

PIKANGIKUM FIRST NATION
INDEPENDENT AUDITOR'S REPORT
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2022

PIKANGIKUM FIRST NATION

MARCH 31, 2022

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Members of Pikangikum First Nation:

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

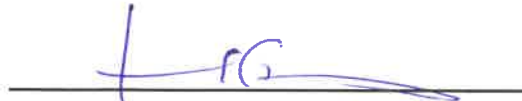
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of Chartered Professional Accountants of Canada and as such include certain amounts based on estimates or judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

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

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

The Chief and Council review the First Nation's consolidated financial statements and recommends their approval to the membership. Chief and Council meet periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, to review the consolidated financial statements and the external auditor's report. The Chief and Council also consider and submit for approval by the Members, the engagement of the external auditor.

The consolidated financial statements have been audited by Fort Group Chartered Professional Accountants Inc. in accordance with Canadian generally accepted auditing standards on behalf of the members. Fort Group Chartered Professional Accountants Inc. have full and free access to Chief and Council.

A handwritten signature in blue ink, appearing to read 'J. Strang', is written over a horizontal line.

Deputy Chief Jonah Strang

INDEPENDENT AUDITOR'S REPORT

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

Qualified Opinion

We have audited the accompanying consolidated financial statements of Pikangikum First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flow for the year then ended, and the notes to 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 this report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated statement of financial position of Pikangikum First Nation as at March 31, 2022, and the results of its consolidated operations and its consolidated cash flow 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 \$22,264,741 (2021 - \$6,605,687), a decrease of deferred revenue of \$41,073,594 (2021 - \$18,808,854), decrease in deficit of \$22,264,741 (2021 - \$6,605,687), increase in accumulated surplus of \$41,073,594 (2021 - \$18,808,854), and an increase in net financial assets of \$41,073,594 (2021 - \$18,808,854).

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 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 representing the underlying transactions and events in a manner that achieved 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.

WINNIPEG, MANITOBA
October 18, 2023

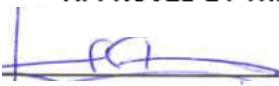


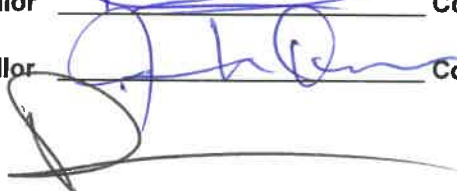
Fort Group
**CHARTERED PROFESSIONAL
ACCOUNTANTS INC.**



**PIKANGIKUM FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2022**

	<u>2022</u>	<u>2021</u>
FINANCIAL ASSETS		
Cash (Note 3)	\$ 50,218,397	34,804,330
Accounts receivable (Note 4)	2,412,437	2,553,283
Due from government and other government organizations (Note 5)	7,255,618	3,957,990
Portfolio investments (Note 6)	1,000,023	1,000,023
Restricted cash (Note 7)	681,150	670,385
Deposits (Note 8)	<u>916,667</u>	<u>916,667</u>
	<u>62,484,292</u>	<u>43,902,678</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	5,058,738	7,089,279
Due to government and other government organizations (Note 10)	2,476,361	2,629,007
Deferred revenue (Note 11)	47,598,591	28,390,909
Debt (Note 12)	<u>4,131,430</u>	<u>4,399,169</u>
	<u>59,265,120</u>	<u>42,508,364</u>
NET FINANCIAL ASSETS	<u>3,219,172</u>	<u>1,394,314</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 14) (Schedule 1)	81,038,339	84,159,895
Inventories held for use (Note 15)	409,147	320,290
Prepaid expenses	<u>66,862</u>	<u>59,508</u>
	<u>81,514,348</u>	<u>84,539,693</u>
ACCUMULATED SURPLUS (Note 16)	<u>\$ 84,733,520</u>	<u>85,934,007</u>

APPROVED BY THE FIRST NATION:

