

Pic Mobert First Nation
Consolidated Financial Statements
March 31, 2020

Pic Mobert First Nation

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For the year ended March 31, 2020

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Management's Responsibility

To the Chief and Council and Members of Pic Mobert First Nation:

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

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

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

MNP LLP is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

July 23, 2021



CEO

To the Chief and Council and Members of Pic Mobert First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Pic Mobert First Nation and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations, change in its net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

We were unable to obtain sufficient, appropriate audit evidence relating to the carrying amount recorded in accounts receivable of a controlled entity recorded under the modified equity method. Further we were unable to obtain certain corroborating evidence concerning the collectability of the receivable balances. Consequently, we are unable to determine if any adjustments were necessary to investments in government business partnership and enterprise and accumulated surplus as at March 31, 2020 and to earnings (loss) from investment government business enterprise for the year ended March 31, 2020.

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 qualified 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

July 23, 2021

MNP LLP




Chartered Professional Accountants

Licensed Public Accountants

Pic Mobert First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019 (Restated) - Note 24
Financial assets		
Cash resources (Note 3)	1,837,992	1,822,516
Portfolio investments (Note 4)	73,244,558	73,140,484
Accounts receivable (Note 5)	1,258,093	1,088,262
Due from government and other government organizations (Note 6)	685,375	608,512
Investments in government business partnership and enterprise (Note 7)	2,562,114	2,501,778
Trust funds held by federal government (Note 8)	78,373	76,864
Total financial assets	79,666,505	79,238,416
Liabilities		
Accounts payable and accruals (Note 9)	1,503,933	1,074,891
Deferred revenue (Note 10)	799,264	596,597
Due to government and other government organizations (Note 11)	129,030	64,196
Due to EE Solar Partners Inc. (Note 12)	1,702,173	1,748,311
Due to Regional Power Inc. (Note 13)	84,765,731	82,576,284
Long-term debt (Note 14)	3,660,849	3,203,254
Total liabilities	92,560,980	89,263,533
Net debt	(12,894,475)	(10,025,117)
Contingent liabilities (Note 15)		
Non-financial assets		
Tangible capital assets (Schedule 1)	25,552,111	24,095,097
Intangible capital assets	1,986	1,986
Prepaid expenses	55,456	53,156
Total non-financial assets	25,609,553	24,150,239
Accumulated surplus	12,715,078	14,125,122

Approved on behalf of the Council

Chief

Councillor

Councillor




Councillor

Councillor

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

Pic Mobert First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019 (Restated) - Note 24</i>
Revenue			
Indigenous Services Canada (Note 16), (Note 18)	1,548,592	1,747,798	1,914,973
Dilico Ojibway Child and Family Services	458,151	227,917	311,328
Ontario First Nations Limited Partnership	720,000	816,685	942,144
Ministry of Health (Note 18)	137,532	94,032	143,276
First Nations and Inuit Health Branch (Note 18)	682,157	547,628	891,619
Ministry of Community, Family and Children's Services (Note 18)	776,706	1,472,547	1,307,473
Union of Ontario Indians	432,612	504,359	330,136
Anishinabek Employment and Training Services	34,000	97,356	110,380
Canada Mortgage and Housing Corporation (Note 18)	215,726	215,726	212,953
Ministry of Natural Resources (Note 18)	-	-	12,556
Ministry of Indigenous Affairs (Note 18)	85,000	310,044	315,016
Ministry of Transportation (Note 18)	30,804	38,500	38,500
Ministry of Education (Note 18)	288,418	244,636	192,087
Kinomaadswin Education Body	3,413,114	3,076,533	2,903,580
Northern Ontario Heritage Fund Corporation	45,000	43,020	-
Industry Canada (Note 18)	90,000	85,975	-
Ontario Trillium Foundation	-	6,700	31,024
Contract revenue - Barrick Gold	2,219,000	3,109,854	2,783,692
Regional Power Inc.	-	722,545	2,193,147
Independent Electricity System Operator	-	39,986	100,000
Miscellaneous revenue	529,599	840,520	1,051,799
Rent revenue	557,440	641,583	615,354
Administration fees	304,582	304,582	579,819
Fundraising revenue	15,000	24,300	22,320
Inter-department cost recoveries	771,472	1,038,828	373,915
Deferred revenue - prior year	-	596,597	-
Deferred revenue - current year	-	(799,264)	(596,597)
Recovery of funding	-	90,398	-
Total revenue	13,354,905	16,139,385	16,780,494
Expenses			
Administration and Chief and Council	1,305,567	1,860,521	1,506,428
Infrastructure Programs	817,281	1,360,685	1,317,786
Social, Cultural, Spiritual and Recreational Programs	2,114,308	1,019,467	1,003,245
Education Programs	3,294,236	2,963,658	2,643,309
Health Programs	1,065,262	2,579,079	2,361,069
Capital Programs	1,353,094	981,877	1,504,075
Economic Development Programs	3,705,674	3,392,842	3,050,429
Business Enterprise Projects	-	3,107,104	3,085,685
OFNLP2008 Fund	-	713,495	108
Total expenses	13,655,422	17,978,728	16,472,134
Surplus (deficit) before other items	(300,517)	(1,839,343)	308,360

Continued on next page

Pic Mobert First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Surplus (deficit) before other items <i>(Continued from previous page)</i>	(300,517)	(1,839,343)	308,360
Other income			
Earnings (loss) from investment in government business partnership <i>(Note 7)</i>	-	(119,240)	133,715
Earnings from investment in government business enterprise <i>(Note 7)</i>	-	548,539	503,259
Gain on disposal of government partnership	-	-	2,426,979
Recognition of prior years' deferred revenue	-	-	441,050
	-	429,299	3,505,003
Surplus (deficit)	(300,517)	(1,410,044)	3,813,363
Accumulated surplus, beginning of year	14,065,358	14,125,122	10,335,453
Prior year surplus recoveries	-	-	(23,694)
Accumulated surplus, end of year	13,764,841	12,715,078	14,125,122

