

Bingwi Neyaashi Anishinaabek
Consolidated Financial Statements
March 31, 2024

Bingwi Neyaashi Anishinaabek

Contents

For the year ended March 31, 2024

	Page
Independent Auditors' Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets (Net Debt).....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	16
Schedule 2 - Consolidated Schedule of Expenses by Object.....	18
Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit).....	19
Schedule 4 - Consolidated Schedule of Revenue and Expenses - Governance and Administration.....	20
Schedule 5 - Consolidated Schedule of Revenue and Expenses - Employment, Education and Training.....	21
Schedule 6 - Consolidated Schedule of Revenue and Expenses - Health and Social Services.....	22
Schedule 7 - Consolidated Schedule of Revenue and Expenses - Planning and Development.....	23
Schedule 8 - Consolidated Schedule of Revenue and Expenses - COVID-19 Pandemic.....	24

To the Chief and Council and Members of Bingwi Neyaashi Anishinaabek:

Opinion

We have audited the consolidated financial statements of Bingwi Neyaashi Anishinaabek and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated operating surplus, changes 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2024, and the results of its consolidated operations, changes in its net financial assets (net debt) and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

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

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

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

Thunder Bay, Ontario

September 3, 2024

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Bingwi Neyaashi Anishinaabek
Consolidated Statement of Financial Position

As at March 31, 2024

	2024	2023
Financial assets		
Cash and cash equivalents <i>(Note 3)</i>	3,488,743	4,316,199
Accounts receivable <i>(Note 4)</i>	560,141	757,159
Due from government and other government organizations <i>(Note 5)</i>	2,042,809	1,994,473
Inventory held for resale <i>(Note 6)</i>	588,416	809,108
Investment in government business enterprise <i>(Note 7)</i>	423,898	422,786
	7,104,007	8,299,725
Liabilities		
Accounts payable and accruals <i>(Note 9)</i>	2,282,569	1,136,992
Due to government and other government organizations <i>(Note 10)</i>	337,015	349,807
Deferred revenue <i>(Note 11)</i>	2,489,032	3,920,940
Due to related First Nation entities <i>(Note 12)</i>	113,765	152,608
Long-term debt <i>(Note 13)</i>	6,555,861	2,491,731
	11,778,242	8,052,078
Net financial assets (net debt)	(4,674,235)	247,647
Contingencies <i>(Note 14)</i>		
Non-financial assets		
Tangible capital assets <i>(Note 15) (Schedule 1)</i>	21,997,489	15,058,576
Prepaid expenses	100,027	155,706
	22,097,516	15,214,282
Accumulated surplus	17,423,281	15,461,929

