

**Long Point First Nation
Financial statements**
March 31, 2024

Long Point First Nation

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Year ended March 31, 2024

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Management's Statement of Responsibility

The financial statements of the Long Point First Nation as of March 31, 2024, are the responsibility of management and have been approved by the Chief and Council.

These financial statements have been prepared by management in accordance with the Canadian public sector accounting standards ("PSAS") and, as such, include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and are ultimately responsible for reviewing and approving the financial statements.

The Chief and Council meet periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditor, MNP LLP, conducts an independent examination, in accordance with Canadian auditing standards, and expresses their opinion on the financial statements. The external auditor has full and free access to financial management of Long Point First Nation and meets when required.

On behalf of Long Point First Nation:



Signature and title
for Long Point First Nation

September 24, 2024

Independent Auditor's Report

To the Chief and Council of
Long Point First Nation

Qualified Opinion

We have audited the financial statements of Long Point First Nation (the "First Nation"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, except for the implication of the situation described in section «Basis for Qualified Opinion», the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation for the year ended March 31, 2024, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with the Canadian public sector accounting standards ("PSAS").

Basis for Qualified Opinion

In connection with the April 1, 2022 application of CPA Canada Public Sector Accounting Handbook Section PS 3280, "Asset Retirement Obligations", the First Nation did not identify and measure its liabilities for asset retirement obligations as of April 1, 2022, March 31, 2023 and March 31, 2024, which constitutes a departure from Canadian public sector accounting standards. The First Nation should have identified the assets or components at risk of an asset retirement obligation liability, estimated and recorded the amount of this liability, and provided disclosures about the obligations. Since the identification, estimation, recognition and disclosure of the obligations have not been performed, we were unable to determine whether any adjustments might be required to the capital assets, liabilities for asset retirement obligations as of March 31, 2023 and March 31, 2024, surplus for the year and cash flows from operating activities, as well as to the change in net financial assets and disclosures of the obligations for the year ended March 31, 2023 and March 31, 2024. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified because of the effects of this departure from Canadian public accounting standards.

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the fact that the First Nation includes, in its financial statements, certain financial information that is not required by the PSAS. This information, prepared in accordance with the requirements of Indigenous Services Canada ("ISC"), addresses the conciliation of the surplus under ISC financial reporting requirements on page 2. The First Nation also choose to present a statement of cumulative operating surplus on page 3, a statement of net investment in capital assets on page 4 and schedules on pages 21 to 205. Our qualified opinion is not modified in respect of this matter.

Other Matter

The Organization has prepared a set of financial statements for general purpose for the year ended March 31, 2024 in accordance with PSAS on which we issued an auditor's report dated September 24, 2024.

Other Matter - Restriction on Use

These special purpose financial statements have been prepared to assist the Organization to comply with the Financial Reporting Requirements in the Indigenous Services Canada Financial Reporting Guide. Our report is intended solely for the Organization and Indigenous Services Canada and should not be used by parties other than the Organization and Indigenous Services Canada.

Responsability of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the PSAS, 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Organization'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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

 MNP LLP
MNP LLP

Amos (Québec)
September 24, 2024

¹ By CPA auditor, public accountancy permit No. A137585

Long Point First Nation
Statement of operations
Year ended March 31, 2024

	2024	2023
Revenues		
ISC - Grant	17,721,975	14,697,019
ISC - Fixed contribution	6,556,493	13,929,404
ISC - Flexible contribution	3,017,075	2,215,865
ISC - Set contribution	674,300	795,463
Refundable surplus to ISC	(302,156)	(270,879)
Aboriginal Savings Corporation of Canada (ABSCAN)	-	583,842
Administration fees	1,544,451	1,359,866
Canada Mortgage and Housing Corporation (CMHC)	218,176	163,166
Canadian Malartic Mine	562,500	562,500
Centre jeunesse de l'Abitibi-Témiscamingue	15,000	15,000
Contract with forestry companies	95,000	641,409
Grand Conseil de la Nation Waban-Aki	-	98,553
Contracts and rental	124,959	21,655
First Nations Education Council	172,945	646,297
First Nations Human Resources Development (FNHRD)	522,136	432,181
Government of Quebec	141,000	45,000
First Nations of Quebec and Labrador Health and Social Services Commission (FNQLHSSC)	919,551	202,905
Interests	914,735	342,502
Ministère de la Culture et des Communications	35,000	35,000
Ministère des Forêts, de la Faune et des Parcs (MFFP)	270,000	-
Public Safety of Canada	104,000	-
Rent revenue	378,648	328,369
Secrétariat aux relations avec les Premières Nations et les Inuits (SRPNI)	809,961	13,784
Tax reimbursement	156	36,172
Other revenues	399,258	384,521
Withdrawal from replacement reserve	55,915	67,022
Gain on settlements	1,700,000	-
Deferred revenue from previous year	481,387	2,736,951
Deferred revenue to following year	(1,803,774)	(481,387)
ISC - Unexpended contribution from previous year	14,247,690	9,566,502
ISC - Unexpended contribution to following year	(8,971,518)	(14,247,690)
	40,604,863	34,920,992

