

Poplar Hill First Nation
Consolidated Financial Statements
March 31, 2021

Poplar Hill First Nation

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For the year ended March 31, 2021

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Management's Responsibility

To the Members of Poplar Hill First Nation:

The accompanying consolidated financial statements of Poplar Hill 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 the consolidated financial statements.

The Poplar Hill First Nation Chief and Council is 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 the external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP 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.



e-Signed by Tom Woodward

2022-10-18 18:00:25:25 GMT

Band Administrator

To the Members of Poplar Hill First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Poplar Hill First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, change in net financial assets 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 matters described in the Basis of Qualified Opinion paragraphs, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations, net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

We did not observe the counting of physical inventories at the beginning and end of the year, nor were we able to satisfy ourselves concerning those inventory quantities by alternative means. Since the beginning and closing inventories enter into the determination of results of operations and cash flows, we were unable to determine whether any adjustments might be necessary to inventories held for use, expenses, annual surplus and accumulated surplus were necessary.

We were unable to verify the completeness or occurrence of energy sales for the year ended March 31, 2021 and the completeness and existence of the related energy sales receivables as at March 31, 2021. Our testing indicated deficiencies in the recording of monthly meter readings and the recording of deposits against the appropriate hydro accounts. As a result, we were unable to determine whether any adjustments to accounts receivable, energy sales, annual surplus and accumulated surplus were necessary.

The First Nation has undertaken steps to identify the total cost of tangible capital assets not previously recorded and any impairment or related amortization attributed to each of those assets. However, the full extent of these unrecorded assets and their appropriate amortization is not determinable as at the date of this audit report. As a result, we were unable to determine what further adjustments, if any, might be necessary to tangible capital assets, amortization expense, annual surplus and accumulated surplus.

Responsibilities of Management 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

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

October 18, 2022

MNP LLP

Chartered Professional Accountants

Poplar Hill First Nation
Consolidated Statement of Financial Position
As at March 31, 2021

	2021	2020
Financial assets		
Cash resources (Note 3)	9,519,202	8,664,624
Accounts receivable (Note 4)	1,087,451	912,607
Portfolio investments (Note 5)	26	26
Ottawa Trust funds (Note 6)	59,671	58,944
	10,666,350	9,636,201
Liabilities		
Accounts payable and accruals (Note 7)	960,519	2,952,486
Deferred revenue (Note 8)	6,247,991	4,178,450
	7,208,510	7,130,936
Net financial assets	3,457,840	2,505,265
Contingent liabilities (Note 9)		
Non-financial assets		
Tangible capital assets (Schedule 1)	56,112,487	54,997,224
Inventories held for use (Note 10)	1,050,250	911,350
	57,162,737	55,908,574
Accumulated surplus (Note 11)	60,620,577	58,413,839

Approved on behalf of the Chief and Council



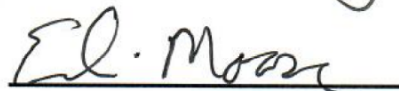
Chief



Councillor



Councillor



Councillor

Poplar Hill First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2021

	<i>Schedules</i>	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Revenue				
Indigenous Services Canada (ISC) (Note 12)		15,426,245	15,689,155	17,279,445
Province of Ontario		2,642,522	2,721,906	2,595,599
Ministry of Northern Development and Mines		77,252	77,252	75,002
Other revenue		1,378,324	1,898,315	1,433,328
Energy sales		400,000	346,443	353,407
Canada Mortgage and Housing Corporation		-	-	37,500
Ontario First Nations Limited Partnership		1,000,000	1,066,696	1,094,123
Keewatinook Okimakanak		561,997	600,395	249,325
Ministry of Indigenous Relations & Reconciliation		148,000	158,250	68,750
Nishnawbe Aski Nation		403,996	403,996	281,994
Sioux Lookout Area Aboriginal Management Board		137,610	124,689	107,051
Deferred revenue - prior year (Note 8)		2,660,688	4,178,450	5,108,928
Deferred revenue - current year (Note 8)		(2,988,326)	(6,247,991)	(4,178,450)
Recovery of funding		-	-	(131,049)
		21,848,308	21,017,556	24,374,953
Segment expenses				
Band Support	4	984,135	1,046,184	1,361,365
Economic Development	5	416,000	440,823	414,920
Power Authority	6	1,620,000	1,749,724	1,725,793
Capital and Projects	8	994,532	734,784	783,156
Public Works	9	2,277,545	2,289,474	2,060,491
Other	10	1,418,000	3,136,286	2,444,076
Education Authority	11	4,155,179	3,944,682	3,057,452
Social Assistance	12	3,009,908	2,940,483	2,747,103
Health Authority	13	2,451,031	2,528,378	2,709,957
		17,326,330	18,810,818	17,304,313
Surplus		4,521,978	2,206,738	7,070,640
Accumulated surplus, beginning of year		-	58,413,839	51,343,199
Accumulated surplus, end of year (Note 11)		4,521,978	60,620,577	58,413,839