Approved on behalf of the First Nation



Chief



Councillor



FAC Chair

Bingwi Neyaashi Anishinaabek

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2024

	2024 <i>Budget</i>	2024	2023
Revenue			
Indigenous Services Canada (Note 16)	3,685,008	3,685,928	5,927,622
FedNor (Note 16)	43,505	288,077	1,399,343
Crown-Indigenous Relations and Northern Affairs Canada (Note 16)	326,536	35,153	142,857
Canada Mortgage and Housing Corporation (Note 16)	2,639,030	174,606	154,153
Ministry of Indigenous Affairs (Note 16)	1,123,375	1,122,375	766,846
Ministry of Children, Community and Social Services (Note 16)	423,130	501,195	343,206
Natural Resources Canada (Note 16)	250,000	25,000	-
Other government funding	143,353	460,884	236,965
Administration fees	300,000	361,554	564,515
Anishinabek Employment & Training	9,155	9,155	27,160
First Nations Land Management	1,286	4,817	1,344
Independent Electricity System Operator	131,773	67,848	233,564
Independent First Nations	166,135	383,998	348,060
Interest income	35,400	88,932	36,853
OFNLP2008	374,529	689,783	483,914
Other revenue	106,037	479,012	259,015
Own source revenue	332,900	401,990	164,192
Rental income	113,120	263,202	243,307
Royalties	-	6,167	2,336
Thunder Bay DSSAB	157,300	157,300	158,108
Wood sales	-	173,294	203,570
Recovery of funding	-	-	51,945
Deferred revenue - prior year (Note 11)	3,180,083	3,920,940	1,640,841
Deferred revenue - current year (Note 11)	(75,000)	(2,489,031)	(3,920,940)
	13,466,655	10,812,179	9,468,776
Expenses			
Governance and Administration	2,645,926	2,851,481	2,308,109
Employment, Education and Training	1,458,653	996,630	231,051
Health and Social Services	2,528,098	2,304,542	1,770,753
Planning and Development	2,898,230	2,713,474	2,404,991
COVID-19 Pandemic	10,440	6,668	83,281
	9,541,347	8,872,795	6,798,185
Surplus before other items	3,925,308	1,939,384	2,670,591
Other income			
Allocations to replacement reserve	-	21,968	-
Income from investment in government business enterprise	-	-	35,629
	-	21,968	35,629
Surplus	3,925,308	1,961,352	2,706,220
Accumulated surplus, beginning of year	-	15,461,929	12,755,709
Accumulated surplus, end of year	-	17,423,281	15,461,929

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

Bingwi Neyaashi Anishinaabek
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the year ended March 31, 2024

	<i>2024 Budget</i>	<i>2024</i>	<i>2023</i>
Annual surplus	3,925,308	1,961,352	2,706,220
Purchases of tangible capital assets	(8,338,864)	(8,035,186)	(3,868,303)
Amortization of tangible capital assets	-	1,158,569	996,682
Amortization adjustment on disposals	-	(62,296)	-
	(8,338,864)	(6,938,913)	(2,871,621)
Acquisition of prepaid expenses	-	-	(35,850)
Use of prepaid expenses	-	55,679	-
Decrease in net financial assets	(4,413,556)	(4,921,882)	(201,251)
Net financial assets, beginning of year	-	247,647	448,898
Net financial assets (net debt), end of year	(4,413,556)	(4,674,235)	247,647

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

Bingwi Neyaashi Anishinaabek Consolidated Statement of Cash Flows

For the year ended March 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating activities		
Surplus	1,961,352	2,706,220
Non-cash items		
Amortization	1,158,569	996,682
Income from investment in government business enterprise	(1,112)	(35,629)
Amortization adjustment on disposals	(62,294)	-
	3,056,515	3,667,273
Changes in working capital accounts		
Accounts receivable	197,016	(395,031)
Due from government and other government organizations	(48,336)	(1,238,549)
Inventory held for resale	220,692	(218,978)
Accounts payable and accruals	1,145,577	427,276
Due to government and other government organizations	(12,792)	(14,005)
Deferred revenue	(1,431,908)	2,280,099
Prepaid expenses	55,679	(35,850)
	3,182,443	4,472,235
Financing activities		
Advances of long-term debt	4,240,000	-
Repayment of long-term debt	(175,870)	(188,651)
Advances to related First Nation entities	-	23,903
Repayment of advances to related First Nation entities	(38,843)	-
	4,025,287	(164,748)
Capital activities		
Purchases of tangible capital assets	(8,035,186)	(3,868,303)
Investing activities		
Proceeds on disposal of portfolio investments	-	25,000
Increase (decrease) in cash resources	(827,456)	464,184
Cash resources, beginning of year	4,316,199	3,852,015
Cash resources, end of year	3,488,743	4,316,199

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

Bingwi Neyaashi Anishinaabek

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

1. Operations

Bingwi Neyaashi Anishinaabek (the "First Nation") is located in the province of Ontario, and provides various services to its members. Bingwi Neyaashi Anishinaabek includes the First Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the First Nation.

2. Significant accounting policies

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

Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of a government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Investments in First Nation partnerships are accounted for using the proportionate consolidation method whereby the First Nation's pro-rata share of the assets, liabilities, revenue and expenses of the First Nation partnership are combined on a line-by-line basis with similar items of the First Nation. Partnerships which meet the definition of a government business partnership are included in the consolidated financial statements on a modified equity basis.

