

PABINEAU FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

PABINEAU FIRST NATION
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING
MARCH 31, 2019

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of CPA Canada and as such include amounts that are the best estimates and judgments of management.

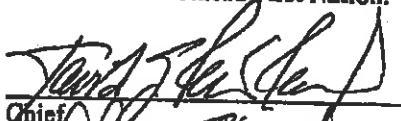
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

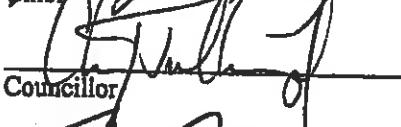
Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

The external auditors, Lenehan McCain & Associates, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Pabineau First Nation and meet when required.

On behalf of Pabineau First Nation:



Chief


Councillor


Councillor

July 31, 2019
Date

August 22, 2019
Date

August 22, 2019
Date

PABINEAU FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2019

	2019	2018
Financial Assets		
Cash (Note 3)	\$ 5,907,737	\$ 4,447,086
Accounts receivable (Note 4)	1,656,524	1,440,719
Trust funds held by Federal Government (Note 20)	41,648	41,168
Long-term investments (Note 5)	1,289,345	367,275
Loan receivable (Note 16)	71,532	71,532
<u>Inventory (Note 17)</u>	<u>311,396</u>	<u>217,849</u>
	<u>9,278,182</u>	<u>6,585,629</u>
Liabilities		
Accounts payable (Note 6)	449,449	504,835
Deferred revenue (Note 11)	88	140
Deferred revenue - ISC funding (Note 11)	205,446	80,446
<u>Long-term debt (Note 7)</u>	<u>145,337</u>	<u>478,671</u>
	<u>800,320</u>	<u>1,064,092</u>
Net financial assets	8,477,862	5,521,537
Non-financial Assets		
Tangible capital assets (Note 12)	8,553,497	8,937,375
<u>Prepaid expenses (Note 9)</u>	<u>93,022</u>	<u>8,252</u>
	<u>8,646,519</u>	<u>8,945,627</u>
Accumulated Surplus	\$ 17,124,381	\$ 14,467,164

Approved on behalf of the Pabineau First Nation

 Chief
 Councillor
 Councillor

The accompanying notes are an integral part of the financial statements

PABINEAU FIRST NATION
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2019

	2019 Budget	2019 Actual	2018 Actual
<u>Surplus</u>	<u>\$ 2,526,644</u>	<u>\$ 2,657,214</u>	<u>\$ 3,722,869</u>
Acquisition of tangible capital assets		(303,546)	(986,711)
Amortization of tangible capital assets	600,000	685,004	565,840
Proceeds on sale of tangible capital assets	-	27,500	-
<u>Gain on sale of tangible capital assets</u>	<u>-</u>	<u>(25,079)</u>	<u>-</u>
	600,000	383,880	(420,871)
<u>Change in prepaid expenses</u>	<u>-</u>	<u>(84,770)</u>	<u>29,461</u>
Increase in net financial assets	3,126,644	2,956,325	3,331,459
<u>Net financial assets at beginning of year</u>	<u>5,521,537</u>	<u>5,521,537</u>	<u>2,190,078</u>
<u>Net financial assets at end of year</u>	<u>\$ 8,648,181</u>	<u>\$ 8,477,862</u>	<u>\$ 5,521,537</u>