Long Point First Nation
Statement of operations
Year ended March 31, 2024

	2024	2023
Expenses (Note 17)		
Band government	29,128	7,455
Administration	2,469,418	1,712,122
Human resources development	466,556	503,802
Education	10,025,245	5,872,835
Health	6,411,753	5,494,830
Public works	3,770,127	2,329,263
Fire and public security protection	245,590	146,746
Social assistance	1,731,836	1,809,658
Housing	1,308,697	934,216
Economic development	483,585	759,672
Natural resources and others	1,075,544	1,901,687
	28,017,479	21,472,286
Surplus of the year	12,587,384	13,448,706
Conciliation to ISC financial reporting requirements		
Surplus for the year	12,587,384	13,448,706
Reimbursement of capital on long-term debt	(89,795)	(105,718)
Acquisition of capital assets	(9,629,751)	(10,497,187)
Loan revenue	1,544,881	-
Surplus under ISC financial reporting requirements (1)	4,412,719	2,845,801

(1) The operating surplus under ISC financial reporting requirements before amortization is \$6,138,993 (surplus of \$4,278,604 in 2023).

The accompanying notes are an integral part of the financial statements.

Long Point First Nation
Statement of cumulative operating surplus
Year ended March 31, 2024

	2024	2023
Balance at beginning of year	5,333,774	5,948,142
Surplus of the year	12,587,384	13,448,706
Transfer to net investment in capital assets		
Acquisition of capital assets	(9,629,751)	(10,497,187)
Amortization of capital assets	1,726,274	1,432,803
Loan revenue	1,544,881	-
Reimbursement of capital on long-term debt	(89,795)	(105,718)
Adjustment of reserved funds - Article 95	(5,302)	16,134
Legally enforceable right to set-off between a loan and an account receivable	(289,981)	-
Transfer to the reserve for ISC grant funding	(5,166,073)	(4,894,855)
Use (allocation) to fire protection reserve	32,441	(14,251)
Balance at end of year	6,043,852	5,333,774

The accompanying notes are an integral part of the financial statements.

Long Point First Nation
Statement of net investment in capital assets
Year ended March 31, 2024

	2024	2023
Net investment in capital assets at beginning of year	39,207,323	30,030,331
Variation of net investment in capital assets		
Plus:		
Acquisition of capital assets	9,629,751	10,497,187
Reimbursement of capital on long-term debt	89,795	105,718
Reimbursement of RRAP loans	16,121	6,890
Legally enforceable right to set-off between a loan and an account receivable	289,981	-
	10,025,648	10,609,795
Less:		
Loan revenue	1,544,881	-
Amortization of capital assets	1,726,274	1,432,803
	3,271,155	1,432,803
Net investment in capital assets at end of year	45,961,816	39,207,323

The accompanying notes are an integral part of the financial statements.

Long Point First Nation
Statement of financial position

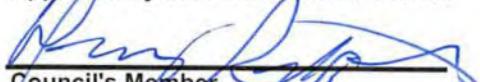
As at March 31, 2024

	2024	2023
Financial assets		
Cash	16,253,361	15,779,117
Short-term investments (5.25% to 5.86% renewables between September 2024 and February 2025)	10,009,633	5,000,000
Accounts receivable (Note 3)	9,684,047	13,253,746
Restricted cash and deposits (Note 4)	510,770	494,913
	36,457,811	34,527,776
Liabilities		
Accounts payable and accrued liabilities	3,219,515	2,176,012
Funding received in advance	-	1,275,692
Deferred revenue (Note 6)	1,803,774	481,387
ISC - Unexpended funding (Note 7)	8,971,518	14,247,692
Refundable contribution to ISC	551,900	464,896
Long-term debt (Note 8)	1,812,569	663,585
	16,359,276	19,309,264
Net financial assets	20,098,535	15,218,512
Non-financial assets		
Prepaid expenses	298,264	508,341
Capital assets (Note 5)	47,774,385	39,870,908
	48,072,649	40,379,249
Accumulated surplus (Note 11)	68,171,184	55,597,761

Contingency (note 16)

The accompanying notes are an integral part of the financial statements.

