

Consolidated Financial Statements of

# **NIPISSING FIRST NATION**

And Independent Auditor's Report thereon

Year ended March 31, 2024

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

Nipissing First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and Nipissing First Nation's assets are appropriately accounted for and adequately safeguarded.

Nipissing First Nation is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council reviewed Nipissing First Nation's consolidated financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report. The Chief and Council takes this information into consideration when approving the consolidated financial statements for issuance to Members. The Chief and Council also consider the engagement of the external auditors.

The consolidated financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. KPMG LLP has full access to the Council.



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Chief



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Chief Executive Officer



**KPMG LLP**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Nipissing First Nation

### ***Opinion***

We have audited the consolidated financial statements of Nipissing First Nation (the "First Nation"), which comprise:

- the consolidated statement of financial position as at March 31, 2024
- the consolidated statement of operations and accumulated operating surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of remeasurement gains for the year then ended
- and the notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2024, and its consolidated results of operations, its consolidated remeasurement gains, and its consolidated cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB).

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's 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 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.

### ***Responsibility 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 Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB), 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 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 the 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 risk 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, internal 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 purposes 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 the events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

September 27, 2024

# NIPISSING FIRST NATION

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Year ended March 31, 2024

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# NIPISSING FIRST NATION

Exhibit A - Consolidated Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
<b>Financial assets</b>		
Cash and cash equivalents	\$ 63,260,810	\$ 57,323,284
Restricted cash and investments (note 4)	15,424,276	12,540,140
Accounts and grants receivable (note 5)	7,345,593	7,808,916
Housing mortgages (note 6)	7,398,062	6,474,489
Other long-term receivables (note 6)	159,679	1,323,435
Restricted assets - Nipissing 2013 Boundary Claim Trust (note 7)	99,057,855	87,613,864
Funds held in trust by the Government of Canada (note 8)	290,779	290,779
	<u>192,937,054</u>	<u>173,374,907</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities (note 9)	6,530,475	7,692,678
Deferred program revenue (note 10)	42,122,021	39,695,344
Due to minors	5,134,683	5,618,001
Long-term debt (note 11)	5,632,392	5,974,253
	<u>59,419,571</u>	<u>58,980,276</u>
Net financial assets	133,517,483	114,394,631
<b>Non-financial assets</b>		
Tangible capital assets (note 12)	76,746,744	60,247,867
Prepaid expenses	191,568	109,454
	<u>76,938,312</u>	<u>60,357,321</u>
Commitments and contingent liabilities (note 13)		
Accumulated surplus (note 14)	\$ 210,455,795	\$ 174,751,952
Accumulated surplus is comprised of:		
Accumulated operating surplus	\$ 195,378,341	\$ 172,165,956
Accumulated remeasurement gains	15,077,454	2,585,996
	<u>\$ 210,455,795</u>	<u>\$ 174,751,952</u>

See accompanying notes to consolidated financial statements.

Approved:



Chief



Chief Executive Officer

# NIPISSING FIRST NATION

## Exhibit B - Consolidated Statement of Operations and Accumulated Operating Surplus

March 31, 2024, with comparative information for 2023

	2024 Budget (note 18)	2024 Actual	2023 Actual
<b>Revenue:</b>			
Indigenous Services Canada (note 15)	\$ 29,620,875	\$ 20,345,160	\$ 19,680,103
Other	37,876,139	17,339,223	12,406,694
Ministry of Community and Social Services	1,170,933	2,046,707	1,804,697
Ontario First Nations Limited Partnership	1,031,510	1,803,005	1,253,067
Ministry of Education	396,684	693,375	779,213
Other provincial	2,617,232	4,574,733	2,569,753
Kinoomaadziwin Education Body	5,151,024	10,330,069	7,898,229
Union of Ontario Indians (note 16)	-	(77,661)	1,184,225
Canada Mortgage and Housing Corporation	-	5,448,484	514,231
	77,864,398	62,503,095	48,090,212
<b>Expenses:</b>			
Education	5,860,597	9,299,273	8,191,594
Other	17,320,738	5,870,321	5,534,999
Community Operations	18,598,371	8,833,231	6,778,101
Health Services	5,590,356	4,915,950	3,959,834
Social Services	11,380,571	6,545,674	4,213,285
Capital	17,295,550	4,226,496	4,524,620
First Nation Enterprises	1,406,245	1,047,093	806,194
Housing	681,612	580,049	465,781
	78,134,040	41,318,087	34,474,408
<b>Excess (deficiency) of revenue over expenses</b>			
before the undernoted	(269,642)	21,185,008	13,615,804
Vacation expense (recovery)	-	(177,287)	(93,997)
	(269,642)	21,007,721	13,521,807
<b>The Nipissing 2013 Boundary Claim Trust:</b>			
Investment income	3,995,339	4,196,330	6,317,727
Nipissing First Nation expenditures	-	(1,300,970)	(2,869,549)
Other expenses	-	(690,696)	(892,672)
	3,995,339	2,204,664	2,555,506
<b>Excess of revenue of expenses</b>			
before unrealized gain (loss) on investments	3,725,697	23,212,385	16,077,313
Unrealized gain (loss) on investments	-	12,491,458	(13,592,252)
Excess of revenue over expenses	3,725,697	35,703,843	2,485,061
Accumulated surplus, beginning of year	174,751,952	174,751,952	172,266,891
Accumulated surplus, end of year	\$ 178,477,649	\$ 210,455,795	\$ 174,751,952

See accompanying notes to consolidated financial statements.