The accompanying notes are an integral part of the financial statements

PABINEAU FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Revenue			
Indigenous Services Canada	\$ 2,779,224	\$ 2,866,465	\$ 2,396,933
Health Canada	375,000	417,751	373,641
Seafood Market	138,000	121,891	137,276
Department of Fisheries and Oceans	263,000	309,770	261,348
Other	<u>8,209,000</u>	<u>9,370,194</u>	<u>9,793,862</u>
	<u>11,764,224</u>	<u>13,086,071</u>	<u>12,963,060</u>
Expenditures			
Administration	942,000	1,014,098	923,394
Community operations	386,000	475,056	337,259
Education	557,500	513,728	623,148
Social development	391,000	367,148	389,791
Health	383,580	420,576	379,748
Community job creation	81,000	107,502	79,088
Fisheries	189,900	157,838	297,472
Capital housing	188,000	24,468	250,604
Seafood Market & Takeout	118,400	108,294	118,496
Pabineau Gas Bar & Smoke Shop	<u>4,658,100</u>	<u>5,463,298</u>	<u>4,595,098</u>
Trucking	<u>742,100</u>	<u>1,091,847</u>	<u>680,254</u>
	<u>8,637,580</u>	<u>9,743,853</u>	<u>8,674,352</u>
Surplus before other income	3,126,644	3,342,218	4,288,708
Other income			
Amortization	(600,000)	(685,004)	(565,840)
Surplus	2,526,644	2,657,214	3,722,868
Accumulated surplus at beginning of year	14,467,164	14,467,164	10,744,296
Accumulated surplus at end of year	\$ 16,993,808	\$ 17,124,378	\$ 14,467,164

The accompanying notes are an integral part of the financial statements

PABINEAU FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2019

	2019	2018
Cash flows from		
Operating activities		
Surplus	\$ 2,657,214	\$ 3,722,868
Items not affecting cash	685,004	565,840
Amortization expense	(25,079)	-
Gain on sale of tangible capital assets	3,317,139	4,288,708
Change in non-cash operating working capital		
Accounts receivable	(215,805)	(503,233)
Inventory	(93,547)	(60,621)
Prepaid expenses	(84,770)	29,463
Trust funds held by Federal Government	(480)	(1,311)
Accounts payable	(55,385)	357,682
Deferred revenue	(52)	(1,360)
Deferred revenue - ISC funding	125,000	-
	2,992,100	4,109,328
Capital activities		
Acquisition of tangible capital assets	(303,546)	(986,711)
Proceeds on sale of tangible capital assets	27,500	
	(276,046)	(986,711)
Financing activities		
Proceeds from long-term debt	645,338	
Réparation of long-term debt	(333,333)	(166,667)
	(333,333)	478,671
Investing activities		
Investment in Oinpegitjoig Wind GP Ltd.	(922,070)	(367,275)
Increase in cash and cash equivalents	1,460,651	3,234,013
Cash and cash equivalents, beginning of year	4,447,086	1,213,073
Cash and cash equivalents, end of year	\$ 5,907,737	\$ 4,447,086

The accompanying notes are an integral part of the financial statements

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

1. Reporting Entity

The consolidated financial statements of Pabineau First Nation reflects the assets, liabilities, revenues, expenditures, changes in net debt and accumulated surplus of the reporting entity. The reporting entity is comprised of the organizations accountable for the administration of their affairs and resources to the Chief and Council or controlled by the band including Pabineau Seafood Market and Takeout, as well as Pabineau Gas Bar and Tobacco Shop and Pabineau Trucking.

2. Basis of Presentation and Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the CPA Canada.

(a) Cash

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of one year or less at acquisition which are held for the purpose of meeting short-term cash commitments.

(b) Net financial assets

The First Nation's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets is comprised of two components, non-financial assets and accumulated surplus.

(c) Revenue recognition

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

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

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

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

Revenue at the Seafood Market and Gas Bar is recognized at the point of sale to a customer.

Trucking revenue is recorded when the related service has been performed.

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

2. Basis of Presentation and Significant Accounting Policies (continued)

(d) Tangible capital assets

Tangible capital assets (TCAs) are items that can be physically touched, are used to provide First Nation services, are used for First Nation administration purposes or are used for the construction and/or maintenance of other TCAs owned by the First Nation, will be useful for a period greater than one year and will be used by the First Nation on a regular basis.

Certain tangible capital assets, including but not limited to roads and infrastructure, have been recorded at a nominal amount of \$1 as specific historical data was not available. Whereas all such assets are amortized over a period not longer than twenty-five years, it is management's opinion that all assets acquired prior to 1994 would now be fully amortized.

