

**Nibinamik First Nation**  
**Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**Nibinamik First Nation**  
**Contents**  
*For the year ended March 31, 2021*

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## Management's Responsibility

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To the Ogamakanuck 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 Ogamakanuck.

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

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

March 8, 2024

Do you sign by:

 Michael S. OgamaNuck

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## Independent Auditor's Report

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To the Ogamakanuck 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, 2021, 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 financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations, changes in its 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 were not able to satisfy ourselves concerning the observation of physical inventories with a carrying value of \$850,900 (2020 - \$850,900) at the end of the year. Due to quarantine/isolation measures, 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 \$344,445 (2020 - \$179,486) 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 (2020 - \$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.

We were not able to obtain sufficient appropriate audit evidence supporting Program Expenses for the Social Services department totaling \$851,722 at the end of the year. We were unable to determine whether any adjustments might be necessary to program expenses and accumulated surplus (deficit).

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

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

In preparing the financial statements, management is responsible for assessing 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 consolidation 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.

MNP LLP

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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 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 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

March 8, 2024

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants

**MNP**  
LLP

# **Nibinamik First Nation**

## **Consolidated Statement of Financial Position**

*As at March 31, 2021*

	2021	2020
<b>Financial assets</b>		
Cash and cash equivalents (Note 3)	2,376,455	1,679,373
Accounts receivable (Note 5)	4,931,569	7,187,020
Portfolio investments (Note 6)	182,723	182,723
Investments in First Nation business partnership (Note 7)	179,486	179,486
Funds held in trust (Note 8)	13,767	13,767
<b>Total financial assets</b>	<b>7,684,000</b>	9,242,369
<b>Liabilities</b>		
Accounts payable and accruals (Note 9)	3,926,280	7,530,332
Deferred revenue (Note 10)	4,499,843	3,211,813
Debt (Note 11)	5,633,335	3,382,165
Forgivable loans (Note 12)	-	4,750
<b>Total liabilities</b>	<b>14,059,458</b>	14,129,060
<b>Net debt</b>	<b>(6,375,458)</b>	(4,886,691)
<b>Contingencies (Note 13)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 14) (Schedule 1)	35,975,148	29,245,110
Inventory (Note 15)	850,900	850,900
Prepaid expenses	401,325	701,774
<b>Total non-financial assets</b>	<b>37,227,373</b>	30,797,784
<b>Accumulated surplus (Note 16)</b>	<b>30,851,915</b>	25,911,093

## Approved on behalf of the Ogamakanuck

DocuSigned by:  
DocuSigned by:  
  
Michael S. Sopko  
SOPKO, SIEGMUND & CO., LLP

## Ogamakan

Docusigned by:  
  
