

**Pikangikum First Nation  
Consolidated Financial Statements**

*March 31, 2020*

# **Pikangikum First Nation Contents**

*For the year ended March 31, 2020*

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## Management's Responsibility

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To the Chief and Council and Members of Pikangikum First Nation:

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

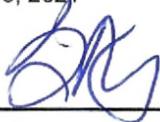
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement 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 Pikangikum First Nation Chief and 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 fulfills 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 auditor

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 15, 2021



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Band Manager

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To the Chief and Council and Members of Pikangikum First Nation:

### *Qualified Opinion*

We have audited the consolidated financial statements of Pikangikum First Nation and its subsidiaries (the "First Nation"), which comprise the 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 effects and possible effects of the matters described in the Basis for Qualified Opinion section of the 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 and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Qualified Opinion*

The First Nation has identified and deferred revenue for surpluses to select programs with fixed contribution funding. Canadian public sector accounting standards require that program revenue that has no fixed timeline for use or stipulations for repayment, be included in surplus for the year. In these respects, the consolidated financial statements are not in accordance with Canadian public sector accounting standards. Had the revenue not been deferred, the following adjustments would be recorded: increase in total revenue of \$7,140,329 (2019 - \$4,591,741), a decrease of deferred revenue of \$7,140,329 (2019 - \$3,750,015), decrease in deficit of \$7,140,329 (2019 - \$3,750,015), increase in accumulated surplus of \$7,140,329 (2019 - \$3,750,015), and a decrease in net financial assets (net debt) of \$7,140,329 (2019 - \$3,750,015).

We were unable to verify the completeness or occurrence of energy sales for the year ended March 31, 2020 and the completeness and existence of the related energy sales receivables as at March 31, 2020. Our testing indicated deficiencies in the hydro meter equipment, the recording of monthly meter readings and the recording of deposits against the appropriate hydro accounts. As a result, we were unable to determine whether any adjustments to energy sales or accounts receivable were necessary. The audit opinion on the consolidated financial statements for the year ended March 31, 2019 were qualified accordingly because of the possible effects of this limitation in scope.

We were unable to verify the occurrence of social assistance expenses for the year ended March 31, 2020. Due to the COVID-19 pandemic and the related travel restrictions imposed by all levels of government, we were unable to obtain sufficient, appropriate audit evidence to support the social assistance payments made during the year. As a result, we were unable to determine whether any adjustments to social assistance expense were necessary.

### *Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditors' Responsibility 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 judgement 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 and understand 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 representation, 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.

*MNP LLP*

Thunder Bay, Ontario

Chartered Professional Accountants

July 15, 2021

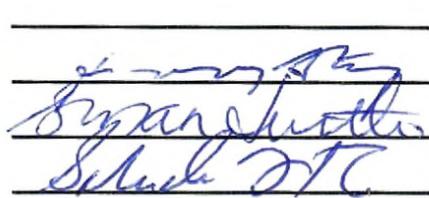
Licensed Public Accountants

**MNP**  
LLP

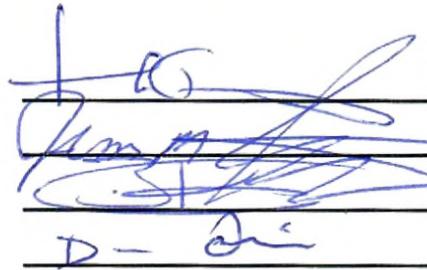
**Pikangikum First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Financial assets</b>		
Cash and cash equivalents (Note 3)	23,148,532	12,257,356
Accounts receivable (Note 4)	2,878,579	1,133,560
Due from government and other government organizations (Note 5)	4,320,425	7,318,316
Portfolio investments (Note 6)	1,000,023	1,000,023
Trust funds held by federal government (Note 7)	64,973	60,476
Deposits (Note 8)	916,667	916,667
	<b>32,329,199</b>	22,686,398
<b>Liabilities</b>		
Accounts payable and accruals (Note 9)	10,246,190	4,675,850
Due to government and other government organizations (Note 11)	882,767	804,056
Deferred revenue (Note 12)	15,598,367	13,228,088
Long-term debt (Note 13)	4,684,550	5,166,955
	<b>31,411,874</b>	23,874,949
<b>Net financial assets (net debt)</b>	<b>917,325</b>	(1,188,551)
<b>Contingent liabilities (Note 14)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 15) (Schedule 1)	87,747,531	93,389,957
Inventories held for use (Note 16)	1,062,607	659,873
Prepaid expenses (Note 17)	260,149	248,833
<b>Total non-financial assets</b>	<b>89,070,287</b>	94,298,663
<b>Accumulated surplus</b>	<b>89,987,612</b>	93,110,112