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset, and are amortized on the declining balance method over their estimated useful lives. Amortization begins in the year acquired. Current descriptions and useful lives are as follows:

Building and improvements	4 %
Vehicles	30-40%
Computer equipment	30 %
Furniture and equipment	20 %
Equipment	20 %
Paving	8%
Store	4 %
Water system and reservoir	4 %
Roads	20 %
Boats	15 %
Community centre and health centre	4 %
School bus	30 %
Store equipment	20 %

Tangible capital assets are written down when conditions indicate that they no longer contribute to Pabineau First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

2. Basis of Presentation and Significant Accounting Policies (continued)

(e) Expense Recognition

Expenses are recorded on the accrual basis as they are incurred and measurable based on receipt of goods or services and obligation to pay.

(f) Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from those estimates.

(g) 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 provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, prepaid expenses and inventories of supplies.

(h) Segment Disclosure

The financial statements of Pabineau First Nation provide supporting schedules which are established by program based on government funding provided. The various programs have been amalgamated for the purpose of presentation in the consolidated financial statements. Details of the operations of each program are set out in the supplementary schedules for management information purposes.

(i) Financial instruments

The First Nation's financial instruments consist of cash, accounts receivable, accounts payable, deferred revenue and long-term debt. Unless otherwise noted it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks.

(j) Inventory

Inventory represents goods available for resale. These goods are recorded at the lower of cost and net realizable value with cost recorded using the First-In First-Out (FIFO) method.

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

2. Basis of Presentation and Significant Accounting Policies (continued)

(k) Intangible assets

The First Nation owns fishing licenses which have been acquired without financial consideration and are therefore not recorded as assets in these financial statements.

(l) Investments

Investments subject to significant influence are accounted for using the cost method.

3. Cash

Cash and cash equivalents is comprised of the following:

	2019	2018
Bank balances		
GIC	\$ 5,894,717	\$ 4,434,262
Petty cash	10,520	10,324
	2,500	2,500
	<hr/> \$ 5,907,737	<hr/> \$ 4,447,086

4. Accounts receivable

	2019	2018
Indigenous Services Canada		
Province of New Brunswick	\$ 255,083	\$ -
Department of Fisheries and Oceans	539,405	785,654
North Shore MicMac District Council	474,660	217,580
Other	-	76,646
Canada Mortgage and Housing Corporation	387,376	280,349
	-	80,490
	<hr/> \$ 1,656,524	<hr/> \$ 1,440,719

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

5. Long-term investments

	2019	2018
<u>Oinpegitjoig Wind GP Ltd.</u>	<u>\$1,289,345</u>	<u>\$367,275</u>

On February 22, 2018 the First Nation signed a limited partnership agreement with Natural Forces NB Inc. to establish the formation of Oinpegitjoig Wind GP Ltd. The investment represents a 51% ownership stake in the project.

6. Accounts payable

	2019	2018
Trade		
Tuition payable to Province of New Brunswick	\$ 204,563	\$ 196,568
HST payable	64,229	
Payroll withholding taxes / pension contributions	219,128	176,550
Funding repayable to ISC	25,758	25,494
	-	41,994
	<u>\$ 449,449</u>	<u>\$ 504,835</u>

7. Long-term debt

	2019	2018
CIBC Prime plus 0.25% loan, payable \$27,778 monthly plus interest, due September 2020, secured by highway trucks and trailers	\$ 145,337	\$ 478,671

Principal portion of long-term debt due within the next two years:

2020	\$ 145,337
	<u>\$ 145,337</u>

	2019	2018
Interest expense for the year on long-term debt	\$ 12,758	\$ 9,688

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

8. Contingent Liabilities

Pabineau 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 the agreements.

In addition, in the normal course of its operations, Pabineau First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Pabineau First Nation's financial statements.

9. Prepaid expenses

	2019	2018
Insurance	\$ -	\$ 8,252
Tuition	\$ 93,022	-
	<hr/>	<hr/>
	\$ 93,022	\$ 8,252

10. Comparative Amounts

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current period with no changes to the accumulated surplus.