207785DE34A4465

## Councillor

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

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

	<b>2021 Budget</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Indigenous Services Canada (Note 20)	20,116,717	20,010,842	16,230,263
First Nation and Inuit Health (Note 20)	-	-	4,110,895
Canada Mortgage and Housing Corporation (Note 20)	2,088,186	127,642	51,690
Ministry of Children, Community and Social Services (Note 20)	-	1,019,241	802,613
Ontario First Nations Limited Partnership	960,000	1,018,175	1,047,600
Nibinamik Power Authority	-	968,104	1,220,121
Other revenue	179,875	961,835	599,003
Ministry of Health (Note 20)	494,968	566,345	494,969
Ministry of Indigenous Affairs (Note 20)	226,284	305,642	82,262
Matawa First Nations	281,383	275,635	314,143
Ministry of Energy, Northern Development and Mines (Note 20)	246,742	246,742	263,835
Nishnawbe Aski Nation	283,145	205,895	254,345
Ministry of Education (Note 20)	168,147	139,100	65,166
KKETS	63,086	76,240	68,582
Investment income	-	12,487	29,345
Ministry of Tourism and Culture (Note 20)	48,000	2,500	24,000
NADF	38,700	-	-
Deferred revenue, prior year (Note 10)	-	3,211,813	1,236,771
Deferred revenue, end of year (Note 10)	-	(4,499,843)	(3,211,813)
	<b>25,195,233</b>	<b>24,648,395</b>	<b>23,683,790</b>
<b>Program expenses</b>			
Administration	1,307,117	1,429,078	2,209,573
Casino Rama	-	361,401	91,240
Community support	834,860	1,885,136	954,980
Lands & Resources	170,243	355,042	469,649
Band Operations and Maintenance	6,761,417	2,030,596	2,737,131
Medical Services	2,639,082	5,149,214	4,414,818
Social Services	885,419	2,545,545	1,789,606
Economic/Employment Development	836,750	1,210,505	1,188,846
Housing Authority	183,216	87,251	-
Education	6,167,377	4,653,805	4,205,770
<b>Total expenses (Schedule 2)</b>	<b>19,785,481</b>	<b>19,707,573</b>	<b>18,061,613</b>
<b>Surplus before other items</b>	<b>5,409,752</b>	<b>4,940,822</b>	<b>5,622,177</b>
<b>Other income (expense)</b>			
Income from investment in First Nation business partnership	-	-	3,570
<b>Surplus</b>	<b>5,409,752</b>	<b>4,940,822</b>	<b>5,625,747</b>
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>25,911,093</b>	<b>20,285,346</b>
<b>Accumulated surplus, end of year (Note 16)</b>	<b>5,409,752</b>	<b>30,851,915</b>	<b>25,911,093</b>

*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, 2021*

	<i>2021 Budget</i>	<i>2021 Actual</i>	<i>2020 Actual</i>
<b>Annual surplus</b>	5,409,752	<b>4,940,822</b>	5,625,747
Purchases of tangible capital assets	-	(8,195,078)	(6,505,539)
Amortization of tangible capital assets	-	<b>1,465,040</b>	1,418,613
Change in inventory	-	-	(74,125)
Net acquisition of prepaid expenses	-	-	(601,774)
Net use of prepaid expenses	-	<b>300,449</b>	-
<b>Increase in net debt</b>	<b>5,409,752</b>	<b>(1,488,767)</b>	(137,078)
<b>Net debt, beginning of year</b>	<b>(4,888,691)</b>	<b>(4,886,691)</b>	(4,749,613)
<b>Net debt, end of year</b>	<b>521,061</b>	<b>(6,375,458)</b>	(4,886,691)

**Nibinamik First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus (deficit)	4,940,822	5,625,747
Non-cash items		
Amortization	1,465,040	1,418,613
Income from investment in First Nation business partnership	-	(3,570)
	<b>6,405,862</b>	7,040,790
Changes in working capital accounts		
Accounts receivable	2,255,451	(3,184,124)
Funds held in Ottawa Trust Fund	-	(265)
Prepaid expenses	300,449	(601,774)
Inventory	-	(74,126)
Accounts payable and accruals	(3,604,053)	2,703,924
Deferred revenue	1,288,030	1,975,127
	<b>6,645,739</b>	7,859,552
<b>Financing activities</b>		
Forgiveness of loans	(4,750)	(9,500)
Advances of debt	2,454,709	232,726
Repayment of debt	(203,538)	-
	<b>2,246,421</b>	223,226
<b>Capital activities</b>		
Purchases of tangible capital assets	(8,195,078)	(6,505,539)
<b>Increase in cash resources</b>	<b>697,082</b>	1,577,239
<b>Cash resources, beginning of year</b>	<b>1,679,373</b>	102,134
<b>Cash resources, end of year</b>	<b>2,376,455</b>	1,679,373

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**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***

The COVID-19 outbreak, 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

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**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, 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.

***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.

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**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.

**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.

**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.

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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

***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.

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 eleven 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.

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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

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.