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

Pic Mobert First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2020

	2020 Budget	2020	2019 (Restated) - Note 24
Annual surplus (deficit)	(300,517)	(1,410,044)	3,813,363
Purchases of tangible capital assets	-	(2,479,286)	(246,314)
Amortization of tangible capital assets	493,964	1,022,272	1,000,686
Prior year surplus recoveries	-	-	(23,694)
Change in government partnership tangible capital assets	-	-	750,857
Acquisition of prepaid expenses	-	(2,300)	-
Use of prepaid expenses	-	-	7,079
Change in government partnership prepaid expenses	-	-	521,034
(Increase) decrease in net debt	193,447	(2,869,358)	5,823,011
Net debt, beginning of year	(10,084,881)	(10,025,117)	(15,848,128)
Net debt, end of year	(9,891,434)	(12,894,475)	(10,025,117)

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

Pic Mobert First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019 (Restated) - Note 24
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	(1,410,044)	3,813,363
Prior year surplus recoveries	-	(23,691)
Non-cash items		
Amortization	1,022,272	1,000,687
Net income from government business partnership and enterprise	(429,299)	(636,974)
Gain on disposal of government partnership	-	(2,426,979)
Adjustment on disposal of government partnership	-	266,473
Changes in working capital accounts		
Accounts receivable	(169,831)	(159,394)
Due from government and other government organizations	(76,863)	91,265
Trust funds held by federal government	(1,509)	(1,745)
Prepaid expenses	(2,300)	7,079
Deferred revenue	202,667	(390,481)
Accounts payable and accruals	429,045	(807,488)
Due to government and other government organizations	64,834	14,635
	(371,028)	746,750
Financing activities		
Advances of long-term debt	729,924	156,966
Repayment of long-term debt	(272,329)	(266,663)
Decrease in due to EE Solar Partners Inc.	(46,138)	-
	411,457	(109,697)
Capital activities		
Purchases of tangible capital assets	(2,479,286)	(246,314)
Investing activities		
Proceeds on disposal of temporary investments	-	362,871
Distributions received from government business partnership	368,961	100,000
Increase in due to Regional Power Inc.	2,189,447	666,966
Increase in due to EE Solar Partners Inc.	-	1,748,311
Purchase of portfolio investments	(104,075)	(2,173,118)
	2,454,333	705,030
Increase in cash resources	15,476	1,095,769
Cash resources, beginning of year	1,822,516	726,747
Cash resources, end of year	1,837,992	1,822,516
Supplementary cash flow information		
Interest paid	116,501	125,487

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

1. Operations

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

Impact on operations of COVID-19

In early March 2020 the impact of the global outbreak of COVID-19 began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The First Nation's operations were impacted by COVID-19 due to closure of the Band office, increased demand from members for assistance and cancellation of events.

The impact of COVID-19 has been partially offset by announcements from Government funding agencies releasing held funds for immediate use for COVID-19 related expenses and announcements that unspent program funding may be used to offset COVID-19 related expenses in future periods. Eligibility under these announcements have evolved since first announced and can be subject to changes in legislation or administrative positions, further, there is significant uncertainty of the period of time into the future that the Government will continue these programs.

At this time, it is unknown the extent the impact of the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause increased support requests from members, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the First Nation's business and financial condition.

2. Significant accounting policies

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

Reporting entity consolidated

The Pic Mobert First Nation reporting entity includes the Pic Mobert First Nation and all related entities that are controlled by the First Nation.

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

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 government business enterprise, which are included in the consolidated financial statements on a modified equity basis.

Government partnerships are proportionately consolidated on a line-by-line basis except for the partnerships which meet the definition of government business partnership, which are included in the consolidated financial statements on a modified equity basis.

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

Organizations consolidated in Pic Mobert First Nation's consolidated financial statements include:

- White Lake Resources Corporation
- Gitchi Animki Energy Limited Partnership
- Gitchi Animki Energy Corporation
- Gitchi Animki Finance Corp.
- Maygwayyaw Forestry Services Corp.
- Giizis Power LP
- Giizis Power GP Corp.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Organizations accounted for on a modified equity basis include:

- White Lake Limited Partnership
- BMI-Maamwigaaboo Contracting (2017) Limited Partnership

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

Cash and cash equivalents

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

Portfolio investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Tangible capital assets

Tangible capital assets are 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.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and the First Nation's incremental cost of borrowing.

Tangible capital assets are written down when conditions indicate they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the 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 and accumulated surplus.

Contributed capital assets are recorded into revenue 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.

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

Amortization

Tangible capital assets are amortized annually using the declining balance and straight-line methods at rates intended to amortize the cost of the assets over their estimated useful lives as follows:

	<i>Method</i>	<i>Rate</i>
Office equipment	declining balance	20 %
General equipment	declining balance	20 %
Police office trailer	declining balance	30 %
Computer hardware	declining balance	30 %
Computer software	declining balance	100 %
Automotive	declining balance	30 %
Housing - Section 10	straight-line	35 years
Infrastructure	straight-line	35 years
Gymnasium/Auditorium	straight-line	35 years
CMHC Housing - Section 95	straight-line	35 years
Administration office	straight-line	35 years
Housing renovations	straight-line	35 years
Skating rink	straight-line	35 years
Health clinic	straight-line	35 years
CMHC Housing - Section 95 (2008/2010)	straight-line	35 years
School building	straight-line	35 years
Dilico building	straight-line	35 years
Elders' residences	straight-line	35 years
Water treatment facility	straight-line	35 years
OW building	straight-line	35 years
Pow-Wow Arbour	straight-line	35 years
Cultural Centre	straight-line	35 years
Dilico Building - 2017	straight-line	35 years
ISC Housing - 2017	straight-line	35 years
Daycare	straight-line	35 years

Long-term debt and capital lease obligations

Long-term financing received to fund tangible capital asset purchases is recognized in the period the financing is acquired and recorded as an increase in long-term debt or capital lease obligation.