Approved by the First Nation's Council



Council's Member



Council's Member

Long Point First Nation
Statement of changes in net financial assets
Year ended March 31, 2024

	2024	2023
Surplus for the year	12,587,384	13,448,706
Changes in capital assets		
Acquisition of capital assets	(9,629,751)	(10,497,187)
Amortization of capital assets	1,726,274	1,432,803
	(7,903,477)	(9,064,384)
Changes in non-operational surpluses, reserves and other non-financial assets		
Variation of surpluses and reserves	(33,365)	(43,230)
Increase in in-trust fund	3,283	2,650
Changes in other non-financial assets	210,077	24,024
RRAP loan instalments remission	16,121	6,890
	196,116	(9,666)
Changes in net financial assets	4,880,023	4,374,656
Net financial assets at beginning of year	15,218,512	10,843,856
Net financial assets at end of year	20,098,535	15,218,512

The accompanying notes are an integral part of the financial statements.

Long Point First Nation
Statement of cash flows
Year ended March 31, 2024

	2024	2023
Operating activities		
Surplus for the year	12,587,384	13,448,706
Item not affecting cash:		
Amortization of capital assets	1,726,274	1,432,803
	14,313,658	14,881,509
Changes in non-cash operating working capital items (Note 10)	(609,177)	2,558,329
	13,704,481	17,439,838
Investing activities		
Acquisition of capital assets	(9,629,751)	(10,497,187)
Increase in restricted cash and deposits	(15,857)	(9,753)
Increase in short-term investment	(5,009,633)	(5,000,000)
	(14,655,241)	(15,506,940)
Financing activities		
Variation of surpluses and reserves	(33,365)	(43,230)
Increase in in-trust fund	3,283	2,650
Proceed from long-term debt	1,544,881	-
Reimbursement of capital on long-term debt	(105,916)	(112,608)
RRAP loan instalments remission	16,121	6,890
	1,425,004	(146,298)
Net increase in cash and cash equivalents	474,244	1,786,600
Cash and cash equivalents, beginning of year	15,779,117	13,992,517
Cash and cash equivalents, end of year	16,253,361	15,779,117

See additional information presented in Note 10.

The accompanying notes are an integral part of the financial statements.

Long Point First Nation
Notes to the financial statements
March 31, 2024

1. Description of the First Nation

The First Nation is an unincorporated legal body as defined in the Indian Act. A band council is considered a form of local government consisting of a Chief and two or more councillors who are chosen by election or band custom to carry out the functions of government for the First Nation.

2. Accounting policies

The First Nation includes, in its financial statements, certain financial information that is not required by the PSAS. This information, prepared in accordance with the requirements of ISC, addresses the conciliation of the surplus under ISC financial reporting requirements on page 2. The First Nation also choose to present a statement of cumulative operating surplus on page 3, a statement of net investment in capital assets on page 4 and schedules on pages 21 to 205.

The financial statements have been prepared in accordance with the Canadian public sector accounting standards and are including the following significant accounting policies :

Change in accounting policies

PS 3400 - Revenue

Effective April 1, 2023, the First Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of revenue under PS 3400 Revenue. The new standard establishes when to recognize and how to measure revenue, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Under the new standard, revenue is differentiated between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions", as described below.

There was no material impact on the financial statements from the prospective application of the new accounting recommendations.

Significant accounting policies

Cash and cash equivalents

Cash and cash equivalents include cash, bank overdraft, bank loan and short-term investments with a term to maturity of three months or less at the date of acquisition.

Financial instruments

On initial recognition, all financial instruments are initially recognized at fair value, and are classified as either financial instruments measured at cost or amortized cost, or as financial instruments measured at fair value. Transactions that are not contractual in nature do not generate items considered as financial instruments.

Cash and cash equivalents, short-term investments, accounts receivable (excluding commodity taxes receivable), restricted cash and deposits are classified as financial assets at cost or amortized cost. Financial assets measured at cost or amortized cost using the effective interest method. Borrowings, accounts payable and accrued liabilities, excluding commodity taxes payable and employee benefits payable, accrued interest payable and debts are classified as financial liabilities measured at cost or amortized cost using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instruments to its carrying amount.

2. Accounting policies (continued)

Financial instruments (continued)

Transaction costs are added to the carrying amount of financial instruments measured at cost or amortized cost on initial recognition.

All financial assets are tested annually for impairment. Management takes into consideration whether the issuing company has suffered continuous losses over a number of years, recent experience in collecting the receivable, such as a default or delay in interest or principal payments, and so on. Any impairment that is not considered temporary is recognized in the income statement. Reductions in the value of financial assets measured at cost or amortized cost to reflect impairment losses are not reversed for subsequent increases in value. Reversals of any net revaluation of financial assets measured at fair value are recognized in the statement of revaluation gains and losses. When the carrying value of a portfolio investment in shares quoted on an active market has been reduced to reflect an other-than-temporary impairment in value, the accumulated balance of unrealized losses recognized in the statement of remeasurement gains and losses is reclassified to the statement of income.

