



May 25, 2022

Mr. Walter Oskineegish
Nibinamik First Nation
General Delivery
Summer Beaver, ON P0T 3B0

PRIVATE AND CONFIDENTIAL

Dear Mr. Oskineegish:

RE: Fiscal Year-End March 31, 2020

We have completed our audit of the consolidated financial statements of Nibinamik First Nation (the "First Nation") for the year ended March 31, 2020 and enclose the following:

CONSOLIDATED FINANCIAL STATEMENTS

1. An electronic copy of the March 31, 2020 audited consolidated financial statements. The consolidated statement of financial position has been signed by the Chief and Council as indicated and may now be distributed to your members, funders, financial institution, and any other third party. A signed copy should also be retained for your files.

OTHER ENCLOSURES

1. One copy of our Management Letter.
2. One copy of our Audit Findings Report.
3. One copy of our Independence Letter.



Wherever business takes you

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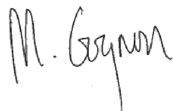
4. One copy of the year-end journal entries and one copy of the closing trial balance for your records. Please ensure that these journal entries are posted to your general ledger, the general ledger is properly closed and your retained earnings balance agrees to the enclosed consolidated financial statements.
5. Our invoices for services rendered.

Your records will be returned to you. All records and documents should be retained in safekeeping for a minimum of seven years in the event that the Canada Revenue Agency demands them for audit purposes. Please be advised that we do not retain copies of the records submitted in our files and may require it again next year. This seven-year period is by Statute and, even after this time, the Canada Revenue Agency's permission to destroy records should be obtained.

We thank you for appointing our Firm as your auditors. Please contact us at any time if you have questions on accounting, finance, tax or other general business concerns. We would also be pleased to discuss our suite of services with your friends and business associates. We appreciate your business and any referrals you may make to our Firm.

If you have any questions or comments, or if we can be of additional assistance, please feel free to call us at (807) 623-2141.

Sincerely,



Marcel M. Gagnon, FCPA, FCA

MMG/ee

Enclosures

Nibinamik First Nation
Consolidated Financial Statements
For the year ended March 31, 2020

Nibinamik First Nation

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For the year ended March 31, 2020

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Management's Responsibility

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

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

Management is responsible for the preparation and 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 the consolidated financial statements.

The Nibinamik 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 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.

MNP LLP is appointed by 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 Chief and Council and management to discuss their audit findings.

DocuSigned by:

Walter Oskineegish

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

Qualified Opinion

We have audited the consolidated financial statements of Nibinamik First Nation and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, change in net financial assets (net debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects and possible effects in the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations, changes in its consolidated net financial assets (net debt) and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

We were not able to satisfy ourselves concerning the observation of physical inventories with a carrying value of \$850,901 (2019 - \$776,775) at the end of the year. Due to physical limitations with respect to access to locations of inventory, we were not able to observe quantities at all locations. Since closing inventories enter into the determination of the results from operations and cash flows, we were unable to determine whether any adjustments might be necessary to non-financial assets, program expenses and accumulated surplus (deficit).

The First Nation has investments in First Nation partnership and business entities as disclosed in Note 6 which are accounted for by the modified equity method and which have a carrying value of \$179,486 (2019 - \$175,916) on the consolidated statement of financial position. The First Nation also holds portfolio investments in Exchange Income Corporation ("EIC"), which is accounted for at cost and which has a carrying value of \$182,721 (2019 - \$182,721) on the consolidated statement of financial position. We were unable to obtain sufficient and appropriate audit evidence regarding the carrying value of the First Nation's investment in First Nation partnerships and business entities and the First Nation's share of net income for the year or the value of the First Nation's investment in EIC. In addition, the related disclosures of summary consolidated financial statement information of the First Nation's investments in First Nation partnerships and business entities has been omitted from the notes to the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thunder Bay, Ontario