Repayments of long-term financing are recognized as a decrease in long-term debt.

Capital lease repayments are recognized as a decrease in capital lease obligations.

Long-lived assets

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

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value.

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

Asset classification

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

Loan guarantees

The First Nation records a provision for losses on loan guarantees when it determines that a loss is likely.

The provision is determined based on the current circumstances of the individual borrowers and is reviewed on an ongoing basis as new events occur, as more experience is acquired, or as additional information is obtained. Any changes in the provision is charged or credited to expenses. A provision for loss on a loan guarantee is removed from the First Nation's consolidated statement of financial position when the guaranteed loan has been discharged or the term of the loan guarantee has expired.

Net financial assets (net debt)

The First Nation's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The financial assets (net debt) of the First Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus (deficit).

Revenue recognition

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

Government transfers are recognized as revenue 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 the transfer stipulations give rise to a liability. Transfer revenue is recognized in the consolidated statement of operations and accumulated surplus as the stipulations 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.

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

Measurement uncertainty

The preparation of consolidated financial statements for the First Nation 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.

Amortization is based on the estimated useful lives of tangible capital assets.

Inventory is stated after evaluation of its original cost and any applicable selling costs, less an amount for obsolete materials, if applicable.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

Deferred revenue is estimated based on management's review of revenue received, but unspent at year-end.

Segments

The First Nation conducts its business through nine reportable segments: Administration and Chief and Council, Infrastructure Programs, Social, Cultural, Spiritual and Recreational Programs, Education Programs, Health Programs, Capital Programs, Economic Development Programs, Business Enterprise Projects, and OFNLP2008 Fund. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the Significant Accounting Policies.

Funds held by federal government

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in revenue on the consolidated statement of operations and accumulated surplus. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Loans receivable

Loans are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

Administration fees

It is the First Nation's policy to allocate certain administrative costs to various programs. Such allocations are recorded as administration fees revenue on the consolidated administration program schedule of revenue and expenses.

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

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

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.

3. Cash resources

	2020	2019
HST account	80,160	20,291
Petty cash	(376)	500
General account	421,549	(59,470)
Water Treatment account	106	85,483
Welfare account	234,348	77,199
Equity Trust account	415,334	717,249
OFNLP2008 account	275,122	229,958
CMHC Replacement Reserve account (restricted)	325,626	290,507
Land Claims account	(429,433)	(128,692)
AES Education account	484,305	573,694
Gitchi Animki Energy Limited Partnership	31,251	15,797
	1,837,992	1,822,516

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation.

The general account has an overdraft available of up to \$500,000 (2019 - \$500,000) with interest at bank prime plus 1.5% (2019 - 1.5%) (3.95% at March 31, 2020) (2019 - 5.45%) which is secured by a general security agreement (\$Nil outstanding at March 31, 2020 and March 31, 2019).

The welfare bank account has an overdraft available of up to \$10,000 (2019 - \$10,000) with interest at bank prime plus 1.5% (2019 - 1.5%) (3.95% at March 31, 2020) (2019 - 5.45%) which is secured by a general security agreement (\$Nil outstanding at March 31, 2020 and March 31, 2019).

The land claims account has an overdraft available of up to \$490,000 (2019 - \$490,000) with interest at bank prime plus 1.5% (2019 - 1.5%) (3.95% at March 31, 2020) (2019 - 5.45%) which is secured by a general security agreement. The balance outstanding at year-end was \$345,489 (2019 - \$73,843).

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

4. Portfolio investments

	2020	2019 (Restated) - Note 24
Bank of Montreal 1 year GIC, redeemed in 2019	-	149,565
Bank of Montreal 1 year GIC, redeemed in 2019	-	25,692
Bank of Montreal 1 year GIC, redeemed in 2019	-	20,000
Bank of Montreal 1 year GIC, redeemed in 2019	-	40,511
Bank of Montreal 1 year GIC, redeemed in 2020	-	10,292
Bank of Montreal 1 year GIC, redeemed in 2020	-	7,671
Bank of Montreal 1 year GIC, redeemed in 2020	-	91,018
Bank of Montreal 1 year GIC, redeemed in 2020	-	20,249
Bank of Montreal 2 year GIC, bearing interest at 0.5% maturing May 2021	150,907	-
Bank of Montreal 2 year GIC, bearing interest at 0.4% maturing June 2021	25,923	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing November 2020	20,554	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing December 2020	40,915	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing January 2021	10,395	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing February 2021	7,747	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing February 2021	91,925	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing February 2021	20,450	-
Bamkushwada Limited Partnership	1	1
Pic Mobert Hydro Inc.	70,977,621	70,977,621
Muskoka Solar LP	1,797,788	1,797,788
Bamkushwada GP Inc.	1	1
AETS Property LP	10	10
AETS Property GP Inc.	10	10
Supercom Industries Limited Partnership	1	1
Supercom Industries Ltd.	1	1
Northeast Superior First Nation Investment LP	100,257	1
Northeast Superior First Nation Investment GP Inc.	1	1
Ontario First Nations Sovereign Wealth Limited Partnership	1	1
OFN Asset Management GP Corp.	1	1
Maywayyawk Forestry Services Limited Partnership	49	49
	73,244,558	73,140,484

