

**PIKANGIKUM FIRST NATION  
INDEPENDENT AUDITOR'S REPORT  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2023**

**PIKANGIKUM FIRST NATION**

**MARCH 31, 2023**

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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.

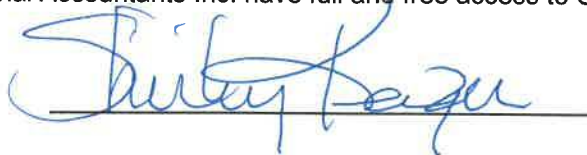
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of Chartered Professional Accountants of Canada and as such include certain amounts based 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 "Shirley Lynne Keeper", is written over a horizontal line.

**Chief Shirley Lynne Keeper**

## 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, 2023, 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, 2023, 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: decrease in total revenue of \$8,572,235 (2022 - increase of \$22,264,741), a decrease of deferred revenue of \$32,501,359 (2022 - \$41,073,594), decrease in surplus of \$8,572,235 (2022 - increase of \$22,264,741), increase in accumulated surplus of \$32,501,359 (2022 - \$41,073,594), and an increase in net financial assets of \$32,501,359 (2022 - \$41,073,594).

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 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.

**WINNIPEG, MANITOBA**  
**August 27, 2024**

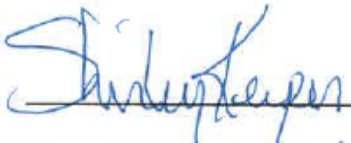





Fort Group  
**CHARTERED PROFESSIONAL  
ACCOUNTANTS INC.**



**PIKANGIKUM FIRST NATION  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>FINANCIAL ASSETS</b>		
Cash (Note 3)	\$ 53,517,676	50,218,397
Accounts receivable (Note 4)	2,128,720	2,412,437
Due from government and other government organizations (Note 5)	4,984,235	7,255,618
Portfolio investments (Note 6)	1,000,023	1,000,023
Restricted cash (Note 7)	694,562	681,150
Deposits (Note 8)	<u>916,667</u>	<u>916,667</u>
	<u>63,241,883</u>	<u>62,484,292</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 9)	8,115,819	5,058,738
Due to government and other government organizations (Note 10)	2,767,047	2,476,361
Deferred revenue (Note 11)	44,204,590	47,598,591
Debt (Note 12)	<u>3,864,083</u>	<u>4,131,430</u>
	<u>58,951,539</u>	<u>59,265,120</u>
<b>NET FINANCIAL ASSETS</b>	<u>4,290,344</u>	<u>3,219,172</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 14) (Schedule 1)	83,420,720	81,038,339
Inventories held for use (Note 15)	824,024	409,147
Prepaid expenses	<u>66,254</u>	<u>66,862</u>
	<u>84,310,998</u>	<u>81,514,348</u>
<b>ACCUMULATED SURPLUS (Note 16)</b>	<u>\$ 88,601,342</u>	<u>84,733,520</u>

**APPROVED BY THE FIRST NATION:**

  	<b>Chief</b>  <b>Councillor</b>  <b>Councillor</b>	  	<b>Deputy Chief</b>  <b>Councillor</b>  <b>Councillor</b>
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**PIKANGIKUM FIRST NATION  
CONSOLIDATED SCHEDULE OF OPERATIONS AND ACCUMULATED SURPLUS  
YEAR ENDED MARCH 31, 2023**