Capital assets

Capital assets are accounted for at cost. Amortization is calculated using the following methods at the following rates and over the following periods :

	Methods	Periods
Private housing	Diminishing balance and straight-line	5% and 25 years
Community and residential buildings	Declining balance	2.5 to 5 %
Equipment	Declining balance	20 to 30%
Motorized equipment	Declining balance	10 to 20%
Roadway system	Declining balance	2.50%
Water and sanitation systems	Declining balance	2.50%

Assets under construction are not depreciated since they are not in use.

Loans

Loans with significant concessionary terms are presented at initial fair value discounted by the amount of the grant portion.

Impairment of long-lived assets

Capital assets are written down when conditions indicate that they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the capital assets are less than their net book value. The net write-down are accounted for as expense in the Statement of Operations.

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the Statement of Operations as the stipulation liabilities are settled.

Long Point First Nation
Notes to the financial statements
March 31, 2024

2. Accounting policies (continued)

Revenue recognition (continued)

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Revenue from transactions with performance obligations is recognized when the First Nation satisfies a performance obligation by providing the promised goods or services to a payor. The performance obligation is evaluated as being satisfied either over a period of time or at a point in time.

Other revenues are recognized when persuasive evidence of an arrangement exists, price is fixed or determinable and collection is reasonably assured.

Use of estimates

The preparation of 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The critical estimates relate to the provision for doubtful accounts in respect of receivables, the useful lives of long-lived assets, the deferred revenue, the ISC - unexpended funding, certain accrued liabilities and liabilities under legal contingencies. Actual results could differ from these estimates.

Pension plan

The cost of the defined pension plan is equal to the pension plan expense.

The pension plan is a multiemployer defined benefit pension plan that is accounted for as a defined contribution plan.

3. Accounts receivable

	2024	2023
ISC	6,587,938	11,202,102
CMHC	834,474	1,553,668
First Nations Education Council	83,869	18,046
Rent - Band housing and Article 95	2,263,076	2,150,589
FNHRD	13,020	12,998
FNQLHSSC	933,226	57,988
MFFP	169,128	503
Secrétariat aux relations avec les Premières Nations les Inuits (SRPNI)	376,813	163,479
Gain on settlement receivable	200,000	-
Other accounts receivable	713,925	437,897
	12,175,469	15,597,270
Allowance for doubtful accounts	(2,491,422)	(2,343,524)
	9,684,047	13,253,746

Long Point First Nation
Notes to the financial statements
March 31, 2024

4. Restricted cash and deposits

	2024	2023
In-trust surplus	104,057	100,774
Reserved funds - Article 95*	406,713	394,139
	510,770	494,913

* Under the agreement with CMHC, an annual amount for housing units must be invested for the replacement reserve in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then capital. The First Nation overfunded the combined minimal amounts to be invested in the replacement reserve (\$202,090) and in the operating reserve (\$148,502) by \$56,121. In 2023, the First Nation overfunded the replacement reserve and the operating reserve by \$15,504.

5. Capital assets

	2024	2023		
	<i>Accumulated</i>			
	<i>Cost</i>	<i>amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Private housing	13,937,245	4,614,156	9,323,089	5,237,995
Community and residential buildings	19,114,730	5,385,647	13,729,082	13,505,217
Equipment	3,214,425	2,399,091	815,334	723,593
Motorized equipment	4,919,632	2,487,293	2,432,339	1,910,667
Roadway system	5,265,244	1,485,528	3,779,716	3,879,233
Water and sanitation systems	17,679,789	2,157,004	15,522,786	11,430,438
Assets under construction	2,172,039	-	2,172,039	3,183,765
	66,303,104	18,528,719	47,774,385	39,870,908

An amount of \$1,726,274 has been considered for depreciation (\$1,432,803 as at March 31, 2023).

