,577	318,384	277,472
Canada Mortgage and Housing Corporation (Note 12)		-	20,570	-
Ministry of Community and Social Services (Note 12)		394,892	593,713	487,318
Ontario First Nations Limited Partnership		518,515	518,515	461,533
Kenora Chiefs Advisory		270,353	271,353	173,433
Cottage Lot Fees		-	267,994	261,042
Ministry of Indigenous Relations & Reconciliation (Note 12)		145,000	145,000	141,026
Miscellaneous		-	60,622	42,621
Shooniyaa Wa-Biitong		44,958	60,011	61,528
Rental income		18,000	56,939	59,690
Ministry of Education (Note 12)		50,654	50,654	48,635
Ministry of Health and Long-Term Care (Note 12)		35,349	35,349	15,621
Grand Council Treaty #3		22,571	30,382	-
National Energy Board		-	30,000	-
Aboriginal Economic Development Fund		-	10,000	-
Kakina Economic Development Group LP		-	3,998	-
Administration		-	-	62,297
User fees		-	-	3,967
Interest income		-	-	202
Deferred revenue - prior year (Note 9)		-	329,430	267,569
Deferred revenue - current year (Note 9)		-	(961,151)	(329,430)
Repayment of funding		-	(117,529)	(18,880)
		<b>3,703,696</b>	<b>3,795,333</b>	<b>3,538,845</b>
<b>Expenses</b>				
Administration	3	383,040	500,435	582,160
Education	4	1,006,650	937,841	756,460
Operations and Maintenance	5	163,624	378,497	193,956
Social Assistance	6	879,246	1,076,644	830,245
Health	7	365,781	301,430	345,661
Minor Capital	8	234,116	137,720	238,903
Ontario First Nations Limited Partnership	9	469,691	108,285	242,139
Land Management	10	446,538	446,538	331,834
<b>Total expenses (Schedule 1)</b>		<b>3,948,686</b>	<b>3,887,390</b>	<b>3,521,358</b>
<b>Surplus (deficit)</b>		<b>(244,990)</b>	<b>(92,057)</b>	<b>17,487</b>
<b>Accumulated deficit, beginning of year</b>		<b>-</b>	<b>(258,724)</b>	<b>(276,211)</b>
<b>Accumulated deficit, end of year</b>		<b>(244,990)</b>	<b>(350,781)</b>	<b>(258,724)</b>

The accompanying notes are an integral part of these financial statements

# Obashkaandagaang First Nation

## Consolidated Statement of Change in Net Debt

*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Annual surplus (deficit)</b>	<b>(244,990)</b>	<b>(92,057)</b>	17,487
Purchases of tangible capital assets	-	<b>(27,900)</b>	(157,130)
Acquisition of prepaid expenses	-	-	(73,752)
Use of prepaid expenses	-	<b>73,745</b>	-
<b>Increase in net debt</b>	<b>(244,990)</b>	<b>(46,212)</b>	(213,395)
<b>Net debt, beginning of year</b>	<b>(1,063,468)</b>	<b>(1,063,468)</b>	(850,073)
<b>Net debt, end of year</b>	<b>(1,308,458)</b>	<b>(1,109,680)</b>	(1,063,468)

# Obashkaandagaang First Nation

## Consolidated Statement of Cash Flows

*For the year ended March 31, 2017*

	2017	2016
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus (deficit)	(92,057)	17,487
Changes in working capital accounts		
Accounts receivable	(244,688)	146,304
Prepaid expenses	73,745	(73,752)
Accounts payable and accruals	(1,757)	(80,696)
Deferred revenue	631,721	61,861
Repayable to funders	117,529	(209,879)
	<b>484,493</b>	<b>(138,675)</b>
<b>Financing activities</b>		
Advances of long-term debt	189,441	229,869
Repayment of long-term debt	(191,421)	(181,243)
Increase in Funds Held in Ottawa Trust Fund	(1,670)	(1,871)
	<b>(3,650)</b>	<b>46,755</b>
<b>Capital activities</b>		
Purchases of tangible capital assets	(27,900)	(157,130)
<b>Investing activities</b>		
Investment in Kakina Economic Development Group LP	(4,099)	-
<b>Increase (decrease) in cash resources</b>	<b>448,844</b>	<b>(249,050)</b>
<b>Cash resources, beginning of year</b>	<b>570,484</b>	<b>819,534</b>
<b>Cash resources, end of year</b>	<b>1,019,328</b>	<b>570,484</b>
<b>Supplementary cash flow information</b>		
Interest paid	17,184	18,292
Interest received	-	202