May 10, 2022

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Nibinamik First Nation

Consolidated Statement of Financial Position

As at March 31, 2020

	2020	2019
Financial assets		
Cash and cash equivalents (Note 3)	1,679,373	102,134
Accounts receivable (Note 4)	7,187,020	4,002,896
Portfolio investments (Note 5)	182,723	182,723
Investments in First Nation business partnership (Note 6)	179,486	175,916
Funds held in trust (Note 7)	13,767	13,502
Total financial assets	9,242,369	4,477,171
Liabilities		
Accounts payable and accruals (Note 8)	7,530,332	4,826,324
Deferred revenue (Note 9)	3,211,813	1,236,771
Long-term debt (Note 10)	3,382,165	3,149,439
Forgivable loans (Note 11)	4,750	14,250
Total liabilities	14,129,060	9,226,784
Net debt	(4,886,691)	(4,749,613)
Contingencies (Note 12)		
Non-financial assets		
Tangible capital assets (Note 13) (Schedule 1)	29,245,110	24,158,184
Inventory (Note 14)	850,900	776,775
Prepaid expenses	701,774	100,000
Total non-financial assets	30,797,784	25,034,959
Accumulated surplus	25,911,093	20,285,346

DocuSigned by:
Approved on behalf of the Council

Michael Sugarhead

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Chief

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GorB

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Councillor

Nibinamik First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
Revenue			
Indigenous Services Canada (Note 19)	13,451,757	16,230,263	6,959,794
First Nation and Inuit Health (Note 19)	826,668	4,110,895	3,470,177
Canada Mortgage and Housing Corporation (Note 19)	83,146	51,690	31,116
Ontario First Nations Limited Partnership	1,302,020	1,047,600	1,205,681
Other revenue	700,578	599,003	980,465
Nibinamik Power Authority	336,788	1,220,121	824,201
Investment income	-	29,345	-
Ministry of Tourism and Culture (Note 19)	48,000	24,000	37,139
Ministry of Energy, Northern Development and Mines (Note 19)	268,004	263,835	226,401
Matawa First Nations	244,995	314,143	391,159
Ministry of Children, Community and Social Services (Note 19)	181,598	802,613	692,572
Ministry of Health (Note 19)	907,660	494,969	534,280
Ministry of Indigenous Affairs (Note 19)	-	82,262	81,929
Nishnawbe Aski Nation	198,455	254,345	334,597
KKETS	50,000	68,582	-
Deferred revenue, prior year (Note 9)	-	1,236,771	1,393,718
Ministry of Education (Note 19)	125,733	65,166	143,940
Deferred revenue, end of year (Note 9)	-	(3,211,813)	(1,236,771)
	18,725,402	23,683,790	16,070,398
Program expenses			
Administration	4,780,475	2,209,573	3,759,611
Casino Rama	341,908	91,240	380,063
Community support	55,775	954,980	382,319
Lands & Resources	233,681	469,649	460,940
Band Operations and Maintenance	2,101,491	2,737,131	1,877,564
Medical Services	4,156,924	4,414,818	2,993,485
Social Services	1,767,946	1,789,606	1,634,684
Economic/Employment Development	759,828	1,188,846	1,246,458
Education	5,626,374	4,205,770	3,450,752
Total expenses (Schedule 2)	19,824,402	18,061,613	16,185,876
Surplus (deficit) before other items	(1,099,000)	5,622,177	(115,478)
Other income (expense)			
Income from investment in First Nation business partnership	-	3,570	-
Loss on impairment of investment in First Nation business partnership (Note 6)	-	-	(105,622)
	-	3,570	(105,622)
Surplus (deficit)	(1,099,000)	5,625,747	(221,100)
Accumulated surplus, beginning of year	-	20,285,346	20,506,446
Accumulated surplus (deficit), end of year (Note 15)	(1,099,000)	25,911,093	20,285,346

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

Nibinamik First Nation
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
Annual surplus (deficit)	-	5,625,747	(221,100)
Purchases of tangible capital assets	-	(6,505,539)	(4,961,372)
Amortization of tangible capital assets	-	1,418,613	1,172,667
Change in inventory	-	(74,125)	(72,630)
Net acquisition of prepaid expenses	-	(601,774)	(49,302)
Decrease in net debt	-	(137,078)	(4,131,737)
Net debt, beginning of year	-	(4,749,613)	(617,876)
Net debt, end of year	-	(4,886,691)	(4,749,613)