# NIPISSING FIRST NATION

## Exhibit C - Consolidated Statement of Changes in Net Financial Assets

March 31, 2024, with comparative information for 2023

	2024	2023
Excess of revenue over expenses	\$ 35,703,843	\$ 2,485,061
Acquisition of tangible capital assets	(20,495,465)	(14,290,008)
Amortization of tangible capital assets	3,928,296	3,188,460
Loss on disposal of tangible capital assets	40,654	-
Proceeds on disposal of tangible capital assets	27,638	-
	19,204,966	(8,616,487)
Change in prepaid expenses	(82,114)	95,202
Change in net financial assets	19,122,852	(8,521,285)
Net financial assets, beginning of year	114,394,631	122,915,916
Net financial assets, end of year	\$ 133,517,483	\$ 114,394,631

See accompanying notes to consolidated financial statements.

# NIPISSING FIRST NATION

## Exhibit E - Consolidated Statement Remeasurement of Gains

March 31, 2024, with comparative information for 2023

	2024		2023	
Accumulated remeasurement gains, beginning of year	\$	2,585,996	\$	16,178,248
Unrealized gains (losses) on investments		12,491,458		(13,592,252)
Accumulated remeasurement gains, end of year	\$	15,077,454	\$	2,585,996

# NIPISSING FIRST NATION

## Exhibit D - Consolidated Statement of Cash Flows

March 31, 2024, with comparative information for 2023

	2024	2023
Operating activities:		
Excess of revenue over expenses	\$ 35,703,843	\$ 2,485,061
Adjustments for non-cash items:		
Amortization of tangible capital assets	3,928,296	3,188,460
Proceeds on disposal of tangible capital assets	27,638	-
Loss on disposal of tangible capital assets	40,654	-
	<u>39,700,431</u>	<u>5,673,521</u>
Changes in non-cash working capital:		
Decrease in accounts and grants receivable	463,323	1,888,154
Increase (decrease) in accounts payable and accrued liabilities	(1,162,203)	979,367
Decrease in prepaid leases	-	(38,259)
Increase in deferred program revenue	2,426,677	8,407,967
Decrease (increase) in prepaid expenses	(82,114)	95,202
	<u>41,346,114</u>	<u>17,005,952</u>
Capital activities:		
Acquisition of tangible capital assets	(20,495,465)	(14,290,008)
	<u>(20,495,465)</u>	<u>(14,290,008)</u>
Financing activities:		
Principal payments on long-term debt	(341,861)	(356,368)
Decrease in due to minors	(483,318)	(224,308)
	<u>(825,179)</u>	<u>(580,676)</u>
Investing activities:		
Decrease (increase) in restricted assets	(11,443,991)	16,041,559
Increase in housing mortgages	(923,573)	(11,746)
Decrease in other long-term receivables	1,163,756	51,228
Decrease (increase) in restricted cash and investments	(2,884,136)	1,171,790
	<u>(14,087,944)</u>	<u>17,252,831</u>
Increase in cash	5,937,526	19,388,099
Cash and cash equivalents, beginning of year	57,323,284	37,935,185
Cash and cash equivalents, end of year	<u>\$ 63,260,810</u>	<u>\$ 57,323,284</u>

See accompanying notes to consolidated financial statements.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

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Nipissing First Nation (the "First Nation") operates under the Indian Act. The principal function of the First Nation is to provide for the well-being of all band members, as provided for in the Indian Act.

## 1. Basis of presentation:

These consolidated financial statements include the assets, liabilities, revenues and expenses of the First Nation subject to control by the First Nation Council. No inclusion has been made of assets, liabilities, revenues or expenses of First Nation members, individually or collectively, incorporated or unincorporated, that are not controlled by or the responsibility of the First Nation Council.

## 2. Significant accounting policies:

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada. The following is a summary of the significant accounting policies followed in the preparation of these consolidated financial statements.

### (a) Reporting entity and principles of financial reporting:

Nipissing First Nation's reporting entity includes the First Nation government and all related entities which are accountable to and either owned or controlled by the First Nation.

The consolidated financial statements include the assets, liabilities and results of operations for the following entities:

- First Nation government administration (operations and maintenance, capital and enhancement funds)
- 1073059 Ontario Inc.
- N'Bisiing Forestry Inc.
- Nipissing 2013 Boundary Claim Trust ("Boundary Claim Trust")
- NFN Solar LP ("Solar LP")
- NFN Solar GP Inc.
- Nipissing Solar (SPN) LP
- Nipissing Solar (SPN) GP Inc.
- Bineshii Projects LP
- Bineshii Projects GP Inc.
- Nipissing (Community Developments) LP
- Nipissing (Community Developments) GP Inc.