	<b><u>2023 Budget</u></b>	<b><u>2023 Actual</u></b>	<b><u>2022 Actual</u></b>
<b>REVENUES</b>			
Federal government transfers			
Canada Mortgage and Housing Corporation	\$ 12,864,816	376,891	9,931,337
FedNor revenue	180,312	153,987	129,989
Indigenous Services Canada	97,532,082	71,891,264	72,894,020
Natural Resources Canada	-	-	163,167
Public Safety Canada	57,608	40,306	32,143
Provincial government transfers			
Government of Ontario	146,000	60,500	498,000
Ministry of Children, Community and Social Service	10,640,462	9,765,123	9,692,937
Ministry of Health and Long-Term Care	342,670	335,650	343,037
Ministry of the Attorney General	770,787	648,600	449,495
Ministry of Indigenous Affairs	100,000	-	20,000
Ministry of Energy, Northern Development and Mines	52,027	52,027	52,027
Administration fees	5,679,842	102,295	13,786
Agriculture and Agrifood Canada	285,450	285,447	-
Cando	1,237,903	184,739	(12,097)
Fuel sales	210,600	86,768	18,730
Hotel revenue	157,200	118,504	84,770
IESO income	118,588	111,222	15,000
Lumber sales revenue	60,000	55,171	79,245
Nishnawbe Aski Development Fund	249,999	-	249,999
Nishnawbe Aski Nation	793,183	861,353	646,753
North West Company	126,180	232,129	246,387
OFNLP2008	1,568,017	1,616,784	1,129,835
Ontario Trillium Foundation	147,000	132,900	-
OSLP revenue	50,637	59,800	44,615
Other revenue	9,146,817	4,933,300	3,077,125
Ottawa Trust Fund revenue	-	5,547	9,291
Recovery of funding	(63,680)	(80,740)	(62,940)
Rental income	1,985,359	1,582,333	680,913
Sioux Lookout Area Aboriginal Management Board	285,140	322,090	193,121
Sioux Lookout First Nation Health Association	252,933	177,200	-
Tikinagan income	138,000	34,500	139,700
Treaty 5 income	-	-	35,000
User fees	59,580	46,710	64,628
Whitefeather IT revenue	778,918	666,219	730,031
Deferred revenue - prior year (Note 11)	34,839,283	47,459,029	28,041,859
Deferred revenue - current year (Note 11)	<u>(1,969,069)</u>	<u>(44,156,972)</u>	<u>(47,403,597)</u>
	<b><u>\$178,824,644</u></b>	<b><u>98,160,676</u></b>	<b><u>82,228,306</u></b>

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**PIKANGIKUM FIRST NATION  
CONSOLIDATED SCHEDULE OF OPERATIONS AND ACCUMULATED SURPLUS  
YEAR ENDED MARCH 31, 2023**

	<b><u>2023 Budget</u></b>	<b><u>2023 Actual</u></b>	<b><u>2022 Actual</u></b>
<b>TOTAL REVENUE</b>	\$ <u>178,824,644</u>	<u>98,160,676</u>	<u>82,228,306</u>
<i>(Continued from previous page)</i>			
<b>SEGMENT EXPENSES</b>			
Administration	11,679,697	7,423,072	6,215,826
Capital Management	53,656,407	6,103,470	4,718,001
Canada Mortgage and Housing Corporation	616,732	306,854	1,010,605
Education	53,699,348	28,788,988	24,958,691
Eshkotay Power	-	-	640,392
Family and Child Care	11,039,752	5,621,490	2,115,339
Health Authority	24,837,244	12,719,521	11,880,163
Hotel	425,540	417,334	287,647
IT	739,945	743,551	744,357
Laundromat	55,852	69,303	54,423
Public Works	8,373,844	4,133,500	3,990,794
Social Administration	6,693,634	5,694,424	4,859,777
Social Welfare	<u>10,059,916</u>	<u>8,129,512</u>	<u>8,122,223</u>
	<u>181,877,911</u>	<u>80,151,019</u>	<u>69,598,238</u>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER ITEMS</b>	<u>(3,053,267)</u>	<u>18,009,657</u>	<u>12,630,068</u>
<b>OTHER ITEMS</b>			
Amortization of tangible capital assets	-	(14,141,835)	(13,769,394)
Loss on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>(61,161)</u>
	<u>-</u>	<u>(14,141,835)</u>	<u>(13,830,555)</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	(3,053,267)	3,867,822	(1,200,487)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>84,733,520</u>	<u>84,733,520</u>	<u>85,934,007</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	\$ <u><u>81,680,253</u></u>	<u><u>88,601,342</u></u>	<u><u>84,733,520</u></u>



**PIKANGIKUM FIRST NATION  
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
YEAR ENDED MARCH 31, 2023**

	<u>Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ <u>(3,053,267)</u>	<u>3,867,822</u>	<u>(1,200,487)</u>
Tangible capital assets			
Purchase of tangible capital assets	-	(17,231,464)	(11,265,497)
Amortization of tangible capital assets - not in segments	-	14,141,835	13,769,394
Amortization of tangible capital assets - in segments	225,209	707,248	556,498
Loss on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>61,161</u>
	<u>225,209</u>	<u>(2,382,381)</u>	<u>3,121,556</u>
Other non-financial assets			
Change in prepaid expenses	-	608	(7,354)
Change in inventory	<u>-</u>	<u>(414,877)</u>	<u>(88,857)</u>
	<u>-</u>	<u>(414,269)</u>	<u>(96,211)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	(2,828,058)	1,071,172	1,824,858
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>3,219,172</u>	<u>3,219,172</u>	<u>1,394,314</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ <u><u>391,114</u></u>	<u><u>4,290,344</u></u>	<u><u>3,219,172</u></u>