 Deputy Chief	 Councillor
 Councillor	 Councillor

**PIKANGIKUM FIRST NATION
CONSOLIDATED SCHEDULE OF OPERATIONS AND ACCUMULATED SURPLUS
YEAR ENDED MARCH 31, 2022**

	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
REVENUES			
Federal government transfers			
Canada Mortgage and Housing Corporation	\$ 12,142,488	9,931,337	1,267,302
FedNor revenue	245,831	129,989	285,445
First Nation and Inuit Health Branch	7,719,350	7,985,626	7,821,592
Indigenous Services Canada	80,911,289	64,908,394	55,873,569
Natural Resources Canada	178,167	163,167	100,000
Public Safety Canada	-	32,143	208,000
Provincial government transfers			
Government of Ontario	548,000	498,000	192,000
Ministry of Children, Community and Social Service	10,784,441	9,615,937	10,585,445
Ministry of Health and Long-Term Care	609,966	343,037	800,725
Ministry of the Attorney General	409,037	449,495	449,495
Ministry of Indigenous Affairs	100,000	20,000	80,000
Ministry of Energy, Northern Development and Mines	40,000	52,027	52,027
Administration fees	4,565,756	13,786	228,316
Cando	1,237,903	(12,097)	1,418,405
Fuel sales	97,091	18,730	70,758
Hotel revenue	80,535	84,770	82,860
HST and Sales Tax rebates	-	-	(21,182)
IESO income	133,162	15,000	32,318
Lumber sales revenue	60,000	79,245	66,038
Nishnawbe Aski Development Fund	249,999	249,999	87,339
Nishnawbe Aski Nation	405,538	646,753	573,419
North West Company	115,000	246,387	275,747
OFNLP2008	1,022,691	1,129,835	1,848,503
OSLP revenue	50,637	44,615	47,840
Other revenue	3,328,909	3,154,125	2,568,759
Ottawa Trust Fund revenue	-	9,291	-
Primate World	-	-	299,985
Recovery of funding	(63,680)	(62,940)	13,507
Rental income	1,485,459	680,913	1,323,324
Sioux Lookout Area Aboriginal Management Board	208,497	193,121	319,086
Sioux Lookout First Nation Health Association	-	-	2,580,247
Tikinagan income	138,000	139,700	138,000
Treaty 5 income	-	35,000	54,500
User fees	47,988	64,628	83,240
Whitefeather IT revenue	868,283	730,031	472,215
Deferred revenue - prior year (Note 11)	22,224,888	28,041,859	14,219,619
Deferred revenue - current year (Note 11)	<u>-</u>	<u>(47,403,597)</u>	<u>(26,841,257)</u>
	<u>\$149,945,225</u>	<u>82,228,306</u>	<u>77,657,186</u>

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PIKANGIKUM FIRST NATION
CONSOLIDATED SCHEDULE OF OPERATIONS AND ACCUMULATED SURPLUS
YEAR ENDED MARCH 31, 2022

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TOTAL REVENUE	\$149,945,225	<u>82,228,306</u>	<u>77,657,186</u>
<i>(Continued from previous page)</i>			
SEGMENT EXPENSES			
Administration	9,808,505	6,215,826	6,458,948
Capital Management	50,669,527	4,718,001	9,541,144
Canada Mortgage and Housing Corporation	631,960	1,010,605	274,747
Education	43,253,006	24,958,691	22,123,520
Eshkotay Power	-	640,392	16,908
Family and Child Care	5,565,809	2,115,339	-
Health Authority	18,934,076	11,880,163	11,971,378
Hotel	272,674	287,647	159,733
IT	754,357	744,357	603,161
Laundromat	-	54,423	59,280
Public Works	7,181,505	3,990,794	3,820,927
Social Administration	5,442,539	4,859,777	4,233,535
Social Welfare	<u>10,488,582</u>	<u>8,122,223</u>	<u>8,392,612</u>
	<u>153,002,540</u>	<u>69,598,238</u>	<u>67,655,893</u>
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER ITEMS	<u>(3,057,315)</u>	<u>12,630,068</u>	<u>10,001,293</u>
OTHER ITEMS			
Amortization of tangible capital assets	-	(13,769,394)	(14,054,898)
Loss on disposal of tangible capital assets	<u>-</u>	<u>(61,161)</u>	<u>-</u>
	<u>-</u>	<u>(13,830,555)</u>	<u>(14,054,898)</u>
ANNUAL DEFICIT	(3,057,315)	(1,200,487)	(4,053,605)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>85,934,007</u>	<u>85,934,007</u>	<u>89,987,612</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 82,876,692</u>	<u>84,733,520</u>	<u>85,934,007</u>

**PIKANGIKUM FIRST NATION
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED MARCH 31, 2022**

	<u>Budget</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
ANNUAL DEFICIT	\$ <u>(3,057,315)</u>	<u>(1,200,487)</u>	<u>(4,053,605)</u>
Tangible capital assets			
Purchase of tangible capital assets	-	(11,265,497)	(10,900,524)
Amortization of tangible capital assets - not in segments	-	13,769,394	14,054,898
Amortization of tangible capital assets - in segments	269,343	556,498	433,241
Loss on disposal of tangible capital assets	<u>-</u>	<u>61,161</u>	<u>-</u>
	<u>269,343</u>	<u>3,121,556</u>	<u>3,587,615</u>
Other non-financial assets			
Change in prepaid expenses	-	(7,354)	200,641
Change in inventory	<u>-</u>	<u>(88,857)</u>	<u>742,317</u>
	<u>-</u>	<u>(96,211)</u>	<u>942,958</u>
CHANGE IN NET FINANCIAL ASSETS	(2,787,972)	1,824,858	476,968
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>1,394,314</u>	<u>1,394,314</u>	<u>917,346</u>
NET FINANCIAL ASSETS (DEBT), END OF YEAR	\$ <u>(1,393,658)</u>	<u>3,219,172</u>	<u>1,394,314</u>