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

Nibinamik First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	5,625,747	(221,100)
Non-cash items		
Amortization	1,418,613	1,172,667
Loss on impairment of investment in First Nation business partnership	-	105,622
Income from investment in First Nation business partnership	(3,570)	-
	7,040,790	1,057,189
Changes in working capital accounts		
Accounts receivable	(3,184,124)	(831,838)
Funds held in Ottawa Trust Fund	(265)	(306)
Prepaid expenses	(601,774)	(49,302)
Inventory	(74,126)	(72,630)
Accounts payable and accruals	2,703,924	751,491
Deferred revenue	1,975,127	(156,947)
	7,859,552	697,657
Financing activities		
Forgiveness of loans	(9,500)	(9,500)
Net advances of long-term debt	232,726	3,006,477
	223,226	2,996,977
Capital activities		
Purchases of tangible capital assets	(6,505,539)	(4,961,372)
Increase (decrease) in cash resources	1,577,239	(1,266,738)
Cash resources, beginning of year	102,134	1,368,872
Cash resources, end of year	1,679,373	102,134

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

1. Operations

Nibinamik First Nation (the "First Nation") is located in the Province of Ontario, and provides various services to its members.

Impact on operations of COVID-19

Subsequent to year-end, there was a global outbreak of COVID-19, which has had a significant impact on operations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause delayed or deferred undertaking of capital projects and/or reduced funding levels, which will negatively impact the First Nation's operations and financial condition.

2. Significant accounting policies

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

Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Principles of consolidation

The consolidated financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for the investment in a First Nation business partnership.

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

- Nibinamik First Nation
- Nibinamik Power Authority
- Nibinamik Education Authority

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.

Nibinamik First Nation business partnerships, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing 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 that 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. Entities accounted for by the modified equity basis include:

- Wasaya Partnership

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

Trust funds held by federal government

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

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and balances with banks net of bank overdrafts.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized when at 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, 2020.

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.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

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

Band vehicles	30 %
Computer equipment	30 %
Office equipment	20 %
Housing	5 %
Arena building	5 %
Community buildings	5 %
Electrical infrastructure	4 %
Roads	4 %
Sewer infrastructure	4 %
Heavy equipment	20 %
Arena equipment	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 value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in operations for the year.

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

Asset classification

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

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Net financial assets

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

Revenue recognition

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.

Rental revenue is recognized over the rental term. Other revenue is earned from other services provided by the First Nation and is recognized when the service has been provided and collection is reasonably assured.

Network revenue and retail sales are recognized when the sale is made and the customer takes possession of the merchandise or receives the services provided.

Investment income (loss) is recorded as the First Nation's annual proportionate share of earnings or losses.

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.

Revenue from trust moneys is recognized when measurable, earned and collection is reasonably assured. These moneys are reported on by the Government of Canada.

Use of estimates

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.

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

Use of estimates *(Continued from previous page)*

Inventory is estimated using the average cost of fuel per litre purchased and applying it to the actual volume of fuel counted on hand at year-end.

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

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

Deferred revenue is estimated based on management's review of revenue received, but unspent at year-end.

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 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.

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The First Nation has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains and losses. Interest income is recognized in the consolidated statement of operations and accumulated surplus. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus (deficit). Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, recent collection experience for the loan, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the consolidated statement of operations and accumulated surplus. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the consolidated statement of remeasurement gains and losses.

Nibinamik First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

3. Cash and cash equivalents

	2020	2019
General	(34,938)	9,351
Health and Social	(97,659)	9,384
Economic Development	83,436	73,566
Education Authority	(11,780)	8,892
Power Authority	(627)	(69)
Lands & Resources	39,019	2,240
Ontario Works	16,233	(22,021)
Investment	299,730	9,079
Other cash resources	65,622	11,712
Trust Savings	1,320,337	-
	1,679,373	102,134

At March 31, 2020, the First Nation had lines of credit available totalling \$275,000 bearing interest at bank prime rate plus 3.25% (5.75% - March 31, 2020). At March 31, 2020, \$7,530 (2019 - \$Nil) was drawn and is recorded as a part of cash and cash equivalents. A general security agreement has been collateralized in connection with the line of credit.