5. Accounts receivable

	2020	2019 (Restated) - Note 24
Members rent	311,213	219,117
Members advances	10,061	17,413
Barrick Gold	715,851	409,514
Dilico Ojibway Child and Family Services	81,470	116,425
Anishinabek Employment and Training Services	77,831	17,458
Union of Ontario Indians	34,809	-
Kinomaadswin Education Body	-	58,139
Northern Ontario Heritage Fund Corporation	34,863	-
Other miscellaneous receivables	377,554	457,777
Less: allowance for doubtful accounts	(385,559)	(207,581)
	1,258,093	1,088,262

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

6. Due from government and other government organizations

	2020	2019
Federal government		
Indigenous Services Canada	529,894	242,672
First Nations and Inuit Health Branch	23,604	84,829
HST recoverable	23,001	73,013
Industry Canada	7,449	-
Canadian Environmental Assessment Agency	18,080	18,080
Provincial government		
Ministry of Community, Family and Children's Services	52,338	40,335
Ministry of Health	5	8,825
Ministry of Indigenous Affairs	31,004	121,508
Ministry of Transportation	-	19,250
	685,375	608,512

7. Investments in government partnership and enterprise

The First Nation owns 99.99% of the partnership units of White Lake Limited Partnership and 50% of the partnership units of BMI-Maamwigaaboo Contracting (2017) Limited Partnership.

The First Nation's investment in government business enterprise consists of the following:

	2020	2019
White Lake Limited Partnership	2,162,824	1,983,248

The First Nation's investment in government business partnership consists of the following:

	2020	2019
BMI-Maamwigaaboo Contracting (2017) Limited Partnership	399,290	518,530
Investments in government partnership and enterprise	2,562,114	2,501,778

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

7. Investments in government partnership and enterprise *(Continued from previous page)*

The following table presents condensed financial information for White Lake Limited Partnership for the years ended March 31, 2020 and March 31, 2019 is shown below.

	As at March 31, 2020	As at March 31, 2019
Assets		
Current		
Cash	507,094	112,313
Accounts receivable	1,668,597	1,904,618
Government remittances receivable	-	-
Prepaid expenses	9,473	9,473
Due from related parties	676,713	584,841
	2,861,877	2,611,245
Equipment	109,691	139,915
Investment in related parties	350	350
	2,971,918	2,751,510
Liabilities		
Current		
Accounts payable	213,393	243,483
Government remittances payable	325,344	138,395
Term loan due on demand	-	6,550
Due to related parties	3,832	7,766
Current portion of long-term debt	28,207	33,864
Current portion of deferred revenue	238,419	100,000
	809,195	530,058
Long-term debt	-	28,207
Deferred revenue	-	200,000
	809,195	758,265
Partners' capital	2,162,723	1,993,245
	2,971,918	2,751,510
	Year ending	Year ending
	March 31, 2020	March 31, 2019
Revenue	1,706,735	2,308,418
Expenses	1,158,196	1,805,159
Net earnings	548,539	503,259

White Lake Limited Partnership was formed in February 2009, to hold, manage and otherwise deal with all business ventures, joint ventures, which the partners have developed or engaged in business relationships for the improvement of the general welfare of Pic Mobert First Nation.

7. Investments in government partnership and enterprise *(Continued from previous page)*

The partnership is related to Pic Mobert First Nation by virtue of the fact that Pic Mobert First Nation owns 99.99% of the units of the Partnership. The partnership is related to Pic Mobert Hydro Inc. by virtue of the fact it is controlled by Pic Mobert First Nation.

Included in accounts receivable for the current year is \$99,256 (2019 - \$258,553) from Pic Mobert First Nation, \$6,368 (2019 - \$45,082) from Pic Mobert Hydro Inc.

Included in accounts payable for the current year is \$51,600 (2019 - \$79,602) to Pic Mobert First Nation.

Included in revenue for the current year is \$Nil (2019 - \$6,368) to Pic Mobert Hydro Inc. and \$120,053 (2019 - \$18,295) to Pic Mobert First Nation.

Included in contract work expenses for the current year is \$Nil (2019 - \$1,000) paid to Pic Mobert First Nation.

Included in donation expenses for the current year is \$9,000 (2019 - \$3,500) paid to Pic Mobert First Nation.

Included in rent expenses for the current year is \$3,600 (2019 - \$14,500) paid to Pic Mobert First Nation.

Included in salaries, wages and benefits is \$200 (2019 - \$1,900) paid to Pic Mobert First Nation.

Included in travel expenses is \$2,576 (2019 - \$Nil) paid to Pic Mobert First Nation.

The revenue and expenses were conducted in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

7. Investments in government partnership and enterprise *(Continued from previous page)*

The following table presents condensed financial information for BMI-Maamwigaaboo Contracting (2017) Limited Partnership for the year ended March 31, 2020 and for the period ended March 31, 2019 is shown below.

	As at March 31, 2020	As at March 31, 2019
Financial assets		
Cash	85,373	127,395
Accounts receivable	159,822	19,958
Government remittances receivable	-	1,598
Due from related parties	331,163	521,163
Investments	250,000	250,000
Restricted cash	200,000	200,000
Total financial assets	1,026,358	1,120,114
Liabilities		
Accounts payable and accruals	107,132	29,294
Government remittances payable	23,924	1,114
Wages payable	8,863	-
Term loans due on demand	735,547	913,282
Total liabilities	875,466	943,690
Net financial assets	150,892	176,424
Non-financial assets		
Tangible capital assets	645,697	858,651
Prepaid expenses	2,154	2,195
Partners' capital	798,743	1,037,270
	Year ending March 31, 2020	Year ending March 31, 2019
Revenue	1,279,799	1,681,350
Expenses	1,518,326	1,413,866
Net earnings (loss)	(238,527)	267,484

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

7. Investments in government partnership and enterprise *(Continued from previous page)*

BMI-Maamwigaaboo Contracting (2017) Limited Partnership's main business activity is general contracting.