**PIKANGIKUM FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOW
YEAR ENDED MARCH 31, 2022**

	<u>2022</u>	<u>2021</u>
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Annual deficit	\$ (1,200,487)	(4,053,605)
Add back non-cash item(s):		
Amortization of tangible capital assets	14,325,892	14,488,139
Loss on disposal of tangible capital assets	<u>61,161</u>	<u>-</u>
	13,186,566	10,434,534
Change in non-cash working capital:		
Accounts receivable	140,846	325,296
Due from government and other government organizations	(3,297,628)	334,329
Prepaid expenses	(7,354)	200,641
Inventory held for use	(88,857)	742,317
Accounts payable and accrued liabilities	(2,030,541)	(3,128,783)
Due to government and other government organizations	(152,646)	1,746,240
Deferred revenue	<u>19,207,682</u>	<u>12,792,542</u>
	<u>26,958,068</u>	<u>23,447,116</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	<u>(11,265,497)</u>	<u>(10,900,524)</u>
FINANCING ACTIVITIES		
Repayment of debt	<u>(267,739)</u>	<u>(285,381)</u>
CHANGE IN CASH	15,424,832	12,261,211
CASH, BEGINNING OF YEAR	<u>35,474,715</u>	<u>23,213,504</u>
CASH, END OF YEAR	<u>50,899,547</u>	<u>35,474,715</u>
CASH IS REPRESENTED BY:		
Unrestricted cash	\$ 50,218,397	34,804,330
Restricted cash	<u>681,150</u>	<u>670,385</u>
	<u>\$ 50,899,547</u>	<u>35,474,715</u>

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

1. ACCOUNTING ENTITY

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 government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The First Nation follows the Indigenous Services Canada ("ISC") accounting guidelines as set out in the "Year End Reporting Handbook for funding agreements covering fiscal year 2021-2022" which requires that the consolidated financial statements be prepared in accordance with Canadian generally accepted accounting principles for governments, as defined in the Chartered Professional Accountants of Canada Public Sector Accounting Handbook.

(b) Reporting Entity

The First Nation is a non-profit Indian Band as defined by ISC. The objective of the First Nation is to operate as the governing entity in providing services on the reserve in all areas. The First Nation reporting entity includes all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

(c) Basis of Consolidation

All controlled entities are fully consolidated on a line-by-line basis. This method combines the accounts of distinct organizations. It requires uniform accounting policies for the organizations. Inter-organizational balances and transactions are eliminated under this method. This method reports the organizations as if they were one organization. These financial statements include the financial assets, liabilities, net debt, non-financial assets, accumulated surplus, revenue and expenses for the following entities controlled or owned by the First Nation:

- Eshkotay Wayab Corporation
- Pikangikum Health Authority
- Pikangikum CMHC Housing Authority
- Whitefeather Forest Management Corporation

(d) Basis of Presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

(e) Asset Classification

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

(f) Cash Resources

Cash resources 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 purpose is included in restricted cash.

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Portfolio Investments

Portfolio investments include investments in common shares, guaranteed investment certificates and investments in entities that are not controlled by the First Nation. Investments in entities that are not controlled by the First Nation are recorded at cost, less any provision for other than temporary impairment.

(h) Funds Held in Trust

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 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 monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

(i) Net Financial Assets

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

(j) Deferred Revenue

Deferred revenue represents funding received or receivable under the terms of their respective funding arrangements for specified purposes and for which the related expenses have not been incurred. Unspent funding or expenses made which are not in accordance with the terms of the funding arrangements may constitute a debt to the funding authority upon review of the funding agreement. Note 11 contains a summary of deferred revenue by project.

(k) Tangible Capital Assets

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods or delivering services.

Tangible capital assets are reported at gross cost.

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.

Construction in progress represents the total cost of assets being constructed that are not available for use. When the construction phase has been completed and the assets are available for use they are amortized according to the rates indicated below.

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Amortization

Amortization of tangible capital assets is recognized as an expense in the Statement of Operations.