Long Point First Nation
Notes to the financial statements
March 31, 2024

6. Deferred revenue

	<i>Project</i>	2024	2023
Schedule 18 - FNHRD - Labour Market Initiative	5544	66,705	-
Schedule 35 - FNEC - Post Secondary Partnership Program	2365	59,382	110,234
Schedule 42 - Family Violence	2430	6,654	16,957
Schedule 47 - FNQLHSSC - Fight Against Poverty	3266	-	41,290
Schedule 74 - Influenza Pandemic Preparedness (COVID-19)	9308	-	28,130
Schedule 76 - Aboriginal Health Human Resources	9315	-	21,150
Schedule 114 - Police Force	7100	93,443	-
Schedule 124 - CMHC RRAP - Housing and Community Buildings Renovation	2572	6,508	6,345
Schedule 133 - CMHC - Co-investment Fund	2615	150,000	-
Schedule 147 - HASI - 504 Mahigan Mikana	3232	-	1,442
Schedule 150 - Community Engagement / Antiracism	2552	164,186	-
Schedule 153 - Childcare	3256	755,365	19,720
Schedule 155 - Radio Station	9200	11,874	12,750
Schedule 180 - Indigenous Languages & Cultures Program	5105	143,553	-
Schedule 165 - Natural Resources - Agreement	6102	186,548	-
Schedule 166 - Indigenous Capacity Support Program	6126	8,962	-
Schedule 174 - Wasamac Project	6555	145,594	145,594
Schedule 176 - Mining Upper Beaver Gold	6575	5,000	5,000
Schedule 181 - Let's talk Anishnabeg	5110	-	72,775
		1,803,774	481,387

Long Point First Nation
Notes to the financial statements
March 31, 2024

7. ISC – Unexpended funding

	<i>Project</i>	2024	2023
Schedule 3 - Assets Management plan	1030	27,661	-
Schedule 4 - Declaration on Rights of Indigenous	1820	51,600	51,600
Schedule 7 - Financial Management Governance Capacity Development	1844	-	21,258
Schedule 8 - Human Resources Management Governance Capacity Development	1845	40,753	-
Schedule 39 - Amo Ososwan School Repairs	2282	220,347	1,400,000
Schedule 27 - Study New Education Space	2541	75,000	-
Schedule 45 - ISC - Health Branch - Head Start	3257	1,270,339	510,000
Schedule 49 - Primary Care Infrastructure Nurse	9002	1,000,000	-
Schedule 50 - ISC - Health Branch - Clinic Repairs	9004	802,817	764,952
Schedule 51 - First Line Services	9050	2,353,123	1,215,663
Schedule 52 - Community Based Initiatives Retro-Action	9060	-	491,493
Schedule 53 - Communicable Diseases	9051	8,152	20,560
Schedule 58 - ISC - Health Branch - Jordan's Principle	9080	780,211	483,997
Schedule 59 - ISC - Health Branch - Jordan's Principle Coordination	9085	66,391	16,775
Schedule 66 - ISC - Health Branch - Traditional Healers	9125	5,161	10,361
Schedule 72 - Tobacco Control Strategy	9306	-	17,545
Schedule 76 - Aboriginal Health Human Resources	9315	-	986
Schedule 80 - ISC - Health Branch - Mental Wellness Team	9450	-	204,023
Schedule 81 - ISC - Health Branch - Emerging Technology	9475	13,684	14,072
Schedule 92 - O & M Water & Wastewater	2518	835,315	1,294,124
Schedule 96 - Old school demolition	4150	-	49,065
Schedule 97 - Sanitary Sewer Repairs	4210	160,445	4,104,143
Schedule 98 - New Wastewater Treatment (CMQ34) and Aerated Lagoons	4215	354,419	557,613
Schedule 99 - Drinking Water Upgrade	4228	130,190	1,244,399
Schedule 100 - Landfill Monitoring	4234	-	1,096
Schedule 101 - Ecocenter & Waste Management Project	4235	16,617	13,282
Schedule 104 - O & M Roll-Off Truck	8200	-	416,982
Schedule 102 - Waste Management Plan	4350	5,055	-
Schedule 121 - Feasibility Study - Youth Center	3082	137,250	144,208
Schedule 125 - Major Renovations, Extensions & Repairs	2573	-	147,284
Schedule 127 - Housing Maintenance Plan	2580	32,194	32,194
Schedule 131 - Housing Policy Review	2590	-	4,782
Schedule 141 - Housing Initiative - Fourplex 167 Kijigate	2553	-	896,810
Schedule 167 - Strategic Partnerships Initiative (SPI)	6130	6,216	-
Schedule 173 - Specific Claim - Flooding And Village Relocation	2020	-	9,538
Schedule 182 - First Nation Representative Service	9053	97,075	108,887
Schedule 183 - First Nation Child & Family Services - O&M	9058	457,859	-
Schedule 184 - Capital-CHRT	9056	23,644	-
		8,971,518	14,247,692