Approved on behalf of Chief and Council



Chief  
 Councillor  
 Councillor  
 Councillor



Councillor  
 Councillor  
 Councillor  
 Councillor

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

	<b>2020 Budget</b>	<b>2020</b>	2019
<b>Revenue</b>			
Indigenous Services Canada (Note 20)	28,111,957	40,183,640	28,731,827
Ministry of Children, Community and Social Services (Note 20)	10,766,977	10,928,850	10,807,209
Ministry of Education (Note 20)	-	-	97,773
First Nation and Inuit Health Branch (Note 20)	6,736,336	8,190,450	6,959,697
Canada Mortgage and Housing Corporation (Note 20)	1,559,555	377,988	377,988
Industry Canada (Note 20)	-	102,110	-
Ministry of the Attorney General (Note 20)	278,440	335,271	168,810
Ministry of Health and Long-Term Care (Note 20)	250,072	594,218	483,978
Ministry of Indigenous Affairs (Note 20)	-	-	127,315
Ministry of Energy, Northern Development and Mines (Note 20)	54,000	50,512	50,012
Administration fees	-	1,423,448	1,435,658
Eshkotay Wayab power sales	437,740	666,414	1,453,495
HST and Sales Tax rebates	-	599,576	319,271
Lease income	-	129,815	140,955
Nishnawbe Aski Nation	405,538	477,615	4,407,178
OFNLP2008	1,898,400	1,881,720	2,165,411
Other revenue	8,020,137	5,383,808	2,129,653
Ottawa Trust Fund revenue	-	4,497	4,604
Rental income	1,587,750	1,044,304	781,085
Sioux Lookout Area Aboriginal Management Board	80,976	157,361	140,087
User fees	25,000	32,164	40,405
Waabameeagwan revenue	11,600	745,410	607,610
Deferred revenue - prior year (Note 12)	5,243,468	13,228,088	7,254,128
Deferred revenue - current year (Note 12)	(6,909,191)	(15,598,367)	(13,228,088)
Recovery of funding	-	(623,338)	(457,566)
	<b>58,558,755</b>	<b>70,315,554</b>	54,998,495
<b>Expenses</b>			
Administration	4,173,157	4,618,664	4,271,672
Public works	5,371,958	3,471,360	3,371,199
Education	24,394,743	21,577,928	15,215,054
Social services	11,328,998	11,612,905	11,867,263
Economic development	865,534	1,090,181	1,094,919
Capital management	18,053,594	11,777,117	2,446,161
Canada Mortgage and Housing Corporation	308,806	349,066	291,833
Diesel projects	-	108,965	269,736
Health authority	8,019,656	9,003,297	9,045,996
Eshkotay power generation	308,204	1,070,562	3,101,551
	<b>72,824,650</b>	<b>64,680,045</b>	50,975,384
<b>Surplus before other items</b>	<b>(14,265,895)</b>	<b>5,635,509</b>	4,023,111

*Continued on next page*

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

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Surplus before other items</b> <i>(Continued from previous page)</i>	<b>(14,265,895)</b>	<b>5,635,509</b>	4,023,111
<b>Other income (expense)</b>			
Gain on disposal of portfolio investments	-	-	1,000,000
Gain (loss) on disposal of tangible capital assets	-	(136)	75,973
Amortization not expensed in programs	(5,446,573)	(8,805,446)	(9,006,146)
Transfer from replacement reserve	-	47,573	42,919
	<b>(5,446,573)</b>	<b>(8,758,009)</b>	(7,887,254)
<b>Deficit</b>	<b>(19,712,468)</b>	<b>(3,122,500)</b>	(3,864,143)
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>93,110,112</b>	96,974,255
<b>Accumulated surplus, end of year</b>	<b>-</b>	<b>89,987,612</b>	93,110,112

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

	<b>2020 Budget</b>	<b>2020</b>	2019
<b>Annual deficit</b>	<b>(4,998,520)</b>	<b>(3,122,500)</b>	(3,864,143)
Purchases of tangible capital assets	-	(3,533,220)	(4,528,379)
Amortization not expensed in programs	<b>5,446,573</b>	<b>8,805,446</b>	9,006,152
Amortization of tangible capital assets	-	370,081	366,645
Loss (gain) on disposal of tangible capital assets	-	136	(75,973)
Proceeds of disposal of tangible capital assets	-	-	359,500
	<b>5,446,573</b>	<b>5,642,443</b>	5,127,945
Acquisition of prepaid expenses	-	(11,316)	-
Acquisition of inventories	-	(402,751)	-
Use of inventories	-	-	594,617
Use of prepaid expenses	-	-	78,257
	<b>-</b>	<b>(414,067)</b>	672,874
<b>Decrease in net debt</b>	<b>448,053</b>	<b>2,105,876</b>	1,936,676
<b>Net debt, beginning of year</b>	<b>-</b>	<b>(1,188,551)</b>	(3,125,227)
<b>Net financial assets (net debt), end of year</b>	<b>448,053</b>	<b>917,325</b>	(1,188,551)