# Obashkaandagaang First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2017*

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### 1. Operations

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

### 2. Significant accounting policies

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

#### **Reporting entity**

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities. Trusts administered on behalf of third parties by Obashkaandagaang First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Obashkaandagaang First Nation
- Washagamis Bay Investment Corporation

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

#### **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 and cash equivalents**

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

#### **Funds held in Ottawa Trust Fund**

The funds held in trust in the consolidated revenue fund of the Government of Canada are subject to audit by the office of the Auditor General of Canada. Revenue from the funds held in trust are recognized in the year in which it is earned when it is measurable and collection is reasonably assured. Trust monies consist of:

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

#### **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 and prepaid expenses.

#### **Net Debt**

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

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

***Tangible capital assets***

Tangible capital assets were historically all expensed. Beginning January 1, 2009, generally accepted accounting policies required that the First Nation record the net value of the tangible capital assets in the consolidated financial statements. The First Nation has not yet applied these new financial reporting standards and has not applied the value of all its tangible capital assets on its consolidated statement of financial position, nor has it recorded any related amortization on its consolidated statement of operations. In 2014 the First Nation started to capitalize construction costs related to the Elders' Centre. At March 31, 2017 the construction in process relating to the Elders' Centre was \$677,999 (2016 - \$677,999). In the current year, \$27,900 was also capitalized for automotive equipment. No amortization has been recorded.

***Revenue recognition***

***Funding***

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

***Government Transfers***

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

***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. These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in the records in the periods in which they become known.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Accounts payable and accruals are based on historical charges for unbilled goods and services at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the periods in which they become known.

***Long-lived assets***

Long-lived assets consist of tangible capital assets. The First Nation performs impairment testing on long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Any impairment is included in surplus (deficit) for the year.

# Obashkaandagaang First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2017*

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### 2. Significant accounting policies *(Continued from previous page)*

#### **Segments**

The First Nation conducts its business through eight reportable segments: Administration, Education, Operations and Maintenance, Social Assistance, Health, Minor Capital, Ontario First Nations Limited Partnership and Land Management. These operating 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 and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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.

#### **Investments in First Nation Business Partnerships**

First Nation Business Partnerships that are neither controlled by the First Nation nor dependent on the First Nation for their continued operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

### 3. Cash

	<b>2017</b>	<b>2016</b>
Royal Bank of Canada	<b>642,750</b>	197,700
Trust Accounts	<b>179,837</b>	76,043
TD Bank of Canada	<b>2,632</b>	2,632
Federal and Provincial Claims	<b>194,109</b>	294,109
	<b>1,019,328</b>	570,484

### 4. Accounts receivable

	<b>2017</b>	<b>2016</b>
Indigenous and Northern Affairs Canada	<b>234,088</b>	80,507
Shooniyaa Wa-Biitong	<b>78,221</b>	58,898
Due to/from Obashkaandagaang CMHC	<b>21,300</b>	-
CMHC subsidy assistance receivable	<b>20,570</b>	-
Harmonized Sales Tax Recievable	<b>19,047</b>	2,569
Ministry of Community and Social Services	<b>16,551</b>	-
Other accounts receivable	<b>4,691</b>	1,648
Payroll Advances	<b>-</b>	6,163
	<b>394,468</b>	149,785

**Obashkaandagaang First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

**5. Investment in First Nation Partnerships**

	<b>2017</b>	<b>2016</b>
<b>Kakina Economic Development Group LP</b>		
Partnership Units - 99,999 (10% interest)	<b>1</b>	-
Income earned, less distributed	<b>3,998</b>	-
	<b>3,999</b>	-
<b>Kakina Economic Development Group GP</b>		
100 Shares	<b>100</b>	-
	<b>4,099</b>	-

