

**Kasabonika Lake First Nation
Consolidated Financial Statements**

March 31, 2019

Kasabonika Lake First Nation Contents

For the year ended March 31, 2019

	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	19
Schedule 2 - Consolidated Schedule of Expenses by Object.....	21
Schedule 3 - Consolidated Summary Schedule of Segment Operations.....	22
Schedule 4 - Consolidated Schedule of Segment Operations - Business Enterprises.....	23
Schedule 5 - Consolidated Schedule of Segment Operations - Economic Development.....	24
Schedule 6 - Consolidated Schedule of Segment Operations - Governance.....	25
Schedule 7 - Consolidated Schedule of Segment Operations - Health Services	26
Schedule 8 - Consolidated Schedule of Segment Operations - Housing.....	27
Schedule 9 - Consolidated Schedule of Segment Operations - Infrastructure Services.....	28
Schedule 10 - Consolidated Schedule of Segment Operations - Ontario First Nations Limited Partnership.....	29
Schedule 11 - Consolidated Schedule of Segment Operations - Other.....	30
Schedule 12 - Consolidated Schedule of Segment Operations - Sineonokway Education Authority.....	31
Schedule 13 - Consolidated Schedule of Segment Operations - Social Services.....	32

Management's Responsibility

To the Members of Kasabonika Lake First Nation:

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

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

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

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

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council, on behalf of the Members, to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

August 18, 2020

 Charles F. Dugay
Financial Advisor

Independent Auditor's Report

To the Members of Kasabonika Lake First Nation:

Opinion

We have audited the consolidated financial statements of Kasabonika Lake First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2019, and the results of its consolidated operations, change in its consolidated net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and 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 audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Winnipeg, Manitoba

August 18, 2020

MNP LLP

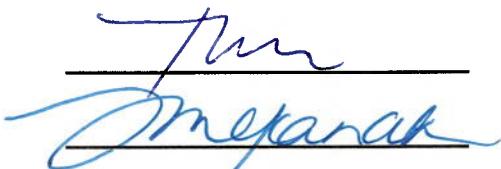
Chartered Professional Accountants

MNP

Kasabonika Lake First Nation
Consolidated Statement of Financial Position
As at March 31, 2019

	2019	2018
Financial assets		
Cash resources	10,736,236	3,189,167
Accounts receivable (Note 4)	2,029,108	2,643,774
Portfolio investments (Note 5)	100,023	100,023
Investments in Government Business Partnerships (Note 6)	811,161	78,629
Restricted cash (Note 7)	36,085	35,748
	13,712,613	6,047,341
Liabilities		
Bank indebtedness (Note 8)	115,000	26,573
Accounts payable and accruals (Note 9)	2,482,794	3,922,161
Deferred revenue (Note 10)	8,044,788	1,826,192
Long-term debt (Note 11)	13,230,501	14,424,296
Capital lease obligation (Note 12)	367,725	694,830
	24,240,808	20,894,052
Net debt	(10,528,195)	(14,846,711)
Contingencies (Note 13)		
Subsequent event (Note 14)		
Non-financial assets		
Tangible capital assets (Note 15) (Schedule 1)	55,631,943	56,459,551
Inventory held for use (Note 16)	1,183,993	1,211,418
Prepaid expenses	98,604	-
	56,914,540	57,670,969
Accumulated surplus (Note 17)	46,386,345	42,824,258