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

**Pikangikum First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Deficit	(3,122,500)	(3,864,143)
Non-cash items		
Amortization	9,175,511	9,372,797
Gain on disposal of portfolio investments	-	(1,000,000)
Loss (gain) on disposal of tangible capital assets	136	(75,973)
	<b>6,053,147</b>	4,432,681
Changes in working capital accounts		
Accounts receivable	(1,745,019)	(174,284)
Due from government and other government organizations	2,997,891	(3,600,154)
Ottawa Trust Fund	(4,497)	(4,604)
Prepaid expenses	(11,316)	78,257
Inventory held for use	(402,734)	594,617
Accounts payable and accruals	5,570,339	792,108
Due to government and other government organizations	78,711	328,382
Deferred revenue	2,370,279	5,973,960
	<b>14,906,801</b>	8,420,963
<b>Financing activities</b>		
Repayment of long-term debt	(482,405)	(1,272,688)
<b>Capital activities</b>		
Purchases of tangible capital assets	(3,533,220)	(4,528,379)
Proceeds of disposal of tangible capital assets	-	359,500
	<b>(3,533,220)</b>	(4,168,879)
<b>Increase in cash resources</b>	<b>10,891,176</b>	2,979,396
<b>Cash resources, beginning of year</b>	<b>12,257,356</b>	9,277,960
<b>Cash resources, end of year</b>	<b>23,148,532</b>	12,257,356

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**1. Operations**

The Pikangikum First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its members. Pikangikum 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 of the impact 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:

***Principles of consolidation***

The Pikangikum First Nation reporting entity includes the First Nation Government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation. Trusts administered by Pikangikum First Nation are excluded from the First Nation reporting entity.

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

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

- Eshkotay Wayab Corporation
- Waabameegwan (Whitefeather) Community Economic Development Corporation
- Pikangikum Health Authority

***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.

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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

***Cash and cash equivalents***

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

***Funds held in Ottawa Trust Fund***

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

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

***Tangible capital assets***

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

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 tangible 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 nominal value.

Certain assets have historical or cultural value, including works of art, historical documents, and historical and cultural artifacts, are not recognized as tangible capital assets.

Tangible capital assets that are not yet ready for use are recorded as construction in progress. No amortization is recorded until the asset is ready for use.

***Amortization***

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

	<b><i>Method</i></b>	<b><i>Rate</i></b>
Buildings	straight-line	4-20 years
Database	straight-line	5 years
Equipment	straight-line	3 years
Housing	straight-line	5-25 years
Infrastructure	straight-line	25 years
Roads	straight-line	20 years
Vehicles	straight-line	2-5 years

***Inventories held for use***

Inventory of supplies held for consumption are recorded at the lower of cost and replacement cost.

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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

***Long-lived assets***

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

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

***Revenue recognition***

***Funding***

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

***Government Transfers***

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

***Other***

Energy sales are recognized when service is provided and collectability is reasonably assured.

Other revenue, such as user fees, and rent are recognized when services are provided and collectability is reasonably assured.

***Administration fees***

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as administration fee revenue.

***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 net 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 deficit.

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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

***Use of estimates***

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

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

Provisions are made for slow moving and obsolete inventory.

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

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

Deferred revenue is estimated based on management's review of revenue received, but not spent at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the annual surplus (deficit) in the periods in which they become known.

***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.

***Segments***

The First Nation conducts its business through 10 reportable segments: Administration, Public Works, Education, Social Services, Economic development, Capital Management, Canada Mortgage and Housing Corporation, Diesel Projects, Health Authority, and Eshkotay Power Generation. 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. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

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.

***Employee future benefits***

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

**3. Cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
Unrestricted	<b>22,721,668</b>	11,071,743
Restricted - external	-	941,830
Restricted - CMHC reserve funds	<b>426,864</b>	243,783
	<hr/> <b>23,148,532</b>	<hr/> 12,257,356

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**3. Cash and cash equivalents** *(Continued from previous page)*

During the year the First Nation continued to undertake a number of capital projects. Funders require that these funds be kept in a separate bank account and used only for the required purpose. At year-end, \$Nil (2019 - \$941,830) of cash was to be used to complete the following capital projects:

	<b>2020</b>	<b>2019</b>
Diesel capacity upgrade project	-	488,437
New school project coordination	-	452,469
Classroom conversion	-	924
	<hr/>	<hr/>
	-	941,830

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Pikangikum 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 Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the reserve fund.

The First Nation has available to it the following overdraft facilities:

A \$350,000 Canadian Imperial Bank of Commerce overdraft facility on the First Nation's social assistance - Ontario Works account incurring interest at the bank's prime rate plus 2%. The bank's prime rate at March 31, 2020 was 2.45% (2019 - 3.95%). The balance of the line of credit was \$Nil at March 31, 2020 (2019 - \$Nil). Interest is charged only when the facility is used.