4. Accounts receivable

	2020	2019
Indigenous Services Canada	5,127,022	1,207,894
First Nation and Inuit Health	36,129	1,104,152
Harmonized Sales Tax rebates	273,574	687,376
Ministry of Children, Community and Social Services	40,578	18,310
Commercial Hydro	434,876	323,231
Employee/Member advances	926,788	1,081,377
Fuel sales	98,812	79,765
General	1,716,344	876,590
Allowance for doubtful accounts	(1,467,103)	(1,375,799)
	7,187,020	4,002,896

5. Portfolio investments

	2020	2019
Measured at cost:		
Ontario First Nations Asset Management LP	1	1
Ontario First Nations Sovereign Wealth LP	1	1
Exchange Income Corporation	182,721	182,721
	182,723	182,723

The market value of portfolio investments was not available at the time of consolidated financial statement preparation.

Nibinamik First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

6. Investments in First Nation business partnership

The First Nation holds investments in the following business partnership:

	2020				
	<i>Opening</i>	<i>Income (Loss)</i>	<i>Loss on impairment of investment</i>	<i>Disposal</i>	<i>Total investment</i>
Significantly Influenced Business:					
Wasaya Partnership	175,916	3,570	-	-	179,486
	2019				
	<i>Opening</i>	<i>Income (Loss)</i>	<i>Loss on impairment of investment</i>	<i>Disposal</i>	<i>Total investment</i>
Wasaya Partnership		464,259	(105,622)	(182,721)	175,916

The First Nation's investee has a different year-end than March 31, 2020. The First Nation uses the investee's December 31, 2019 and 2018 year-end financial figures, respectively, to account for its investment in this investee.

Investment information, as at March 31, 2020 and March 31, 2019 information is not audited.

7. Funds held in Ottawa Trust Fund

Capital and revenue trust moneys 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.

	2020	2019
Capital Trust		
Balance, beginning of year	1,710	1,710
Balance, end of year	1,710	1,710
Revenue Trust		
Balance, beginning of year	11,792	11,486
Interest	265	306
Balance, end of year	12,057	11,792
	13,767	13,502

Nibinamik First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

8. Accounts payable and accruals

	2020	2019
Funding repayable		
Indigenous Services Canada	826,276	826,276
Nishnawbe Aski Nation	154,473	94,750
North West Local Health Integration Network	110,400	110,400
	1,091,149	1,031,426
Trade Payables		
Aboriginal Strategies	39,094	68,554
ACW Water Solutions	597,951	-
DJB Consulting	48,012	9,261
Happy Time Tours & Travel	77,363	70,437
Jon Schiffer, CPA Professional Corporation	50,461	-
JR Cousins Consulting Inc.	76,308	-
Keewatin Patricia District School Board	35,245	62,496
Lakehead District School Board	373,163	386,564
Lakehead University	78,266	93,265
Mistik North	107,982	34,474
Nibinamik Community Store	20,608	100,892
Pape Salter Teillet LLP	69,013	37,241
Wasaya Airways Limited Partnership	273,273	240,184
Wasaya Petroleum Limited Partnership	-	441,572
Matawa First Nations Management	497,767	15,919
MNP LLP	85,000	40,500
Other	656,523	690,379
Penn-co Construction Canada	2,146,799	-
Peter G. Thiessen Homes Inc.	392,311	749,846
Thunder Bay Broom and Chemicals	87,839	-
Toromont Cat	169,093	13,473
WMPS Contracting Inc.	222,371	316,804
WSIB	164,247	193,334
	6,268,689	3,565,195
Accrued liabilities		
Accrued salaries and employee benefits	55,600	23,794
Other accrued liabilities	114,894	205,909
	170,494	229,703
	7,530,332	4,826,324