Under the modified equity basis of accounting, only the First Nation's investment in government business enterprises/partnerships and the enterprises'/partnerships' net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from the First Nation.

Organizations consolidated in the First Nation's consolidated financial statements include:

- Papasay Management Corporation
- Papasay Value Added Wood Products Ltd.
- Papasay Value Added Wood Products LP
- 2626189 Ontario Ltd.

Organizations accounted for on a modified equity basis include:

- Papasay Management Limited Partnership

Asset classification

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

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments that are cashable or have maturities of three months or less subsequent to year-end.

Portfolio investments

Portfolio 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.

Expense allocation

Certain expenses which pertain to the operations as a whole have been allocated to various programs at the discretion of Chief and Council.

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

Inventory for resale

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

Tangible capital assets

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

When conditions indicate that a tangible capital asset no longer contributes to the First Nation's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the First Nation reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

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

Amortization

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

	<i>Method</i>	<i>Rate</i>
Buildings	straight-line	30 years
Equipment	straight-line	5 years
Infrastructure	straight-line	30 years
Computer hardware and software	straight-line	3 years
Heavy equipment	straight-line	7 years
Automobiles	straight-line	7 years
Leasehold improvements	straight-line	2 years

Long-lived assets

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

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in surplus for the year.

Administration fees

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as administration recovery revenue under Government and Administration on the consolidated schedule of revenue and expenses and surplus (deficit).

Employee future benefits

The First Nation's employee future benefit program consists of a defined contribution plan. The First Nation contributions to the defined contribution plan are expensed as incurred.

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

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Government Transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other

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 services performed is deferred and recognized when the fee is earned or service performed.

Interest and investment income is recognized as revenue when earned.

Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Provisions are made for slow moving and obsolete inventory. 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.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the years in which they become known.

Segments

The First Nation conducts its business through five reportable segments: Governance and Administration; Employment, Education and Training; Health and Social Services; Planning and Development; and COVID-19 Pandemic. 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 Note 2.

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

2. Significant accounting policies (Continued from previous page)

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 (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. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers recent collection experience for the asset 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 statement of remeasurement gains and losses.

3. Cash and cash equivalents

	2024	2023
Operating accounts	3,460,195	3,299,410
CMHC Replacement Reserve (restricted)	28,507	16,748
Funds held in trust with Indigenous Services Canada	41	41
Guaranteed Income Certificates - matured during the year	-	1,000,000
	3,488,743	4,316,199

4. Accounts receivable

	2024	2023
Trade receivables	560,141	735,667
Members receivable	-	3,229
Interest receivable	-	18,263
	560,141	757,159

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

5. Due from government and other government organizations	2024	2023
Federal Government		
Indigenous Services Canada	804,762	1,359,800
Canada Revenue Agency - HST recoverable	287,870	163,991
Canada Mortgage and Housing Corporation	13,041	5,306
Crown-Indigenous Relations and Northern Affairs Canada	-	142,857
Human Resources Development Canada	1,216	-
FedNor	305,743	69,446
Natural Resources Canada	35,000	10,000
	1,447,632	1,751,400
Provincial Government		
Ministry of Children, Community and Social Services	127,172	64,475
Ministry of Indigenous Affairs	218,005	171,469
Ministry of Health and Long-Term Care	-	7,129
Ministry of Natural Resources	250,000	-
	595,177	243,073
	2,042,809	1,994,473
6. Inventory held for resale		
	2024	2023
Raw materials inventory	107,605	260,257
Finished goods	332,788	133,523
Aggregate	148,023	415,328
	588,416	809,108

The cost of inventories recognized as an expense and included in materials amounted to \$447,723 (2023 - \$91,512).