A \$100,000 Canadian Imperial Bank of Commerce overdraft facility on the First Nation's education account incurring interest at the bank's prime rate plus 2%. The bank's prime rate at March 31, 2020 was 2.45% (2019 - 3.95%). The balance of the line of credit was \$Nil at March 31, 2020 (2019 - \$Nil). Interest is charged only when the facility is used.

A \$100,000 Canadian Imperial Bank of Commerce overdraft facility on the First Nation's health authority account incurring interest at the bank's prime rate plus 2%. The bank's prime rate at March 31, 2020 was 2.45% (2019 - 3.95%). The balance of the line of credit was \$Nil at March 31, 2020 (2019 - \$Nil). Interest is charged only when the facility is used.

A \$50,000 Canadian Imperial Bank of Commerce overdraft facility on the First Nation's public works account incurring interest at the bank's prime rate plus 2%. The bank's prime rate at March 31, 2020 was 2.45% (2019 - 3.95%). The balance of the line of credit was \$Nil at March 31, 2020 (2019 - \$Nil). Interest is charged only when the facility is used.

**4. Accounts receivable**

	<b>2020</b>	<b>2019</b>
First Nation Student Success Program	5,613	382,935
Due from members	35,488	34,429
Nishnawbe Aski Nation	13,675	182,915
Trade	2,840,898	1,278,046
	<hr/>	<hr/>
Less: allowance for doubtful accounts	2,895,674	1,878,325
	17,095	744,765
	<hr/>	<hr/>
	2,878,579	1,133,560

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**5. Due from government and other government organizations**

	<b>2020</b>	<b>2019</b>
<b>Federal</b>		
Indigenous Services Canada	2,699,865	5,727,960
Canada Mortgage and Housing Corporation	31,500	220,493
First Nation and Inuit Health Branch	646,884	646,884
Harmonized Sales Tax receivable	688,322	425,584
	<b>4,066,571</b>	7,020,921
<b>Provincial</b>		
Ministry of the Attorney General	-	41,450
Ministry of Children, Community and Social Services	114,726	2,945
Ministry of Energy, Northern Development and Mines	12,628	-
Trillium	126,500	253,000
	<b>253,854</b>	297,395
	<b>4,320,425</b>	7,318,316

**6. Portfolio investments**

	<b>2020</b>	<b>2019</b>
<b>Portfolio investments</b>		
Investment in 2472881 Ontario Ltd.	10	10
Investment in OFN Asset Management GP Corporation	1	1
Investment in Sovereign Wealth LP	1	1
Investment in First Nation LP	10	10
Investment in Exchange Income Corporation	1,000,000	1,000,000
	<b>1,000,022</b>	1,000,022
<b>Investments in First Nation business partnerships and business entities</b>		
Ontario First Nation Limited Partnership	1	1
Investment in Wasaya Airways Limited Partnership	296,321	296,321
Investment in Wasaya Group Inc.	40,290	40,290
Less: provision for impairment	(336,611)	(336,611)
	<b>1</b>	1
	<b>1,000,023</b>	1,000,023

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**7. Ottawa Trust Fund**

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.

	<b>2020</b>	<b>2019</b>
<b>Capital Trust</b>		
Balance, beginning of year	<b>1,649</b>	1,649
<b>Revenue Trust</b>		
Balance, beginning of year	58,827	54,223
Interest	1,172	1,279
Land leases	3,325	3,325
Balance, end of year	<b>63,324</b>	58,827
	<b>64,973</b>	60,476

**8. Deposits**

	<b>2020</b>	<b>2019</b>
Deposit to purchase shares of L.K.G.H Group of Companies	1,000,000	1,000,000
Impairment of deposit	(83,333)	(83,333)
	<b>916,667</b>	<b>916,667</b>

In 2010, the First Nation entered into an agreement to purchase the shares of the L.K.G.H Group of Companies. The terms of the purchase agreement detailed that if the First Nation could not complete the remainder of the purchase by April 1, 2012, they would be entitled to a right of a 1/6 interest in the proceeds of any subsequent sale to a third party.

In a prior year, the L.K.G.H. Group of Companies completed a valuation of its assets. It determined that the fair market value of its assets and timber rights was equal to \$5,500,000, which was greater than the value of operating the sawmill operations. As such, the value of the First Nation's deposit has decreased to 1/6 of the fair market value of the tangible capital assets and timber rights.

In the current year, there has been no action to dispose of the sawmill assets.

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**9. Accounts payable and accruals**

	<b>2020</b>	<b>2019</b>
Trade payables	8,219,145	2,636,418
Holdbacks payable	700,664	60,098
Wages and benefits payable	272,875	253,807
Accrued liabilities	1,053,507	1,725,527
	<b>10,246,191</b>	<b>4,675,850</b>

**10. Pension plan**

The First Nation operates three defined contribution pension plans for which employees of the First Nation are eligible. Members are required to contribute 5% of their salary. The First Nation contributes 5% which is directed to the member's contribution account. The amount of the retirement benefit to be received by the employees will be the amount of the retirement annuity that could be purchased based on the members' share of the pension plan at the time of the members' withdrawal from the plan.