9. Deferred revenue

	<i>Balance, beginning of year</i>	<i>Funding received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	822,481	16,230,263	14,062,165	2,990,579
Other	414,290	6,944	200,000	221,234
	1,236,771	16,237,207	14,262,165	3,211,813

Nibinamik First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

10. Long-term debt

	2020	2019
RBC Royal Bank fuel loan repayable in monthly instalments of \$113,584 including interest at 4.69%, due March 2021.	1,363,000	-
RBC Royal Bank loan repayable in monthly instalments of \$3,426 including interest at 4.51% (2019 - 5.75%), due November 2022.	440,419	443,679
RBC Royal Bank equipment loan repayable in monthly instalments of \$5,003 including interest at 5.75% (2019 - 5.75%), due July 2022.	76,884	130,810
Canada Mortgage and Housing Corporation ("CMHC") housing loan repayable in monthly instalments of \$6,049 including interest at 1.75%, due October 2044.	1,450,362	1,294,286
RBC Royal Bank loan repayable in monthly instalments of \$918 including interest at 4.78% (2019 - 4.78%), due March 2021. This loan is secured by a specific vehicle having a net book value of \$13,340 (2019 - \$19,186).	10,707	20,926
RBC Royal Bank equipment loan repayable in monthly instalments of \$1,787 including interest at 4.85% (2019 - 4.85%), due March 2022.	40,793	59,738
RBC Royal Bank fuel loan	-	1,200,000
	3,382,165	3,149,439

All loans are secured by a general security agreement, a first ranking and specific security interest on specific equipment of the First Nation, and an irrevocable letter of direction in respect to Ontario First Nations Limited Partnership funding due to the First Nation being forwarded to RBC.

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
2021	1,521,904
2022	111,775
2023	73,005
2024	74,966
2025	76,993
	1,858,643

Nibinamik First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

11. Forgivable loans

During the year the First Nation has received CMHC forgivable loans for residential rehabilitation in the amount of \$Nil (2019 - \$Nil). The forgivable loans are subject to the stipulation that rehabilitation of a residence must be started within six months and completed within one year of the date of the loan approval letter in order to be forgiven.

	2020	2019
Balance outstanding	4,750	14,250
Schedule of forgiveness:		
2020	-	9,500
2021	4,750	4,750
	4,750	14,250

12. Contingencies

The First Nation has agreements with Indigenous Services Canada ("ISC") and other government bodies for each restricted fund which states that the First Nation may be required to return any surplus which may arise. The First Nation is solely responsible for any deficits. Recoveries are recorded in the year in which they are determined.

13. Tangible capital assets

The consolidated schedule of tangible capital assets (Schedule 1) presents all balances and charges in the year relating to the tangible capital assets owned by the First Nation. Tangible capital assets acquired after March 31, 1997 are recorded at cost less amortization on the consolidated statement of financial position. Tangible capital assets acquired prior to April 1, 1997 are deemed to have been fully amortized and are recorded at a nominal value.

14. Inventory

	2020	2019
Fuel inventory	850,900	776,775

Nibinamik First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

15. Accumulated surplus

The First Nation designates and tracks separately the operating and investment funds in accordance with internal management policies. These funds are designated to assist with fund management.

	2020	2019
Operating Fund		
Balance, beginning of year	19,926,709	20,042,187
Surplus (loss)	5,622,177	(115,478)
Balance, end of year	25,548,886	19,926,709
Investment Fund		
Balance, beginning of year	358,637	464,259
Investment gain (loss) for the year	3,570	(105,622)
Balance, end of year	362,207	358,637
Total accumulated surplus		
Operating Fund	25,552,456	19,926,709
Investment Fund	358,637	358,637
Balance, end of year	25,911,093	20,285,346

16. Guarantee

The First Nation has guaranteed up to \$130,000 to suppliers of the Nibinamik Community Store. As at March 31, 2020 no liability (2019 - \$Nil) has been recorded associated with this guarantee.

