

Washagamis Bay First Nation
Consolidated Financial Statements
March 31, 2022

Washagamis Bay First Nation

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For the year ended March 31, 2022

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Management's Responsibility for Financial Reporting

To the Chief and Council and Members of Washagamis Bay First Nation,

The accompanying consolidated financial statements of Washagamis Bay First Nation (the "First Nation") are the responsibility of and approved by Chief and Council.

Chief and Council 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 judgement is required.

In discharging its responsibilities for 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 the consolidated financial statements.

The First Nation's 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 fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

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

Chief and Council of Washagamis Bay First Nation




Chief



Councillor

Councillor



Councillor

November 9, 2022



Independent Auditors' Report

To the members of Washagamis Bay First Nation

Opinion

We have audited the accompanying consolidated financial statements of Washagamis Bay First Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, change in net financial 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Washagamis Bay First Nation as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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 Financial Statements section of our report. We are independent of Washagamis Bay First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities 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 public sector accounting standards, 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 Washagamis Bay 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 Washagamis Bay First Nation or to cease operations, or has no realistic alternative but to do so.

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

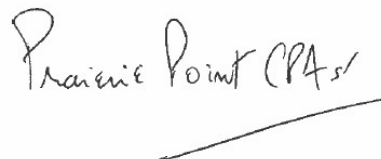
Auditor's Responsibilities for the Audit of the Financial Statements

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 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 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 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 my 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 Washagamis Bay 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 Washagamis Bay 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 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 Washagamis Bay 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.

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.

A handwritten signature in dark ink that reads "Prairie Point CPAs". The signature is written in a cursive, flowing style. Below the signature is a long, horizontal, slightly wavy line that serves as a separator or underline.

CHARTERED PROFESSIONAL ACCOUNTANTS

Winnipeg, Manitoba
November 9, 2022

Washagamis Bay First Nation
Consolidated Statement of Financial Position
As at March 31, 2022

2022 2021

Financial assets

Cash (Note 3)	1,748,739	3,840,887
Accounts receivable (Note 4)	1,441,803	971,614
Portfolio Investments (Note 5)	60,104	60,104
Restricted Cash (Note 6)	100,558	98,994
Due from Indigenous Services Canada (Note 7)	894,000	894,000
Total financial assets	4,245,204	5,865,599

Liabilities

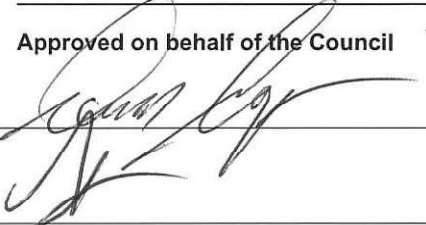
Accounts payable and accruals (Note 8)	557,898	688,738
Deferred revenue (Note 9)	1,698,125	2,814,642
Long term debt (Note 12)	1,819,377	1,819,377
Provision for landfill closure (Note 11)	75,000	75,000
Due to Indigenous Services Canada (Note 7)	894,000	894,000
Total liabilities	5,044,400	6,291,757
Net financial debt	(799,196)	(426,158)

Contingent liabilities (Note 15)

Non-financial assets

Tangible capital assets (Note 14)	20,950,715	17,488,118
Total non-financial assets	20,950,715	17,488,118
Accumulated surplus	20,151,519	17,061,960