Employer contributions for the Education employees pension plan during the year were \$457,596 (2019 - \$456,031).

Employer contributions for the Ontario Works pension plan during the year were \$46,097 (2019 - \$52,217).

Employer contributions for the Public Works pension plan during the year were \$52,993 (2019 - \$35,600).

The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2020.

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**11. Due to government and other government organizations**

The following amounts are due to government agencies as a result of unspent funding at year-end and prior periods.

	<b>2020</b>	<b>2019</b>
<b>First Nation and Inuit Health Branch</b>		
Nursing Station Mold Remediation	11,789	-
Dental - Service Delivery	11,287	2,108
Medical Transportation Direct Costs	62,396	-
	<hr/> 85,472	2,108
<b>Indigenous Services Canada</b>		
Band Operated School	-	4,569
Basic Needs	97,130	14,210
Capital Planning	-	4,342
In-Home Care	5,207	5,207
National Child Benefit	123,046	123,046
National Child Benefit - Social Assistance Transfer Funding	-	81,570
School Planning	-	3,164
Social Assistance Transfer Funding	78,507	78,507
Soil Remediation	63,680	63,680
Special Needs	2,598	2,598
Water & Sewer	-	16,651
Governance	11,829	-
Land-based Healing	13,675	-
Crisis	4,939	-
	<hr/> 400,611	397,544
<b>Ministry of Children, Community and Social Services</b>		
Transitional Funds	-	18,011
Basic Needs	-	88,438
Administration	-	82,920
	<hr/> -	189,369
<b>Ministry of Health and Long-Term Care</b>		
Aftercare	214,620	68,400
OFN Action Plan	182,064	55,300
	<hr/> 396,684	123,700
<b>Ministry of the Attorney General</b>		
Hub Project	-	91,335
	<hr/> 882,767	804,056

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
For the year ended March 31, 2020

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**12. Deferred revenue**

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Revenue Recognized</i>	<i>Balance, end of year</i>
OFNLP2008 - Economic Development	925,000	215,646	215,645	925,001
Donations - Crisis funds	4,939	-	4,939	-
FNIHB - Jordan's Principle - Choose Life	1,179,876	3,509,940	2,997,320	1,692,496
FNIHB - Jordan's Principle - Outside Looking In	22,345	87,800	110,145	-
FNIHB - Nursing Station Mold remediation	11,789	-	11,789	-
FNIHB - Nutrition North	4,002	32,950	36,952	-
FNIHB - Early Childhood Development	-	621,748	318,344	303,404
FNIHB - NNADAP	-	101,330	60,243	41,087
FNIHB - BHC - Mental Health	-	251,651	248,848	2,803
FNIHB - Facilities O&M	-	186,044	179,589	6,455
FNIHB - Management Formula	-	374,764	363,634	11,130
FNIHB - Home and Community Care	-	623,005	610,486	12,519
FNIHB - Pikangikum Health - Security Services	-	225,729	219,581	6,148
FNIHB - Prenatal Nutrition	-	45,606	32,192	13,414
FNIHB - Brighter Futures	-	193,181	182,528	10,653
FNIHB - BHC/MH Case Management	-	76,348	50,554	25,794
FNIHB - Federal Tobacco Control Strategy	-	6,944	-	6,944
FNIHB - Jordan's Principal - Nursing	-	52,565	18,076	34,489
FNIHB - Jordan's Principal	-	1,130,937	807,661	323,276
ISC - Aggregate Production	5,025,582	613,943	5,614,395	25,130
ISC - Band Operated School	21,454	-	21,454	-
ISC - Community Based Prevention	228,020	279,920	228,020	279,920
ISC - Community Well Being	141,981	221,260	299,975	63,266
ISC - Diesel Upgrade Project	469,025	-	337,348	131,677
ISC - Education Operations	1,668,125	-	1,668,125	-
ISC - Enhanced Teacher Salaries	8,489	-	8,489	-
ISC - Financial Assistance Allowance	30,933	-	30,933	-
ISC - Roads & Heavy Equipment	37,993	129,793	167,786	-
ISC - Firehall Feasibility	50,045	-	40,045	10,000
ISC - Governance	75,000	-	64,500	10,500
ISC - Group Home	500,000	347,661	140,591	707,070
ISC - Guidance and Counselling	28,827	-	28,827	-
ISC - Housing Renovations	321,178	-	321,178	-
ISC - Landfill Planning	75,000	8,488	48,269	35,219
ISC - Nation Building	9,963	-	9,963	-
ISC - New Paths - Education Governance	72,111	-	72,111	-
ISC - Prevention Services	109,573	-	109,573	-
ISC - Road Rehabilitation	48,874	3,939,056	943,106	3,044,824
ISC - School Transport	203,189	-	203,189	-
ISC - Soil Remediation	227,145	1,358,921	1,438,397	147,669
ISC - School O&M	630,029	738,870	1,368,899	-
ISC - Teacherage Project	23,466	-	23,466	-
ISC - Water and Sewer	221,433	624,055	776,395	69,093
ISC - Water and Wastewater Servicing Study	70,580	17,915	65,110	23,385
ISC - Wastewater O&M	133,367	167,067	135,552	164,882
ISC - Wastewater Systems	52,258	305,631	72,724	285,165
ISC - Treaty 5	-	600,000	191,864	408,136
ISC - ATR	-	40,000	10,276	29,724
ISC - Flow Through	-	25,344,517	20,353,881	4,990,636
ISC - Structural Readiness	-	643,370	443,803	199,567
ISC - Social Assistance - Administration	-	3,940,340	3,485,859	454,481
ISC - 20 Unit Housing	-	1,176,294	598,758	577,536
ISC - DGS Decommissioning Project	-	374,815	344,923	29,892
MIA - Youth Sawmill Program	72,331	-	72,331	-
MCSS - Early Childhood Development	90,000	134,080	224,080	-
MOHLTC - OFN Action Plan	81,335	186,080	267,415	-
NAN - Youth Life Promotion	85,000	-	85,000	-
NAN - Land Based Healing	13,675	-	13,675	-
Northern Store Lease	66,666	323,811	328,573	61,904