**3. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
General	(757,815)	(34,938)
Health and Social	(69,170)	(97,659)
Economic Development	175,581	83,436
Education Authority	1,977	(11,780)
Power Authority	27,206	(627)
Lands & Resources	126,416	39,019
Ontario Works	151,736	16,233
Investment	192	299,730
Other cash resources	499,816	65,622
Trust Savings	2,220,516	1,320,337
	<hr/>	<hr/>
	2,376,455	1,679,373
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At March 31, 2021, the First Nation had lines of credit available totalling \$325,000 bearing interest at bank prime rate plus 3.25% (3.25% - March 31, 2020). At March 31, 2021, \$77,858 (2020 - \$7,530) 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. Restricted cash**

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") the First Nation established the following:

- A replacement reserve established by an annual allocation of \$12,510, to ensure replacement of buildings financed by CMHC.
- A subsidy surplus reserve established by retaining excess federal assistance payments received plus interest. Reserve funds may be used to meet future subsidy requirements of income test occupants, over and above the maximum federal assistance.

In accordance with terms of the agreements, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal. As at March 31, 2023, the replacement reserve was fully funded at March 31, 2021 and the funded amount was \$7,685 (March 31, 2020 - \$2,100).

	<b>2021</b>	<b>2020</b>
Opening CMHC replacement reserve	2,100	-
Annual replacement reserve allocation	5,585	2,100
	<hr/>	<hr/>
	7,685	2,100

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**5. Accounts receivable**

	<b>2021</b>	<b>2020</b>
Indigenous Services Canada	2,371,165	5,127,022
First Nation and Inuit Health	-	36,129
Harmonized Sales Tax rebates	214,998	273,574
Ministry of Children, Community and Social Services	-	40,578
Commercial Hydro	406,517	434,876
Employee/Member advances	1,060,777	926,788
Fuel sales	113,807	98,812
General	2,303,496	1,716,344
Allowance for doubtful accounts	(1,539,191)	(1,467,103)
	<b>4,931,569</b>	<b>7,187,020</b>

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**6. Portfolio investments**

	<b>2021</b>	<b>2020</b>
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
	<b>182,723</b>	<b>182,723</b>

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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, 2021*

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**7. Investments in First Nation business partnership**

The First Nation holds investments in the following business partnership:

	2021				
	Opening	Income (Loss)	Loss on impairment of investment	Disposal	Total investment
Wasaya Partnership	179,486	-	-	-	179,486
<hr/>					
	2020				
	Opening	Income (Loss)	Loss on impairment of investment	Disposal	Total investment
Wasaya Partnership	175,916	3,570	-	-	179,486

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The First Nation's investee has a different year-end than March 31, 2021. The First Nation uses the investee's December 31, 2020 and 2019 year-end financial figures, respectively, to account for its investment in this investee.

Investment information, as at March 31, 2021 and March 31, 2020 information is not audited.

**8. 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.

	2021	2020
<b>Capital Trust</b>		
Balance, beginning of year	1,710	1,710
Balance, end of year	1,710	1,710
<b>Revenue Trust</b>		
Balance, beginning of year	12,057	11,792
Interest	-	265
Balance, end of year	12,057	12,057
	13,767	13,767

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**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**9. Accounts payable and accruals**

	2021	2020
<b>Funding repayable</b>		
Indigenous Services Canada	826,276	826,276
Nishnawbe Aski Nation	-	154,473
North West Local Health Integration Network	-	110,400
	<b>826,276</b>	1,091,149
<b>Trade Payables</b>		
ACO Services Inc.	28,665	39,094
ACW Water Solutions	-	597,951
DJB Consulting	11,260	48,012
Happy Time Tours & Travel	8,156	77,363
Jon Schiffer, CPA Professional Corporation	64,925	50,461
JR Cousins Consulting Inc.	1,046	76,308
Keewatin Patricia District School Board	-	35,245
Lakehead District School Board	234,211	373,163
Lakehead University	791	78,266
Mistik North	10,936	107,982
Nibinamik Community Store	81,493	20,608
Pape Salter Teillet LLP	96,318	69,013
Wasaya Airways Limited Partnership	314,912	273,273
Matawa First Nations Management	162,641	497,767
MNP LLP	15,000	85,000
Other	661,114	656,523
Penn-co Construction Canada	371,395	2,146,799
Peter G. Thiessen Homes Inc.	-	392,311
Thunder Bay Broom and Chemicals	307,385	87,839
Toromont Cat	(46,740)	169,093
WMPS Contracting Inc.	531,276	222,371
WSIB	71,099	164,247
	<b>2,925,883</b>	6,268,689
<b>Accrued liabilities</b>		
Accrued salaries and employee benefits	79,613	55,600
Other accrued liabilities	94,508	114,894
	<b>174,121</b>	170,494
	<b>3,926,280</b>	7,530,332