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

7. Investment in government business enterprise

The First Nation has an investment in the following entity:

		2024
	<i>Investment cost</i>	<i>Net advances and cumulative share of earnings</i>
		<i>Total investment</i>
First Nation Business Entities - Modified Equity:		
Papasay Management Limited Partnership	100	423,798
		423,898

Summary financial information for the government business enterprise, accounted for using the modified equity method, for the respective year-end is as follows:

	<i>As at March 31, 2024 (Unaudited)</i>	<i>As at March 31, 2023 (Unaudited)</i>
Papasay Management Limited Partnership		
Assets		
Cash	40,440	79,094
Accounts receivable	165,318	89,891
Prepaid expenses	374	374
Investments	1,426	1,426
Due from related parties	244,635	191,772
Property, plant and equipment	92,142	101,274
Total assets	544,335	463,831
Liabilities		
Accounts payable and accruals	3,378	47,122
Advances from related parties	122,991	-
Total liabilities	126,369	47,122
Partners' Capital	417,966	416,709
Total revenue	241,645	195,557
Total expenses	227,103	159,568
Net income	14,542	35,989

Papasay Management Limited Partnership holds investments in partnerships and provides contracting equipment and labour services.

8. Credit facilities

The First Nation has a Royal Bank operating line of credit with a limit of \$350,000 (2023 - \$150,000). The line of credit bears interest at prime plus 1.45% (effective interest rate of 8.15%; 2023 - 4.15%) and is secured by a general security agreement. As at March 31, 2024, the First Nation has a balance available on the line of credit of \$350,000 (2023 - \$150,000).

9. Accounts payable and accruals

	2024	2023
Trade payables	1,787,794	902,147
Wages, vacation and benefits payable	205,598	159,637
Holdbacks payable	289,177	75,210
	2,282,569	1,136,994

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

10. Due to government and other government organizations

	2024	2023
Federal Government		
Canada Revenue Agency - payroll deductions	57,707	70,499
Indigenous Services Canada	279,308	279,308
	337,015	349,807

11. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	3,542,773	2,127,698	4,002,172	1,668,299
Independent First Nations	261,422	166,931	83,646	344,707
FedNor	113,823	305,743	104,943	314,623
TBDSSAB	-	157,300	101,068	56,232
Natural Resources Canada	-	250,000	214,208	35,792
Other	2,922	123,250	56,793	69,379
	3,920,940	3,130,922	4,562,830	2,489,032

12. Related party transactions

During the year, the First Nation conducted the following transactions with related entities. The transactions were recorded at the exchange amount at the date of transaction.

	2024	2023
Repairs and maintenance expense from Papasay Management Limited Partnership, a controlled First Nation business enterprise.	-	5,400
Equipment rental expense from Papasay Management Limited Partnership, a controlled First Nation business enterprise.	62,800	-

Amounts due to/from related First Nation entities are as follows:

	2024	2023
Due to:		
Papasay Management Limited Partnership, a government business enterprise. The advance is unsecured, bears no interest and has no fixed terms of repayment.	113,765	152,608

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

13. Long-term debt

	2024	2023
CMHC term loan, repayable in monthly instalments of \$5,359 including interest at 1.72%, maturing March 2025. Secured by a ministerial guarantee from Indigenous Services Canada.	644,239	696,981
BMO term loan, repayable in monthly principal plus interest instalments of \$1,979, bearing interest at prime plus 1.65% (8.35% per annum at year-end, 2023 - 4.35%), maturing August 2025 and secured by land and building having a net book value of \$474,724.	247,396	271,146
RBC term loan, repayable in monthly instalments of \$2,865 including interest at prime plus 1.65% (8.35% per annum at year-end; 2023 - 4.35%), maturing April 2023 and secured by land and building having a net book value of \$401,375.	242,539	268,770
CMHC term loan, repayable in monthly instalments of \$5,216 including interest at 1.12%, maturing October 2026. Secured by a ministerial guarantee from Indigenous Services Canada.	734,388	788,422
NADF loan, repaid in full during the year.	-	5,833
NADF non-interest bearing loan, repayable in monthly instalments of \$784 including interest at 5.0%, beginning April 2022 and maturing March 2025.	9,129	17,167
FNFA promissory note, repayable in monthly installments of \$13,287 including interest at 4.47%, beginning June 2024 and maturing June 2054.	2,500,001	-
NADF loan, repaid in full during the year.	-	1,944
CMHC term loan, repayable in monthly instalments of \$6,660 including interest at 4.18%, maturing December 2028. Secured by a ministerial guarantee from Indigenous Services Canada.	880,837	441,468
CMHC term loan, repayable in monthly instalments of \$6,659 including interest at 3.58%, maturing January 2029. Secured by a ministerial guarantee from Indigenous Services Canada.	920,078	-
CMHC term loan, not fully advanced, terms of repayment to be determined. Secured by a ministerial guarantee from Indigenous Services Canada.	377,254	-
	6,555,861	2,491,731