Poplar Hill First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Annual surplus	4,521,978	2,206,738	7,070,640
Purchases of tangible capital assets	(3,965,076)	(4,016,107)	(9,797,333)
Amortization of tangible capital assets	-	2,900,844	2,447,742
Change in inventories held for use	-	(138,900)	64,997
	(3,965,076)	(1,254,163)	(7,284,594)
Change in net financial assets	556,902	952,575	(213,954)
Net financial assets, beginning of year	-	2,505,265	2,719,219
Net financial assets, end of year	556,902	3,457,840	2,505,265

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

Poplar Hill First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Surplus	2,206,738	7,070,640
Non-cash items		
Amortization	2,900,844	2,447,742
	5,107,582	9,518,382
Changes in working capital accounts		
Accounts receivable	(174,844)	817,943
Ottawa Trust funds	(727)	(4,376)
Accounts payable and accruals	(1,991,967)	2,333,491
Deferred revenue	2,069,541	(930,478)
Inventories held for use	(138,900)	64,997
	4,870,685	11,799,959
Financing activities		
Repayment on demand loan	-	(1,000,000)
Capital activities		
Purchases of tangible capital assets	(4,016,107)	(9,797,333)
Increase in cash resources	854,578	1,002,626
Cash resources, beginning of year	8,664,624	7,661,998
Cash resources, end of year	9,519,202	8,664,624

1. Operations

Poplar Hill First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its Members. Poplar Hill 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:

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.

Principles of consolidation

The First Nation has consolidated the assets, liabilities, revenue and expenses of all departments, segments and divisions that form part of the Poplar Hill First Nation. The First Nation does not own or control any separately incorporated entities and therefore, no separate organizations have been consolidated into these financial statements.

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.

Cash resources

Cash and cash equivalent 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.

Portfolio investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Inventories held for use

Inventories held for use are valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method.

Tangible capital assets

Tangible capital assets are initially recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Contributed capital assets are recorded into revenue at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

Certain assets which have historical or cultural value, including fine works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.

Assets under construction are not amortized until the asset is available to be put into service.

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

Amortization

Tangible capital assets are amortized annually using the following method at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Years
Buildings	straight-line	25-40
Equipment	straight-line	5
Vehicles	straight-line	4
Heavy equipment	straight-line	10
Outdoor lighting	straight-line	20
Water and sewer	straight-line	25
Power generation	straight-line	20

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use 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 operations for the year.

Revenue recognition

Government transfer revenue, which includes, but is not limited to, Indigenous Services Canada, Province of Ontario, and Canada Mortgage and Housing Corporation is recognized as the funding becomes receivable under the terms of the applicable funding agreements. Funding received under 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 recognized as revenue in the year to which it was designated. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Interest is recognized on an accrual basis in the year 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.

Funds held in Ottawa Trust funds

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust funds are reported as an asset on the consolidated statement of financial position. These funds 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.

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

Measurement uncertainty

The preparation of the 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. Any impairment on the portfolio investments which is other than temporary is charged against the amount of the investment reported. Amortization is based on the estimated useful lives of tangible capital assets. Provisions are made for slow moving and obsolete inventory. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue.

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

Segments

The First Nation conducts its business through ten reportable segments. 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 amounts that are directly attributable to the segment.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in *Note 2 the Significant accounting policies*.

Band Support - activities include the governance function relating to decisions that define expectations, grant power or verify performance consisting of decision-making and leadership processes.

Social Assistance - activities include satisfying the economic, social or health related needs of members of the community who require assistance.

Education Authority - activities include overseeing many aspects of educational opportunities for its members at all levels of learning both within the community and externally.

Power Authority - activities include providing electrical power to community residents and buildings.

Economic Development - activities include small business centre and providing other business services to the community.