All inter-entity balances and transfers have been eliminated on consolidation.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

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## 2. Basis of presentation and significant accounting policies (continued):

(b) Basis of accounting:

The First Nation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers and other revenue recognition:

Transfers are recognized in the financial statements as revenues in the period in which events give rise to the transfer, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

Revenue from fees, contracts and sales of publications is recognized when the services are provided or the goods are sold.

(d) Deferred revenue:

Deferred revenue consists of restricted funding from Indigenous Services Canada and other agencies for projects not completed as of the end of the year. These amounts will be recognized as revenues in the fiscal year the services are performed. Unspent contribution funding is recognized as a liability.

(e) Employee future benefits:

The First Nation has a defined contribution plan providing pension for its employees. The cost of the defined contribution plan is recognized based on the contributions required to be made during each period.

(f) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

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	Useful Life (Years)
Buildings	20 - 50
Machinery and equipment	6 - 15
Furniture and equipment	3 - 20
Computer equipment/software	1 - 10
Vehicles	3 - 15
Roads, bridges and culverts	20 - 80
Water and wastewater systems	10 - 50
Land improvements	15 - 25
Streetlights and signs	8 - 20
Books and resource materials	10 - 20

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No amortization is taken on assets under construction until they are placed in use.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

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## 2. Basis of presentation and significant accounting policies (continued):

(g) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(h) Cash and cash equivalents:

Cash and cash equivalents include short-term investments with a term to maturity of 90 days or less at acquisition.

(i) Use of estimates:

The preparation of the 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 dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital assets, allowance for doubtful accounts receivable, housing mortgages and other long-term receivables. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the consolidated statement of operations in the year in which they become known.

(j) Financial instruments:

All financial instruments are initially recorded on the consolidated statement of financial position at fair value.

All investments that trade in an active market are recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis. Freestanding derivative instruments that are not equity instruments are quoted in an active market are subsequently measured at fair value.

Unrealized changes in fair value are recognized in the consolidated statement of remeasurement gains and losses until they are realized, when they are transferred to the consolidated statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

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## 2. Basis of presentation and significant accounting policies (continued):

(j) Financial instruments (continued):

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains losses associated with that instrument is removed from net assets and recognized in the consolidated statement of operations.

Level 1	Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Fair value measurements are those derived from market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly
Level 3	Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

### 3. Consolidated entities:

Summarized financial information for the consolidated entities is as follows:

	Solar LP	Boundary Claim Trust	1073059 Ontario Inc.	N'Bisiing Forestry Inc.	Nipissing (Community Developments) LP	NFN Solar (SPN) LP	Bineshii Projects LP	General Partner Corporations	Total 2024	Total 2023
<b>Financial position:</b>										
Current asset	934,592	6,706,547	-	1,308	1,514,211	-	234,927	4	\$ 9,391,589	\$ 10,226,688
Long-term assets	-	102,535,418	-	-	2,655,153	-	83,255	-	105,273,826	94,568,403
Capital assets	337,399	-	2,114,969	-	-	-	-	-	2,452,368	2,475,014
Total assets	1,271,991	109,241,965	2,114,969	1,308	4,169,364	-	318,182	4	117,117,783	107,270,105
Current liabilities	7,329	3,320,996	15,323	-	11,989	15	32,383	-	3,388,035	5,229,974
Long term liabilities	976,557	4,302,943	862,431	873,002	3,190,995	664,478	-	-	10,870,406	11,320,914
Total liabilities	983,886	7,623,939	877,754	873,002	3,202,984	664,493	32,383	-	14,258,441	16,550,888
Net assets (deficiency)	288,105	101,618,026	1,237,215	(871,694)	966,380	(664,493)	285,799	4	\$ 102,859,342	\$ 90,719,217
<b>Results of operations:</b>										
Revenues	180,645	13,664,832	2,083	-	49,946	95,045	145,937	-	\$ 14,138,488	\$ 6,453,287
Expenses	82,204	690,696	8,347	-	3,188	-	60,178	-	844,613	741,469
Net income (loss)	98,441	12,974,136	(6,264)	-	46,758	95,045	85,759	-	\$ 13,293,875	\$ 5,711,818



# NIPISSING FIRST NATION

## Notes to Consolidated Financial Statements

Year ended March 31, 2024

#### 4. Restricted cash and investments:

Restricted cash and investments consist of the following:

	2024	2023
Cash	\$ 8,861,273	\$ 7,383,240
CMHC Reserve	687,361	617,086
Term deposits	4,738,543	3,452,662
Other	1,137,099	1,087,152
Balance, end of year	\$ 15,424,276	\$ 12,540,140

Term deposits related to Ontario First Nations Limited Partnership in the amount of \$4,738,543 (2023-\$3,452,662 ) of short-term investments are restricted in use and is to be expended on community development, health, education, economic development, and cultural development. The term deposits consist of guaranteed investment certificates with maturities ranging from 2024 to 2029 and bear interest at rates ranging from 1.90% to 5.35%.

Under the terms of the agreement with the Bank of Montreal \$517,262 (2023 - \$505,915) of term deposits was pledged as security for a loan as described in note 13(c).

Other represents the First Nation's equity in a partnership with Miller Paving Limited.