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

	Principal
2025	285,303
2026	297,316
2027	304,601
2028	313,506
2029	322,755
	1,523,481
Thereafter	5,032,380

Interest on long-term debt amounted to \$146,360 (2023 - \$57,965).

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

14. Contingencies

The First Nation has entered into contribution agreements with various federal and provincial government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of these agreements.

In addition, in the normal course of operations, the First Nation may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur. To the extent that the future event is likely to occur, and a reasonable estimate of loss can be made, an estimated liability is accrued and an expense recorded on the First Nation's consolidated financial statements. As of March 31, 2024, no contingent liabilities have been recorded in the consolidated financial statements.

15. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Buildings includes construction in progress with a carrying value of \$2,865,828 (2023 - \$922,905). No amortization of these assets has been recorded during the year because they are currently under construction.

The First Nation holds works of art, historical documents and artifacts which have historical and cultural value, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

16. Government transfers

	<i>Operating</i>	<i>Capital</i>	<i>2024 Total</i>	<i>2023 Total</i>
Federal government transfers				
Indigenous Services Canada	3,293,753	392,175	3,685,928	5,927,622
CIRNAC	35,153	-	35,153	142,857
Natural Resources Canada	25,000	-	25,000	-
FedNor	288,077	-	288,077	1,399,343
Canada Mortgage and Housing Corporation	174,606	-	174,606	154,153
	3,816,589	392,175	4,208,764	7,623,975
Provincial government transfers				
Ministry of Children, Community and Social Services	501,195	-	501,195	343,206
Ministry of Indigenous Affairs	1,122,375	-	1,122,375	766,846
Ministry of Health	-	-	-	97,774
	1,623,570	-	1,623,570	1,207,826
	5,440,159	392,175	5,832,334	8,831,801

17. Defined benefit and contribution plans and other post-employment benefits

Defined contribution pension plan

The First Nation has a defined contribution pension plan covering all elected officials and employees. The amount of retirement benefit to be received by the officials and employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. The First Nation contributions and corresponding expense totalled \$78,974 in 2024 (2023 - \$74,501).

18. Segments

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

Governance and Administration - This segment provides oversight of the First Nation and administrative activities that are needed to operate the First Nation.

Employment, Education and Training - This segment focuses on the improvement and development of general and employment skills of the First Nation's members which includes recreational or cultural programming and career development programs.

Health and Social Services - This segment provides public health services to improve the overall health of the population and overcome health inequalities.

Planning and Development - This segment represents all activities that provide economic and infrastructure support for the First Nation.

COVID-19 Pandemic - This segment represents all activities related to services and supports relating to funding provided for the purposes of fighting and preventing COVID-19.

19. Economic dependence

Bingwi Neyaashi Anishinaabek receives a significant portion of its revenue from Indigenous Services Canada as a result of Treaties entered into with the Government of Canada. These Treaties are administered by Indigenous Services Canada 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.

20. Comparative figures

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

21. Budget information

The disclosed budget information has been approved by the Chief and Council of Bingwi Neyaashi Anishinaabek. The budget was prepared on an unconsolidated basis and, as a result, does not include the activity of the consolidated entities.