Long Point First Nation
Notes to the financial statements
March 31, 2024

8. Long-term debt

	2024	2023
Loan, 1.12%, guaranteed by ISC, payable by monthly instalments of \$229, including interest, maturing in 2042 - Loan No. 16229619011	42,681	44,936
Loan, 4.12%, guaranteed by ISC, payable by monthly instalments of \$712, including interest, maturing in 2033	60,040	66,435
Loan, 1.13%, guaranteed by ISC, payable by monthly instalments of \$1,716, including interest, maturing in 2030 - Loan No. 16229619008	104,954	124,247
Loan, 3.78%, guaranteed by ISC, payable by monthly instalments of \$311, including interest, maturing in 2032 - Loan No. 16229619009	23,158	25,919
Loan, 3.78%, guaranteed by ISC, payable by monthly instalments of \$621, including interest, maturing in 2032 - Loan No. 16229619010	46,316	51,840
Loan, 4.49%, guaranteed by ISC, payable by monthly instalments of \$1,372, including interest, maturing in 2031	94,805	106,756
Loans from CMHC (RRAP), no interest*	15,613	31,734
Loan, 2.99%, guaranteed by ISC, payable by monthly instalments of \$565, including interest, maturing in 2026 - Loan No. 16229619001	7,769	14,216
Loan, 1.22%, guaranteed by ISC, payable by monthly instalments of \$469, including interest, maturing in 2030 - Loan No. 16229619002	31,673	36,879
Loan, 0.71%, guaranteed by ISC, payable by monthly instalments of \$405, including interest, maturing in 2030 - Loan No. 16229619003	27,754	32,397
Loan, 1.13%, guaranteed by ISC, payable by monthly instalments of \$722, including interest, maturing in 2032 - Loan No. 16229619005	59,591	67,529
Loan, 1.13%, guaranteed by ISC, payable by monthly instalments of \$329, including interest, maturing in 2030 - Loan No. 16229619006	19,805	23,507
Loan, 1.13%, guaranteed by ISC, payable by monthly instalments of \$326, including interest, maturing in 2030 - Loan No. 16229619007	19,602	23,265
Loan, 7.49%, guaranteed by a motorized equipment with a net book value of \$33,960, payable by monthly instalments of \$894, including interest, maturing in 2025	3,908	13,926
Loan of \$289 981, 6.90%, guaranteed by SOCCA, offset by a receivable since there is a legally enforceable right to set-off between the loan and the receivable, which will be realized simultaneously, starting in April 2024, maturing in 2027	-	-
Loan, 3.84%, guaranteed by ISC, payable by monthly instalments of \$647, starting in April 2024, including interest, maturing in 2047 - Loan No. 16229619012	120,000	-
Loan, 3.84%, guaranteed by ISC, payable by monthly instalments of \$1,531, starting in April 2024, including interest, maturing in 2043 - Loan No. 16229619013	249,000	-
Loan, 3.84%, guaranteed by ISC, payable by monthly instalments of \$1,944, starting in April 2024, including interest, maturing in 2043 - Loan No. 26782086	316,000	-

Long Point First Nation
Notes to the financial statements
March 31, 2024

8. Long-term debt (continued)

	2024	2023
Loan in progress, approved by CMHC, with a term of 25 years, 2.97% and other terms to be determined	332,800	-
Loan in progress, approved by CMHC, with a term of 25 years, 2.97% and other terms to be determined	<u>237,100</u>	-
Current portion	1,812,569	663,585
	<u>114,006</u>	109,357
	1,698,563	554,228

Capital payments due within each of the next five years are as follow :

	\$
2025	114,006
2026	109,137
2027	102,947
2028	105,806
2029	108,730

* Under this program, an agreement has been reached by Long Point First Nation and CMHC concerning the CMHC's contributions for the major repairs of houses located on the First Nation's territory.

Should all the conditions of the agreement be met by the First Nation, the amortization of these loans will be made by remission instalments based on a straight-line method of depreciation of five years. Should the conditions not be respected by the First Nation, the outstanding balance of these loans will be repaid by the First Nation as a usual mortgage (subject of interest charges).

9. Replacement reserve fund - Article 95

	2024	2023
Balance at beginning of year	222,880	280,227
Transfer to replacement reserve fund - Article 95	22,550	23,792
Interest earned	12,575	7,936
Withdrawal from replacement reserve	<u>(55,915)</u>	<u>(67,022)</u>
	202,090	222,880

Under the terms of the agreement with CMHC, the replacement reserve fund – Article 95 is to be credited of \$22,550 (\$23,792 in 2023) annually. These funds along with accumulated interest must be held in a separate bank account and/or invested only in accounts or instruments insured by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then capital.

Long Point First Nation
Notes to the financial statements
March 31, 2024

10. Additional information relating to the statement of cash flows

Changes in non-cash operating working capital items:

	2024	2023
Accounts receivable	3,279,718	(2,083,238)
Prepaid expenses	210,077	24,024
Accounts payable and accrued liabilities	1,043,503	621,195
Funding received in advance	(1,275,692)	1,275,692
Deferred revenue	1,322,387	(2,255,564)
ISC - Unexpended funding	(5,276,174)	4,681,190
Refundable contribution to ISC	87,004	295,030
	(609,177)	2,558,329

Cash and cash equivalents:

Cash	16,253,361	15,779,117
Interest paid	15,776	15,391

Non-cash transaction :

During the year, the First Nation compensate an account receivable of an amount of \$289,981 against a long-term debt due to the legally enforceable right to set-off in accordance with a tri-partite agreement between Native Commercial Credit Corporation (NCCC), SRPNI and the First Nation.