11. Deferred revenue

The deferred revenue is comprised of:

	2019	2018
2004-2005 tuition	\$ 80,446	\$ 80,446
Other	88	140
<u>2018-19 - ISC - lot servicing</u>	<u>125,000</u>	-
	<hr/>	<hr/>
	\$ 205,534	\$ 80,586

PABINEAU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

12. Tangible Capital Assets

	Cost			Accumulated amortization		
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Amortization of year	Accumulated amortization on disposals
Land	\$ 678,557	\$ -	\$ 678,557	\$ -	\$ -	\$ -
Buildings	935,412	17,707	953,119	336,441	24,313	\$ 678,557
Automotive equipment	1,116,364	217,000	(8,000)	1,325,364	333,783	301,232
Computer equipment	87,408	-	87,408	77,249	3,047	(8,000)
Furniture and equipment	87,296	-	87,296	74,229	2,613	-
Equipment	318,601	-	318,601	236,792	16,362	-
Paving	45,678	-	45,678	1,827	3,508	-
Paintings	1,600	-	1,600	-	-	-
Store	184,687	-	184,687	61,207	4,939	-
Computer software	4,644	-	4,644	4,644	-	-
Water system and reservoir	6,948,751	-	6,948,751	1,514,415	217,374	-
Roads	432,464	-	432,464	150,155	56,462	-
Boats	426,000	-	426,000	374,125	7,781	-
Community centre	286,049	-	286,049	95,875	7,607	-
School bus	60,000	64,849	(60,000)	64,849	57,579	11,180
Store equipment	80,026	3,991	84,017	64,408	3,523	(57,579)
Health centre	850,830	-	850,830	224,263	25,063	-
	\$ 12,544,367	\$ 303,547	\$ (68,000)	\$ 12,779,914	\$ 3,606,992	\$ 686,004
						\$ (65,579)
						\$ 4,226,417
						\$ 8,553,497
						601,504

PABINEAU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Disposals	Balance, end of year	beginning of year	Amortization	Balance, end of year
Land	\$ 678,557	\$ -	\$ -	\$ 678,557	\$ -	\$ -	\$ -
Buildings	935,412	186,630	929,734	935,412	311,484	24,957	336,441
Automotive equipment	86,492	916	-	1,116,364	171,587	162,196	333,783
Computer equipment	87,296	-	-	87,408	73,091	4,158	77,249
Furniture and equipment	311,321	7,280	-	318,601	70,961	3,268	74,229
Equipment	-	45,678	-	45,678	217,250	19,542	236,792
Paving	1,600	-	-	1,600	-	1,827	1,827
Paintings	184,687	-	-	184,687	56,062	5,145	43,851
Store	4,644	-	-	4,644	4,644	-	1,600
Computer software	6,948,751	-	-	6,948,751	1,287,985	226,430	61,207
Water system and reservoir	432,464	-	-	432,464	79,578	70,577	4,644
Roads	426,000	-	-	426,000	364,970	9,155	1,514,415
Boats	286,049	-	-	286,049	87,951	7,924	5,434,336
Community centre	60,000	-	-	60,000	56,541	1,038	150,155
School bus	76,923	3,103	-	80,026	60,892	3,516	374,125
Store equipment	850,830	-	-	850,830	198,156	26,107	95,875
Health centre	-	-	-	-	-	-	190,174
							2,421
							64,408
							15,618
							624,263
							626,567
	\$ 11,557,656	\$ 986,711	\$ -	\$ 12,544,367	\$ 3,041,152	\$ 565,840	\$ 3,606,992
							\$ 8,937,375

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

13. Financial Instrument Risks and Uncertainties

The First Nation is exposed to the following risks in respect of certain of the financial instruments held:

Credit risk

The financial instruments that potentially subject the First Nation to a significant concentration of credit risk consist primarily of cash and accounts receivable.