Amortization is provided for on a straight-line basis at the rates in the table that follows. One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

Buildings	4-20 years
Database	5 years
Equipment	4 years
Housing	4-25 years
Infrastructure	25 years
Roads	20 years
Vehicles	2-5 years

(m) Inventories Held for Use

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

(n) 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 a group of assets, exceeds the value of future economic benefits associated with the asset(s). Impairment is measured as the amount by which the asset's carrying value exceeds the residual value of the asset's service potential to the First Nation. Any impairment is included in the consolidated statement of operations during the year in which the asset becomes impaired.

(o) Intangible Assets

The First Nation owns various intangible assets inherited by the right of the Crown, such as Crown lands, forests, water, and mineral resources. These items are not recognized in the First Nation's consolidated financial statements in accordance with public sector accounting standards.

(p) Revenue Recognition

Government transfers

Government transfer revenues, including, but not limited to, Indigenous Services Canada, First Nations and Inuit Health, Province of Ontario and Canada Mortgage and Housing Corporation Funding, are recognized as the funding becomes receivable under the terms of applicable funding agreements. Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenues are recognized in the statement of operations as the stipulation liabilities are settled.

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Revenue Recognition (continued)

Other revenue

Rent and resident fees are recorded in the year they are earned. At the end of each year, management evaluates the extent of the collectability of its rent revenue and records a bad debt and allowance for doubtful accounts for amounts designated as unlikely to be collected.

Investment and interest revenue is recognized on an accrual basis in the year that it is earned.

All other types of revenue are recognized by the First Nation when the services are provided or the goods are shipped and collectability is reasonably assured.

(q) Measurement Uncertainty

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting periods presented. Actual results could differ from these estimates.

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. Deferred revenue is recorded based on management analysis of the extent to which eligibility requirements have been met on government transfer revenue.

These estimates are reviewed periodically, and, as adjustment becomes necessary, they are reported in the consolidated statement of operations in the year in which they become known.

(r) 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.

(s) Financial Instruments

Financial instruments include cash, accounts receivable, due from government and other government organizations, portfolio investments, restricted cash, deposits, accounts payable and accrued liabilities, due to government and other government organizations and debt.

The First Nation initially measures its financial instruments at fair value when the asset or liability is first recognized. The First Nation subsequently measures its financial instruments at cost or amortized cost. Amortized cost is the amount at which the financial instrument is measured at initial recognition less principal repayments, plus or minus the cumulative of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

Unless otherwise stated, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Segmented Information

As at year end the First Nation conducts its business through seven reportable segments as identified below (seven in 2021). 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. 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 (inclusive of Family & Child Care, Hotel, IT, and Laundromat)

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

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

Health Authority - includes the operations of the nursing station

Eshkotay Power Generation - includes the activities regarding providing electricity to the First Nation; wound up in 2021

3. CASH

	<u>2022</u>	<u>2021</u>
Unrestricted - Cash	\$ 49,416,518	34,002,451
Unrestricted - GIC	<u>801,879</u>	<u>801,879</u>
	<u>\$ 50,218,397</u>	<u>34,804,330</u>

All cash held is unrestricted except for amounts in Note 7.

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, 2022 was 2.70% (2021 - 2.45%). The balance of the line of credit was \$Nil at March 31, 2022 (2021 - \$Nil). Interest is charged only when the facility is used.

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

3. CASH (Continued)

- 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, 2022 was 2.70% (2021 - 2.45%). The balance of the line of credit was \$Nil at March 31, 2022 (2021 - \$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, 2022 was 2.70% (2021 - 2.45%). The balance of the line of credit was \$Nil at March 31, 2022 (2021 - \$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, 2022 was 2.70% (2021 - 2.45%). The balance of the line of credit was \$Nil at March 31, 2022 (2021 - \$Nil). Interest is charged only when the facility is used.

4. ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Trade receivables	\$ 1,202,187	1,277,142
OFNLP receivable	788,776	1,230,446
Nishnawbe Aski Nation	424,562	36,291
Due from members	24,374	21,786
First Nation Student Success Program	5,613	5,613
Allowance for doubtful accounts	<u>(33,075)</u>	<u>(17,995)</u>
	<u>\$ 2,412,437</u>	<u>2,553,283</u>

5. DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	<u>2022</u>	<u>2021</u>
Federal		
Indigenous Services Canada	\$ 4,414,424	1,226,112
Harmonized Sales Tax receivable	250,246	554,925
Canada Mortgage and Housing Corporation - special assessment	720,000	-
Canada Mortgage and Housing Corporation - subsidy	<u>31,408</u>	<u>31,213</u>
	<u>5,416,078</u>	<u>1,812,250</u>
Provincial		
Ministry of Children, Community and Social Service	1,793,785	1,807,746
Federal Economic Development Agency for Northern Ontario	45,755	312,694
Trillium	<u>-</u>	<u>25,300</u>
	<u>1,839,540</u>	<u>2,145,740</u>
	<u>\$ 7,255,618</u>	<u>3,957,990</u>