**10. 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	2,990,579	20,010,842	18,913,141	4,088,280
Other	221,234	650,818	460,489	411,563
	<b>3,211,813</b>	<b>20,661,660</b>	<b>19,373,630</b>	<b>4,499,843</b>

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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11. **Debt**

	<b>2021</b>	<b>2020</b>
Canada Mortgage and Housing Corporation ("CMHC") housing loan repayable in monthly instalments of \$11,476 including interest at 0.74%, due February 2036.	<b>1,944,340</b>	-
Royal Bank of Canada Fuel loan repayable in monthly instalments of \$120,636 (2020 - \$113,584) including interest at the bank's prime rate plus 2.33% (2020 - prime plus 2.24%), due January 2022.	<b>1,326,990</b>	1,363,000
Royal Bank of Canada Heavy Equipment loan repayable in monthly instalments of \$9,385 including interest at the bank's prime rate plus 2.33%, due March 2022.	<b>500,000</b>	-
Canada Mortgage and Housing Corporation ("CMHC") housing loan repayable in monthly instalments of \$6,049 including interest at 1.75%, due October 2044.	<b>1,402,632</b>	1,450,362
Royal Bank of Canada loan repayable in monthly instalments of \$3,426 including interest at 4.51%, due November 2022.	<b>418,686</b>	440,419
Royal Bank of Canada equipment loan repayable in monthly instalments of \$1,787 including interest at 4.85%, due March 2022.	<b>20,911</b>	40,793
Royal Bank of Canada equipment loan repayable in monthly instalments of \$5,003 including interest at 5.75%, due July 2022.	<b>19,776</b>	76,884
<u>Royal Bank of Canada loan, repaid March 2021.</u>	<u>-</u>	10,707
	<b>5,633,335</b>	3,382,165

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 debt in each of the next five years, assuming debt subject to refinancing is renewed, are estimated as follows:

	<b>Principal</b>
2022	1,653,648
2023	292,802
2024	300,338
2025	308,174
2026	315,826
	<hr/>
	2,870,788

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**12. Forgivable loans**

During the year the First Nation has received CMHC forgivable loans for residential rehabilitation in the amount of \$Nil (2020 - \$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.

	<b>2021</b>	<b>2020</b>
Balance outstanding	-	4,750
<b>Schedule of forgiveness:</b>		
2021	-	4,750

**13. 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.

**14. 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.

**15. Inventory**

	<b>2021</b>	<b>2020</b>
Fuel inventory	<b>850,900</b>	850,900

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**16. 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.

	<b>2021</b>	<b>2020</b>
<b>Operating Fund</b>		
Balance, beginning of year	25,548,887	19,926,709
Surplus	4,940,821	5,622,178
<hr/>		
Balance, end of year	<b>30,489,708</b>	25,548,887
<b>Investment Fund</b>		
Balance, beginning of year	362,207	358,637
Investment gain for the year	-	3,570
<hr/>		
Balance, end of year	<b>362,207</b>	362,207
<b>Total accumulated surplus</b>		
Operating Fund	30,489,708	25,548,886
Investment Fund	362,207	362,207
<hr/>		
Balance, end of year	<b>30,851,915</b>	25,911,093

**17. Guarantee**

The First Nation has guaranteed up to \$130,000 (2020 - \$Nil) to suppliers of the Nibinamik Community Store. As at March 31, 2021 no liability 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).

**18. Economic dependence**

Nibinamik First Nation receives 92% (2020 - 93%) 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, 2021*

**19. Segments**

The First Nation has eleven 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.