#### 5. Accounts and grants receivable:

	2024	2023
Indigenous Services Canada	\$ 1,816,946	\$ 357,176
School Boards	473,167	580,807
Union of Ontario Indians	1,942,627	245,297
Canada Revenue Agency	124,433	51,494
Kinooaadziwin Education Body	1,688,533	1,426,607
Other	1,743,045	5,407,895
	7,788,751	8,069,276
Less: allowance for doubtful accounts	(443,158)	(260,360)
	\$ 7,345,593	\$ 7,808,916

# NIPISSING FIRST NATION

## Notes to Consolidated Financial Statements

Year ended March 31, 2024

### 6. Housing mortgages and other long-term receivables:

Housing mortgages are repayable over a 15-25 year amortization period bearing interest at rates ranging from Nil% to 5%. Housing mortgages are secured by the buildings for which the mortgages were issued.

	2024	2023
Housing mortgages	\$ 7,946,906	\$ 6,586,578
Provision for loan impairment - housing mortgages	(548,844)	(112,089)
	7,398,062	6,474,489
Fur Dresser building mortgage	-	83,333
Off-reserve solar projects loans	-	1,082,194
First Nation Finance Authority debt reserve fund	149,075	143,990
Natural Gas - Aid to construct loans	10,604	13,918
	159,679	1,323,435
	\$ 7,557,741	\$ 7,797,924

### 7. Restricted Assets - Nipissing 2013 Boundary Claim Trust:

Restricted assets - Nipissing 2013 Boundary Claim Trust consist of the following:

	2024	2023
Cash and cash equivalents	\$ 6,211,969	\$ 4,682,582
Investments:		
Bonds	8,675,567	7,576,226
Mutual funds	28,400,788	25,596,572
Marketable securities	55,769,531	49,758,484
	92,845,886	82,931,282
	\$ 99,057,855	\$ 87,613,864

# NIPISSING FIRST NATION

## Notes to Consolidated Financial Statements

Year ended March 31, 2024

### 7. Restricted Assets - Nipissing 2013 Boundary Claim Trust (continued):

Included in bonds are various Federal, Provincial and Corporate Bonds maturing from 2024 - 2053 with interest rates ranging from 2.10% - 5.97%.

Under the terms of the agreement with the Nipissing 2013 Boundary Claim Trust, the restricted assets are not available for the normal operating activities of the First Nation. They are to be expended on community development, investments in or loans to a Nipissing Business Entity, purchase of land and other trust administration costs upon approval of the Nipissing 2013 Boundary Claim Trust trustees.

The cost and market value of cash and cash equivalents and investments at March 31, 2024 was \$99,057,855 (2023 - \$87,613,864).

### 8. Funds held in trust by the Government of Canada:

These funds are held in trust by the Government of Canada under the Indian Act.

	2024		2023	
Balance, beginning of year	\$	290,779	\$	290,779
Interest income		9,456		7,313
Withdrawals		(9,456)		(7,313)
Balance, end of year	\$	290,779	\$	290,779

### 9. Accounts payable and accrued liabilities:

	2024		2023	
Trade payables	\$	2,548,981	\$	3,648,600
Funding repayable		2,806,466		2,356,251
Personnel liabilities		1,072,479		1,224,702
1073059 Ontario Inc. supplier accounts payable		15,323		11,863
N'Bisiing Forestry Inc. supplier accounts payable		-		174,400
Boundary Claim Trust supplier accounts payable		87,226		276,862
	\$	6,530,475	\$	7,692,678

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

## 10. Deferred program revenue:

	2024	2023
Community Operations Programs:		
Water and wastewater	\$ 63,627	\$ -
Treatability Study (INAC)	528,301	532,625
Band Support	5,050,616	1,440,337
Fire protection	1,386,755	1,378,255
Residential School Desk Project	-	3,725
Emergency funds (COVID-19)	-	1,358,420
Waste Management	1,106,622	1,038,912
Community Buildings	119,408	-
Water Treatment Plant Upgrades	2,070,786	6,292,834
Roads	135,968	-
Computer	88,547	-
Education Programs:		
N'Bising Education Center	664,337	1,352,434
Special Education	651,736	528,245
Elementary/Secondary Tuition	3,300,262	5,517,830
N'Bising Bus Line	36,362	245,131
Graduation Coach Program	-	17,788
Post Secondary	3,100,875	-
Childrens Service Program	67,030	-
Capital Programs:		
General housing	723,021	331,668
Capital Buildings	112,183	337,499
Bineshii Business Park	175,535	2,214,111
NFN-Miller Bridge Project	-	858,621
Jocko Point Bridge Road	20,742	20,742
Water and wastewater	231,140	255,300
Nipissing Police Detachment	3,260,221	142,325
RRAP Grants	444,785	-
Assisted Living Seniors Project	784,606	-
Social Services Programs:		
Daycare	2,532,102	1,384,917
Ontario Works	68,443	554,288
Native Child Welfare Program	8,573,960	8,513,501
Child and family services	895,932	713,313
Ojibway Woman's Lodge	84,747	28,857
AHWS	133,966	-
Health Services:		
Community Health Illness and Injury Prevention	315,652	213,219
Health Planning and Quality Management	505,469	400,452
Aboriginal Diabetes Initiative	144,607	135,041
Home and Community Care	1,039,444	960,587
Maternal Child Health	65,872	58,742
Building Healthy Communities	304,251	275,239
Assisted Living	67,079	35,000
Medical Transportation	-	154,581
Aboriginal Working Group	64,398	57,305
Homemaker	216,575	150,993
NNADAP	3,761	5,853
Operations and maintenance	65,240	78,099
Family Well Being	211,350	189,853
Child and family services	132,191	105,304
Health information management	-	70,572
Jordan Principle	42,311	-
Community Wellbeing Outreach	484,229	405,278
Healthy Babies/Healthy Children	10,912	-
Other Programs:		
Ontario Women's Directorate	289,228	45,131
Environmental program	200,127	245,922
Language	147,998	147,998
Employment and training	421,382	235,059
LMI Skills Inventory	-	11,685
Land Management	564,318	11,241
Little NHL Host	-	321,351
Economic development	84,126	40,290
Employment	251,214	278,871
Forestry Project	77,672	-
	\$ 42,122,021	\$ 39,695,344