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**12. Deferred revenue (Continued from previous page)**

Pennco Land Use	9,773	-	7,062	2,711
Trillium	177,717	-	177,717	-
Pandemic COVID-19	-	264,314	109,131	155,183
Pharmacy	-	170,000	37,661	132,339
Local Poverty Reduction	-	253,000	138,803	114,197
2 Burnout Housing Units	-	100,000	71,352	28,648
	<b>13,228,088</b>	<b>50,039,389</b>	<b>47,669,110</b>	<b>15,598,367</b>

**13. Long-term debt**

	<b>2020</b>	<b>2019</b>
CIBC Consolidation loan.	-	42,674
CMHC mortgage payable with payments of \$5,286 per month including interest of 1.08% per annum maturing July 2034, with a renewal date of August 2020. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on seven housing units with a net book value of \$733,918.	842,080	896,097
CMHC mortgage payable with payments of \$6,241 per month including interest of 1.05% per annum maturing January 2035 with a renewal date of April 1, 2020. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on ten housing units with a net book value of \$1,098,444.	1,028,509	1,092,238
CMHC mortgage payable with payments of \$6,831 per month including interest of 1.14% per annum maturing June 2036 with a renewal date of June 2021. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on nine units with a net book value of \$1,391,215.	1,215,636	1,283,329
CMHC mortgage payable with payments of \$9,086 per month including interest of 2.41% per annum maturing December 2037 with a renewal date of April 2023. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on ten units with a net book value of \$1,511,240	1,574,992	1,645,251
CIBC restructuring loan.	-	61,214
John Deere excavator loan.	-	93,522
IT equipment loan payable with payments of \$1,944 per month plus interest at prime rate plus 2% per annum (5.45% at year-end), maturing March 2021. Secured by equipment with a net book value of \$86,373.	23,333	46,667
CIBC loan - Pole Truck loan.	-	5,963
	<b>4,684,550</b>	<b>5,166,955</b>

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**13. 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:

	Principal	Interest	Total
2021	282,679	70,738	353,417
2022	263,155	66,177	329,332
2023	267,027	62,305	329,332
2024	270,968	58,364	329,332
2025	274,976	54,356	329,332
	<hr/>	<hr/>	<hr/>
	1,358,805	311,940	1,670,745
	<hr/>	<hr/>	<hr/>
Thereafter	3,325,745	318,285	3,644,030

Interest on long-term debt amounted to \$127,986 (2019 - \$112,974)

**14. Contingent liabilities**

The First Nation has entered into contribution agreements with various federal 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. If the First Nation's program spending exceeds the funding provided, the First Nation is also liable to cover these excess costs.

In the normal course of its operations, the First Nation may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur 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.

**15. Tangible capital assets**

The consolidated schedule of tangible capital assets (Schedule 1) presents all balances and charges in the year relating to the tangible capital assets owned by the First Nation.

Buildings include construction in progress with a carrying value of \$5,428,139 (2019 - \$4,331,127). No amortization of these assets has been recorded during the year because they are currently under construction.