Public Works - activities include the operations and maintenance of community infrastructure.

Capital and Projects - activities include the planning, managing and delivery of large scale infrastructure and capital projects to the community.

Ontario First Nations Limited Partnership - activities include the operations and management of Casino Rama funds.

Health Authority - activities that provide health services to the First Nation.

Other - activities that do not fit into the above segments.

Employee future benefits

The First Nation's employee future benefit programs consist of defined contribution pension plans. The First Nation's contributions to the defined contribution plans are expensed as incurred.

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site 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, 2021.

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.

Financial instruments

Amortized cost

The First Nation has classified the following financial assets in the amortized cost category: cash, accounts receivable and Ottawa Trust funds. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Financial assets are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal payments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and less any reduction for impairment or uncollectability.

The First Nation has classified the following liabilities in the amortized cost category: accounts payable and accruals. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Accounts payable and accruals are subsequently measured at amortized cost using the effective interest rate method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to their net carrying value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Statement of Remeasurement Gains and Losses

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in government business entities are distinguished from revenues and expenses reported in the consolidated statement of operations. The consolidated statement of operations reports the extent to which revenues raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the consolidated statement of remeasurement gains and losses. Taken together, the two statements account for changes in a First Nation's net assets (liabilities) in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest and dividends attributable to all financial instruments are reported in the statement of operations.

The consolidated statement of remeasurement gains and losses have not been presented as the First Nation did not have any transactions to include for the years ended March 31, 2021 and March 31, 2020.

Poplar Hill First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

3. Cash resources

	2021	2020
Band Support	2,549,285	1,187,875
Landfill Project	909,376	1,004,870
Power Authority	494,134	90,040
Casino Rama	89,705	24,615
Capital	2,482	525,918
Education	2,379,954	1,882,510
Social Assistance	636,565	297,765
Health Authority	425,599	235,454
New Clinic, Water & Sewer and Generators Rebuild	2,032,102	3,415,577
	9,519,202	8,664,624

The First Nation has available to it, the following overdraft facility:

The \$150,000 Bank of Montreal overdraft facility on the First Nation's Capital Projects account; incurs interest at the bank's prime interest rate plus 3% per annum. The bank's prime interest rate at March 31, 2021 was 2.45% (2020 - 2.45%). The balance outstanding on the line of credit was \$nil at March 31, 2021 (2020 - \$nil). Interest is charged only when the facility is used. Secured by a first ranking interest of the First Nation's Casino Rama funds.

4. Accounts receivable

	2021	2020
Indigenous Services Canada	544,314	731,147
Other receivables	543,137	181,460
Power Authority - Energy accounts receivable	4,115,487	4,115,487
	5,202,938	5,028,094
Less: Allowance for doubtful accounts (Energy accounts receivable)	4,115,487	4,115,487
	1,087,451	912,607

Poplar Hill First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

5. Portfolio investments

Portfolio investments which are owned by Poplar Hill First Nation but not controlled or influenced by the First Nation are accounted for as disclosed in Note 2. The First Nation has the following portfolio investments.

	2021	2020
Measured at cost:		
2472881 Ontario Inc. - 100 shares constituting a 4.55% interest	10	10
NCC Development Corporation - 165 shares constituting a 16.5% interest	2	2
Investment in OFNLP - 1 unit constituting 4.55% interest	1	1
Investment in Ontario First Nation Sovereign Wealth - 1 unit constituting 0.77%	1	1
Investment in NCC Development LP - 165 shares constituting a 16.5% interest	1	1
Investment in First Nation LP - 100 shares constituting a 4.55% interest	10	10
Investment in OFN Asset Management GP Corp - 1 unit constituting 0.77%	1	1
	26	26

6. Ottawa Trust funds

	2021	2020
Capital Trust		
Balance, beginning of year	278	278
Revenue Trust		
Balance, beginning of year	58,666	54,290
Interest	727	1,051
Bell permit, other revenue	-	3,325
Balance, end of year	59,393	58,666
	59,671	58,944

The Ottawa Trust funds arises from monies derived from capital or revenue sources outlined on Section 62 of the Indian Act. There funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act. 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 Chief and Council.