11. Accumulated surplus

	2024	2023
Net investment in capital assets	45,961,816	39,207,323
In-trust fund	104,057	100,774
Replacement reserve fund - Article 95	202,090	222,880
Reserve for ISC grant funding *	15,473,570	10,307,497
Reserve for fire equipment *	237,297	269,738
Operating reserve fund - Article 95	148,502	155,775
Cumulative operating surplus	6,043,852	5,333,774
	68,171,184	55,597,761

* These reserves have been created from the cumulative operating surplus.

12. Pension plan

The First Nation supports the contributory defined benefit pension plan for substantially all of its employees. It is a multiemployer plan that is administered by the Native Benefits Plan. The pension for native employees is from 6.25% to 8.5% of the gross salary and the employer contributes 1.82 times the employee's contribution. For the non-native employees, it is 4.6% of the gross salary and the employer contributes 1.82 times the employee's contribution. The expense for the year is \$501,648 (\$414,655 in 2023).

13. Financial instruments

Credit facility (bank loan)

An authorized amount of \$450,000, bearing interest at prime rate (7.20% as at March 31 2024) plus 2.25% is available. The line of credit has been renewed in August 2024 with the same conditions and is guaranteed by a first ranking hypothec of \$450,000 on all the First Nation's present and future claims and is payable on demand and fluctuates regularly. The credit facility is not used as of March 31, 2024.

Fair value of financial assets and liabilities

The fair value of cash, accounts receivable, short-term investment, restricted cash and deposits, accounts payable and accrued liabilities and refundable contribution to ISC is approximately equal to their carrying value due to their short-term maturity date.

The fair value represents approximately the amounts of the financial instruments that would be exchanged between the consenting parties, according to the current market value of instruments which the risk, capital and duration are the same. Certain estimates and decisions were required to arrive at the fair value of financial instruments which was based upon actualization and other evaluation methods which depend largely on hypothesis of estimated cash flows and the actualization rate depending on different degrees of risk.

As at March 31, 2024, the net book value of all financial instruments corresponded approximately to their fair value.

Credit risk

The First Nation provides credit to its tenants in the normal course of its operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for potential credit losses.

Interest rate risk

The long-term debt mainly bears interest at fixed rates. Consequently, the cash flows exposure is not significant. However, the fair value of loans having fixed rates of interest could fluctuate with changes in market interest rates. The short-term loans and investments represent a limited exposure to interest rate risk due to their short-term maturity.

14. Related parties

During the year, Long Point First Nation carried out the following transactions with related parties:

	2024	2023
Expenses		
Purchases - companies held by a council member (until August 2022)	-	327,687

The transactions were carried out in the normal course of operations. They are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

At year-end, no amounts were receivable from and payable to related parties (no amount the previous year either).

15. Cumulative operating and funds balances

The cumulative operating and funds balances as at March 31, 2024, does not take into consideration possible modifications following the review and analysis of the present financial statements by ISC, FNEC, FNHRD and CMHC. Any adjustment resulting from these analyses will be recorded in the current year as an adjustment of funds balance.

16. Contingency

According to RBA pension plan policy, all eligible employees should be register to RBA pension plan when certain criteria are met. It turns out that some employees in the past should have been covered by the RBA pension plan but were not registered. As of the date of our report, it is still currently impossible to assess the amount from this situation that the First Nation could, if necessary, have to pay. No provision has been recorded in the financial statements.

Long Point First Nation
Notes to the financial statements
March 31, 2024

17. Expenses by object

	2024	2023
Salaries and fringe benefits	9,102,800	8,103,968
Accommodation and meals	115,384	35,477
Amortization of capital assets	1,726,274	1,432,803
Administration fees	1,488,767	1,242,565
Allocation for education	212,402	230,353
Allocation for human resources development	2,490	10,365
Allocation for social assistance	1,622,719	1,707,217
Allocation for trappers	4,998	5,001
Allocation for camps	-	24,936
Bad debts	180,049	135,829
Contracts	4,868,210	1,921,131
Election expenses	8,353	11,134
Electricity	183,871	184,888
Honoraria	72,950	113,357
Insurances	221,754	195,918
Interest and bank charges	34,399	15,222
Interest on long-term debt	15,776	15,391
Licence and permits	29,128	26,396
Maintenance	118,703	132,048
Material and supplies	2,255,939	1,679,308
Medical transportation	234,505	211,995
Membership fees	775	100
Professional fees	1,569,126	1,038,312
Purchase of fuel	118,419	164,061
Rental of equipment	208,401	263,647
Telephone	86,929	115,405
Training	29,274	27,301
Transfer to businesses	-	47,150
Transfer to Makwa Machinery Inc. and Kuzzin store (SAT)	6,750	9,000
Transfer to replacement reserve fund - Article 95	22,550	23,792
Travel expenses	588,371	418,043
Tuition fees	234,292	228,145
Workshops	1,859,246	963,655
Other expenses	691,575	329,129
Transfer to Amosesag Childcare Center	102,300	210,805
Transfer to Makwa Machinery	-	198,439
	28,017,479	21,472,286