Approved on behalf of the Council



Chief



Councillor

Councillor

Councillor

The accompanying notes are an integral part of these financial statements

Washagamis Bay First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2022

	2022 <i>Budget (unaudited)</i>	2022	2021
Revenue			
Indigenous Services Canada (Note 13)	1,621,935	4,514,529	9,482,407
Ontario First Nations Limited Partnership	-	337,791	557,087
Ministry of Community and Social Services (Note 13)	344,658	1,009,987	670,658
First Nations and Inuit Health (Note 13)	180,230	296,896	402,406
Ministry of Education (Note 13)	33,862	15,144	121,951
Kenora Chief's Advisory	75,161	397,739	422,875
Miscellaneous	11,737	121,247	191,871
Cottage Lot Fees	11,575	20,915	42,464
Ministry of Indigenous Affairs (Note 13)	-	190,281	244,900
Ministry of Health and Long-Term Care (Note 13)	25,055	90,655	88,505
Administration	-	-	196,091
Grand Council Treaty #3	-	616,031	458,728
Rental income	8,469	431,006	313,476
Shooniyaa Wa-Biitong	-	13,112	193,747
Canada Mortgage and Housing Corporation (Note 13)	-	2,156,854	-
Bimose Tribal Council	-	12,079	69,996
Deferred revenue - prior year (Note 9)	-	2,814,642	4,555,969
Deferred revenue - current year (Note 9)	-	(1,698,125)	(2,814,642)
Repayment of funding	-	(20,878)	-
	2,312,682	11,319,905	15,198,489
Expenses			
Administration	562,762	1,850,112	1,440,834
Education	623,173	1,712,043	2,394,314
Operations and Maintenance	150,036	439,137	582,994
Social Assistance	637,987	1,808,470	1,821,748
Health	322,047	902,859	894,183
Minor Capital	1,004,330	4,820,560	9,445,647
Ontario First Nations Limited Partnership	-	1,900	2,589
Land Management	82,453	245,994	182,797
Washagamis Bay Investment Corporation	-	422,532	182,638
Total expenses (Schedule 1)	3,382,788	12,203,607	16,947,744
Annual Loss	(1,070,106)	(883,702)	(1,749,255)
Accumulated surplus, beginning of year	17,061,960	17,061,960	9,658,123
Capital assets contribution received	-	3,973,261	9,153,092
Accumulated surplus, end of year	15,991,854	20,151,519	17,061,960

The accompanying notes are an integral part of these financial statements

Washagamis Bay First Nation
Consolidated Statement of Change in Net Financial Debt
For the year ended March 31, 2022

	2022 <i>Budget</i> <i>(unaudited)</i>	2022	2021
Annual loss	-	(883,702)	(1,749,255)
Capital assets contribution received	-	3,973,261	9,153,092
Acquisition of tangible capital assets	-	(3,973,261)	(9,174,491)
Amortization of tangible capital assets	-	510,664	486,419
Decrease in net financial assets	-	(373,038)	(1,284,235)
(Net financial debt) net financial assets, beginning of year	(426,158)	(426,158)	858,077
Net financial debt, end of year	(426,158)	(799,196)	(426,158)

The accompanying notes are an integral part of these financial statements

Washagamis Bay First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating activities		
Annual loss	(883,702)	(1,749,255)
Adjustments for non-cash items		
Amortization	510,664	486,419
Provision for landfill closure accretion	-	2,539
Changes in working capital accounts		
Accounts receivable	(470,189)	(418,105)
Accounts payable and accruals	(130,840)	(612,521)
Deferred revenue	(1,116,517)	(1,741,327)
	(2,090,584)	(4,032,250)
Financing activities		
Proceeds of long-term debt	-	62,022
	-	62,022
Capital activities		
Purchases of tangible capital assets	(3,973,261)	(9,174,491)
Capital asset contributions received	3,973,261	9,153,092
	-	(21,399)
Decrease in cash resources	(2,090,584)	(3,991,627)
Cash, beginning of year	3,939,881	7,931,508
Cash, end of year	1,849,297	3,939,881
Supplementary cash flow information		
Interest paid	26,040	22,998
Interest received	4,255	12,656
Cash consists of:		
Cash	1,748,739	3,840,887
Restricted cash	100,558	98,994
	1,849,297	3,939,881

The accompanying notes are an integral part of these financial statements

Washagamis Bay First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

1. Operations

The Washagamis Bay First Nation (the "First Nation") is located in the province of Ontario and provides various services to its members. Washagamis Bay 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 (PSAS) 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 Washagamis Bay 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:

- Washagamis Bay First Nation
- Washagamis Bay Investment Corporation

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in each schedule. Allocated administration has been presented as a decrease in overall revenue and expenses in the Consolidated Statement Operations and Accumulated Surplus.