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

**16. Inventories held for use**

At year-end, the First Nation had the following items held in inventory for use by the First Nation:

	2020	2019
Fuel - Eshkotay Wayab	-	291,216
Fuel - Public Works	120,290	268,657
Gravel - Public Works	200,000	100,000
Repair supplies - capital management	742,317	-
	<hr/>	<hr/>
	1,062,607	659,873

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**17. Prepaid expenses**

	<b>2020</b>	<b>2019</b>
Architect fees	-	163,027
Ontario Works subsidies	48,431	27,315
Repair and part services - Toromont Cat	-	16,966
Wages	211,718	41,525
	<b>260,149</b>	<b>248,833</b>

**18. Reserves**

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") the First Nation established the following:

A replacement reserve, established by an annual allocation of \$47,862, to ensure replacement of buildings financed by CMHC. At March 31, 2020, \$426,864 (2019 - \$243,783) has been set aside to fund this reserve. The unfunded portion at March 31, 2020 was \$Nil (2019 - \$131,002).

A subsidy surplus reserve established by retaining excess federal assistance payments received to a maximum of \$5,587 per unit, plus interest. Reserve funds may be used to meet future subsidy requirements of income test occupants, over and above the maximum federal assistance.

In accordance with terms of the agreements, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

	<b>2020</b>	<b>2019</b>
Capital reserve	500,000	500,000
CMHC - operating reserve	24,792	80,512
CMHC - replacement reserve	422,647	374,785
	<b>947,439</b>	<b>955,297</b>

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**19. Segments**

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

- **Administration** - includes administration, governance activities, and Band operations
- **Public Works** - includes activities for the operation and maintenance of the First Nation's infrastructure
- **Education** - includes activities delivering education and student success programming
- **Social Services** - includes activities delivering social and employment assistance programming
- **Economic Development** - activities to increase economic opportunities for the First Nation
- **Capital Management** - includes capital construction project activities for the First Nation
- **Canada Mortgage and Housing Corporation** - includes activities operating the First Nations under CMHC's Section 95 subsidy program
- **Diesel Projects** - includes to repair and upgrade the First Nation's diesel generating stations
- **Health Authority** - Includes the operations of the nursing station
- **Eshkotay Power Generation** - includes the activities regarding providing electricity to the First Nation

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

**20. Government transfers**

	<i>Operating</i>	<i>Capital</i>	<b>2020</b>	<b>2019</b>
Indigenous Services Canada	37,651,017	2,532,623	40,183,640	28,731,827
First Nation and Inuit Health Branch	8,190,450	-	8,190,450	6,959,697
Canada Mortgage and Housing Corporation	377,988	-	377,988	377,988
Industry Canada	102,110	-	102,110	-
<b>Total federal transfers</b>	<b>46,321,565</b>	<b>2,532,623</b>	<b>48,854,188</b>	<b>36,069,512</b>
Ministry of Children, Community and Social Services	10,928,850	-	10,928,850	10,807,209
Ministry of Education	-	-	-	97,773
Ministry of Health and Long-Term Care	594,218	-	594,218	483,978
Ministry of Indigenous Affairs	-	-	-	127,315
Ministry of the Attorney General	335,271	-	335,271	168,810
Ministry of Energy, Northern Development and Mines	50,012	-	50,012	50,012
<b>Total provincial transfers</b>	<b>11,908,351</b>	<b>-</b>	<b>11,908,351</b>	<b>11,735,097</b>
	<b>58,229,916</b>	<b>2,532,623</b>	<b>60,762,539</b>	<b>47,804,609</b>

**21. Budget information**

The disclosed budget information has been approved by the Chief and Council of the Pikangikum First Nation at a Band meeting held on April 12, 2019.

**Pikangikum First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**22. Economic dependence**

Pikangikum First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") 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. First Nations Financial Transparency Act**

The First Nation is required by the First Nations Financial Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to ISC by July 31, 2020. As the audit report date is after this date, the First Nation is not in compliance with the requirement. The possible effect of this non-compliance has not yet been determined.

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

	<i>Buildings</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>Roads</i>	<i>Vehicles</i>	<i>Housing</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	118,584,211	6,613,703	24,866,004	7,686,364	3,597,094	72,173,110	233,520,486
Acquisition of tangible capital assets	65,620	556,537	-	-	176,111	928,847	1,727,115
Construction in progress	1,806,105	-	-	-	-	-	1,806,105
Disposal of tangible capital assets	-	(17,225)	-	-	-	-	(17,225)
Adjustment of assets	(709,092)	-	-	-	-	709,092	-
Balance, end of year	119,746,844	7,153,015	24,866,004	7,686,364	3,773,205	73,811,049	237,036,481
<b>Accumulated amortization</b>							
Balance, beginning of year	52,269,079	5,587,234	19,534,390	7,089,555	2,957,310	52,924,611	140,362,179
Annual amortization	3,990,134	652,140	705,787	98,428	316,287	3,404,135	9,166,911
Accumulated amortization on disposals	-	(17,090)	-	-	-	-	(17,090)
Balance, end of year	56,259,213	6,222,284	20,240,177	7,187,983	3,273,597	56,328,746	149,512,000
<b>Net book value of tangible capital assets</b>	<b>63,487,631</b>	<b>930,731</b>	<b>4,625,827</b>	<b>498,381</b>	<b>499,608</b>	<b>17,482,303</b>	<b>87,524,481</b>
Net book value of tangible capital assets 2019	66,315,132	1,026,469	5,331,614	596,809	639,784	19,248,499	93,158,307