7. Accounts payable and accruals

	2021	2020
Canada Revenue Agency - source deductions	15,880	11,500
Trade payables and accruals	910,818	2,832,218
Repayable to funders	33,821	108,768
	960,519	2,952,486

Poplar Hill First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

8. Deferred revenue

	2021	2020
Indigenous Services Canada	6,140,103	4,088,890
Nishnawbe Aski Nation	107,888	89,560
	6,247,991	4,178,450

9. Contingent liabilities

The First Nation has entered into contribution agreements with various federal and provincial 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. Management believes they are in compliance with the terms and conditions of the agreements.

10. Inventories held for use

	2021	2020
Public Works fuel	325,250	274,300
Power Authority fuel	672,800	591,600
Education Authority fuel	52,200	45,450
	1,050,250	911,350

Poplar Hill First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

11. Accumulated surplus

	2021	2020
Portfolio investments	26	26
Ottawa Trust funds	59,671	58,944
Investment in tangible capital assets	56,112,487	54,997,224
Operating surplus	4,448,393	3,357,645
	60,620,577	58,413,839

12. Reconciliation of funding from Indigenous Services Canada ("ISC")

The ISC revenue of \$15,689,155 (2020 – \$17,279,445) on the consolidated statement of operations and accumulated surplus agrees to the ISC confirmation.

13. Economic dependence

Poplar Hill 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.

14. Budget information

The disclosed budget information has been approved by the Chief and Council of Poplar Hill First Nation. The following table reconciles the budgeted surplus approved by the Chief and Council to the budgeted surplus disclosed on the financial statements.

Surplus per approved budget	556,902
Capital asset purchases	<u>3,965,076</u>
Budgeted surplus disclosed in financial statements	<u>4,521,978</u>

15. 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 30, 2021. 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.

16. Comparative figures

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

Poplar Hill First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Assets under construction</i>	<i>Buildings</i>	<i>Equipment</i>	<i>Heavy equipment</i>	<i>Outdoor lighting</i>	<i>Power generation</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	20,192,289	36,548,262	72,041	1,206,988	31,878	6,687,776	64,739,234
Acquisition of tangible capital assets	-	722,285	42,773	663,025	-	-	1,428,083
Construction-in-progress	2,175,652	-	-	-	-	-	2,175,652
Transfers to completed assets	(15,806,224)	15,806,224	-	-	-	-	-
Balance, end of year	6,561,717	53,076,771	114,814	1,870,013	31,878	6,687,776	68,342,969
Accumulated amortization							
Balance, beginning of year	-	8,450,832	72,041	1,143,670	8,754	3,618,144	13,293,441
Annual amortization	-	1,797,302	4,277	48,151	1,594	334,389	2,185,713
Balance, end of year	-	10,248,134	76,318	1,191,821	10,348	3,952,533	15,479,154
Net book value of tangible capital assets	6,561,717	42,828,637	38,496	678,192	21,530	2,735,243	52,863,815
2020 Net book value of tangible capital assets	20,192,289	28,097,430	-	63,318	23,124	3,069,632	51,445,793

Poplar Hill First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Water and sewer</i>	<i>Vehicles</i>	<i>2021</i>	<i>2020</i>
Cost					
Balance, beginning of year	64,739,234	11,967,070	1,025,958	77,732,262	67,934,929
Acquisition of tangible capital assets	1,428,083	-	412,372	1,840,455	9,797,333
Construction-in-progress	2,175,652	-	-	2,175,652	-
Transfers to completed assets	-	-	-	-	-
Balance, end of year	68,342,969	11,967,070	1,438,330	81,748,369	77,732,262
Accumulated amortization					
Balance, beginning of year	13,293,441	8,831,229	610,368	22,735,038	20,287,296
Annual amortization	2,185,713	465,556	249,575	2,900,844	2,447,742
Balance, end of year	15,479,154	9,296,785	859,943	25,635,882	22,735,038
Net book value of tangible capital assets	52,863,815	2,670,285	578,387	56,112,487	54,997,224
2020 Net book value of tangible capital assets	51,445,793	3,135,841	415,590	54,997,224	