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.

Financial Instruments

The First Nation recognizes financial instruments when it becomes party to the contractual provisions of the instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are measured at their carrying or exchange amounts.

At initial recognition, the First Nation may irrevocably elect to subsequently measure a financial instrument at fair value. The First Nation has not made any such elections during the year. All financial assets and liabilities are subsequently measured at amortized cost.

Cash

Cash includes 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.

Tangible capital assets

Tangible capital assets are initially recorded at cost. 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 as follows:

Buildings	25 to 55 years
Roads	50 to 100 years
Water plant	56 years
Vehicles	5 years
Houses	40 years
Equipment	10 years
Docks	15 years

2. Significant accounting policies (Cont.)

Tangible capital assets (Cont.)

Assets under construction are not amortized until the asset is available for use. At completion, the construction costs are closed out to the appropriate asset classification and amortized over its useful life.

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.

Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the First Nation is directly responsible; or accepts responsibility; and
- a reasonable estimate of the amount can be made.

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.

Amortization is based on the estimated useful lives of tangible capital assets.

Liability for contaminated sites is based on the estimated costs directly attributable to remediation activities.

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.

Washagamis Bay First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

2. Significant accounting policies (Cont.)

Measurement uncertainty (Cont.)

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19, has resulted in a widespread health crisis that has affected economies around the world resulting in economic downturn. This outbreak may also cause staff shortages, increased government regulations or interventions, all of which may negatively impact the financial condition and/or results of operations of the First Nation. The duration and impact of the COVID-19 outbreak is unknown at this time and it is not possible to reliably estimate the length and the severity of these developments.

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.

Portfolio Investments

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 at cost.

3. Cash

	2022	2021
Royal Bank of Canada	1,683,577	3,814,807
Unrestricted Trust Accounts	65,162	26,080
	1,748,739	3,840,887

4. Accounts receivable

	2022	2021
Indigenous Services Canada	823,814	163,982
Shooniyaa Wa-Biitong	13,112	189,813
Grand Council Treaty #3	11,311	-
Ontario First Nations Limited Partnership	235,867	324,066
Ministry of Education	-	117,616
Ministry of Indigenous Affairs	-	94,717
Other accounts receivable	44,000	76,452
Employee advances	3,100	-
Kenora Chief's Advisory	310,599	4,968
	1,441,803	971,614

Washagamis Bay First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

5. Portfolio Investments

The First Nation has investments held at cost in the following partnerships:

	2022	2021
Kakina Economic Development Group		
Limited Partner Units - 99,999 (10% interest)	1	1
General Partner Shares - 100	100	100
Ontario First Nations Limited Partnership		
Limited Partner Units	1	1
General Partner Shares	1	1
Sovereign Wealth LP		
Limited Partner Units – 1 (0.3918% interest)	1	1
Treaty 3 Investment Group		
Limited Partner Units	35,000	35,000
Niiwin Partnership		
Limited Partner Units	25,000	25,000
	60,104	60,104

Sovereign Wealth LP primarily hold Hydro One Shares. In 2020, Sovereign Wealth LP reported net earnings of \$76.2 million (the First Nations interest at 0.3918% was a net gain of \$299K). No report was received in 2021 or 2022.

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 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.

In 2020, Kakina Economic Development Group LP reported a net loss of \$7,156 (the First Nations interest at 10% was a net loss of \$716). The partnership units are not traded on an active market. No report was received in 2021 or 2022.

No reports were received for Treaty 3 Investment Group and Niiwin Partnership in 2021 or 2022.