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

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	<i>Subtotal</i>	<i>Land</i>	<i>Database</i>	2020	2019
<b>Cost</b>					
Balance, beginning of year	233,520,486	197,250	43,000	233,760,736	230,360,683
Acquisition of tangible capital assets	1,727,115	-	-	1,727,115	1,525,091
Construction in progress	1,806,105	-	-	1,806,105	3,003,288
Disposal of tangible capital assets	(17,225)	-	-	(17,225)	(1,128,326)
Adjustment of assets	-	-	-	-	-
 Balance, end of year	 237,036,481	 197,250	 43,000	 237,276,731	 233,760,736
<b>Accumulated amortization</b>					
Balance, beginning of year	140,362,179	-	8,600	140,370,779	131,842,781
Annual amortization	9,166,911	-	8,600	9,175,511	9,372,797
Accumulated amortization on disposals	(17,090)	-	-	(17,090)	(844,799)
 Balance, end of year	 149,512,000	 -	 17,200	 149,529,200	 140,370,779
<b>Net book value of tangible capital assets</b>	<b>87,524,481</b>	<b>197,250</b>	<b>25,800</b>	<b>87,747,531</b>	<b>93,389,957</b>
 Net book value of tangible capital assets 2019	 93,158,307	 197,250	 34,400	 93,389,957	

**Pikangikum First Nation**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Consolidated expenses by object</b>		
Administration	1,338,232	1,217,066
Advertising and promotion	1,168	5,957
Amortization	370,081	366,645
Bad debts (recovery)	403,389	(37,548)
Bank charges and interest	43,072	32,626
Community donations	133,935	364,086
Consulting	1,257,444	816,403
Contingency	864,367	315,902
Contracted services	3,495,029	1,225,587
Employment related expenses	952,016	891,516
Food and beverage	84,647	306,371
Fuel and oil	333,038	2,132,777
Funeral	57,200	104,254
Furniture and equipment	7,841	20,544
Honourariums	1,374,576	1,393,482
Insurance	587,580	569,019
Interest on long-term debt	127,986	112,974
Materials	430,225	524,478
Miscellaneous	60	1,154
Mobilizations	194,400	-
Numeracy - resources	-	100,000
Office supplies	128,390	176,205
Postage	638	11,504
Professional development	157,592	33,719
Professional fees	1,309,257	1,191,859
Program education	6,093	6,640
Program expense	580,820	199,775
Rent	364,525	140,538
Repairs and maintenance	8,039,857	2,476,615
Replacement Reserve	47,090	47,090
Salaries and benefits	25,916,077	20,378,648
Social assistance	8,273,450	8,343,447
Special projects	-	33,837
Student expenses	213,985	45,362
Supplies and equipment	3,298,418	2,443,958
Telephone and internet	302,632	202,483
Training	188,405	929,624
Transportation	-	3,000
Travel	2,383,420	2,317,147
User fees	-	9,990
Utilities	1,360,784	1,478,425
Vehicle	42,326	42,225
Vehicle purchase	10,000	-
	<b>64,680,045</b>	50,975,384

**Pikangikum First Nation**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*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>Adjustments/Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
<b>Administration</b>							
Administration	2,382,324	3,479,175	(124,241)	5,737,258	4,618,664	(539,652)	578,942
<b>Public Works</b>							
Public Works	2,728,216	871,268	555,940	4,155,424	3,471,360	285,417	969,481
<b>Education</b>							
Education	24,001,821	2,557,278	(3,451,318)	23,107,781	21,577,928	(201,337)	1,328,516
<b>Social Services</b>							
Welfare Admin	1,358,428	10,889,644	(454,481)	11,793,591	11,612,905	-	180,686
<b>Economic Development</b>							
Economic Development	299,637	746,168	(1)	1,045,804	1,090,181	30,227	(14,150)
<b>Capital Management</b>							
Capital Management	9,112,593	3,326,771	1,724,285	14,163,649	11,777,117	564,980	2,951,512
<b>Canada Mortgage and Housing Corporation</b>							
CMHC	-	500,300	-	500,300	349,066	48,748	199,982
<b>Diesel Projects</b>							
Diesel Projects	-	-	337,348	337,348	108,965	(228,383)	-
<b>Health Authority</b>							
Pikangikum Health Authority	300,621	9,465,175	(957,811)	8,807,985	9,003,297	40,000	(155,312)
<b>Eshkotay Power Generation</b>							
Eshkotay Wayab Corporation	-	666,414	-	666,414	1,070,562	-	(404,148)
<b>Total</b>	40,183,640	32,502,193	(2,370,279)	70,315,554	64,680,045	-	5,635,509