Long Point First Nation
Notes to the financial statements
March 31, 2024

18. Segment disclosure

	Band government		Administration	
	2024	2023	2024	2023
Revenues				
Federal government transfers	29,128	7,455	898,232	871,624
Other revenues	-	-	2,391,370	1,745,948
	29,128	7,455	3,289,602	2,617,572
Expenses				
Salaries and fringe benefits	6,810	5,589	1,125,912	1,008,023
Amortization	-	-	24,119	16,209
Other expenses	22,318	1,866	1,319,387	687,890
	29,128	7,455	2,469,418	1,712,122
	-	-	820,184	905,450
Human resources development				
	Human resources development		Education	
	2024	2023	2024	2023
Revenues				
Federal government transfers	533,261	459,762	12,941,113	9,618,765
Other revenues	(66,705)	44,040	1,153,654	(43,355)
	466,556	503,802	14,094,767	9,575,410
Expenses				
Salaries and fringe benefits	335,922	346,885	3,346,134	2,683,050
Amortization	-	-	401,616	420,775
Other expenses	130,634	156,917	6,277,495	2,769,010
	466,556	503,802	10,025,245	5,872,835
	-	-	4,069,522	3,702,575
Health				
	Health		Public works	
	2024	2023	2024	2023
Revenues				
Federal government transfers	6,550,462	6,316,849	8,283,834	7,164,840
Provincial governments transfers	15,000	15,000	-	-
Other revenues	219,916	(46,039)	734,998	527,776
	6,785,378	6,285,810	9,018,832	7,692,616
Expenses				
Salaries and fringe benefits	2,491,627	2,452,097	829,634	833,579
Interests on long-term debt	-	-	706	1,426
Amortization	86,924	72,893	725,335	557,076
Other expenses	3,833,202	2,969,840	2,214,452	937,182
	6,411,753	5,494,830	3,770,127	2,329,263
	373,625	790,980	5,248,705	5,363,353

Long Point First Nation
Notes to the financial statements
March 31, 2024

18. Segment disclosure (continued)

	Fire and public security protection		Social assistance	
	2024	2023	2024	2023
Revenues				
Federal government transfers	169,510	174,667	2,234,107	2,074,631
Provincial governments transfers	96,000	13,784	-	-
Other revenues	(93,443)	45,005	3,727	120,769
	172,067	233,456	2,237,834	2,195,400
Expenses				
Salaries and fringe benefits	25,297	2,640	76,439	59,866
Amortization	18,419	11,383	-	-
Other expenses	201,874	132,723	1,655,397	1,749,792
	245,590	146,746	1,731,836	1,809,658
	(73,523)	86,710	505,998	385,742
Housing				
	2024	2023	2024	2023
Revenues				
Federal government transfers	1,944,121	1,733,131	1,021,445	330,751
Provincial governments transfers	-	-	484,961	35,000
Other revenues	959,246	1,855,215	(895,855)	257,299
	2,903,367	3,588,346	610,551	623,050
Expenses				
Salaries and fringe benefits	276,886	136,605	60,753	188,889
Interests on long-term debt	15,070	13,965	-	-
Amortization	423,824	318,905	6,333	7,916
Other expenses	592,917	464,741	416,499	562,867
	1,308,697	934,216	483,585	759,672
	1,594,670	2,654,130	126,966	(136,622)
Natural resources and other				
	2024	2023	2024	2023
Revenues				
Federal government transfers	275,457	60,153	34,880,670	28,812,628
Provincial governments transfers	675,000	45,000	1,270,961	108,784
Other revenues	46,324	1,492,922	4,453,232	5,999,580
	996,781	1,598,075	40,604,863	34,920,992
Expenses				
Salaries and fringe benefits	527,386	386,745	9,102,800	8,103,968
Interests on long-term debt	-	-	15,776	15,391
Amortization	39,704	27,646	1,726,274	1,432,803
Other expenses	508,454	1,487,296	17,172,629	11,920,124
	1,075,544	1,901,687	28,017,479	21,472,286
	(78,763)	(303,612)	12,587,384	13,448,706