Washagamis Bay First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

6. Restricted Cash

Capital and Revenue Trust

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.

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

CMHC Replacement Reserve

The First Nation was required by CMHC to set aside funds each year in a replacement reserve to fund the replacement of buildings financed by CMHC. The program ended on January 1, 2020 and the cash balance is no longer restricted.

	2022	2021
Capital Trust		
Balance, beginning of year	26,109	26,109
Balance, end of year	26,109	26,109
Revenue Trust		
Balance, beginning of year	72,885	71,656
Additions	1,564	1,229
Balance, end of year	74,449	72,885
CMHC Replacement Reserve		
Balance, beginning of year	-	40,891
(Transfers)/additions	-	(40,891)
Balance, end of year	-	-
	100,558	98,994

7. Washagamis Bay Investment Corporation

At March 31, 2022 the Washagamis Bay Investment Corporation had a balance owing to Indigenous Services Canada in trust of Washagamis Bay First Nation (the "First Nation") in the amount of \$894,000 (March 31, 2021 - \$894,000) that related to arrears in land lease payments for the years from 2004 - 2022.

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

The balances owed have been reflected as follows:

Washagamis Bay Investment Corporation payable to ISC	(894,000)
Washagamis Bay First Nation receivable from the Ottawa	894,000

Washagamis Bay First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

8. Accounts payable and accruals

	2022	2021
Trade payables and accruals	557,898	688,738

9. Deferred revenue

Segment	Balance, March 31, 2021	ISC and FNIH Funding	Other Funding including repayments	Revenue Recognized	Balance March 31, 2022
Administration	195,412	498,229	1,023,436	1,384,186	332,891
Education	-	1,284,286	326,289	1,218,906	391,669
Operations & Maintenance	34,275	456,202	14,875	439,137	66,215
Social Assistance	554,354	867,269	905,510	2,110,600	216,533
Health	-	1,024,066	177,519	902,859	298,726
Minor Capital – Water Treatment Project and Immediate Needs Housing	2,030,601	681,373	2,164,786	4,820,560	56,200
Ontario First Nations Limited Partnership	-	-	337,791	1,900	335,891
Land Management	-	-	38,183	38,183	-
Washagamis Bay Investment Corp	-	-	403,574	403,574	-
	2,814,642	4,811,425	5,391,963	11,319,905	1,698,125

Washagamis Bay First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

11. Landfill closure and post closure liabilities

The First Nation is currently operating a landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	2022	2021
Estimated closure and post closure costs	75,000	75,000
Discount rate	0.00%	0.00%
Discounted costs	75,000	75,000
Expected year capacity will be reached	2022	2021
Capacity (years)		
Used to date	34	34
Total	34	34
Percent utilized	100%	100%
Liability based on percentage	75,000	75,000

Washagamis Bay First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

12. Long-term debt

	2022	2021
Indigenous Services Canada Flooding Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2025 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	1,018,201	1,018,201
Indigenous Services Canada Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2023 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	786,176	786,176
Indigenous Services Canada Timber Harvesting loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2025 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	15,000	15,000
	1,819,377	1,819,377

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

	Principal
2023	786,176
2024	-
2025	1,033,201
2026	-
2027	-

Interest on long-term debt amounted to \$nil (2021 - \$nil).

13. Government transfers

	Operating	Capital	2022	2021
Federal government transfers				
Indigenous Services Canada	4,514,529	-	4,514,529	9,482,407
First Nations and Inuit Health	296,896	-	296,896	402,406
Canada Mortgage and Housing Corporation	-	2,156,854	2,156,854	-
Total Federal	4,811,425	2,156,854	6,968,279	9,884,813
Provincial government transfers				
Ministry of Community and Social Services	1,009,987	-	1,009,987	670,658
Ministry of Indigenous Affairs	190,281	-	190,281	244,900
Ministry of Education	15,144	-	15,144	121,951
Ministry of Health and Long-Term Care	90,655	-	90,655	88,505
Total Provincial	1,306,067	-	1,306,067	1,126,014
	6,117,492	2,156,854	8,274,346	11,010,827