Poplar Hill First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2021

	2021 Budget	2021	2020
Expenses by object			
Administration	2,507	2,507	-
Amortization	-	2,900,844	2,447,742
Audit fees	92,500	74,596	88,804
Bank charges and interest	4,000	8,512	8,007
Board travel, training and honouraria	50,000	98,437	216,656
Chief and Council	443,000	429,612	429,613
Chief and Council travel and training	66,000	-	101,594
Community events	33,007	31,475	66,040
Consulting	-	4,930	33,499
Contracted services	1,355,068	395,432	695,270
Food and beverage	-	26,237	24,782
Freight	50,000	19,739	45,296
Fuel	1,925,000	1,954,698	2,142,642
Fuel purchase	-	38,989	-
Funerals	41,800	50,691	59,733
Furniture and equipment	-	-	15,819
Honoraria	5,000	6,050	6,437
Insurance	57,000	71,336	43,025
Interest on long-term debt	-	-	31,747
Materials	100,690	50,545	77,240
Miscellaneous	40,130	38,315	56,562
Office supplies	150,631	43,645	71,098
Professional fees	100,000	208,412	246,495
Program expense	891,821	752,051	261,574
Recoverable funding	-	-	84,688
Renovation materials	10,000	-	-
Rent	4,100	14,911	13,118
Repairs and maintenance	613,883	684,198	475,844
Salaries and benefits	7,101,088	7,071,280	5,399,958
Social assistance	2,060,000	2,030,691	2,069,643
Student support	85,000	94,086	43,764
Supplies	1,159,814	1,025,015	847,397
Telephone and internet	58,312	90,455	43,695
Training	264,236	214,508	388,769
Transportation	8,316	4,310	7,577
Travel	168,427	167,250	524,167
Utilities	185,000	198,326	232,518
Vehicle	200,000	8,735	3,500
	17,326,330	18,810,818	17,304,313

Poplar Hill First Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations

For the year ended March 31, 2021

	<i>Schedule #</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Transfers From (To)</i>	<i>2021 Surplus (Deficit)</i>	<i>2020 Surplus (Deficit)</i>
Segment						
Band Support	4	473,103	1,046,184	572,000	(1,081)	(195,848)
Economic Development	5	551,936	440,823	87,142	198,255	181,372
Power Authority	6	1,173,031	1,749,724	921,696	345,003	(3,201)
Ontario First Nations Limited Partnership	7	1,066,696	-	(1,066,696)	-	-
Capital and Projects	8	1,519,702	734,784	51,000	835,918	703,862
Public Works	9	4,116,830	2,289,474	862,584	2,689,940	1,546,283
Other	10	865,338	3,136,286	(329,142)	(2,600,090)	(1,097,375)
Education Authority	11	4,942,241	3,944,682	-	997,559	907,830
Social Assistance	12	3,920,364	2,940,483	(660,863)	319,018	(68,203)
Health Authority	13	2,388,315	2,528,378	(437,721)	(577,784)	5,095,920
Total		21,017,556	18,810,818	-	2,206,738	7,070,640

Poplar Hill First Nation
Band Support
Schedule 4 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	408,135	408,135	404,661
Other revenue	36,000	64,968	75,856
	444,135	473,103	480,517
Expenses			
Audit fees	60,000	47,439	81,597
Bank charges and interest	3,000	4,794	4,154
Chief and Council	443,000	429,612	429,613
Chief and Council travel and training	66,000	-	101,594
Community events	33,007	31,475	66,040
Consulting	-	-	99
Funerals	20,000	31,355	25,814
Insurance	45,000	56,239	30,276
Office supplies	40,000	23,916	65,953
Pension	-	-	86,460
Professional fees	100,000	119,204	134,540
Program expense	-	4,075	-
Salaries and benefits	100,128	106,006	114,035
Supplies	30,000	112,982	149,718
Telephone and internet	44,000	79,087	27,977
Travel	-	-	43,495
	984,135	1,046,184	1,361,365
Deficit before transfers	(540,000)	(573,081)	(880,848)
Transfers between segments	540,000	572,000	685,000
Deficit	-	(1,081)	(195,848)

Poplar Hill First Nation
Economic Development
Schedule 5 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	50,000	50,000	50,000
Other revenue	520,000	501,936	546,292
	570,000	551,936	596,292
Expenses			
Fuel	225,000	263,822	228,823
Renovation materials	10,000	-	8,757
Salaries and benefits	140,000	164,348	120,327
Supplies	30,000	-	40,901
Telephone and internet	1,000	2,105	1,594
Travel	10,000	10,548	14,518
	416,000	440,823	414,920
Surplus before transfers	154,000	111,113	181,372
Transfers between segments	87,142	87,142	-
Surplus	241,142	198,255	181,372