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

6. PORTFOLIO INVESTMENTS

	<u>2022</u>	<u>2021</u>
Portfolio investments		
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	<u>1,000,000</u>	<u>1,000,000</u>
	<u>1,000,022</u>	<u>1,000,022</u>
Investments in First Nation business partnerships and business entities		
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	<u>(336,611)</u>	<u>(336,611)</u>
	<u>1</u>	<u>1</u>
	<u>\$ 1,000,023</u>	<u>1,000,023</u>

7. RESTRICTED CASH

	<u>2022</u>	<u>2021</u>
Ottawa trust funds		
Revenue account	\$ 74,264	64,973
Other		
CMHC replacement reserve - cash	535,080	533,755
CMHC operating reserve - cash	21,792	21,792
CMHC replacement reserve - GIC	<u>50,014</u>	<u>49,865</u>
	<u>606,886</u>	<u>605,412</u>
	<u>\$ 681,150</u>	<u>670,385</u>

Ottawa Trust Fund

The Ottawa Trust Fund arises from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is similarly governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned, when it is measurable and when collection is reasonably assured. Capital and Revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with consent of the First Nation's Chief and Council. Interest revenue earned in the Revenue account amounted to \$9,291 (2021 - \$Nil). Interest revenue earned in the Capital account amounted to \$Nil (2021 - \$Nil).

CMHC replacement reserve

As required as part of the First Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreements with CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At March 31, 2022, the replacement reserve bank account was over funded by \$66,222 (2021 - \$113,312).

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

7. RESTRICTED CASH (Continued)

CMHC operating reserve

In accordance with the terms of the agreements with Canada Mortgage and Housing Corporation ("CMHC"), the First Nation established an operating surplus reserve. The operating surplus reserve is a component of accumulated surplus and is increased by interest revenue and increased or decreased by the annual surplus (deficit) from operations. The operating surplus reserve must be held or invested only in accounts or instruments guaranteed by Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. At March 31, 2022, the operating reserve account of \$21,792 (2021 - \$21,792) was fully funded.

8. DEPOSITS

	<u>2022</u>	<u>2021</u>
Deposit to purchase shares of L.K.G.H. Group of Companies	\$ 1,000,000	1,000,000
Impairment of deposit	<u>(83,333)</u>	<u>(83,333)</u>
	<u>\$ 916,667</u>	<u>916,667</u>

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.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2022</u>	<u>2021</u>
Trade payables	\$ 3,779,401	4,391,688
Wages and benefits payable	759,730	1,076,761
Holdbacks payable	47,282	673,090
Accrued liabilities	<u>472,325</u>	<u>947,740</u>
	<u>\$ 5,058,738</u>	<u>7,089,279</u>

10. DUE TO GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	<u>2022</u>	<u>2021</u>
Ministry of Children, Community and Social Service	\$ 1,694,114	1,826,306
Ministry of Health and Long-Term Care	396,684	396,684
Indigenous Services Canada	176,525	251,132
Other payables	<u>209,038</u>	<u>154,885</u>
	<u>\$ 2,476,361</u>	<u>2,629,007</u>

PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

11. DEFERRED REVENUE

	<u>2022</u>	<u>2021</u>
Indigenous Services Canada		
Administration - ATR	\$ 213,183	134,161
Administration - Band Rep Reimbursement	-	1,642,909
Administration - Band Support	921,177	-
Administration - Community Based Prevention	245,911	481,731
Administration - Community Well Being	566,251	617,453
Administration - DGS Capacity Upgrade	123,312	125,252
Administration - Economic Development Capital	-	136,718
Administration - Governance Capacity Development	38,730	81,579
Administration - PDIP - Community Planning	117,248	75,000
Administration - Treaty 5	7,519	-
Capital Management - 2 Burnout Housing Units	23,133	23,133
Capital Management - Backup Power Project	60,000	60,000
Capital Management - Comprehensive Road Repairs	10,522	158,912
Capital Management - DGS Decommissioning Project	29,798	29,798
Capital Management - DGS - Soil & Ground Water Remediation	1,123,921	255,000
Capital Management - Group Home	200,000	-
Capital Management - Housing Renovations	630,000	-
Capital Management - Landfill Planning	83,001	156,958
Capital Management - RHI Senior's Res & 2nd Stage Housing	8,814,466	-
Capital Management - Solar Powered Ventilation	10,000	-
Capital Management - Soil Remediation	1,424,201	3,123,941
Capital Management - Water & Wastewater Servicing Study	8,837	8,837
Education - COVID-19	1,163,594	476,040
Education - Instruction / Flow Through	17,077,075	10,723,136
Education - Jordan's Principle Audiology	196,205	196,205
Education - Jordan's Principle Student Support	-	399,492
Education - Jordan's Principle Nursing	632	37,869
Education - REA	200,393	40,278
Education - Skills Link	393,834	-
Education - Structural Readiness	283,986	307,066
Family & Child Care - CFS Operations	2,263,453	-
Family & Child Care - Law Development	553,736	-
Public Works - Fire Protection	32,230	6,091
Public Works - O&M Administration	108,566	-
Public Works - O&M Community Buildings	137,878	85,025
Public Works - O&M Teacher Residence	479,823	174,336
Public Works - O&M Water & Sewage	345,101	109,000
Public Works - Roads & Heavy Equipment	351,159	450,000
Public Works - Sanitation	346,109	263,867
Public Works - Training Fire Protection	16,018	37,607
Public Works - Wastewater Systems	795,292	591,164
Social Administration - Administration	389,218	472,453
Social Administration - Transitional - COVID 19	-	774,751
Welfare - Social Services - Regular Cases	1,335,739	-
Health - COVID 19 Isolation Trailers	703,858	1,073,586
Health - Jordan's Principle	448,048	179,957
Health - Pathways Safe Indigenous Communities	94,950	-
	<u>42,368,107</u>	<u>23,509,305</u>

(Continued on next page)

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

11. DEFERRED REVENUE (Continued)

	<u>2022</u>	<u>2021</u>
Indigenous Services Canada <i>(Continued from previous page)</i>	<u>42,368,107</u>	<u>23,509,305</u>
First Nations and Inuit Health		
Health - Aboriginal Diabetes Initiative	128,554	90,302
Health - BHC Mental Health	255,580	141,338
Health - BHC MH Case Management	187	-
Health - Brighter Future	27,302	1,750
Health - CHR Healthy Living	5,239	-
Health - CHR Mental Wellness	-	8,198
Health - Community Health	-	9,260
Health - Dental Care	15,541	8,670
Health - Early Childhood Development	899,300	598,647
Health - Facilities O&M	-	9,370
Health - Federal Tobacco Control Study	72,501	47,535
Health - Home and Community Care	62,797	71,443
Health - Nutrition North	64,804	31,936
Health - Jordan's Principle Rehab	261,671	816,893
Health - Management Formula	33,864	-
Health - Medical Transport Clerk	-	7,923
Health - NNADAP	-	31,754
Health - Nursing Station Feasibility Study	150,000	-
Health - Oral Health	228,974	114,487
Health - Pandemic Covid-19	800,739	353,056
Health - Prenatal Nutrition	20,421	26,393
Health - Vision Care	<u>1,384</u>	<u>941</u>
	<u>3,028,858</u>	<u>2,369,896</u>
Other		
Administration - Casinorama	563,938	879,489
Administration - Emergency Search & Rescue	63,416	-
Administration - Northern Store Lease	506,321	517,651
Administration - Policing Transformation	33,563	-
Administration - Solary System	53,000	53,000
Administration - Treaty 5	-	19,508
Administration - Youth Sawmill Program	166,313	249,976
Education - Administration	123,880	123,880
Health - Administration	497,343	568,996
Health - MAGHUB	-	15,888
Health - MOHLTC Funding - OFN Action Plan	91,944	17,363
Health - Transitional Housing Unit	-	65,957
Hotel	<u>101,908</u>	<u>-</u>
	<u>2,201,626</u>	<u>2,511,708</u>
	<u>\$ 47,598,591</u>	<u>28,390,909</u>

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

12. DEBT

	<u>2022</u>	<u>2021</u>
Phase 1 - CMHC mortgage for a seven unit rental housing project, interest at 0.74%, repayable in blended monthly payments of \$5,162, maturing July 1, 2034 with a renewal date of February 1, 2026, secured by a Ministerial Guarantee and assignment of fire insurance.	\$ 729,952	786,276
Phase 2 - CMHC mortgage for a ten unit rental housing project, interest at 0.68%, repayable in blended monthly payments of \$6,079, maturing January 1, 2035 with a renewal date of October 1, 2025, secured by a Ministerial Guarantee and assignment of fire insurance.	896,314	962,932
Phase 3 - CMHC mortgage for a nine unit rental housing project, interest at 1.57%, repayable in blended monthly payments of \$7,025, maturing June 1, 2036 with a renewal date of December 1, 2026, secured by a Ministerial Guarantee and assignment of fire insurance.	1,076,106	1,147,105
Phase 4 - CMHC mortgage for a ten unit rental housing project, interest at 2.41%, repayable in blended monthly payments of \$9,086, maturing December 1, 2037 with a renewal date of April 1, 2023, secured by a Ministerial Guarantee and assignment of fire insurance.	<u>1,429,058</u>	<u>1,502,856</u>
	<u>\$ 4,131,430</u>	<u>4,399,169</u>