Washagamis Bay First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

14. Tangible Capital Assets

Cost	Docks	Buildings	Water Plant	Roads	Vehicles	Houses	Equipment	Water Treatment Plant	Total
Balance, Beginning of Year	47,500	3,271,772	255,751	2,185,084	507,632	8,491,837	140,196	7,960,679	22,860,451
Additions	-	-	-	-	-	2,069,202	-	1,904,059	3,973,261
Disposals	-	-	-	-	-	-	-	-	-
Balance, End of Year	47,500	3,271,772	255,751	2,185,084	507,632	10,561,039	140,196	9,864,738	26,833,712
Accumulated Amortization									
Balance, Beginning of Year	6,334	981,731	77,871	1,267,333	320,977	2,703,187	14,900	-	5,372,333
Annual Amortization	3,167	74,168	4,567	34,869	71,070	308,803	14,020	-	510,664
Balance, End of Year	9,501	1,055,899	82,438	1,302,202	392,047	3,011,990	28,920	-	5,882,997
Net Book Value of Tangible Capital Assets	37,999	2,215,873	173,313	882,882	115,585	7,549,049	111,276	9,864,738	20,950,715
March 31, 2021 Net Book Value of Tangible Capital Assets	41,166	2,290,041	177,880	917,751	186,655	5,788,650	125,296	7,960,679	17,488,118

Washagamis Bay First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

15. 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. The First Nation has not received any notice of repayment requirements.

In the previous year four lawsuits related to employment affairs were filed against the First Nation. At this time the outcome and estimated liability are unknown. No amounts have been recorded in the consolidated financial statements for these lawsuits.

16. Economic dependence

The First Nation receives 40% (2021 - 62%) of its revenue from Indigenous Services Canada 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.

17. Financial instrument risk management

The First Nation is susceptible to credit risk due to the balances of accounts receivable. Credit risk is the risk of financial loss if a debtor fails to make payments of interest and principal when due. Accounts receivable from federal and provincial governments pose minimal credit risk. Other receivables are monitored on a regular basis. The First Nation measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the First Nation's historical experience regarding collections.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and price risk. Unless otherwise noted, it's management's opinion that the First Nation is not exposed to significant currency, interest and price risk.

Liquidity risk is the risk that the First Nation will not be able to meet all cash outflow obligations as they become due. The First Nation mitigates this risk by monitoring cash activities.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

18. Budget information

The disclosed budget information has been approved by the Chief and Council of Washagamis Bay First Nation.

The budget process followed by management only includes activities managed directly by the First Nation. Management does not prepare budget for capital projects. As such, no amounts have been included in the annual budget of the First Nation for capital projects.

Management does not budget for amortization expenses and as such, no amounts have been included in the annual budget of the First Nation for amortization.

Management does not budget for revenues deposited into the Ottawa Trust Fund account of funds withdrawn from the Ottawa Trust Fund account. As such, no amounts have been included in the annual budget of the First Nation for the deposit made or the withdrawal of Ottawa Trust funds.

Management does not budget for Ontario First Nations Limited Partnership and Washagamis Bay Investment Corporation. And no amounts have been included in the annual budget of the First Nation.