**PIKANGIKUM FIRST NATION  
CONSOLIDATED STATEMENT OF CASH FLOW  
YEAR ENDED MARCH 31, 2023**

	<u><b>2023</b></u>	<u><b>2022</b></u>
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	\$ 3,867,822	(1,200,487)
Add back non-cash item(s):		
Amortization of tangible capital assets	14,849,083	14,325,892
Loss on disposal of tangible capital assets	<u>-</u>	<u>61,161</u>
	18,716,905	13,186,566
Change in non-cash working capital:		
Accounts receivable	283,717	140,846
Due from government and other government organizations	2,271,383	(3,297,628)
Prepaid expenses	608	(7,354)
Inventory held for use	(414,877)	(88,857)
Accounts payable and accrued liabilities	3,057,081	(2,030,541)
Due to government and other government organizations	290,686	(152,646)
Deferred revenue	<u>(3,394,001)</u>	<u>19,207,682</u>
	<u>20,811,502</u>	<u>26,958,068</u>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	<u>(17,231,464)</u>	<u>(11,265,497)</u>
<b>FINANCING ACTIVITIES</b>		
Repayment of debt	<u>(267,347)</u>	<u>(267,739)</u>
<b>CHANGE IN CASH</b>	3,312,691	15,424,832
<b>CASH, BEGINNING OF YEAR</b>	<u>50,899,547</u>	<u>35,474,715</u>
<b>CASH, END OF YEAR</b>	<u>54,212,238</u>	<u>50,899,547</u>
<b>CASH IS REPRESENTED BY:</b>		
Unrestricted cash	\$ 53,517,676	50,218,397
Restricted cash	<u>694,562</u>	<u>681,150</u>
	<u>\$ 54,212,238</u>	<u>50,899,547</u>

**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**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 2022-2023 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:

- 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, 2023**

**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, 2023**

**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, 2023**

**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 revenues 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 receivables 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, 2023**

**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. 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

**3. CASH**

	<b><u>2023</u></b>	<b><u>2022</u></b>
Unrestricted - Cash	\$ 52,711,665	49,416,518
Unrestricted - GIC	<u>806,011</u>	<u>801,879</u>
	<b><u>\$ 53,517,676</u></b>	<b><u>50,218,397</u></b>

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, 2023 was 6.70% (2022 - 2.70%). The balance of the line of credit was \$Nil at March 31, 2023 (2022 - \$Nil). Interest is charged only when the facility is used.

**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**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, 2023 was 6.70% (2022 - 2.70%). The balance of the line of credit was \$Nil at March 31, 2023 (2022 - \$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, 2023 was 6.70% (2022 - 2.70%). The balance of the line of credit was \$Nil at March 31, 2023 (2022 - \$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, 2023 was 6.70% (2022 - 2.70%). The balance of the line of credit was \$Nil at March 31, 2023 (2022 - \$Nil). Interest is charged only when the facility is used.

**4. ACCOUNTS RECEIVABLE**

	<u>2023</u>	<u>2022</u>
Trade receivables	\$ 683,664	1,202,187
OFNLP receivable	1,047,104	788,776
Nishnawbe Aski Nation	407,750	424,562
Due from members	16,664	24,374
First Nation Student Success Program	5,613	5,613
Allowance for doubtful accounts	<u>(32,075)</u>	<u>(33,075)</u>
	<u>\$ 2,128,720</u>	<u>2,412,437</u>

**5. DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS**

	<u>2023</u>	<u>2022</u>
<b>Federal</b>		
Indigenous Services Canada	\$ 2,440,465	4,414,424
Harmonized Sales Tax receivable	325,637	250,246
Canada Mortgage and Housing Corporation - special assessment	-	720,000
Canada Mortgage and Housing Corporation - subsidy	<u>31,408</u>	<u>31,408</u>
	<u>2,797,510</u>	<u>5,416,078</u>
<b>Provincial</b>		
Ministry of Children, Community and Social Service	2,039,883	1,793,785
Federal Economic Development Agency for Northern Ontario	<u>146,842</u>	<u>45,755</u>
	<u>2,186,725</u>	<u>1,839,540</u>
	<u>\$ 4,984,235</u>	<u>7,255,618</u>