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

## 11. Long-term debt:

	2024	2023
CMHC Phase 8 loan, payable \$998 monthly including principal and interest at 0.68%, unsecured, maturing March, 2040	\$ 181,537	\$ 192,240
Cockburn Road Apartment Complex loan payable \$2,552 monthly including principal and interest at 0.67%, unsecured, maturing June, 2025	38,127	68,402
Duchesnay Apartment Complex loan, payable \$2,326 monthly including principal and interest at 1.01%, unsecured, maturing August, 2026	197,428	223,233
Margaret Drive Apartment Complex loan, payable \$4,697 monthly including principal and interest at 5.81%, unsecured, maturing January, 2025	45,971	98,393
CMHC Phase 5 loan, payable \$2,426 monthly including principal and interest at 1.13%, unsecured, maturing December, 2030	189,328	216,166
CMHC Phase 6 loan, payable \$2,973 monthly including principal and interest at 3.45%, unsecured, maturing August, 2036	361,482	384,425
CMHC Phase 9 loan, payable \$1,485 monthly including principal and interest at .76%, unsecured, maturing June, 2040	272,513	288,207
CMHC Phase 7 loan, payable \$6,214 monthly including principal and interest at 5.00%, unsecured, maturing September, 2038	773,665	811,627
First Nation Finance Authority debenture, payable \$10,821 monthly including principal and interest at 3.79%, unsecured, maturing June, 2024	1,846,000	1,904,561
CMHC Phase 10 loan, payable \$4,919 monthly including principal and interest at 3.78%, unsecured, maturing February, 2044	829,753	862,386
CMHC Phase 11 loan, payable \$2,942 monthly including principal and interest at 3.75%, unsecured, maturing July 2047	551,826	549,688
Waubetek loan, payable \$2,460 monthly including principal and interest at 4.6%, secured by the assets of Bineshii Projects LP, maturing January 2038	290,512	317,467
Waubetek loan, payable \$292 monthly, interest free secured by the assets of Bineshii Projects LP, maturing August 2039	54,250	57,458
	<b>\$ 5,632,392</b>	<b>\$ 5,974,253</b>

Total interest expense during the year amounted to \$200,007 (2023 - \$83,450).

The aggregate maturities of long-term debt for loans with fixed repayment terms for each of the five years subsequent to March 31, 2024 are as follows: 2025 - \$363,558; 2026 - \$301,408; 2027 - \$300,563; 2028 - \$307,594; 2029 - \$314,842 and thereafter - \$4,044,427.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

## 12. Tangible capital assets:

Cost	2023	Additions	Disposals	Transfers	2024
Land	\$ 1,667,270	\$ -	\$ -	\$ -	\$ 1,667,270
Land improvements	546,527	24,908	-	-	571,435
Buildings	40,323,903	7,225,565	-	-	47,549,468
Machinery and equipment	5,669,785	1,020,418	-	-	6,690,203
Furniture and equipment	1,699,285	295,493	-	-	1,994,778
Books and resource material	351,668	12,887	-	-	364,555
Computer equipment	1,926,281	181,433	-	-	2,107,714
Vehicles	7,238,761	910,998	207,073	-	7,942,686
Roads, bridges and culverts	14,704,751	1,089,554	-	-	15,794,305
Water and waste water	16,547,116	4,929,450	-	-	21,476,566
Street lights and signs	66,152	-	-	-	66,152
Assets under construction	2,993,480	4,804,759	-	-	7,798,239
<b>Total</b>	<b>\$ 93,734,979</b>	<b>\$ 20,495,465</b>	<b>\$ 207,073</b>	<b>\$ -</b>	<b>\$ 114,023,371</b>