The following table presents condensed financial information for the limited partnership accounted for using the modified equity basis:

<b>As at March 31, 2017</b>	<b>Kakina Economic Development Group LP (audited)</b>
Current assets	88,016
Current liabilities	48,025
Partners' capital	39,991
Total liabilities and partners' capital	88,016
Revenue	138,219
Expenses	98,239
Net income	39,980

**6. Funds held in Ottawa Trust Fund**

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Council.

	<b>2017</b>	<b>2016</b>
<b>Capital Trust</b>		
Balance, beginning of year	<b>26,109</b>	26,109
Balance, end of year	<b>26,109</b>	26,109
<b>Revenue Trust</b>		
Balance, beginning of year	<b>63,981</b>	62,110
Interest	<b>1,670</b>	1,871
Balance, end of year	<b>65,651</b>	63,981
	<b>91,760</b>	90,090

**Obashkaandagaang First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

**7. Washagamis Bay Investment Corporation**

At March 31, 2017 the Washagamis Bay Investment Corporation had a balance owing to Indigenous and Northern Affairs Canada (INAC) in trust of Obashkaandagaang First Nation (the "First Nation") in the amount of \$711,600 (March 31, 2016 - \$643,200) that related to arrears in land lease payments for the years from 2004 - 2017.

Those funds, once flowed to INAC, will be deposited into the Ottawa Trust Fund in trust of the First Nation.

For the purposes of the consolidated financial statements, the balances owed have been reflected as follows:

Washagamis Bay Investment Corporation payable to INAC \$711,600

Obashkaandagaang First Nation receivable from the Ottawa Trust Fund \$711,600

These balances have been netted against each other upon consolidation.

**8. Accounts payable and accruals**

	2017	2016
Trade payables and accruals	295,315	297,857
Government remittances	11,204	10,424
	<b>306,519</b>	<b>308,281</b>

**9. Deferred Revenue**

Segment	Balance, March 31, 2016	Funding Received 2017	Other Revenue 2017	Revenue Recognized 2017	Balance March 31, 2017
Administration	-	265,624	396,617	652,241	10,000
Education	-	982,585	-	928,854	53,731
Minor Capital	-	175,650	109,520	199,597	85,573
Operations & Maintenance	236,496	381,328	-	338,979	278,845
Health	-	-	358,576	328,194	30,382
Ontario First Nations Limited Partnership	92,934	-	518,515	108,829	502,620
	<b>329,430</b>	<b>1,805,187</b>	<b>1,383,228</b>	<b>2,556,694</b>	<b>961,151</b>

**10. Repayable to Funders**

	2017	2016
Indigenous and Northern Affairs Canada	129,668	12,275
First Nations and Inuit Health	136	-
	<b>129,804</b>	<b>12,275</b>

**Obashkaandagaang First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

**11. Long-term debt**

	<b>2017</b>	<b>2016</b>
INAC Flooding Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2021 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	<b>588,351</b>	492,556
RBC Elders Centre non-revolving term facility, repayable in blended monthly payments of principal and interest in the amount of \$13,861, bearing interest at 4.75%, secured by a general security agreement and irrevocable letter of direction to Ontario First Nations Limited Partnership directing all funds to be deposited into an account maintained at the Royal Bank of Canada. Maturing January 2018.	<b>135,866</b>	291,635
INAC Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2021 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	<b>389,300</b>	295,654
CMHC loan, repayable in blended monthly payments of principal and interest in the amount of \$2,308, bearing interest at 4.5%. Secured by a Ministerial guarantee. Maturing 2020.	<b>73,908</b>	98,952
RBC School Bus non-revolving term facility, repayable in monthly payments of \$884 plus interest, bearing interest at 5.5%, secured by the 2010 Blue Bird Vision School Bus with a net book value at March 31, 2017 of \$53,000.	<b>34,436</b>	45,044
	<b>1,221,861</b>	1,223,841

Principal repayments on long-term debt in each of the next four years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	<b>Principal</b>
2018	171,353
2019	36,630
2020	33,614
2021	980,264

Interest on long-term debt amounted to \$17,184 (2016 - \$18,292).