Poplar Hill First Nation
Power Authority
Schedule 6 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	472,210	472,210	801,816
Other revenue	180,000	360,000	180,000
Energy sales	400,000	340,821	353,407
	1,052,210	1,173,031	1,335,223
Expenses			
Bank charges and interest	-	510	1,984
Fuel	1,300,000	1,295,060	1,530,522
Interest on long-term debt	-	-	31,747
Office supplies	-	1,540	-
Postage	-	-	35
Repairs and maintenance	200,000	338,346	65,252
Salaries and benefits	120,000	114,268	96,253
	1,620,000	1,749,724	1,725,793
Deficit before transfers	(567,790)	(576,693)	(390,570)
Transfers between segments	535,000	921,696	387,369
Surplus (deficit)	(32,790)	345,003	(3,201)

Poplar Hill First Nation
Ontario First Nations Limited Partnership
Schedule 7 - Schedule of Segment Operations
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Revenue			
Ontario First Nations Limited Partnership	1,000,000	1,066,696	1,094,123
Transfers between segments	(1,000,000)	(1,066,696)	(1,094,123)
Surplus (deficit)	-	-	-

Poplar Hill First Nation
Capital and Projects
Schedule 8 - Schedule of Segment Operations
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Revenue			
Indigenous Services Canada	816,922	853,572	847,574
Other revenue	448,000	594,021	211,964
Keewaytinook Okimakanak	50,000	52,159	65,506
Sioux Lookout Area Aboriginal Management Board	77,610	90,734	61,974
Deferred revenue - current year	-	(70,784)	-
	1,392,532	1,519,702	1,187,018
Expenses			
Contracted services	370,000	102,704	400,860
Freight	30,000	17,641	37,646
Materials	30,000	-	13,835
Miscellaneous	-	3,200	-
Program expense	20,000	2,694	6,975
Renovation materials	-	-	550
Salaries and benefits	460,000	511,254	265,047
Supplies	84,532	94,791	32,890
Travel	-	-	21,853
Vehicle	-	2,500	3,500
	994,532	734,784	783,156
Surplus before transfers	398,000	784,918	403,862
Transfers between segments	100,000	51,000	300,000
Surplus	498,000	835,918	703,862

Poplar Hill First Nation
Public Works
Schedule 9 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	4,161,649	4,163,891	3,327,491
Province of Ontario	-	-	15,000
Ministry of Northern Development and Mines	77,252	77,252	75,002
Other revenue	-	125,656	162,451
Canada Mortgage and Housing Corporation	-	-	37,500
Sioux Lookout Area Aboriginal Management Board	60,000	33,955	45,077
Deferred revenue - prior year	1,741,838	1,741,838	1,135,000
Deferred revenue - current year	(1,381,482)	(2,025,762)	(1,741,838)
	4,659,257	4,116,830	3,055,683
Expenses			
Administration	2,507	2,507	-
Contracted services	165,068	252,140	200,984
Freight	20,000	2,097	7,651
Fuel	360,000	367,927	348,088
Fuel purchase	-	38,989	-
Furniture and equipment	-	-	15,819
Materials	20,690	38,342	45,971
Professional fees	-	-	41,567
Rent	-	10,357	570
Repairs and maintenance	294,299	210,674	342,140
Salaries and benefits	1,033,981	1,133,004	847,668
Student support	-	-	16,353
Supplies	231,000	227,202	188,172
Telephone and internet	-	-	186
Travel	-	-	5,322
Vehicle	150,000	6,235	-
	2,277,545	2,289,474	2,060,491
Surplus before transfers	2,381,712	1,827,356	995,192
Transfers between segments	629,919	862,584	551,091
Surplus	3,011,631	2,689,940	1,546,283

Poplar Hill First Nation
Other
Schedule 10 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	1,550,163	1,574,690	1,431,500
Other revenue	-	14,398	6,378
Nishnawbe Aski Nation	121,060	121,060	-
Ministry of Indigenous Relations & Reconciliation	148,000	158,250	68,750
Deferred revenue - prior year	918,850	918,850	758,923
Deferred revenue - current year	(1,062,931)	(1,921,910)	(918,850)
	1,675,142	865,338	1,346,701
Expenses			
Amortization	-	2,703,993	2,291,096
Contracted services	810,000	16,993	93,426
Program expense	310,000	222,229	-
Salaries and benefits	233,000	187,601	48,816
Supplies	-	3,885	500
Travel	15,000	1,585	10,238
Vehicle	50,000	-	-
	1,418,000	3,136,286	2,444,076
Deficit before transfers	257,142	(2,270,948)	(1,097,375)
Transfers between segments	(257,142)	(329,142)	-
Deficit	-	(2,600,090)	(1,097,375)