Accumulated Amortization	2023	Amortization expense	Disposals	Transfers	2024
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Land improvements	416,041	11,768	-	-	427,809
Buildings	13,620,935	1,532,417	-	-	15,153,352
Machinery and equipment	2,225,812	439,532	-	-	2,665,344
Furniture and equipment	1,120,274	203,555	-	-	1,323,829
Books and resource material	346,193	6,120	-	-	352,313
Computer equipment	1,238,632	263,336	-	-	1,501,968
Vehicles	4,311,240	688,929	138,781	-	4,861,388
Roads, bridges and culverts	4,783,961	280,032	-	-	5,063,993
Water and waste water	5,380,058	497,151	-	-	5,877,209
Street lights and signs	43,966	5,456	-	-	49,422
<b>Total</b>	<b>\$ 33,487,112</b>	<b>\$ 3,928,296</b>	<b>\$ 138,781</b>	<b>\$ -</b>	<b>\$ 37,276,627</b>

	Net book value 2023	Net book value 2024
Land	\$ 1,667,270	\$ 1,667,270
Land improvements	130,486	143,626
Buildings	26,702,968	32,396,116
Machinery and equipment	3,443,973	4,024,859
Furniture and equipment	579,011	670,949
Books and resource material	5,475	12,242
Computer equipment	687,649	605,746
Vehicles	2,927,521	3,081,298
Roads, bridges and culverts	9,920,790	10,730,312
Water and waste water	11,167,058	15,599,357
Street lights and signs	22,186	16,730
Assets under construction	2,993,480	7,798,239
<b>Total</b>	<b>\$ 60,247,867</b>	<b>\$ 76,746,744</b>

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

## 12. Tangible capital assets:

Cost	2022	Additions	Disposals	Transfers	2023
Land	\$ 1,667,270	\$ -	\$ -	\$ -	\$ 1,667,270
Land improvements	510,116	36,411	-	-	546,527
Buildings	33,093,608	7,230,295	-	-	40,323,903
Machinery and equipment	3,602,192	2,067,593	-	-	5,669,785
Furniture and equipment	1,230,389	468,896	-	-	1,699,285
Books and resource material	351,668	-	-	-	351,668
Computer equipment	1,665,712	260,569	-	-	1,926,281
Vehicles	6,244,149	1,056,641	62,029	-	7,238,761
Roads, bridges and culverts	12,146,916	2,557,835	-	-	14,704,751
Water and waste water	16,547,116	-	-	-	16,547,116
Street lights and signs	66,152	-	-	-	66,152
Assets under construction	2,319,683	888,886	-	(215,089)	2,993,480
	-	-	-	-	-
<b>Total</b>	<b>\$ 79,444,971</b>	<b>\$ 14,567,126</b>	<b>\$ 62,029</b>	<b>\$ (215,089)</b>	<b>\$ 93,734,979</b>

Accumulated Amortization	2022	Amortization expense	Disposals	Transfers	2023
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Land improvements	405,563	10,478	-	-	416,041
Buildings	12,379,826	1,241,109	-	-	13,620,935
Machinery and equipment	1,956,573	269,239	-	-	2,225,812
Furniture and equipment	973,487	146,787	-	-	1,120,274
Books and resource material	335,251	10,942	-	-	346,193
Computer equipment	1,003,837	234,795	-	-	1,238,632
Vehicles	3,726,683	632,333	47,776	-	4,311,240
Roads, bridges and culverts	4,522,123	261,838	-	-	4,783,961
Water and waste water	4,956,798	423,260	-	-	5,380,058
Street lights and signs	38,511	5,455	-	-	43,966
	-	-	-	-	-
<b>Total</b>	<b>\$ 30,298,652</b>	<b>\$ 3,236,236</b>	<b>\$ 47,776</b>	<b>\$ -</b>	<b>\$ 33,487,112</b>

	Net book value 2022	Net book value 2023
Land	\$ 1,667,270	\$ 1,667,270
Land improvements	104,553	130,486
Buildings	20,713,782	26,702,968
Machinery and equipment	1,645,619	3,443,973
Furniture and equipment	256,902	579,011
Books and resource material	16,417	5,475
Computer equipment	661,875	687,649
Vehicles	2,517,466	2,927,521
Roads, bridges and culverts	7,624,793	9,920,790
Water and waste water	11,590,318	11,167,058
Street lights and signs	27,641	22,186
Assets under construction	2,319,683	2,993,480
	-	-
<b>Total</b>	<b>\$ 49,146,319</b>	<b>\$ 60,247,867</b>

# NIPISSING FIRST NATION

## Notes to Consolidated Financial Statements

Year ended March 31, 2024

### 13. Commitments and contingent liabilities:

- (a) The First Nation is involved in certain legal matters from time to time, the outcomes of which are not presently determinable. The effects, if any, from such contingencies will be accounted for in the periods in which the matters are resolved.
- (b) The First Nation is contingently liable for loan guarantees to various chartered banks in favour of individual Band members for housing loans. Total loans guaranteed amount to \$11,546,108 (2023 - \$10,064,014).
- (c) In accordance with terms and conditions of a financing arrangement between the Bank of Montreal and the Robinson Huron Treaty Trust (the "Trust"), the First Nation as a beneficiary of the Trust has guaranteed borrowings in proportion to its beneficial interest in the Trust. As of March 31, 2024, its proportional outstanding loan balance as part of the Trust is \$Nil (2023 - \$1,181,150).