**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**6. PORTFOLIO INVESTMENTS**

	<u>2023</u>	<u>2022</u>
<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	<u>1,000,000</u>	<u>1,000,000</u>
	<u>1,000,022</u>	<u>1,000,022</u>
<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	<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>2023</u>	<u>2022</u>
Ottawa trust funds		
Revenue account	\$ 79,811	74,264
Other		
CMHC replacement reserve - cash	553,810	535,080
CMHC operating reserve - cash	9,676	21,792
CMHC replacement reserve - GIC	<u>51,265</u>	<u>50,014</u>
	<u>614,751</u>	<u>606,886</u>
	<u>\$ 694,562</u>	<u>681,150</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 \$5,547 (2022 - \$9,291). Interest revenue earned in the Capital account amounted to \$Nil (2022 - \$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 homes with any interest earned credited as revenue to the reserve fund. 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, 2023, the replacement reserve bank account was underfunded by \$688,752 (2022 - \$66,222).

**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**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, 2023, the operating reserve account of \$9,676 (2022 - \$21,792) was fully funded.

**8. DEPOSITS**

	<u><b>2023</b></u>	<u><b>2022</b></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><b>\$ 916,667</b></u>	<u><b>916,667</b></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><b>2023</b></u>	<u><b>2022</b></u>
Trade payables	\$ 5,646,392	3,779,401
Wages and benefits payable	995,555	759,730
Holdbacks payable	1,134,299	47,282
Accrued liabilities	<u>339,573</u>	<u>472,325</u>
	<u><b>\$ 8,115,819</b></u>	<u><b>5,058,738</b></u>

**10. DUE TO GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS**

	<u><b>2023</b></u>	<u><b>2022</b></u>
Ministry of Children, Community and Social Service	\$ 1,847,120	1,694,114
Ministry of Health and Long-Term Care	488,628	396,684
Indigenous Services Canada	172,625	176,525
Other payables	<u>258,674</u>	<u>209,038</u>
	<u><b>\$ 2,767,047</b></u>	<u><b>2,476,361</b></u>

**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**11. DEFERRED REVENUE**

	<u>2023</u>	<u>2022</u>
Indigenous Services Canada		
Administration - ATR	\$ 172,614	213,183
Administration - Band Support	1,118,689	921,177
Administration - Community Based Prevention	-	245,911
Administration - Community Well Being	-	566,251
Administration - DGS Capacity Upgrade	123,312	123,312
Administration - Governance - Capacity Development	-	38,730
Administration - PDIP - Community Planning	-	117,248
Administration - Treaty 5	-	7,519
Capital Management - 2 Burnout Housing Units	-	23,133
Capital Management - 12 Unit Housing Project	383,249	-
Capital Management - Backup Power Project	227,270	60,000
Capital Management - Comprehensive Road Repairs	7,019	10,522
Capital Management - DGS - Decommissioning Project	-	29,798
Capital Management - DGS - Soil & Ground Water Remediation	-	1,123,921
Capital Management - Fire Hall Design	50,000	-
Capital Management - Group Home	200,000	200,000
Capital Management - Housing Renovations	-	630,000
Capital Management - Immediate Needs Renovations	462,000	-
Capital Management - Landfill Planning	83,001	83,001
Capital Management - Roof Replacements	151,370	-
Capital Management - Solar Powered Ventilation	-	10,000
Capital Management - Soil Remediation	498,844	1,424,201
Capital Management - Water & Wastewater Servicing Study	3,308	8,837
Education - COVID-19	67,497	1,163,594
Education - Instruction	21,209,131	17,077,075
Education - Jordan's Principle - Allied Services	16,388	-
Education - Jordan's Principle - Audiology	21,484	196,205
Education - Jordan's Principle - Nursing	-	632
Education - REA	131,814	200,393
Education - Skills Link	308,842	393,834
Education - Structural Readiness	51,069	283,986
Family & Child Care - CFS Operations	-	2,263,453
Family & Child Care - Community Prevention	281,470	-
Family & Child Care - Family Violence Prevention	33,236	-
Family & Child Care - Law Development	447,731	553,736
Health - Aboriginal Diabetes Initiative	34,802	128,554
Health - BHC - Mental Health	264,174	255,580
Health - HBC/MH Case Management	-	187
Health - Brighter Future	-	27,302
Health - CHR - CDC	1,721	-
Health - CHR - Healthy Living	73,009	5,239
Health - CHR - Mental Wellness	1,020	-
Health - COVID-19 Isolation Trailers	-	703,858
Health - Dental Care	19,897	15,541
Health - Early Childhood Development	1,419,693	899,300
Health - Federal Tobacco Control Study	49,309	72,501
Health - Home and Community Care	<u>200,538</u>	<u>62,797</u>
	<u>\$ 28,113,501</u>	<u>30,140,511</u>