**Housing Authority** - includes operations relating to community housing development and operations.

**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.

**20. 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>	<b>2021</b>	<b>2020</b>
<b>Federal government transfers</b>				
Indigenous Services Canada	<b>3,319,223</b>	<b>16,691,619</b>	<b>20,010,842</b>	16,230,263
First Nation and Inuit Health	-	-	-	4,110,895
Canada Mortgage and Housing Corporation	<b>127,642</b>	-	<b>127,642</b>	51,690
Total Federal	<b>3,446,865</b>	<b>16,691,619</b>	<b>20,138,484</b>	20,392,848
<b>Provincial government transfers</b>				
Ministry of Tourism and Culture	<b>2,500</b>	-	<b>2,500</b>	24,000
Ministry of Energy, Northern Development and Mines	<b>246,742</b>	-	<b>246,742</b>	263,835
Ministry of Children, Community and Social Services	<b>1,019,241</b>	-	<b>1,019,241</b>	802,613
Ministry of Health	<b>566,345</b>	-	<b>566,345</b>	494,969
Ministry of Indigenous Affairs	<b>305,642</b>	-	<b>305,642</b>	82,262
Ministry of Education	<b>139,100</b>	-	<b>139,100</b>	65,166
Total Provincial	<b>2,279,570</b>	-	<b>2,269,570</b>	1,732,845
	<b>5,726,435</b>	<b>16,691,619</b>	<b>22,408,054</b>	<b>22,125,693</b>

**21. Budget information**

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

**Nibinamik First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**22. 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.

**23. First Nations Transparency Act**

The First Nation is required by the First Nations Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to ISC by July 31, 2022. As the audit report is after this date, the First Nation is not in compliance with the requirement. The possible effect of non-compliance has not yet been determined.

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

	<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>
<b>Cost</b>							
Balance, beginning of year	1,551,813	511,253	188,827	16,146,483	3,135,658	7,834,884	29,368,918
Acquisition of tangible capital assets	419,820	-	-	2,706,104	-	230,031	3,355,955
Balance, end of year	<b>1,971,633</b>	<b>511,253</b>	<b>188,827</b>	<b>18,852,587</b>	<b>3,135,658</b>	<b>8,064,915</b>	<b>32,724,873</b>
<b>Accumulated amortization</b>							
Balance, beginning of year	1,173,395	509,063	181,582	6,917,489	1,802,108	4,993,147	15,576,784
Annual amortization	171,750	657	1,449	529,101	66,679	142,825	912,461
Balance, end of year	<b>1,345,145</b>	<b>509,720</b>	<b>183,031</b>	<b>7,446,590</b>	<b>1,868,787</b>	<b>5,135,972</b>	<b>16,489,245</b>
<b>Net book value of tangible capital assets</b>	<b>626,488</b>	<b>1,533</b>	<b>5,796</b>	<b>11,405,997</b>	<b>1,266,871</b>	<b>2,928,943</b>	<b>16,235,628</b>
Net book value of tangible capital assets - 2020	378,418	2,190	7,245	9,228,994	1,333,550	2,841,737	13,792,134

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

	<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>
<b>Cost</b>							
Balance, beginning of year	29,368,918	9,237,008	322,124	16,021,180	1,121,453	58,875	56,129,558
Acquisition of tangible capital assets	3,355,955	1,489,253	-	2,958,676	391,194	-	8,195,078
Balance, end of year	<b>32,724,873</b>	<b>10,726,261</b>	<b>322,124</b>	<b>18,979,856</b>	<b>1,512,647</b>	<b>58,875</b>	<b>64,324,636</b>
<b>Accumulated amortization</b>							
Balance, beginning of year	15,576,784	3,754,696	210,552	6,779,103	741,242	58,134	27,120,511
Annual amortization	912,461	249,078	4,462	189,701	109,191	147	1,465,040
Balance, end of year	<b>16,489,245</b>	<b>4,003,774</b>	<b>215,014</b>	<b>6,968,804</b>	<b>850,433</b>	<b>58,281</b>	<b>28,585,551</b>
<b>Net book value of tangible capital assets</b>	<b>16,235,628</b>	<b>6,722,487</b>	<b>107,110</b>	<b>12,011,052</b>	<b>662,214</b>	<b>594</b>	<b>35,739,085</b>
Net book value of tangible capital assets - 2020	13,792,134	5,482,312	111,572	9,242,077	380,211	741	29,009,047