The partnership is related to Biigtigong Nishnaabeg by virtue that the entity holds 48% of the units of the partnership. The partnership is related to Pic Mobert First Nation by virtue that the entity holds 48% of the units of the partnership. The partnership is related to White Lake Limited Partnership by virtue of common control, as Pic Mobert First Nation, a limited partner, holds 99.99% of the units of White Lake Limited Partnership. The partnership is related to MKWA Timber Limited Partnership by virtue of common control, as Biigtigong Nishnaabeg, a limited partner, controls MKWA Timber Limited Partnership.

Included in salaries and benefits expense is \$Nil (2019 - \$2,100) paid to Pic Mobert First Nation.

Included in equipment rental expense is \$67,880 (2019 - \$5,000) paid to MKWA Timber Limited Partnership.

Included in subcontractor expense is \$218,813 (2019 - \$176,321) paid to MKWA Timber Limited Partnership and \$Nil (2019 - \$4,206) paid to White Lake Limited Partnership.

Included in management fees expense is \$21,000 (2019 - \$15,000) paid to White Lake Limited Partnership.

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

8. Trust funds held by federal government

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	2020	2019
Capital Trust		
Balance, beginning of year	4,619	4,619
Balance, end of year	4,619	4,619
Revenue Trust		
Balance, beginning of year	72,245	70,500
Interest	1,509	1,745
Balance, end of year	73,754	72,245
	78,373	76,864

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

9. Accounts payable and accruals

	2020	2019
Trade payables	1,191,441	790,386
Accrued salaries and benefits payable	247,378	198,992
Other accruals	65,114	85,513
	1,503,933	1,074,891

10. 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>Revenue received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Kinoomaadziwin Education Body - Education Funding	432,581	2,985,190	3,175,787	241,984
Ontario Power Authority - Hydro Project	55,000	-	-	55,000
Northern Neighbours	63,840	-	-	63,840
Hornepayne First Nation - in trust	15,000	-	-	15,000
Ontario Trillium Foundation - Outdoor equipment	30,176	6,700	36,876	-
Williams Mine - H&S Coordinator	-	32,500	-	32,500
Williams Mine - Youth Training	-	10,000	-	10,000
Williams Mine - Scholarships	-	2,500	-	2,500
Williams Mine - AGM	-	25,000	10,360	14,640
Williams Mine - Lands and Resource Research	-	60,000	18,613	41,387
Wood for Community	-	18,890	7,200	11,690
Indigenous Services Canada - Band Rep	-	32,801	6,649	26,152
Indigenous Services Canada - Tobacco Strategy	-	6,698	-	6,698
Indigenous Services Canada - Special Services	-	111,645	2,000	109,645
Indigenous Services Canada - Planning Design and Construction	-	68,228	-	68,228
Harte Gold Closure Money per IBA	-	100,000	-	100,000
	596,597	3,460,152	3,257,485	799,264

11. Due to government and other government organizations

	2020	2019
Federal government		
Receiver General	129,030	64,196

12. Due to EE Solar Partners Inc.

The balance due to EE Solar Partners Inc. ("EESPI") represents development costs incurred on behalf of Giizis Power LP ("GPLP") by EESPI, the other partner in the Muskoka Solar LP. Under the partnership agreement, EESPI has a commitment to loan GPLP amounts equal to its share of qualifying projects costs. Interest on the loan is accrued monthly and bears interest at 8% per annum, maturing in January 2037. Monthly payments of \$15,361 are applied against the loan balance through the use of project revenue.

The loan is collateralized by GPLP's interest in the Muskoka Solar LP. GPLP is under no obligation to repay the loan and interest. However, GPLP will forfeit its interest in the partnership, and any potential future profits thereof, if the loan is not repaid.

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

13. Due to Regional Power Inc.

The balance due to Regional Power Inc. represents development costs incurred on behalf of Gitchi Animki Finance Corp. ("GAFC") by White River Hydro Limited Partnership ("WRHLP"), the other joint venture partner. Under the joint venture agreement, Regional Power Inc. has a commitment to loan GAFC amounts equal to its share of qualifying projects costs. Interest on the loan is accrued monthly and bears interest at varying interest rates of up to 3.45% per annum. The balance owing at March 31, 2020 includes \$15,003,336 (March 31, 2019 - \$12,813,889) in cumulative accrued interest.

The loan is collateralized by GAFC's interest in the Pic Mobert Hydro Power Joint Venture ("PMHPJV"). GAFC is under no obligation to repay the loan and interest. However, GAFC will forfeit its interest in the joint venture, and any potential future profits thereof, if the loan is not repaid. Per the loan agreement, loan repayments are to be financed through the use of future project revenue.