### 14. Accumulated surplus:

Accumulated surplus consists of reserves, reserve funds set aside by Council and surplus:

	2024	2023
Reserves set aside by Council:		
Bus replacement reserve	\$ 871,985	\$ 871,985
Education centre capital reserve	100,000	100,000
Education centre programming reserve	37,400	37,400
Senior's Complex	55,474	55,474
CMHC apartment complex	312,918	312,918
Funds held in trust by the Government of Canada	290,779	290,779
Enhancement funds	10,387,084	10,387,084
Trust Income Fund	1,007,658	1,007,658
Housing reserve	2,646,238	2,646,238
Boundary Claim Trust	9,584,934	9,584,934
Nipissing Warriors fundraising reserve	623,076	623,076
Little NHL reserve	458,631	—
Drinking Water settlement reserve	1,658,466	—
Externally restricted	86,540,572	86,057,894
Invested in tangible capital assets	71,114,352	54,273,614
Unrestricted	9,688,774	5,916,902
	195,378,341	172,165,956
Accumulated remeasurement gains	15,077,454	2,585,996
	\$ 210,455,795	\$ 174,751,952



# NIPISSING FIRST NATION

## Notes to Consolidated Financial Statements

Year ended March 31, 2024

### 15. Funding reconciliation:

The following is a reconciliation of funding received from the Indigenous Services Canada (ISC) funding confirmation to revenue reported in the consolidated statement of operations and accumulated surplus:

	2024	2023
ISC revenue per funding confirmation	\$ 14,213,253	\$ 23,606,814
Add: prior year deferred revenue	26,533,329	22,598,328
Add: year end receivables	—	—
Less: ending deferred revenue	(20,401,422)	(26,525,039)
ISC revenue per consolidated statement of operations	\$ 20,345,160	\$ 19,680,103

### 16. Union of Ontario Indians funding:

The Union of Ontario Indians receives funding each year from various Federal and Provincial government sources under specific funding agreements. These funds are transferred to member First Nations to facilitate the delivery of a variety of programs including Health, Social Services, Employment and Education.

### 17. Employee future benefits:

The annual net expense for the First Nation's defined contribution pension plan was \$543,053 (2023 - \$437,862).

### 18. Budget information:

The budget adopted was not prepared on a basis consistent with that used to report actual results in these consolidated financial statements. The budget was prepared on a modified accrual basis while Canadian public sector accounting standards require the full accrual basis. The budget figures include a transfer of the anticipated annual surplus to reserves. In addition, the budget expenses all tangible capital asset acquisitions and does not include a full provision for amortization expense.

### 19. Comparative information:

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2024 financial statements.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

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## 20. Segmented information:

Nipissing First Nation is a diversified governmental institution that provides a wide range of services to its Members, including community operations, education, capital, First Nation enterprises, social services, health services, housing and other programs. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information provided in the schedules, along with the services they provide, are as follows:

### **Community Operations:**

Community operations is responsible for providing road maintenance, water and waste water, fire protection, information technology, band support and membership, and community buildings services to members. This department also oversees the delivery of all governmental services. The program is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of Chief and Council.

### **Education:**

The education department provides services to secondary school students through the operation of the N'Bisiing Secondary School. Service contracts with provincially funded area school boards are entered into for secondary students. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post-secondary institutions.

### **Capital:**

The capital department is responsible for all tangible capital asset activities occurring in the First Nation during the year, including housing construction and renovations as well as major projects such as water services and building construction.

### **First Nation Enterprises:**

First Nation enterprises is responsible for the ongoing lease and rental arrangements between the First Nation and various third parties, as well as a variety of other programs not directly funded by government grants or contributions.

### **Social Services:**

The social services department delivers a variety of programming including Ontario Works and offers employment support services. In addition, the department manages the homemakers and national child benefit programs.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2024

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## 20. Segmented information (continued):

### **Health Services:**

The health services department provides a diverse range of services directed towards the well-being of the members including the delivery of programming such as long-term care, diabetes, mental health, healthy babies, home and community care and many other programs designed to enhance the health of members. The health services department also manages the operations of the Lawrence Commanda Health Centre.

### **Housing:**

The housing department oversees the operations of the various rental housing units owned by the First Nation including both CMHC and other housing. These operations include tenant identification, rent collection and maintenance management.

### **Other:**

The other programs department includes programs that are ancillary to the core services of the First Nation as well as the operations of wholly-owned subsidiaries. Some of the more significant programs include library services, fisheries, employment and training, and lands management.