22. First Nations Financial Transparency Act

The First Nation is required by the First Nations Financial Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 29, 2024. As the audit report date is after this date, the First Nation is not in compliance with the requirement. The possible effect of this non-compliance has not yet been determined.

23. 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.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages exposure through entering into fixed rate debt whenever possible.

The First Nation is exposed to interest rate risk with respect to its long-term debt which is at fixed rates from 1.12% to 5.0% and floating rates of prime plus 1.65%.

Interest rate risk sensitivity analysis

The First Nation has determined that its interest rate risk exposure on its long-term debt is not significant to these consolidated financial statements.

Bingwi Neyaashi Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2024

	<i>Automobiles</i>	<i>Equipment</i>	<i>Computer hardware</i>	<i>Computer software</i>	<i>Land</i>	<i>Infrastructure</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	395,181	1,835,216	123,151	55,304	1,874,088	5,168,371	9,451,311
Acquisition of tangible capital assets	292,323	118,165	68,312	-	118,947	4,571,871	5,169,618
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	687,504	1,953,381	191,463	55,304	1,993,035	9,740,242	14,620,929
Accumulated amortization							
Balance, beginning of year	213,873	996,385	95,516	35,849	-	597,171	1,938,794
Annual amortization	89,916	276,198	41,066	10,414	-	321,029	738,623
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	303,789	1,272,583	136,582	46,263	-	918,200	2,677,417
Net book value of tangible capital assets	383,715	680,798	54,881	9,041	1,993,035	8,822,042	11,943,512
	2023						
Net book value of tangible capital assets	181,308	838,831	27,635	19,455	1,874,088	4,571,200	7,512,517

Bingwi Neyaashi Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2024

	<i>Subtotal</i>	<i>Buildings</i>	<i>Leasehold improvements</i>	<i>Heavy equipment</i>	<i>2024</i>	<i>2023</i>
					<i>Total</i>	<i>Total</i>
Cost						
Balance, beginning of year	9,451,311	7,878,579	750,816	231,647	18,312,353	14,444,050
Acquisition of tangible capital assets	5,169,618	56,872	1,470	-	5,227,960	3,868,303
Construction-in-progress	-	2,865,828	-	-	2,865,828	-
Disposal of tangible capital assets	-	(58,602)	-	-	(58,602)	-
Balance, end of year	14,620,929	10,742,677	752,286	231,647	26,347,539	18,312,353
Accumulated amortization						
Balance, beginning of year	1,938,794	975,504	225,126	114,353	3,253,777	2,257,095
Annual amortization	738,623	307,727	80,145	32,074	1,158,569	996,682
Accumulated amortization on disposals	-	(62,296)	-	-	(62,296)	-
Balance, end of year	2,677,417	1,220,935	305,271	146,427	4,350,050	3,253,777
Net book value of tangible capital assets	11,943,512	9,521,742	447,015	85,220	21,997,489	15,058,576
		2023				
Net book value of tangible capital assets	7,512,517	6,903,075	525,690	117,294	15,058,576	

Bingwi Neyaashi Anishinaabek
Schedule 2 - Consolidated Schedule of Expenses by Object

For the year ended March 31, 2024

	2024	2024	2023
	<i>Budget</i>		
Consolidated expenses by object			
Administration	645,678	460,386	547,205
Advertising	2,300	14,603	19,575
Amortization	-	1,158,569	996,682
Band support	808,091	462,066	272,823
Bank charges and interest	-	12,707	10,301
Honouraria	622,021	390,877	375,959
Insurance	63,407	126,568	121,628
Interest on long-term debt	-	146,360	57,965
Materials	600,982	447,723	95,165
Occupancy costs	413,208	277,107	272,264
Office supplies and expenses	-	178,450	266,697
Professional development	57,126	62,608	63,386
Professional fees	2,382,731	2,003,710	1,288,996
Program expense	1,146,991	268,331	240,437
Property tax	-	33,218	34,738
Repairs and maintenance	6,263	107,644	92,841
Salaries and benefits	2,451,492	2,354,807	1,821,782
Travel and meetings	330,226	301,070	165,075
Utilities	10,831	65,991	54,666
	9,541,347	8,872,795	6,798,185