14. Long-term debt

	2020	2019
Mortgage #19151315001 payable to Canada Mortgage and Housing Corporation ("CMHC") with payments of \$2,075 (2019 - \$2,075) per month including interest at 1.08% (2019 - 1.08%) per annum maturing May 2025, secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on 6 housing units.	125,210	148,647
Mortgage #19151315002 payable to CMHC with payments of \$5,225 (2019 - \$5,225) per month including interest at 2.5% (2019 - 2.5%) per annum maturing January 2028, secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on 8 housing units.	446,798	497,802
Mortgage #19151315003 payable to CMHC with payments of \$5,053 (2019 - \$5,053) per month including interest at 2.52% (2019 - 2.52%) per annum maturing August 2023, secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on 10 housing units.	198,758	253,776
Mortgage #19151315004 payable to CMHC with payments of \$4,680 (2019 - \$4,680) per month including interest at 1.08% (2019 - 1.08%) per annum maturing August 2025, secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on 9 housing units.	291,196	343,949
Mortgage #19151315005 payable to CMHC with payments of \$4,256 (2019 - \$4,256) per month including interest at 2.5% (2019 - 2.5%) per annum maturing June 2023, secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on 5 housing units.	879,746	908,035
Mortgage payable to Bank of Montreal with principal payments of \$4,415 (2019 - \$4,415) plus interest at prime plus 1% (3.95% at March 31, 2020) (2019 - 4.45%). A fixed term loan contract will be negotiated at the completion of the project. Loan is secured by an assignment of lease revenue.	989,218	1,051,045
CMHC Section 95 loan #1915135006. Terms to be determined when construction is complete.	513,838	-
CMHC Section 95 loan #1915135007. Terms to be determined when construction is complete.	216,085	-
	3,660,849	3,203,254

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

14. Long-term debt *(continued from previous page)*

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:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2021	276,283	88,571	364,854
2022	280,587	81,207	361,794
2023	284,987	73,746	358,733
2024	253,881	66,409	320,290
2025	231,847	60,130	291,977
	1,327,585	370,063	1,697,648
Thereafter	2,333,264	376,333	2,709,597

Interest on long-term debt amounted to \$69,325 (2019 - \$49,939).

15. Contingent liabilities

The First Nation has been named as a defendant in a lawsuit by a former employee. The lawsuit is seeking to recover damages allegedly sustained by them as a result of Pic Mobert First Nation cancelling the plaintiff's short-term and long-term disability benefits, life insurance benefits and health benefits without the consent of the plaintiff. The lawsuit remains at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of this lawsuit or to estimate the loss, if any, which may result. Any amount awarded as a result of this action will be recorded when reasonably estimable. Total damages being claimed by the plaintiff is \$1,050,000.

The First Nation has entered into contribution agreements with various federal government departments and other entities. 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, the First Nation may become involved in legal actions or payroll liability disputes. 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 the First Nation's consolidated financial statements. As of March 31, 2020, no contingent liabilities have been recorded in the consolidated financial statements.

16. ISC funding reconciliation

	<i>2020</i>	<i>2019</i>
ISC revenue per consolidated financial statements	1,747,798	1,914,973
Change in deferred revenue	-	(115,774)
Basic Needs funding, not on confirmation	(4,482)	-
ISC revenue per confirmation	1,743,316	1,799,199

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

17. Segments

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

Administration and Chief and Council - includes administration and governance activities.

Infrastructure Programs - includes Band programs and maintenance.

Social, Cultural, Spiritual and Recreational Programs - includes activities delivering social programs.

Education Programs - includes the operations of education programs.

Health Programs - includes the operations of health programs.

Capital Programs - includes the operations of capital programs.

Economic Development Programs - includes the operations of economic development programs.

Business Enterprise Projects - includes the operations of significantly influenced business enterprises for consolidation.

OFNLP2008 Fund - reports on the First Nation's Ontario First Nations Limited Partnership funding.

Inter-segment transfers are recorded at their exchange amount. The accounting policies are the same as those described in Note 2.

18. Government transfers

Pic Mobert First Nation receives a significant portion of its revenue pursuant to a funding agreement with Indigenous Services Canada ("ISC"). Under the terms of the agreement, funding from the agreement can be suspended if the First Nation does not comply with the terms of the agreement.

	<i>Operating</i>	<i>Capital</i>	<i>2020</i>	<i>2019</i>
Federal government transfers				
Indigenous Services Canada	1,747,798	-	1,747,798	1,914,973
First Nations and Inuit Health Branch	547,628	-	547,628	891,619
Canada Mortgage and Housing Corporation	215,726	-	215,726	212,953
Industry Canada	85,975	-	85,975	-
	2,597,127	-	2,597,127	3,019,545
Provincial government transfers				
Ministry of Health	94,032	-	94,032	143,276
Ministry of Community, Family and Children's Services	1,472,547	-	1,472,547	1,307,473
Ministry of Natural Resources	-	-	-	12,556
Ministry of Indigenous Affairs	310,044	-	310,044	315,016
Ministry of Transportation	38,500	-	38,500	38,500
Ministry of Education	244,636	-	244,636	192,087
	2,159,759	-	2,159,759	2,008,908
	4,756,886	-	4,756,886	5,028,453

19. Defined contribution plans

Defined contribution pension plan

The First Nation has a defined contribution pension plan covering substantially all full-time employees. Members are required to contribute 5.5% of their basic salary. The First Nation contributes 5.5% which is directed to the members' contribution account. The amount of retirement benefit to be received by the 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 \$119,363 in 2020 (2019 - \$117,442). ISC provides funding to the First Nation for its share of pension contributions for full-time employees.

20. Loan guarantees

As at March 31, 2020, the First Nation has guaranteed the credit facility overdraft of Maygwayyawk Forestry Services Limited Partnership, a limited partnership portfolio investment to the First Nation, up to a maximum amount of \$500,000 (2019 - \$500,000) that bears interest at prime plus 3% (5.45% at March 31, 2020) (2019 - 6.95%) and is collateralized by a general security agreement. As at March 31, 2020, no liability has been recorded associated with this guarantee.