The First Nation maintains cash balances with Canadian chartered banks which is insured by the Canada Deposit Insurance Corporation up to CDN \$100,000. From time to time, these balances exceed the federally insured limits and expose the First Nation to credit risk from concentration of cash. The First Nation limits this risk by transacting with reputable financial institutions.

The First Nation does have credit risk in accounts receivable \$1,656,524 (2018 - \$1,440,719). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The First Nation reduces its exposure to credit risk by performing valuations on a regular basis and creating an allowance for bad debts when applicable. The First Nation derives substantially all of its revenues and therefore, accounts receivable, from government sources. In the opinion of management, the credit risk exposure to the First Nation is low and is not material.

Liquidity risk

The First Nation does have liquidity risk in accounts payable and accrued liabilities of \$449,449 (2018 - \$504,835). Liquidity risk is the risk that the First Nation cannot repay its obligations when they become due to its creditors. The First Nation reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and maintains a responsible cash position. In the opinion of management, the liquidity risk exposure to the First Nation is low and is not material.

Interest rate risk

At times, the First Nation may be exposed to interest rate risk. This risk exists due to interest rate exposure on certain term loans, which are variable based on the bank's prime rates. This exposure may have an effect on its interest expenses in future periods. The First Nation reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates which have been stable over the period presented. The First Nation does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk exposure to the First Nation is low and is not material.

14. Economic Dependence

Pabineau First Nation receives a significant portion of its revenue pursuant to funding arrangements with Indigenous Services Canada and other federal government departments.

PABINEAU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

15. Budgeted figures

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Chief.

16. Loan Receivable

The First Nation is of the opinion that this amount will be collected. Although there are no set terms of repayment, council will use all means necessary and deemed appropriate to collect this loan receivable. The loan is unsecured and non-interest bearing.

	2019	2018
<u>Balance, beginning of year</u>	<u>\$ 71,532</u>	<u>\$ 71,532</u>
<u>Balance, end of year</u>	<u>\$ 71,532</u>	<u>\$ 71,532</u>

17. Inventory

	2019	2018
Seafood Market		
Gas Bar - fuel	\$ 1,000	\$ 1,000
Gas Bar - tobacco	25,745	26,538
	<u>284,651</u>	<u>190,311</u>
	<hr/>	<hr/>
	<u>\$ 311,396</u>	<u>\$ 217,849</u>

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

18. Expenses by object

	2019	2018
Wages and benefits	\$ 1,620,422	\$ 1,641,676
Cost of goods sold	5,343,843	4,507,129
Materials and supplies	108,127	139,244
Travel and training	100,554	83,161
Programs and activities	74,512	188,575
Social development	334,249	353,391
Tuition and post-secondary costs	322,853	324,759
Repairs and maintenance	371,065	355,730
Interest and bank charges	43,822	33,967
Professional services	64,923	39,566
Utilities	251,274	176,180
Other	1,108,209	830,973
<u>Amortization</u>	<u>685,004</u>	<u>565,840</u>
	\$ 10,428,857	\$ 9,240,191

19. Annual Surplus Net of Capital Related Revenues and Amortization

	2019	2018
<u>Annual surplus (deficit)</u>	<u>\$ 2,657,214</u>	<u>\$ 3,722,868</u>
Less capital related revenues included in annual surplus:		
Federal government transfers for capital	(1,035,175)	(210,425)
<u>Add amortization expense included in annual surplus</u>	<u>685,004</u>	<u>565,840</u>
	(350,711)	355,415
<u>Annual surplus (deficit) net of capital related revenues and amortization</u>	<u>\$ 2,306,503</u>	<u>\$ 4,078,283</u>

PABINEAU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

20. Trust Funds Held by Federal Government

The funds on deposit with ISC arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Section 62 to 69 of the Indian Act.

	March 31, 2018	Additions (Interest)	Withdrawals	March 31, 2019
Revenue	\$ 41,019	\$ 480	\$ -	\$ 41,499
Capital	149	-	-	149
	<hr/> \$ 41,168	<hr/> \$ 480	<hr/> \$ -	<hr/> \$ 41,648