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**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**11. DEFERRED REVENUE (Continued)**

	<u>2023</u>	<u>2022</u>
Indigenous Services Canada		
<i>(Continued from previous page)</i>	\$ 28,113,501	30,140,511
Health - Jordan's Principle	-	448,048
Health - Jordan's Principle - Choose Life	594,457	-
Health - Jordan's Principle - Early Childhood	142,042	-
Health - Jordan's Principle - Rehab	-	261,671
Health - Management Formula	18,010	33,864
Health - Medical Transport Clerk	28,518	-
Health - Nursing Station Feasibility Study	94,135	150,000
Health - Nutrition North	64,867	64,804
Health - Oral Health	398,102	228,974
Health - Palliative Care	11,731	-
Health - Pandemic COVID-19	391,506	800,739
Health - Pathways Safe Indigenous Communities	144,295	94,950
Health - Prenatal Nutrition	54,278	20,421
Health - Security services	219,802	-
Health - Transition Facilitator	29,235	-
Health - Vision Care	2,729	1,384
Health - Women and Children Shelter	1,977,975	-
Public Works - Asset Management Program	37,724	-
Public Works - Fire Protection	41,053	32,230
Public Works - Garage Construction	575,122	-
Public Works - O&M - Administration	-	108,566
Public Works - O&M - Community Buildings	258,842	137,878
Public Works - O&M - Teacher Residence	156,943	479,823
Public Works - O&M - Water & Sewage	121,376	345,101
Public Works - Professional Accommodation Building	177,716	-
Public Works - Roads & Heavy Equipment	39,484	351,159
Public Works - Sanitation	-	346,109
Public Works - Training - Fire Protection	32,702	16,018
Public Works - Wastewater Systems	447,140	795,292
Social Administration - Administration	466,349	389,218
Welfare - Social Services - Regular Cases	<u>1,371,633</u>	<u>1,335,739</u>
	<u>\$ 36,011,267</u>	<u>36,582,499</u>

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**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**11. DEFERRED REVENUE (Continued)**

	<u>2023</u>	<u>2022</u>	1
<i>(Continued from previous page)</i>	\$ <u>36,011,267</u>	<u>36,582,499</u>	
Other			
Administration - Arena	\$ 213,942	-	
Administration - Casinorama	272,342	563,938	
Administration - Community Centre	165,545	-	
Administration - Culinary Hub	193,725	-	
Administration - Economic Development	87,203	-	
Administration - Elder Gathering - Alcohol Law	10,500	-	
Administration - Emergency Search & Rescue	63,416	63,416	
Administration - Local Food Infrastructure	135,375	-	
Administration - Northern Store Lease	377,479	506,321	
Administration - Policing Transformation	19,947	33,563	
Administration - Revitalize Anishhinaabeg Inakon	151,620	-	
Administration - Solar System	19,353	53,000	
Administration - Youth Sawmill - Education & Capital	39,552	-	
Administration - Youth Sawmill Program	68,617	166,313	
Capital Management - Fire Loss - 104 Sandy Bay Road	167,686	-	
Capital Management - Quarry Expansion Project	180,689	-	
Capital Management - RHI Senior's Res & 2nd Stage Housing	4,233,793	8,814,466	
Education - Administration	-	123,880	
Hotel	-	101,908	
Health - Administration	1,635,467	497,343	
Health - MCCSS Childcare	87,211	-	
Health - MOHLTC Funding - OFN Action Plan	-	91,944	
Health - NAN Nursing Transformation	<u>69,861</u>	<u>-</u>	
	<u>8,193,323</u>	<u>11,016,092</u>	
	\$ <u>44,204,590</u>	<u>47,598,591</u>	