**Obashkaandagaang First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

**12. Government transfers**

	Operating	Capital	2017	2016
<b>Federal government transfers</b>				
Indigenous and Northern Affairs Canada	2,071,099	-	2,071,099	1,523,201
First Nations and Inuit Health	318,384	-	318,384	277,472
Canada Mortgage and Housing Corporation	20,570	-	20,570	-
<b>Total Federal</b>	<b>2,410,053</b>	<b>-</b>	<b>2,410,053</b>	<b>1,800,673</b>
<b>Provincial government transfers</b>				
Ministry of Community and Social Services	593,713	-	593,713	487,318
Ministry of Indigenous Relations & Reconciliation	145,000	-	145,000	141,026
Ministry of Education	50,654	-	50,654	48,635
Ministry of Health and Long-Term Care	35,349	-	35,349	15,621
<b>Total Provincial</b>	<b>824,716</b>	<b>-</b>	<b>824,716</b>	<b>692,600</b>
	<b>3,234,769</b>	<b>-</b>	<b>3,234,769</b>	<b>2,493,273</b>

**13. Ontario First Nations Limited Partnership**

Commencing with the 2012 fiscal year end and in each fiscal year thereafter during the initial and renewal terms of the agreement between the Province of Ontario and the Ontario First Nations Limited Partnership (OFNLP), the Province of Ontario shall pay to the OFNLP 12 monthly payments equal to one-twelfth of the 1.7% of the aggregate provincial gross gaming revenues. OFNLP then distributes to the First Nation its share of these revenues according to a formula used for that purpose. The use of these funds, according to agreements, is restricted to community development, health, education, cultural development and economic development.

**14. Contingent liabilities**

The First Nation has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

**15. Economic dependence**

Obashkaandagaang First Nation receives 54% (2016 - 43%) of its revenue from Indigenous and Northern Affairs Canada (INAC) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by INAC 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.

**16. Budget information**

The disclosed budget information has been approved by the Chief and Council and presented to the members of the Obashkaandagaang First Nation.

**17. First Nations Financial Transparency Act**

The First Nation is required by the First Nations Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to INAC by July 31, 2017. As the audit report is dated after this date, the First Nation is not in compliance with this requirement. The possible effect of this non-compliance has not yet been determined.

**18. Comparative figures**

Certain comparative figures have been reclassified to conform with current year's presentation.

**Obashkaandagaang First Nation**  
**Schedule 1 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Consolidated expenses by object</b>			
Administration	123,572	79,086	68,766
Bad debts	-	5,663	-
Bank charges and interest	3,500	6,644	20,542
Bottled water expense	25,688	9,520	45,553
Child care	65,854	65,854	42,170
Community donations	-	34,955	21,825
Community events	26,771	15,624	39,734
Contracted services	489,560	499,131	293,514
Employee benefits	-	6,000	3,200
Employee related expenses	3,000	10,952	20,485
Fuel and oil	16,700	2,097	3,292
Funeral	-	7,000	-
Furniture and equipment	-	13,302	-
Honoraria	19,800	126,453	44,222
Income support	-	2,000	21,100
Insurance	30,000	14,375	24,558
Interest on long-term debt	10,000	18,881	20,155
Meeting	2,800	1,300	10,102
Miscellaneous	4,055	37,863	425
Office rent	500	8,047	-
Pow-wow	-	38,944	41,382
Professional fees	492,820	395,268	410,669
Program expense	116,778	153,354	134,258
Rent	28,041	18,535	29,131
Repairs and maintenance	144,616	105,222	73,866
Salaries and benefits	1,008,293	875,753	921,590
Social assistance	388,300	463,869	313,034
Supplies	79,446	67,093	58,897
Telephone and internet	21,228	11,511	42,454
Training	19,391	13,046	14,903
Transportation	52,705	-	33,187
Travel	185,325	227,950	161,042
Tuition	562,300	526,510	578,776
Utilities	27,643	25,588	28,526
	<b>3,948,686</b>	<b>3,887,390</b>	<b>3,521,358</b>