As at March 31, 2020, the First Nation has guaranteed the credit facility term loan of Northeast Superior First Nation Investment LP, a limited partnership portfolio investment to the First Nation, up to a maximum amount of \$1,416,667 (2019 - \$1,416,667). As at March 31, 2020, no liability has been recorded associated with this guarantee.

21. Budget information

The disclosed budget information has been approved by the Chief and Council of the Pic Mobert First Nation at the Chief and Council meeting held on August 8, 2019. The budget was prepared on an unconsolidated basis and as a result does not include the activity of the business enterprise projects.

22. Economic dependence

Pic Mobert First Nation 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 ISC 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.

23. Comparative figures

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

24. Correction of an error

During the year, the First Nation determined that the investment in EE Solar Partners Inc. and the related debt associated with the Muskoka Solar LP were understated in the prior year. For 2019, the impact of this correction has resulted in an increase of \$1,797,789 in portfolio investments, an increase of \$10,284 in accounts receivable, an increase of \$1,748,311 in due to EE Solar Partners Inc., a decrease in net debt of \$59,764, an increase in accumulated surplus of \$59,764, an increase in miscellaneous revenue of \$225,441, an increase in interest on long-term debt of \$165,680 and an increase in surplus of \$59,764.

Pic Mobert First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Housing - Section 10</i>	<i>CMHC Housing - Section 95</i>	<i>CMHC Housing - Section 95 (2008/2010)</i>	<i>Infrastructure</i>	<i>Water Treatment Facility</i>	<i>Housing Renovations</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	2,654,332	853,499	2,739,628	2,676,489	12,655,540	763,684	22,343,172
Acquisition of tangible capital assets	13,614	50,189	-	-	164,225	-	228,028
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	2,667,946	903,688	2,739,628	2,676,489	12,819,765	763,684	22,571,200
Accumulated amortization							
Balance, beginning of year	1,603,365	755,972	915,612	1,115,885	1,082,534	229,056	5,702,424
Annual amortization	76,227	25,820	78,275	76,472	366,277	21,819	644,890
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	1,679,592	781,792	993,887	1,192,357	1,448,811	250,875	6,347,314
Net book value of tangible capital assets	988,354	121,896	1,745,741	1,484,132	11,370,954	512,809	16,223,886
Net book value of tangible capital assets 2019	1,050,967	97,527	1,824,016	1,560,604	11,573,006	534,628	16,640,748

Pic Mobert First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>OW Building</i>	<i>Dilico Building</i>	<i>School Building</i>	<i>Gymnasium / Auditorium</i>	<i>Police Office Trailer</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	22,343,172	296,911	201,300	1,773,911	156,174	5,670	24,777,138
Acquisition of tangible capital assets	228,028	-	29,360	225,000	-	-	482,388
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	22,571,200	296,911	230,660	1,998,911	156,174	5,670	25,259,526
Accumulated amortization							
Balance, beginning of year	5,702,424	59,381	123,653	915,685	91,472	5,670	6,898,285
Annual amortization	644,890	8,483	6,590	58,735	4,462	-	723,160
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	6,347,314	67,864	130,243	974,420	95,934	5,670	7,621,445
Net book value of tangible capital assets	16,223,886	229,047	100,417	1,024,491	60,240	-	17,638,081
Net book value of tangible capital assets 2019	16,640,748	237,530	77,647	858,226	64,702	-	17,878,853

Pic Mobert First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Office Equipment</i>	<i>Computer Hardware</i>	<i>Computer Software</i>	<i>General Equipment</i>	<i>Administration Office</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	24,777,138	59,315	116,317	43,405	101,685	715,423	25,813,283
Acquisition of tangible capital assets	482,388	-	54,748	-	-	-	537,136
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	25,259,526	59,315	171,065	43,405	101,685	715,423	26,350,419
Accumulated amortization							
Balance, beginning of year	6,898,285	56,829	109,906	35,880	54,654	388,378	7,543,932
Annual amortization	723,160	497	10,136	7,525	9,406	20,441	771,165
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	7,621,445	57,326	120,042	43,405	64,060	408,819	8,315,097
Net book value of tangible capital assets	17,638,081	1,989	51,023	-	37,625	306,604	18,035,322
Net book value of tangible capital assets 2019	17,878,853	2,486	6,411	7,525	47,031	327,045	18,269,351

Pic Mobert First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Elders' Residences</i>	<i>Automotive</i>	<i>Skating Rink</i>	<i>Assets under capital lease</i>	<i>Health Clinic</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	25,813,283	803,665	576,661	229,596	21,706	2,009,202	29,454,113
Acquisition of tangible capital assets	537,136	-	-	-	-	-	537,136
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	26,350,419	803,665	576,661	229,596	21,706	2,009,202	29,991,249
Accumulated amortization							
Balance, beginning of year	7,543,932	436,277	397,425	91,660	20,288	516,654	9,006,236
Annual amortization	771,165	22,962	53,771	6,560	284	57,406	912,148
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	8,315,097	459,239	451,196	98,220	20,572	574,060	9,918,384
Net book value of tangible capital assets	18,035,322	344,426	125,465	131,376	1,134	1,435,142	20,072,865
Net book value of tangible capital assets 2019	18,269,351	367,388	179,236	137,936	1,418	1,492,548	20,447,877