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements  
Note 20 - Segmented Information (continued)

Year ended March 31, 2024

	Community Operations	Education	Capital	First Nation Enterprises	Social Services	Health Services	Housing	Other	2024 Total
<b>Revenue</b>									
Indigenous Services Canada	\$ 8,257,431	108,687	3,655,619	-	5,768,860	2,338,360	(421,947)	638,150	\$ 20,345,160
Other	4,817,420	1,417,155	1,780,420	4,808,045	(115,266)	20,144	814,867	3,796,438	17,339,223
Ontario First Nations Limited Partnership	-	-	-	-	-	-	-	1,803,005	1,803,005
Ministry of Education	-	-	-	-	617,174	76,201	-	-	693,375
Ministry of Community and Social Services	-	-	-	-	1,568,460	384,423	-	93,824	2,046,707
Kinoomaadziwin Education Body	222,517	10,107,552	-	-	-	-	-	-	10,330,069
Other Provincial	174,575	36,000	1,680,000	5,000	-	1,516,416	-	1,162,742	4,574,733
Union of Ontario Indians	(650,236)	178,418	-	-	(295,140)	240,265	-	449,032	(77,661)
Canada Mortgage and Housing Corporation	-	-	4,949,160	-	-	-	499,324	-	5,448,484
	12,821,707	11,847,812	12,065,199	4,813,045	7,544,088	4,575,809	892,244	7,943,191	62,503,095
<b>Expenses:</b>									
Material and supplies	3,275,180	6,751,537	2,532,737	985,317	4,096,967	1,848,876	300,846	2,608,948	22,400,408
Salaries, wages and employee benefits	3,964,796	2,159,209	534,838	-	2,332,456	2,868,155	-	2,935,928	14,795,382
Amortization of tangible capital assets	1,535,919	388,527	1,158,921	-	116,251	198,919	204,314	325,445	3,928,296
Interest on long-term debt	57,336	-	-	61,776	-	-	74,889	-	194,001
	8,833,231	9,299,273	4,226,496	1,047,093	6,545,674	4,915,950	580,049	5,870,321	41,318,087
Excess (deficiency) of revenue over expenses before the undernoted items	3,988,476	2,548,539	7,838,703	3,765,952	998,414	(340,141)	312,195	2,072,870	21,185,008
Vacation (expense) recovery	(39,972)	(105,324)	(23,655)	-	(15,904)	60,412	-	(52,844)	(177,287)
<b>The Nipissing 2013 Boundary Claim Trust:</b>									
Investment income	-	-	-	-	-	-	-	16,687,788	16,687,788
Other expenses	-	-	-	-	-	-	-	(1,991,666)	(1,991,666)
Excess (deficiency) of revenue over expenses	\$ 3,948,504	2,443,215	7,815,048	3,765,952	982,510	(279,729)	312,195	16,716,148	\$ 35,703,843

# NIPISSING FIRST NATION

Notes to Consolidated Financial Statements  
Note 20 - Segmented Information (continued)

Year ended March 31, 2024

	Community Operations	Education	Capital	First Nation Enterprises	Social Services	Health Services	Housing	Other	2023 Total
<b>Revenue</b>									
Indigenous Services Canada	\$ 7,037,466	232,250	3,892,849	858,621	2,619,265	1,741,463	-	1,077,448	\$ 17,459,362
Other	1,528,833	2,700,123	417,336	2,993,011	39,967	(152,406)	900,848	3,708,967	12,136,679
Ontario First Nations Limited Partnership	-	-	-	-	-	-	-	1,253,067	1,253,067
Ministry of Education	-	-	-	-	641,975	137,238	-	-	779,213
Ministry of Community and Social Services	-	-	-	-	1,355,176	382,524	-	67,000	1,804,700
Kinoomaadziwin Education Body	222,519	6,392,970	-	-	-	(147,622)	-	-	6,467,867
Other Provincial	153,960	-	-	153,332	-	1,387,081	-	1,260,419	2,954,792
Union of Ontario Indians	1,095,294	39,180	-	-	552,174	317,567	-	273,806	2,278,021
Canada Mortgage and Housing Corporation	-	-	279,375	-	-	-	265,450	-	544,825
	10,038,072	9,364,523	4,589,560	4,004,964	5,208,557	3,665,845	1,166,298	7,640,707	45,678,526
<b>Expenses:</b>									
Material and supplies	2,250,099	6,001,602	2,627,011	730,062	2,428,022	1,192,003	219,632	2,881,822	18,330,253
Salaries, wages and employee benefits	3,091,040	1,875,647	408,935	-	1,723,197	2,479,553	-	2,189,900	11,768,272
Amortization of tangible capital assets	1,201,983	344,342	1,010,493	-	70,973	154,995	183,853	266,468	3,233,107
Interest on long-term debt	44,614	-	-	61,777	-	-	62,296	-	168,687
	6,587,736	8,221,591	4,046,439	791,839	4,222,192	3,826,551	465,781	5,338,190	33,500,319
Excess (deficiency) of revenue over expenses before the undernoted items	3,450,336	1,172,932	543,121	3,213,125	983,365	(160,706)	700,517	2,302,517	12,205,207
Vacation (expense) recovery	(49,917)	1,550	1,376	-	(40,716)	(12,830)	-	6,541	(93,996)
<b>The Nipissing 2013 Boundary Claim Trust:</b>									
Investment income	-	-	-	-	-	-	-	(7,616,462)	(7,616,462)
Other expenses	-	-	-	-	-	-	-	(3,420,285)	(3,420,285)
Excess (deficiency) of revenue over expenses	\$ 3,400,419	1,174,482	544,497	3,213,125	942,649	(173,536)	700,517	(8,727,689)	\$ 1,074,464