The principal portion of debt is repayable for the years ended as follows:

March 31, 2023	\$ 269,509
2024	273,021
2025	276,592
2026	280,225
2027	283,920
Thereafter	<u>2,748,163</u>
	<u>\$ 4,131,430</u>

13. CONTINGENT LIABILITIES

The First Nation is subject to funding recoveries according to their agreement with federal agencies. It has not yet been determined to what extent any funding amounts related to the year ended March 31, 2022 might be recovered.

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, 2022, no contingent liabilities have been recorded in the consolidated financial statements.

14. CONSTRUCTION IN PROGRESS

Included in tangible capital assets are costs totaling \$8,611,551 (2021 - \$9,434,001) related to construction in progress.

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

15. INVENTORIES HELD FOR USE

	<u>2022</u>	<u>2021</u>
Fuel - Public works	\$ 211,147	120,290
Gravel - Public works	<u>198,000</u>	<u>200,000</u>
	<u>\$ 409,147</u>	<u>320,290</u>

16. ACCUMULATED SURPLUS

	<u>2022</u>	<u>2021</u>
Ottawa trust funds	\$ 74,264	64,973
Invested in tangible capital assets	76,906,909	79,760,726
Canada Mortgage and Housing Corporation Operating reserve	21,793	21,793
Canada Mortgage and Housing Corporation Replacement reserve	1,238,872	470,308
Reserve for capital replacement	-	500,000
Share capital	100	102
Unrestricted accumulated surplus	<u>6,491,582</u>	<u>5,116,105</u>
	<u>\$ 84,733,520</u>	<u>85,934,007</u>

17. INDIGENOUS SERVICES CANADA FUNDING

The Indigenous Services Canada ("ISC") revenue of \$64,908,394 (2021 – \$55,873,569) on the consolidated statement of operations and accumulated surplus agrees to the ISC confirmation.

18. FIRST NATIONS AND INUIT HEALTH FUNDING

The First Nations and Inuit Health revenue of \$7,985,626 (2021 – \$7,821,592) on the consolidated statement of operations and accumulated surplus agrees to the First Nations and Inuit Health confirmation.

19. ECONOMIC DEPENDENCE

Pikangikum First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") and First Nations and Inuit Health 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.

20. 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 contributed 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 \$614,981 (2021 - \$617,791).

Employer contributions for the Ontario Works pension plan during the year were \$59,281 (2021 - \$59,831).

Employer contributions for the Public Works pension plan during the year were \$53,775 (2021 - \$50,743).

The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2022.

**PIKANGIKUM FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022**

21. BUDGET INFORMATION

The disclosed budget information was approved by the Chief and Council of the Pikangikum First Nation.

22. COMPLIANCE WITH LAWS AND REGULATIONS

First Nations Financial Transparency and Accountability Act

The First Nation is required by the First Nations Financial Transparency and Accountability Act to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 31, 2022. As the audit report is dated after this date, the First Nation is not in compliance with this requirement. The possible effect of this non-compliance has not yet been determined.

23. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to reflect the financial statement presentation adopted for the current year.

SCHEDULE 1

PIKANGIKUM FIRST NATION CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS YEAR ENDED MARCH 31, 2022

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE	
	Opening Balance	Additions	Transfers and Disposals	Closing Balance	Opening Balance	Amortization	Disposals and Write Offs	Closing Balance	Total 2022	Total 2021
Tangible Capital Assets										
Land	\$ 197,250	-	-	197,250	-	-	-	-	197,250	197,250
Buildings	118,802,459	1,956,559	(14,427)	120,744,591	62,958,174	7,292,756	(13,124)	70,237,806	50,506,785	55,844,285
Vehicles	4,146,375	559,983	(74,317)	4,632,041	3,719,689	484,299	(73,133)	4,130,855	501,186	426,686
Housing	74,301,905	7,968,825	-	82,270,730	61,085,731	4,293,832	-	65,379,563	16,891,167	13,216,174
Equipment	8,505,826	1,602,580	(1,084,498)	9,023,908	7,226,776	1,137,703	(1,025,824)	7,338,655	1,685,253	1,279,050
Database	43,000	-	-	43,000	25,800	8,600	-	34,400	8,600	17,200
Infrastructure	24,866,004	-	-	24,866,004	21,234,817	994,640	-	22,229,457	2,636,547	3,631,187
Roads	7,686,364	-	-	7,686,364	7,572,302	114,062	-	7,686,364	-	114,062
	<u>238,549,183</u>	<u>12,087,947</u>	<u>(1,173,242)</u>	<u>251,810,372</u>	<u>163,823,289</u>	<u>14,325,892</u>	<u>(1,112,081)</u>	<u>177,037,100</u>	<u>72,426,788</u>	<u>74,725,894</u>
Assets under construction	<u>9,434,001</u>	<u>5,855,319</u>	<u>(6,677,769)</u>	<u>8,611,551</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,611,551</u>	<u>9,434,001</u>
TOTAL	<u>\$ 247,983,184</u>	<u>17,943,266</u>	<u>(7,851,011)</u>	<u>260,421,923</u>	<u>163,823,289</u>	<u>14,325,892</u>	<u>(1,112,081)</u>	<u>177,037,100</u>	<u>81,038,339</u>	<u>84,159,895</u>