Pic Mobert First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Pow-Wow Arbour</i>	<i>Mining Claims</i>	<i>Other fully amortized assets</i>	<i>Cultural Centre</i>	<i>Dilico Building - 2017</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	29,454,113	25,714	30,000	1	183,200	1,128,314	30,821,342
Acquisition of tangible capital assets	537,136	-	-	-	-	-	537,136
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	29,991,249	25,714	30,000	1	183,200	1,128,314	31,358,478
Accumulated amortization							
Balance, beginning of year	9,006,236	4,410	-	-	20,936	90,554	9,122,136
Annual amortization	912,148	735	-	-	5,234	32,238	950,355
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	9,918,384	5,145	-	-	26,170	122,792	10,072,491
Net book value of tangible capital assets	20,072,865	20,569	30,000	1	157,030	1,005,522	21,285,987
Net book value of tangible capital assets 2019	20,447,877	21,304	30,000	1	162,264	1,037,760	21,699,206

Pic Mobert First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>CMHC Housing - Section 95 (2017)</i>	<i>ISC Housing (2017)</i>	<i>Daycare</i>	<i>CMHC S95 - 5 Units 2020</i>	<i>CMHC S95 - 4 Units 2020</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	30,821,342	993,000	1,204,200	313,806	-	-	33,332,348
Acquisition of tangible capital assets	537,136	-	-	6,085	-	-	543,221
Construction-in-progress	-	-	-	-	415,633	1,520,432	1,936,065
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	31,358,478	993,000	1,204,200	319,891	415,633	1,520,432	35,811,634
Accumulated amortization							
Balance, beginning of year	9,122,136	28,371	68,812	17,932	-	-	9,237,251
Annual amortization	950,355	28,371	34,406	9,140	-	-	1,022,272
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	10,072,491	56,742	103,218	27,072	-	-	10,259,523
Net book value of tangible capital assets	21,285,987	936,258	1,100,982	292,819	415,633	1,520,432	25,552,111
Net book value of tangible capital assets 2019	21,699,206	964,629	1,135,388	295,874	-	-	24,095,097

Pic Mobert First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>2020</i>	<i>2019</i>
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Cost			
Balance, beginning of year	33,332,348	33,332,348	33,904,152
Acquisition of tangible capital assets	543,221	543,221	246,314
Construction-in-progress	1,936,065	1,936,065	-
Disposal of tangible capital assets	-	-	(818,118)
	<hr/>		
Balance, end of year	35,811,634	35,811,634	33,332,348
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Accumulated amortization			
Balance, beginning of year	9,237,251	9,237,251	8,303,827
Annual amortization	1,022,272	1,022,272	1,000,687
Accumulated amortization on disposals	-	-	(67,263)
	<hr/>		
Balance, end of year	10,259,523	10,259,523	9,237,251
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Net book value of tangible capital assets	25,552,111	25,552,111	24,095,097
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Net book value of tangible capital assets 2019	24,095,097	24,095,097	
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Pic Mobert First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019 (Restated) - Note 24</i>
Consolidated expenses by object			
Administration	516,265	636,906	571,719
Advertising	500	96	5,549
Amortization	493,964	1,022,272	1,000,687
Bad debts	193,572	42,484	77,748
Bank charges and interest	78,310	47,444	76,956
Community donations	-	720	-
Community events	6,000	-	-
Contract work	-	64,983	-
Food supplies	-	10,443	5,107
Fuel	9,000	-	-
Funeral expense	30,000	24,709	73,516
Garbage disposal fees	63,000	60,098	32,781
General welfare assistance	544,800	1,172,767	975,358
Honoraria	161,750	177,109	185,298
Insurance	217,780	252,051	205,768
Interest on Regional Power Inc.	-	2,893,496	2,860,113
Interest on long-term debt	52,200	207,522	215,619
Management fees	-	1,902	1,480
Materials and supplies	645,506	644,970	507,846
Medical travel	128,100	135,207	143,701
Meeting expenses	11,600	3,220	3,643
Miscellaneous	-	488	40
Office expenses	191,018	234,799	208,534
Post-secondary allowances	302,577	351,136	339,839
Professional fees	716,444	1,392,034	1,237,583
Program expense	1,459,225	1,696,832	1,291,426
Project costs	-	-	650
Repairs and maintenance	598,236	514,377	386,588
Salaries and benefits	5,898,687	5,196,149	4,734,147
Student transportation	178,849	171,770	153,936
Telephone	-	27,083	33,692
Training	38,290	46,750	72,952
Travel	207,948	281,669	266,291
Tuition - special education	40,000	-	27,825
Tuition fees	509,369	305,009	452,799
CMHC Replacement Reserve Allocation	28,736	-	-
Utilities	272,896	299,859	270,831
Vehicle expenses	13,000	-	-
Vehicle fuel	47,800	62,374	52,112
	13,655,422	17,978,728	16,472,134

Pic Mobert First Nation

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

For the year ended March 31, 2020

	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Deferred Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Current Surplus (Deficit)</i>
Administration and Chief and Council	368,404	1,509,267	(14,641)	1,863,030	1,860,521	2,509
Infrastructure Programs	273,097	340,445	-	613,542	1,360,685	(747,143)
Social, Cultural, Spiritual and Recreational Programs	249,661	1,010,482	(37,842)	1,222,301	1,019,467	202,834
Education Programs	-	3,080,946	190,598	3,271,544	2,963,658	307,886
Health Programs	116,282	2,278,881	(6,698)	2,388,465	2,579,079	(190,614)
Capital Programs	423,384	1,045,786	(177,873)	1,291,297	981,877	309,420
Economic Development Programs	316,970	3,466,188	(156,211)	3,626,947	3,392,842	234,105
Business Enterprise Projects	-	1,045,584	-	1,045,584	3,107,104	(2,061,520)
OFNLP2008 Fund	-	816,685	-	816,685	713,495	103,190
Total	1,747,798	14,594,264	(202,667)	16,139,395	17,978,728	(1,839,333)