**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**12. DEBT**

	<u>2023</u>	<u>2022</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.	\$ 673,211	729,952
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.	829,241	896,314
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.	1,008,161	1,076,106
Phase 4 - CMHC mortgage for a ten unit rental housing project, interest at 4.52%, repayable in blended monthly payments of \$10,455 maturing December 1, 2037 with a renewal date of October 1, 2023, secured by a Ministerial Guarantee and assignment of fire insurance.	<u>1,353,470</u>	<u>1,429,058</u>
	<u>\$ 3,864,083</u>	<u>4,131,430</u>

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

March 31, 2024	\$ 259,909
2025	264,907
2026	270,066
2027	275,393
2028	280,896
Thereafter	<u>2,512,912</u>
	<u>\$ 3,864,083</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, 2023, 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, 2023, no contingent liabilities have been recorded in the consolidated financial statements.

**14. CONSTRUCTION IN PROGRESS**

Included in tangible capital assets are costs totaling \$20,496,224 (2022 - \$8,611,551) related to construction in progress.

**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**15. INVENTORIES HELD FOR USE**

	<u>2023</u>	<u>2022</u>
Fuel - Public works	\$ 330,024	211,147
Gravel - Public works	<u>494,000</u>	<u>198,000</u>
	<u>\$ 824,024</u>	<u>409,147</u>

**16. ACCUMULATED SURPLUS**

	<u>2023</u>	<u>2022</u>
Ottawa trust funds	\$ 79,811	74,264
Invested in tangible capital assets	79,556,637	76,906,909
Canada Mortgage and Housing Corporation Operating reserve	9,676	21,793
Canada Mortgage and Housing Corporation Replacement reserve	1,293,827	1,238,872
Share capital	100	100
Unrestricted accumulated surplus	<u>7,661,291</u>	<u>6,491,582</u>
	<u>\$ 88,601,342</u>	<u>84,733,520</u>

**17. INDIGENOUS SERVICES CANADA FUNDING**

The Indigenous Services Canada ("ISC") revenue of \$71,891,264 (2022 – \$72,894,020) on the consolidated statement of operations and accumulated surplus agrees to the ISC confirmation.

**18. ECONOMIC DEPENDENCE**

The 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.

**19. 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 \$638,223 (2022 - \$614,981).

Employer contributions for the Ontario Works pension plan during the year were \$66,952 (2022 - \$59,281).

Employer contributions for the Public Works pension plan during the year were \$60,255 (2022 - \$53,775).

The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2023.

**PIKANGIKUM FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2023**

**20. BUDGET INFORMATION**

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

**21. 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, 2023. 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.

**22. 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, 2023

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE	
	Opening Balance	Additions	Transfers and Disposals	Closing Balance	Opening Balance	Amortization	Disposals and Write Offs	Closing Balance	Total 2023	Total 2022
<b>Tangible Capital Assets</b>										
Land	\$ 197,250	-	-	197,250	-	-	-	-	197,250	197,250
Buildings	120,744,591	992,500	-	121,737,091	70,237,806	7,094,865	-	77,332,671	44,404,420	50,506,785
Vehicles	4,632,041	1,043,783	-	5,675,824	4,130,855	635,864	-	4,766,719	909,105	501,186
Housing	82,270,730	1,640,091	-	83,910,821	65,379,563	4,749,728	-	70,129,291	13,781,530	16,891,167
Equipment	9,023,908	1,542,976	-	10,566,884	7,338,655	1,362,837	-	8,701,492	1,865,392	1,685,253
Database	43,000	-	-	43,000	34,400	8,600	-	43,000	-	8,600
Infrastructure	24,866,004	127,441	-	24,993,445	22,229,457	997,189	-	23,226,646	1,766,799	2,636,547
Roads	7,686,364	-	-	7,686,364	7,686,364	-	-	7,686,364	-	-
	<u>249,463,888</u>	<u>5,346,791</u>	<u>-</u>	<u>254,810,679</u>	<u>177,037,100</u>	<u>14,849,083</u>	<u>-</u>	<u>191,886,183</u>	<u>62,924,496</u>	<u>72,426,788</u>
<b>Assets under construction</b>	<u>8,611,551</u>	<u>12,844,750</u>	<u>(960,077)</u>	<u>20,496,224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,496,224</u>	<u>8,611,551</u>
<b>TOTAL</b>	<u>\$ 258,075,439</u>	<u>18,191,541</u>	<u>(960,077)</u>	<u>275,306,903</u>	<u>177,037,100</u>	<u>14,849,083</u>	<u>-</u>	<u>191,886,183</u>	<u>83,420,720</u>	<u>81,038,339</u>