SCHEDULE 2

PIKANGIKUM FIRST NATION CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT YEAR ENDED MARCH 31, 2022

CONSOLIDATED EXPENSES BY OBJECT	<u>2022</u>	<u>2021</u>
Administration	\$ 56,722	25,455
Amortization of tangible capital assets - in segments	556,498	433,241
Bad debts (recovery)	(18,842)	149,233
Bank charges and interest	38,877	34,152
Community donations	173,107	73,860
Consulting	1,727,052	1,472,507
Contingency	3,045,500	1,668,943
Contracted services	3,652,336	3,985,351
Employment related expenses	1,204,741	1,119,090
Food and beverage	265,934	170,424
Fuel and oil	333,163	371,605
Funeral	94,964	81,987
Furniture and equipment	59,341	12,286
Honourariums	1,534,843	1,774,631
Insurance	818,463	608,331
Interest on debt	60,629	64,061
Materials	518,458	926,772
Miscellaneous	93,066	-
Mobilizations	720	134,300
Office supplies	354,484	269,135
Postage	1,908	6,961
Professional development	20,504	21,388
Professional fees	1,090,626	2,090,868
Program education	8,640	5,640
Program expense	1,400,209	843,222
Rent	116,664	2,750
Repairs and maintenance	1,747,033	5,064,798
Residential plumbing housing project	-	298,523
Salaries and benefits	36,686,561	31,348,462
Social assistance	6,987,975	7,657,225
Special projects	-	400,000
Student expenses	233,567	319,043
Supplies and equipment	3,027,307	3,783,849
Telephone and internet	698,803	482,569
Training	78,957	108,226
Travel	1,493,676	941,963
Utilities	1,392,804	874,741
Vehicle	42,948	30,301
	<u>\$ 69,598,238</u>	<u>67,655,893</u>

SCHEDULE 3

**PIKANGIKUM FIRST NATION
CONSOLIDATED SCHEDULE OF SEGMENT OPERATIONS
YEAR ENDED MARCH 31, 2022**

	ISC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Transfers From (To)	Surplus (Deficit)
SEGMENTS SUMMARY							
Administration	\$ 3,980,306	3,591,049	(248,364)	7,322,991	6,215,826	2,490,052	(1,382,887)
Capital Management	6,465,194	9,819,422	(8,601,297)	7,683,319	4,718,001	(1,975,373)	4,940,691
Canada Mortgage and Housing Corporation	-	1,972,772	-	1,972,772	1,010,605	(109,584)	1,071,751
Education	36,841,902	333,166	(7,135,553)	30,039,515	24,958,691	1,585,026	3,495,798
Eshkotay Power	-	-	-	-	640,392	-	(640,392)
Family and Child Care	3,922,900	-	(1,174,280)	2,748,620	2,115,339	-	633,281
Health Authority	3,619,004	12,409,382	(573,359)	15,455,027	11,880,163	(40,000)	3,614,864
Hotel	73,536	132,378	(101,908)	104,006	287,647	(183,643)	2
IT	-	730,031	-	730,031	744,357	-	(14,326)
Laundromat	-	149,556	-	149,556	54,423	-	95,133
Public Works	3,482,412	108,174	(895,087)	2,695,499	3,990,794	(1,766,478)	471,183
Social Administration	1,960,536	2,539,896	703,850	5,204,282	4,859,777	-	344,505
Social Welfare	<u>2,470,462</u>	<u>6,987,965</u>	<u>(1,335,739)</u>	<u>8,122,688</u>	<u>8,122,223</u>	<u>-</u>	<u>465</u>
TOTAL	\$ <u>62,816,252</u>	<u>38,773,791</u>	<u>(19,361,737)</u>	<u>82,228,306</u>	<u>69,598,238</u>	<u>-</u>	<u>12,630,068</u>