Approved on behalf of the Chief and Council





Chief
 Head Councillor
 Councillor
 Councillor





Deputy Chief
 Councillor
 Councillor

Kasabonika Lake First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2019

	<i>Schedules</i>	<i>2019 Budget</i>	<i>2019</i>	<i>2018</i>
Revenue				
Indigenous Services Canada (Note 18)	8,467,930	17,259,971	11,005,745	
First Nations and Inuit Health (Note 19)	5,947,087	6,914,822	9,925,819	
Other revenue (Note 20)	2,221,402	5,163,289	5,675,327	
Government of Ontario	1,364,801	4,082,429	3,394,194	
Ontario First Nations Limited Partnership (Note 21)	1,128,000	1,506,402	1,189,450	
Canada Mortgage and Housing Corporation	68,001	463,455	365,099	
Revenue deferred in prior year (Note 10)	1,826,192	1,826,192	1,430,789	
Revenue deferred to subsequent year (Note 10)	-	(8,044,788)	(1,826,192)	
	21,023,413	29,171,772	31,160,231	
Segment expenses				
Business Enterprises	4	-	3,066,777	3,990,712
Economic Development	5	178,658	127,030	67,115
Governance	6	1,945,297	2,069,801	1,989,520
Health Services	7	3,579,077	3,584,503	3,354,954
Housing	8	-	442,229	460,525
Infrastructure Services	9	2,506,093	5,848,794	4,810,918
Ontario First Nations Limited Partnership	10	-	24	13
Other	11	4,096,284	3,951,569	3,025,817
Sineonokway Education Authority	12	4,410,020	3,619,575	4,066,915
Social Services	13	1,186,972	3,556,914	2,997,379
Total segment expenses (Schedule 2)		17,902,401	26,267,216	24,763,868
Annual surplus (deficit) before other items		3,121,012	2,904,556	6,396,363
Other income (expenses)				
Gain (loss) on investments in government business partnerships (Note 6)		-	657,531	(30,728)
Annual surplus		3,121,012	3,562,087	6,365,635
Accumulated surplus, beginning of year		42,824,258	42,824,258	36,458,623
Accumulated surplus, end of year		45,945,270	46,386,345	42,824,258

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

Kasabonika Lake First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2019

	2019 Budget	2019	2018
Annual surplus	3,121,012	3,562,087	6,365,635
Purchases of tangible capital assets	-	(3,603,331)	(9,982,111)
Amortization of tangible capital assets	-	4,430,939	3,617,499
Decrease (increase) in inventory held for use	-	27,425	(524,159)
Increase in prepaid expenses	-	(98,604)	-
	-	756,429	(6,888,771)
Change in net debt	3,121,012	4,318,516	(523,136)
Net debt, beginning of year	(14,876,711)	(14,846,711)	(14,323,575)
Net debt, end of year	(11,755,699)	(10,528,195)	(14,846,711)

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

Kasabonika Lake First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	3,562,087	6,365,635
Amortization	4,430,939	3,617,499
Loss (gain) on investments in government business partnerships	(657,531)	30,728
	7,335,495	10,013,862
Changes in working capital accounts		
Accounts receivable	614,666	(585,927)
Inventory held for use	27,425	(524,160)
Prepaid expenses	(98,604)	-
Accounts payable and accruals	(1,439,367)	(1,468,369)
Deferred revenue	6,218,596	395,403
	12,658,211	7,830,809
Financing activities		
Advances of long-term debt	1,400,000	1,057,000
Repayment of long-term debt	(2,593,795)	(970,306)
Advances capital lease obligations	-	159,498
Repayment of capital lease obligations	(327,105)	(266,739)
	(1,520,900)	(20,547)
Capital activity		
Purchases of tangible capital assets	(3,603,331)	(9,982,111)
Investing activities		
Investments in Government Business Partnerships	(75,001)	(3,983)
Investments in portfolio investments	-	(12)
Decrease (increase) in restricted cash	(337)	136,739
	(75,338)	132,744
Increase (decrease) in cash resources	7,458,642	(2,039,105)
Cash resources, beginning of year	3,162,594	5,201,699
Cash resources, end of year	10,621,236	3,162,594
Cash resources are composed of:		
Cash and cash equivalents	10,736,236	3,189,167
Bank indebtedness	(115,000)	(26,573)
	10,621,236	3,162,594

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

1. Operations

Kasabonika Lake First Nation (the "First Nation") is located in the Province of Ontario, and provides various services to its Members. Kasabonika Lake 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. Change in accounting policy

Effective April 1, 2018, the First Nation adopted the recommendations relating to the following sections, as set out in the Canadian public sector accounting standards.

- PS 3430 Restructuring Transactions

Pursuant to the recommendations, the change was applied retroactively. There was no material impact on the financial statements of adopting the new Sections.

3. Significant accounting policies

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

Reporting entity

The Kasabonika Lake First Nation reporting entity includes the First Nation government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation. These consolidated financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following controlled organizations:

- Petrokas Ltd.
- Kasabonika Lake Construction Ltd.
- Kasabonika Community Development Corporation
- 846129 Ontario Inc.
- Wechimachida Construction Services (GP) Corporation
- Wechimachida Construction Limited Partnership
- Kasabonika Lake Resources Corporation
- Kasabonika Lake Resources Limited Partnership

All inter-entity balances have been eliminated on consolidation.