**SCHEDULE 2**

**PIKANGIKUM FIRST NATION  
CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT  
YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>CONSOLIDATED EXPENSES BY OBJECT</b>		
Administration	\$ 56,095	18,222
Amortization of tangible capital assets - in segments	707,248	556,498
Bad debts (recovery)	(586,858)	(32,417)
Bank charges and interest	31,724	38,877
Client COVID support and income assistance	1,636,775	1,506,643
Client inflation relief and assistance	1,386,196	-
Community donations	206,889	173,107
Consulting	654,622	1,727,052
Contingency	342,194	1,552,432
Contracted services	1,827,884	3,611,860
Employment related expenses	908,242	1,204,741
Food and beverage	37,587	274,321
Fuel and oil	254,874	333,163
Funeral	108,434	94,964
Furniture and equipment	22,621	59,341
Honourariums	1,538,804	1,434,353
Insurance	782,989	818,463
Interest on debt	60,570	60,629
Materials	854,942	518,458
Miscellaneous	44,114	93,066
Mobilizations	-	720
Office supplies	202,770	346,097
Postage	6,964	1,908
Professional development	58,994	20,504
Professional fees	3,019,741	1,169,602
Program education	8,796	8,640
Program expense	4,964,240	1,400,209
Rent	108,861	48,699
Repairs and maintenance	3,828,461	1,747,033
Salaries and benefits	39,582,422	36,855,016
Social assistance	7,360,091	6,987,975
Student expenses	549,175	233,567
Supplies and equipment	3,873,692	3,027,307
Telephone and internet	738,952	661,239
Training	181,640	78,957
Travel	3,633,278	1,493,676
Utilities	1,044,283	1,430,368
Vehicle	112,713	42,948
	<u>\$ 80,151,019</u>	<u>69,598,238</u>

**SCHEDULE 3**

**PIKANGIKUM FIRST NATION  
CONSOLIDATED SCHEDULE OF SEGMENT OPERATIONS  
YEAR ENDED MARCH 31, 2023**

	ISC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Transfers From (To)	Surplus (Deficit)
<b>SEGMENTS SUMMARY</b>							
Administration	\$ 3,029,764	4,585,910	386,651	8,002,325	7,423,072	3,037,551	(2,458,298)
Capital Management	2,404,043	3,311,503	5,769,647	11,485,193	6,103,470	(2,905,236)	8,286,959
Canada Mortgage and Housing Corporation	-	572,633	-	572,633	306,854	(74,854)	340,633
Education	37,211,492	285,608	(2,366,625)	35,130,475	28,788,988	1,019,234	5,322,253
Family and Child Care	7,659,580	-	2,054,751	9,714,331	5,621,490	-	4,092,841
Health Authority	13,234,909	3,503,375	(3,255,325)	13,482,959	12,719,521	(70,830)	834,268
Hotel	73,536	119,041	101,908	294,485	417,334	(194,804)	71,955
IT	-	666,219	-	666,219	743,551	-	(77,332)
Laundromat	10,500	128,940	-	139,440	69,303	-	70,137
Public Works	3,583,387	258,846	724,075	4,566,308	4,133,500	(823,285)	1,256,093
Social Administration	2,107,563	2,176,135	1,258,608	5,542,306	5,694,424	(418,463)	266,345
Social Welfare	<u>2,576,490</u>	<u>7,359,145</u>	<u>(1,371,633)</u>	<u>8,564,002</u>	<u>8,129,512</u>	<u>430,687</u>	<u>3,803</u>
<b>TOTAL</b>	<u>\$ 71,891,264</u>	<u>22,967,355</u>	<u>3,302,057</u>	<u>98,160,676</u>	<u>80,151,019</u>	<u>-</u>	<u>18,009,657</u>