The First Nation has agreed to act as a guarantor in connection with borrowings present and future of 2317186 Ontario Limited (Operating as Happy Time Tours & Travel).

17. Economic dependence

Nibinamik First Nation receives 93% (2019 - 65%) of its revenue from the Government of Canada, and First Nation and Inuit Health as a result of Treaties entered into with the Government of Canada. These Treaties are administered by Indigenous Services Canada and First Nation and Inuit Health 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.

Nibinamik First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

18. Segments

The First Nation has ten reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Administration - includes administration and governance activities.

Band Operations and Maintenance - includes Band programs and maintenance.

Economic/Employment Development - includes activities for the maintenance of the community and its infrastructure.

Education - includes the operations of education programs.

Medical Services - reports on the First Nation and Inuit Health funding.

Social Services - activities include delivering social programs.

Community Support - activities include delivering community support programs.

Lands & Resources - includes activities for the maintenance of the community.

Casino Rama - reports on the Ontario First Nations Limited Partnership funding.

Investment Fund - reports on gains and losses of the First Nation's investment in Wasaya Partnership.

Inter-segment transfers are recorded at their exchange amount. The accounting policies are the same as those described in Note 2.

19. Government transfers

Nibinamik First Nation receives a significant portion of its revenue pursuant to a funding agreement with ISC. Under the terms of the agreement, funding can be suspended if the First Nation does not comply with the terms of the agreement.

	<i>Operating</i>	<i>Capital</i>	<i>2020</i>	<i>2019</i>
Federal government transfers				
Indigenous Services Canada	7,971,231	8,259,032	16,230,263	6,959,794
First Nation and Inuit Health	4,110,895	-	4,110,895	3,470,177
Canada Mortgage and Housing Corporation	51,690	-	51,690	31,116
Total Federal	12,133,816	8,259,032	20,392,848	10,461,087
Provincial government transfers				
Ministry of Tourism and Culture	24,000	-	24,000	37,139
Ministry of Energy, Northern Development and Mines	263,835	-	263,835	226,401
Ministry of Children, Community and Social Services	802,613	-	802,613	692,572
Ministry of Health	494,969	-	494,969	534,280
Ministry of Indigenous Affairs	82,262	-	82,262	81,929
Ministry of Education	65,166	-	65,166	143,940
Total Provincial	1,732,845	-	1,732,845	1,716,261
	13,866,661	8,259,032	22,125,693	12,177,348

20. Budget information

The disclosed budget information has been prepared by the management of Nibinamik First Nation.

21. Financial Instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Nibinamik First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Band vehicles</i>	<i>Computer equipment</i>	<i>Office equipment</i>	<i>Housing</i>	<i>Arena building</i>	<i>Community buildings</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	1,460,506	511,253	188,827	15,587,342	3,135,658	7,494,914	28,378,500
Acquisition of tangible capital assets	91,307	-	-	559,141	-	339,970	990,418
Balance, end of year	1,551,813	511,253	188,827	16,146,483	3,135,658	7,834,884	29,368,918
Accumulated amortization							
Balance, beginning of year	1,030,781	508,125	179,770	6,446,467	1,731,921	4,852,529	14,749,593
Annual amortization	142,614	938	1,812	471,022	70,187	140,618	827,191
Balance, end of year	1,173,395	509,063	181,582	6,917,489	1,802,108	4,993,147	15,576,784
Net book value of tangible capital assets	378,418	2,190	7,245	9,228,994	1,333,550	2,841,737	13,792,134
2019							
Net book value of tangible capital assets	429,725	3,128	9,057	9,140,875	1,403,737	2,642,385	13,628,907