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

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	<i>Subtotal</i>	<i>Land</i>	<i>2021</i>	<i>2020</i>
<b>Cost</b>				
Balance, beginning of year	56,129,558	236,063	56,365,621	49,860,082
Acquisition of tangible capital assets	8,195,078	-	8,195,078	6,505,539
<b>Balance, end of year</b>	<b>64,324,636</b>	<b>236,063</b>	<b>64,560,699</b>	<b>56,365,621</b>
<b>Accumulated amortization</b>				
Balance, beginning of year	27,120,511	-	27,120,511	25,701,898
Annual amortization	1,465,040	-	1,465,040	1,418,613
<b>Balance, end of year</b>	<b>28,585,551</b>	<b>-</b>	<b>28,585,551</b>	<b>27,120,511</b>
<b>Net book value of tangible capital assets</b>	<b>35,739,085</b>	<b>236,063</b>	<b>35,975,148</b>	<b>29,245,110</b>
<b>Net book value of tangible capital assets - 2020</b>	<b>29,009,047</b>	<b>236,063</b>	<b>29,245,110</b>	

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

	<b>2021 Budget</b>	<b>2021 Actual</b>	<b>2020 Actual</b>
<b>Consolidated expenses (recoveries) by object</b>			
Administration	740,420	-	-
Advertising	67,000	38,042	27,498
Amortization	-	1,465,040	1,418,613
Bad debts	-	(74,216)	188,089
Bank charges and interest	25,000	35,423	33,076
Contracts and consulting	575,598	268,696	359,715
Crisis	279,004	327,103	322,811
Fuel	1,412,842	1,184,763	1,668,045
Honoraria	379,108	1,124,762	553,830
Insurance	238,218	80,296	46,399
Interest on long-term debt	136,663	92,098	138,914
Meeting	25,993	36,239	48,236
Miscellaneous	55,000	259	29,501
Office expense	276,507	320,019	141,620
Office rent	406,530	302,019	269,324
Professional fees	491,900	631,649	492,037
Program expense	4,875,597	4,795,299	3,792,174
Repairs and maintenance	1,393,771	894,914	773,414
Salaries and employee benefits	4,712,825	4,931,102	4,429,417
Supplies	1,118,977	964,271	398,177
Telephone	69,885	97,482	75,219
Training	141,650	217,485	215,561
Travel	926,917	597,000	1,277,946
Tuition	557,051	658,476	550,634
Utilities	570,038	625,795	681,387
Vehicle and fuel	76,367	93,557	129,976
	<b>19,552,861</b>	<b>19,707,573</b>	<b>18,061,613</b>

**Nibinamik First Nation**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2021*

	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Deferred Revenue, end of year</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
<b>Program</b>							
Administration	846,434	258,556	(169,477)	3,926,093	1,429,078	139,006	2,636,021
Casino Rama	-	1,018,175	-	1,018,175	361,401	(656,774)	-
Community support	1,404,163	222,961	(255,733)	1,371,391	1,885,136	517,768	4,023
Lands & Resources	-	207,885	-	207,885	355,042	-	(147,157)
Band Operations and Maintenance	5,244,857	1,237,114	(1,381,639)	5,100,333	2,030,596	-	3,069,737
Medical Services	5,334,732	221,234	(335,314)	5,220,652	5,149,214	-	71,438
Social Services	511,339	2,134,665	(352,867)	2,293,137	2,545,545	-	(252,408)
Economic/Employment Development	385,941	293,629	(80,296)	599,274	1,210,505	-	(611,231)
Housing Authority	-	367,762	-	367,762	87,251	-	280,511
Education	6,283,375	184,834	(1,924,517)	4,543,693	4,653,805	-	(110,112)
<b>Total</b>	<b>20,010,841</b>	<b>6,146,815</b>	<b>(4,499,843)</b>	<b>24,648,395</b>	<b>19,707,573</b>	<b>-</b>	<b>4,940,822</b>