Washagamis Bay First Nation
Schedule 1 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2022

	2022	2022	2021
	<i>Budget</i>		
	<i>(unaudited)</i>		
Consolidated expenses by object			
Administration	-	4,500	196,091
Amortization	-	510,664	486,419
Bad debt	1,923	1,923	-
Bank charges and interest	3,420	26,187	10,989
Band member – Christmas	-	46,150	-
Band member – Expense Assistance	9,066	93,290	64,635
Band member – Red River Exhibition	-	71,189	-
Community events	22,925	41,614	11,238
Contracted services	734,805	2,260,982	9,212,781
Covid-19	1,250	28,185	-
Equipment purchase	8,718	14,247	125,233
Fuel and oil	7,213	58,478	70,617
Furniture and equipment	3,694	91,159	60,319
Honoraria	9,150	29,825	44,325
Insurance	47,376	61,644	38,963
Meetings (incl. Pow Wow)	12,957	140,749	-
Miscellaneous	1,767	127,258	10,731
Professional fees	214,429	812,643	956,841
Program expense	652,534	3,273,663	1,181,021
Rent	-	-	31,000
Repairs and maintenance	31,682	179,301	182,079
Salaries and benefits	1,166,116	3,104,744	2,539,313
School Build	-	-	489,880
Social assistance	161,004	502,084	455,856
Supplies	95,666	224,122	233,792
Telephone and internet	-	69,463	46,172
Training	21,431	1,899	-
Travel	49,339	161,432	96,609
Tuition	95,065	155,922	342,614
Utilities	31,258	110,290	60,226
	3,382,788	12,203,607	16,947,744

Washagamis Bay First Nation
Schedule 2 – Summary of Consolidated Schedule of Revenue and Expenses by Segment
For the year ended March 31, 2022

	Schedule #	ISC and FNIH Revenue	Other Revenue Including repayments	Deferred Revenue	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Surplus (Deficit)
Administration		498,229	1,023,436	(137,479)	1,384,186	1,850,112	-	(465,926)
Education		1,284,286	326,289	(391,669)	1,218,906	1,712,043	-	(493,137)
Operations and Maintenance		456,202	14,875	(31,940)	439,137	439,137	-	-
Social Assistance		867,269	905,510	337,821	2,110,600	1,808,470	-	302,130
Health		1,024,066	177,519	(298,726)	902,859	902,859	-	-
Minor Capital		681,373	2,164,786	1,974,401	4,820,560	4,820,560	(3,973,261)	-
Ontario First Nations Limited Partnership	3	-	337,791	(335,891)	1,900	1,900	-	-
Land Management		-	38,183	-	38,183	245,994	-	(207,811)
Washagamis Bay Investment Corporation	4	-	403,574	-	403,574	422,532	-	(18,958)
		4,811,425	5,391,963	1,116,517	11,319,905	12,203,607	(3,973,261)	(883,702)

Washagamis Bay First Nation
Ontario First Nations Limited Partnership
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2022

	2022 <i>Budget</i> <i>(unaudited)</i>	2022	2021
Revenue			
Ontario First Nations Limited Partnership	-	337,791	557,087
Deferred Revenue – current year	-	(335,891)	-
	-	1,900	557,087
Expenses			
Financial Assistance	-	1,700	3,464
Program expenses	-	200	(875)
	-	1,900	2,589
Surplus	-	-	554,498

Washagamis Bay First Nation
Washagamis Bay Investment Corporation
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2022

	2022 <i>Budget</i> <i>(unaudited)</i>	2022	2021
Revenue			
Cottage Lot Fees	-	403,574	218,475
Expenses			
Administration	-	4,500	-
Amortization	-	6,186	6,186
Automobile	-	-	1,495
Bank charges and interest	-	647	637
Band member – Christmas payout	-	46,150	53,750
Band member – Red River Exhibition	-	73,273	-
Band member – Expense Assistance	-	500	2,400
Band member – Expense Education	-	71,189	12,647
Community events	-	-	2,500
Contract services	-	18,914	18,248
Meals and entertainment	-	-	3,190
Medical	-	-	3,742
Miscellaneous	-	1,200	-
Meeting	-	129,132	-
Professional fees	-	15,224	-
Rent	-	-	1,000
Repairs and maintenance	-	39,698	42,544
Travel	-	15,919	34,299
		422,532	182,638
(Deficit) surplus	-	(18,958)	35,837