Nibinamik First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Electrical infrastructure</i>	<i>Roads</i>	<i>Sewer infrastructure</i>	<i>Heavy equipment</i>	<i>Arena equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	28,378,500	8,418,008	322,124	11,393,059	1,053,453	58,875	49,624,019
Acquisition of tangible capital assets	990,418	819,000	-	4,628,121	68,000	-	6,505,539
Balance, end of year	29,368,918	9,237,008	322,124	16,021,180	1,121,453	58,875	56,129,558
Accumulated amortization							
Balance, beginning of year	14,749,593	3,543,329	205,903	6,490,436	654,689	57,948	25,701,898
Annual amortization	827,191	211,367	4,649	288,667	86,553	186	1,418,613
Balance, end of year	15,576,784	3,754,696	210,552	6,779,103	741,242	58,134	27,120,511
Net book value of tangible capital assets	13,792,134	5,482,312	111,572	9,242,077	380,211	741	29,009,047
2019							
Net book value of tangible capital assets	13,628,907	4,874,679	116,221	4,902,623	398,764	927	23,922,121

Nibinamik First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Land</i>	<i>2020</i>	<i>2019</i>
Cost				
Balance, beginning of year	49,624,019	236,063	49,860,082	44,898,710
Acquisition of tangible capital assets	6,505,539	-	6,505,539	4,961,372
Balance, end of year	56,129,558	236,063	56,365,621	49,860,082
Accumulated amortization				
Balance, beginning of year	25,701,898	-	25,701,898	24,529,231
Annual amortization	1,418,613	-	1,418,613	1,172,667
Balance, end of year	27,120,511	-	27,120,511	25,701,898
Net book value of tangible capital assets	29,009,047	236,063	29,245,110	24,158,184
	2019			
Net book value of tangible capital assets	23,922,121	236,063	24,158,184	

Nibinamik First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
Consolidated expenses (recoveries) by object			
Administration	803,526	-	-
Advertising	24,280	27,498	168
Amortization	76,066	1,418,613	1,172,667
Bad debts	56,005	188,089	1,440,997
Bank charges and interest	38,750	33,076	31,078
Contracts and consulting	440,921	359,715	81,216
Crisis	134,004	322,811	18,771
Fuel	793,420	1,668,045	1,144,685
Honoraria	468,662	553,830	424,282
Insurance	32,230	46,399	49,895
Interest on long-term debt	3,632	138,914	75,309
Meeting	44,858	48,236	5,564
Miscellaneous	60,000	29,501	(87,978)
Office expense	119,904	141,620	103,358
Office rent	367,138	269,324	-
Other expenses	-	-	178,195
Professional fees	498,535	492,037	322,888
Program expense	5,643,355	3,792,174	3,375,238
Repairs and maintenance	1,238,737	773,414	1,126,279
Salaries and employee benefits	5,008,022	4,429,417	4,122,085
Supplies	538,078	398,177	424,018
Telephone	65,627	75,219	85,212
Training	336,516	215,561	232,091
Travel	1,220,215	1,277,946	990,966
Tuition	809,674	550,634	208,120
Utilities	856,804	681,387	549,008
Vehicle and fuel	145,443	129,976	111,764
	19,824,402	18,061,613	16,185,876

Nibinamik First Nation

Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	ISC Revenue	Other Revenue	Deferred Revenue, beginning of year	Deferred Revenue, end of year	Total Revenue	Total Expenses	Transfers From (To)	Current Surplus (Deficit)
Program								
Administration	673,419	6,910	75,000	(2,990,579)	(2,235,250)	2,209,573	61,577	(4,383,246)
Casino Rama	-	1,048,600	-	-	1,048,600	91,240	(775,163)	182,197
Community support	276,990	72,380	-	-	349,370	954,980	423,663	(181,947)
Lands & Resources	-	240,510	-	-	240,510	469,649	124,277	(104,862)
Band Operations and Maintenance	9,625,451	1,597,831	342,342	-	11,565,624	2,737,131	-	8,828,493
Medical Services	116,402	4,111,253	414,290	(221,234)	4,420,711	4,414,818	-	5,893
Social Services	73,500	1,800,219	-	-	1,873,719	1,789,606	-	84,113
Economic/Employment Development	202,092	341,570	-	-	543,662	1,188,846	165,646	(479,538)
Education	5,262,408	209,297	405,139	-	5,876,844	4,205,770	-	1,671,074
Total	16,230,262	9,428,570	1,236,771	(3,211,813)	23,683,790	18,061,613	-	5,622,177