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

For the year ended March 31, 2024

	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Governance and Administration	427,336	1,662,334	2,089,670	2,851,481	(2,113,054)	(2,874,865)
Employment, Education and Training	475,728	664,318	1,140,046	996,630	57,729	201,145
Health and Social Services	1,324,967	991,956	2,316,923	2,304,542	(38,380)	(25,999)
Planning and Development	1,453,557	3,825,955	5,279,512	2,713,474	2,099,625	4,665,663
COVID-19 Pandemic	4,340	3,657	7,997	6,668	(5,921)	(4,592)
Total	3,685,928	7,148,220	10,834,148	8,872,795	(1)	1,961,352

Bingwi Neyaashi Anishinaabek
Schedule 4 - Consolidated Schedule of Revenue and Expenses
Governance and Administration

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	427,336	175,230
Ministry of Indigenous Affairs	750,000	681,846
Canada Mortgage and Housing Corporation	-	8,984
CIRNAC	35,153	142,857
Additional government funding	14,910	32,612
Administration fees	379,486	555,380
Anishinaabek Employment & Training	-	2,110
First Nations Land Management	1,532	1,044
Independent Electricity System Operator	1,975	1,064
Independent First Nations	3,549	3,257
Interest income	85,170	32,957
Investment income	6,167	2,063
OFNLP2008	98,490	2,850
Other revenue	61,372	23,782
Own source revenue	294,465	102,720
Rental income	-	1,940
Recovery of funding	-	51,945
Deferred revenue - current year	(104,538)	-
	2,055,067	1,822,641
Expenses		
Administration	47,267	73,760
Advertising	3,156	12,064
Amortization	910,225	678,239
Band support	6,174	11,579
Bank charges and interest	9,304	6,446
Honouraria	212,332	200,564
Insurance	10,143	33,983
Occupancy costs	77,182	58,224
Office supplies and expenses	132,986	138,437
Professional development	16,099	7,285
Professional fees	696,319	592,495
Program expense	(1,638)	1,176
Repairs and maintenance	2,251	9,356
Salaries and benefits	686,385	444,941
Travel and meetings	39,831	38,166
Utilities	3,465	1,394
	2,851,481	2,308,109
Deficit before other items	(796,414)	(485,468)
Other income (expense)		
Capital reserve allocation	34,603	-
Income from investment in government business enterprise	-	35,629
	34,603	35,629
Deficit before transfers	(761,811)	(449,839)
Transfers between programs	(2,113,054)	-
Deficit	(2,874,865)	(449,839)

Bingwi Neyaashi Anishinaabek
Schedule 5 - Consolidated Schedule of Revenue and Expenses
Employment, Education and Training

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	475,728	1,065,058
Additional government funding	54,165	74,535
Anishinabek Employment & Training	9,155	250
Independent First Nations	-	2,379
OFNLP2008	41,686	-
Other revenue	44,025	11,300
Own source revenue	4,280	7,900
Deferred revenue - prior year	908,361	131,587
Deferred revenue - current year	(397,354)	(908,361)
	1,140,046	384,648
Expenses		
Administration	63,571	7,237
Advertising	813	2,000
Band support	151,598	55,194
Honouraria	43,733	1,250
Insurance	1,968	-
Occupancy costs	842	26,145
Office supplies and expenses	7,671	3,110
Professional development	399	21,750
Professional fees	513,037	935
Program expense	4,149	771
Repairs and maintenance	2,743	4,947
Salaries and benefits	184,039	104,022
Travel and meetings	20,602	2,817
Utilities	1,465	873
	996,630	231,051
Surplus before transfers	143,416	153,597
Transfers between programs	57,729	-
Surplus	201,145	153,597