**Obashkaandagaang First Nation**

**Schedule 2 - Summary of Consolidated Schedules of Revenue and Expenses by Segment**

*For the year ended March 31, 2017*

	<i>Schedule #</i>	<i>INAC Revenue</i>	<i>Other Revenue</i>	<i>Deferred Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Administration	3	266,396	399,842	(10,000)	656,238	494,037	544	162,745
Education	4	1,072,025	(89,440)	(53,731)	928,854	928,854	-	-
Operations and Maintenance	5	381,328	-	(42,349)	338,979	378,497	-	(39,518)
Social Assistance	6	175,700	886,553	-	1,062,253	1,076,644	-	(14,391)
Health	7	-	385,965	(30,382)	355,583	328,819	-	26,764
Minor Capital	8	175,650	109,520	(85,573)	199,597	125,716	-	73,881
Ontario First Nations Limited Partnership	9	-	518,515	(409,686)	108,829	108,285	(544)	-
Land Management	10	-	145,000	-	145,000	446,538	-	(301,538)
		<b>2,071,099</b>	<b>2,355,955</b>	<b>(631,721)</b>	<b>3,795,333</b>	<b>3,887,390</b>	<b>-</b>	<b>(92,057)</b>

**Obashkaandagaang First Nation**  
**Administration**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	256,932	266,396	265,743
Cottage Lot Fees	-	267,994	261,042
Miscellaneous	-	60,622	42,621
National Energy Board	-	30,000	-
Rental income	18,000	28,000	28,500
Aboriginal Economic Development Fund	-	10,000	-
Kakina Economic Development Group LP	-	3,998	-
Administration	-	-	62,297
Deferred revenue - current year (Note 9)	-	(10,000)	-
Repayment of funding	-	(772)	-
	<b>274,932</b>	<b>656,238</b>	<b>660,203</b>
<b>Expenses</b>			
Bad debts	-	5,663	-
Bank charges and interest	2,500	5,400	19,535
Community donations	-	34,955	21,825
Community events	3,500	1,572	240
Contracted services	153,307	61,474	150,500
Employee benefits	-	6,000	3,200
Honoraria	-	112,653	9,188
Insurance	30,000	2,901	9,742
Interest on long-term debt	10,000	13,709	17,008
Miscellaneous	2,500	23,749	425
Pow-wow	-	27,123	31,250
Professional fees	25,000	34,504	126,097
Program expense	1,500	278	503
Repairs and maintenance	1,000	42,298	2,639
Salaries and benefits	74,823	52,073	131,115
Supplies	14,500	6,319	2,860
Telephone and internet	18,000	6,295	40,143
Travel	31,410	37,074	15,890
Tuition	-	8,250	-
Utilities	15,000	4,747	-
Funeral	-	7,000	-
	<b>383,040</b>	<b>494,037</b>	<b>582,160</b>
<b>Surplus (deficit) before transfers</b>	<b>(108,108)</b>	<b>162,201</b>	<b>78,043</b>
<b>Transfers between segments</b>	<b>-</b>	<b>544</b>	<b>22,330</b>
<b>Surplus (deficit)</b>	<b>(108,108)</b>	<b>162,745</b>	<b>100,373</b>