Poplar Hill First Nation
Education Authority
Schedule 11 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	4,717,273	4,717,273	3,774,408
Other revenue	40,000	82,443	38,104
Keewaytinook Okimakanak	511,997	548,236	183,819
Deferred revenue - current year	(310,094)	(405,711)	-
Recovery of funding	-	-	(131,049)
	4,959,176	4,942,241	3,865,282
Expenses			
Amortization	-	152,180	115,396
Audit fees	15,000	15,908	16,433
Bank charges and interest	1,000	342	287
Board travel, training and honouraria	35,000	40,800	35,591
Consulting	-	4,930	13,400
Contracted services	10,000	-	-
Fuel	40,000	27,889	35,210
Insurance	12,000	15,097	12,749
Materials	50,000	12,203	17,434
Miscellaneous	40,130	35,115	56,090
Office supplies	102,000	5,077	4,560
Program expense	137,965	94,369	137,049
Rent	3,000	2,054	10,048
Repairs and maintenance	119,584	135,177	70,375
Salaries and benefits	3,071,500	3,009,248	2,124,810
Student support	85,000	94,086	27,411
Supplies	140,000	72,205	69,117
Telephone and internet	8,000	4,827	4,742
Training	50,000	685	57,723
Travel	50,000	42,490	68,027
Utilities	185,000	180,000	181,000
	4,155,179	3,944,682	3,057,452
Surplus before transfers	803,997	997,559	807,830
Transfers between segments	-	-	100,000
Surplus	803,997	997,559	907,830

Poplar Hill First Nation
Social Assistance
Schedule 12 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	874,263	1,044,472	563,302
Province of Ontario	2,481,322	2,560,706	2,419,399
Other revenue	25,686	25,686	25,699
Deferred revenue - prior year	-	289,500	414,361
Deferred revenue - current year	-	-	(289,500)
	3,381,271	3,920,364	3,133,261
Expenses			
Bank charges and interest	-	1,358	471
Funerals	21,800	19,336	33,919
Office supplies	-	4,481	-
Program expense	421,201	367,715	-
Salaries and benefits	279,518	266,922	255,462
Social assistance	2,060,000	2,030,691	2,069,643
Supplies	22,568	27,202	26,841
Training	196,000	192,804	271,376
Travel	8,821	11,648	37,873
Utilities	-	18,326	51,518
	3,009,908	2,940,483	2,747,103
Surplus before transfers	371,363	979,881	386,158
Transfers between segments	(371,363)	(660,863)	(454,361)
Surplus (deficit)	-	319,018	(68,203)

Poplar Hill First Nation
Health Authority
Schedule 13 - Schedule of Segment Operations
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	2,375,631	2,404,913	6,078,693
Province of Ontario	161,200	161,200	161,200
Other revenue	128,638	129,207	186,584
Energy sale	-	5,622	-
Nishnawbe Aski Nation	282,936	282,936	281,994
Deferred revenue - prior year	-	1,228,262	2,800,644
Deferred revenue - current year	(233,819)	(1,823,825)	(1,228,262)
	2,714,586	2,388,315	8,280,853
Expenses			
Amortization	-	44,670	41,250
Audit fees	17,500	11,250	10,775
Bank charges and interest	-	1,508	1,105
Board travel, training and honouraria	15,000	57,637	181,064
Contracted services	-	23,596	-
Food and beverage	-	26,237	24,782
Honoraria	5,000	6,050	6,437
Miscellaneous	-	-	472
Office supplies	8,631	8,631	-
Professional fees	-	89,208	70,388
Program expense	2,655	60,969	117,551
Recoverable funding	-	-	84,688
Rent	1,100	2,500	2,500
Repairs and maintenance	-	-	34,822
Salaries and benefits	1,662,961	1,578,630	1,395,580
Supplies	621,715	486,749	339,258
Telephone and internet	5,312	4,436	9,197
Training	18,236	21,019	59,670
Transportation	8,315	4,310	7,577
Travel	84,606	100,978	322,841
	2,451,031	2,528,378	2,709,957
Surplus (deficit) before transfers	263,555	(140,063)	5,570,896
Transfers between segments	(263,555)	(437,721)	(474,976)
Surplus (deficit)	-	(577,784)	5,095,920