Bingwi Neyaashi Anishinaabek
Schedule 6 - Consolidated Schedule of Revenue and Expenses
Health and Social Services
For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	1,324,967	1,101,869
Ministry of Indigenous Affairs	113,375	-
MCCSS	501,195	343,206
Additional government funding	98,561	97,774
Independent First Nations	380,449	189,625
OFNLP2008	145,902	-
Other revenue	-	34,055
Thunder Bay DSSAB	157,300	158,108
Deferred revenue - prior year	139,033	326,003
Deferred revenue - current year	(543,859)	(139,033)
	2,316,923	2,111,607
Expenses		
Administration	227,370	172,989
Advertising	9,788	4,105
Band support	247,024	160,145
Bank charges and interest	849	302
Honouraria	90,662	104,811
Insurance	8,983	5,818
Occupancy costs	111,943	111,684
Office supplies and expenses	9,903	40,926
Professional development	41,308	29,027
Professional fees	70,007	65,440
Program expense	257,749	228,693
Repairs and maintenance	19,614	22,941
Salaries and benefits	1,066,002	773,206
Travel and meetings	133,736	47,400
Utilities	9,604	3,266
	2,304,542	1,770,753
Surplus before transfers	12,381	340,854
Transfers between programs	(38,380)	-
Surplus (deficit)	(25,999)	340,854

Bingwi Neyaashi Anishinaabek
Schedule 7 - Consolidated Schedule of Revenue and Expenses
Planning and Development
For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	1,453,557	3,543,593
Ministry of Indigenous Affairs	259,000	85,000
FedNor	288,077	1,399,343
Natural Resources Canada	25,000	-
Canada Mortgage and Housing Corporation	174,606	145,170
Additional government funding	293,248	32,044
Administration fees	(17,932)	9,135
Anishinabek Employment & Training	-	24,800
First Nations Land Management	3,286	300
Independent Electricity System Operator	65,873	232,500
Interest income	3,762	3,895
Investment income	-	273
OFNLP2008	403,705	481,064
Other revenue	373,615	189,878
Own source revenue	103,245	53,572
Rental income	263,202	241,367
Sales	173,294	203,570
Deferred revenue - prior year	2,659,188	789,023
Deferred revenue - current year	(1,232,579)	(2,659,187)
	5,292,147	4,775,340
Expenses		
Administration	121,175	278,622
Advertising	847	1,406
Amortization	248,344	318,443
Band support	55,050	16,672
Bank charges and interest	2,555	3,553
Honouraria	44,151	69,335
Insurance	105,474	81,826
Interest on long-term debt	146,360	57,965
Materials	447,723	95,165
Occupancy costs	87,140	76,210
Office supplies and expenses	27,891	79,299
Professional development	4,803	5,325
Professional fees	724,347	630,126
Program expense	4,626	1,934
Property tax	33,218	34,738
Repairs and maintenance	83,035	55,597
Salaries and benefits	418,377	472,951
Travel and meetings	106,901	76,692
Utilities	51,457	49,132
	2,713,474	2,404,991
Other income (expense)		
Capital reserve allocation	(12,635)	-
Surplus before transfers	2,566,038	2,370,349
Transfers between programs	2,099,625	-
Surplus	4,665,663	2,370,349

Bingwi Neyaashi Anishinaabek
Schedule 8 - Consolidated Schedule of Revenue and Expenses
COVID-19 Pandemic

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	4,340	41,872
Independent First Nations	-	152,800
Deferred revenue - prior year	214,359	394,228
Deferred revenue - current year	(210,702)	(214,359)
	7,997	374,541
Expenses		
Administration	1,002	14,599
Band support	2,221	29,232
Office supplies and expenses	-	4,924
Program expense	3,445	7,863
Salaries and benefits	-	26,665
	6,668	83,283
Surplus before transfers	1,329	291,258
Transfers between programs	(5,921)	-
Surplus (deficit)	(4,592)	291,258