**Obashkaandagaang First Nation**  
**Education**

**Schedule 4 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	1,075,145	1,072,025	761,475
Repayment of funding	-	(89,440)	-
Deferred revenue - current year (Note 9)	-	(53,731)	-
	<b>1,075,145</b>	<b>928,854</b>	<b>761,475</b>
<b>Expenses</b>			
Administration	73,606	40,300	-
Community events	6,700	-	-
Contracted services	10,000	10,000	-
Income support	-	2,000	2,000
Insurance	-	-	4,144
Interest on long-term debt	-	3,475	1,284
Professional fees	49,526	49,526	3,000
Program expense	36,870	53,785	13,628
Rent	2,000	-	2,000
Repairs and maintenance	31,619	18,349	-
Salaries and benefits	144,993	146,044	102,456
Supplies	4,700	31,000	10,400
Training	13,588	11,588	-
Transportation	52,705	-	33,187
Travel	18,043	44,527	5,585
Tuition	562,300	518,260	578,776
	<b>1,006,650</b>	<b>928,854</b>	<b>756,460</b>
<b>Surplus (deficit)</b>	<b>68,495</b>	<b>-</b>	<b>5,015</b>

**Obashkaandagaang First Nation**  
**Operations and Maintenance**  
**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	164,423	381,328	202,350
Rental income	-	-	4,871
User fees	-	-	3,967
Deferred revenue - prior year (Note 9)	-	236,496	267,569
Deferred revenue - current year (Note 9)	-	(278,845)	(236,496)
	164,423	338,979	242,261
<b>Expenses</b>			
Administration	450	450	11,151
Contracted services	22,272	268,071	18,013
Insurance	-	1,269	5,538
Program expense	-	-	18,538
Rent	13,170	8,535	12,260
Repairs and maintenance	16,349	14,979	31,394
Salaries and benefits	81,285	73,029	70,376
Supplies	1,179	1,057	7,881
Telephone and internet	3,228	2,592	957
Training	35	35	-
Travel	18,015	839	7,235
Utilities	7,641	7,641	10,613
	163,624	378,497	193,956
<b>Surplus (deficit)</b>	799	(39,518)	48,305

**Obashkaandagaang First Nation**  
**Social Assistance**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	174,900	175,700	117,600
Ministry of Community and Social Services	394,892	593,713	487,318
Kenora Chiefs Advisory	233,018	234,018	134,348
Ministry of Education	50,654	50,654	48,635
Ministry of Health and Long-Term Care	35,349	35,349	15,621
Shooniyaa Wa-Biitong	4,270	-	11,808
Repayment of funding	-	(27,181)	(18,880)
	<b>893,083</b>	<b>1,062,253</b>	<b>796,450</b>
<b>Expenses</b>			
Administration	12,000	6,612	15,940
Bank charges and interest	1,000	1,219	994
Child care	65,854	65,854	42,170
Community events	-	-	3,568
Contracted services	7,500	6,724	37
Employee related expenses	3,000	10,952	20,485
Fuel and oil	1,700	369	341
Furniture and equipment	-	13,302	-
Income support	-	-	19,100
Meeting	-	-	3,094
Miscellaneous	1,555	1,555	-
Office rent	-	1,429	-
Professional fees	266	11,946	5,000
Program expense	59,088	82,708	94,072
Rent	12,000	10,000	14,000
Repairs and maintenance	-	1,929	-
Salaries and benefits	289,824	327,520	222,620
Social assistance	388,300	463,869	313,034
Supplies	9,896	3,895	20,206
Training	3,757	1,123	7,498
Travel	23,506	64,838	46,786
Utilities	-	800	1,300
	<b>879,246</b>	<b>1,076,644</b>	<b>830,245</b>
<b>Surplus (deficit)</b>	<b>13,837</b>	<b>(14,391)</b>	<b>(33,795)</b>

**Obashkaandagaang First Nation  
Health**

**Schedule 7 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
First Nations and Inuit Health	338,577	318,384	277,472
Kenora Chiefs Advisory	37,335	37,335	39,085
Grand Council Treaty #3	22,571	30,382	-
Deferred revenue - current year (Note 9)	-	(30,382)	-
Repayment of funding	-	(136)	-
	<b>398,483</b>	<b>355,583</b>	<b>316,557</b>
<b>Expenses</b>			
Administration	25,377	31,723	29,139
Bank charges and interest	-	12	4
Bottled water expense	-	-	45,553
Community events	16,571	14,052	31,880
Contracted services	23,240	25,343	22,620
Fuel and oil	15,000	1,728	2,951
Insurance	-	2,291	-
Office rent	500	6,618	-
Program expense	19,320	16,584	7,518
Rent	871	-	871
Repairs and maintenance	39,071	14,320	1,036
Salaries and benefits	188,043	173,908	177,963
Supplies	26,964	24,458	4,916
Telephone and internet	-	237	235
Training	1,665	300	-
Travel	4,159	11,734	12,339
Utilities	5,000	5,511	8,636
	<b>365,781</b>	<b>328,819</b>	<b>345,661</b>
<b>Surplus (deficit)</b>	<b>32,702</b>	<b>26,764</b>	<b>(29,104)</b>

**Obashkaandagaang First Nation**  
**Minor Capital**  
**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	193,427	175,650	176,033
Canada Mortgage and Housing Corporation	-	20,570	-
Shooniyaa Wa-Biitong	40,689	60,011	49,720
Rental income	-	28,939	26,319
Deferred revenue - current year (Note 9)	-	(85,573)	-
	<b>234,116</b>	<b>199,597</b>	<b>252,072</b>
<b>Expenses</b>			
Administration	5,775	-	4,972
Contracted services	41,000	24,599	39,602
Insurance	-	7,915	5,134
Professional fees	10,000	-	-
Repairs and maintenance	56,577	13,347	38,797
Salaries and benefits	95,647	68,522	117,577
Supplies	22,207	364	12,635
Telephone and internet	-	2,387	1,119
Training	346	-	7,405
Travel	2,564	-	1,828
Utilities	-	6,885	7,971
Interest on long-term debt	-	1,697	1,863
	<b>234,116</b>	<b>125,716</b>	<b>238,903</b>
<b>Surplus (deficit) before transfers</b>	-	<b>73,881</b>	<b>13,169</b>
<b>Transfers between segments</b>	-	-	<b>104,130</b>
<b>Surplus (deficit)</b>	-	<b>73,881</b>	<b>117,299</b>

**Obashkaandagaang First Nation**  
**Ontario First Nations Limited Partnership**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
Ontario First Nations Limited Partnership	518,515	518,515	461,533
Deferred revenue - prior year (Note 9)	-	92,934	-
Deferred revenue - current year (Note 9)	-	(502,620)	(92,934)
	<b>518,515</b>	<b>108,829</b>	<b>368,599</b>
<b>Expenses</b>			
Bank charges and interest	-	13	10
Bottled water expense	25,688	9,520	-
Community events	-	-	4,047
Contracted services	156,371	1,636	-
Miscellaneous	-	12,559	-
Pow-wow	-	11,821	10,132
Professional fees	150,000	32,402	112,074
Salaries and benefits	112,632	34,658	74,899
Travel	25,000	5,676	40,977
	<b>469,691</b>	<b>108,285</b>	<b>242,139</b>
<b>Surplus before transfers</b>	<b>48,824</b>	<b>544</b>	<b>126,460</b>
<b>Transfers between segments</b>	<b>-</b>	<b>(544)</b>	<b>(126,460)</b>
<b>Surplus (deficit)</b>	<b>48,824</b>	<b>-</b>	<b>-</b>



**Obashkaandagaang First Nation**  
**Land Management**  
**Schedule 10 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Revenue</b>			
Ministry of Indigenous Relations & Reconciliation	<b>145,000</b>	<b>145,000</b>	141,026
Interest income	-	-	202
	<b>145,000</b>	<b>145,000</b>	141,228
<b>Expenses</b>			
Administration	<b>6,364</b>	-	7,564
Contracted services	<b>75,870</b>	<b>101,285</b>	62,743
Honoraria	<b>19,800</b>	<b>13,800</b>	35,034
Meeting	<b>2,800</b>	<b>1,300</b>	7,007
Professional fees	<b>258,028</b>	<b>266,891</b>	164,498
Salaries and benefits	<b>21,047</b>	-	24,585
Travel	<b>62,629</b>	<b>63,262</b>	30,403
	<b>446,538</b>	<b>446,538</b>	331,834
<b>Deficit</b>	<b>(301,538)</b>	<b>(301,538)</b>	(190,606)