Kasabonika Lake First Nation has consolidated its interest in government business partnerships known as Asabanaka Drill Services (GP) Corporation, Asabanaka Drill Services Limited Partnership and Wechimachida - Penn-Co business partnership according to the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting policies are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost plus any additional investments and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

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.

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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

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 purposes is included in restricted cash.

Investments in Government Business Partnerships

The First Nation follows the modified equity method to account for its investment in Government Business Partnerships. The investments are stated at cost plus (less) the First Nation's share of earnings (losses) since acquisition plus (less) capital and operating transfers to (from) the Government Business Partnerships. The consolidated statement of operations includes the First Nation's share of the Government Business Partnership's annual surplus (deficit).

Portfolio investments

Portfolio investments are investments which are owned by Kasabonika Lake First Nation but not controlled or influenced by the First Nation. Portfolio investments are accounted for using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported. The First Nation has the following portfolio investments:

- Landmark Inn Limited Partnership
- First Nations Limited Partnership
- 2472881 Ontario Inc.
- Ontario First Nations Limited Partnership
- Ontario First Nations Sovereign Wealth Limited Partnership
- OFN Assets Management GP Corporation
- Landmark Inn General Partner Ltd.

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 moneys consist of:

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

Capital Lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Net debt

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

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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

Asset classification

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

Inventory held for use

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Inventories are written down to net realizable value when the cost is not estimated to be recoverable. When circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in retail selling price, the amount of the write-down previously recorded is reversed.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records.

Amortization

Tangible capital assets are amortized annually using the methods at the following rates which are intended to amortize the cost of the assets over their estimated useful lives. Assets under construction are not amortized until the assets are put into use. One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

	Method	Rate
Buildings	straight-line	5% - 10%
Buildings	declining balance	5%
CMHC Housing	straight-line	6.67%
Computers	straight-line	20%
Equipment	straight-line	3% - 5%
Equipment	declining balance	3% - 20%
Infrastructure	straight-line	10% - 15%
Store tanks	declining balance	3%
Vehicles	straight-line	3% - 5%
Vehicles	declining balance	20%
Vehicles under capital lease	straight-line	5%

Long-lived assets

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

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the assets' carrying value exceeds the residual value of the assets' service potential to the First Nation. Any impairment is included in operations for the year.

Asset under construction

Asset under construction 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 above.

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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

Revenue recognition

Government Transfers

Government transfer revenue, including, but not limited to, Indigenous Services Canada, First Nations and Inuit Health and Canada Mortgage and Housing Corporation funding, is recognized as the funding becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with related department expenses in the year of their occurrence. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Ontario First Nations Limited Partnership

Revenue from Ontario First Nations Limited Partnership is recognized in the period in which the revenue was earned.

Other revenue

Rent and resident fees is recorded in the year it is earned.

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.

Employee future benefits

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

Measurement uncertainty

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

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Provisions are made for slow moving and obsolete inventory. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue.

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

Liability for contaminated sites

A liability for remediation of contaminated sites is recognized at the best estimate of the amount required to remediate the contaminated sites when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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

Segments

The First Nation conducts its business through ten 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 amounts that are directly attributable to the segment. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Business Enterprises - reports on the activities of the businesses that operate both within the community.

Economic Development - includes the activities of the First Nation's economic development initiatives.

Governance - activities include the governance function relating to decisions that define expectations, grant power or verify performance consisting of decision-making and leadership processes.

Health Services - activities include delivering health services to the First Nation.

Housing - activities include the management and maintenance of CMHC houses for community members.

Infrastructure Services - activities include the development and maintenance of the community's infrastructure, buildings, roads, bridges and related equipment and the provision of other more specialized community services.

Ontario First Nations Limited Partnership - Revenue received as part of a settlement with Ontario Government over gaming produced on First Nation territory and the allocation to the programs based on the agreement.

Other - activities include community initiatives such as general repairs and maintenance, employment & training, research & development, justice services and cultural programs.

Sineonokway Education Authority - activities include overseeing many aspects of educational opportunities for its members at all levels of learning both within the community and externally.

Social Services - activities include satisfying the economic, social or health related needs of members of the community who require assistance.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 3 (*Significant accounting policies*).

4. Accounts receivable

	2019	2018
Indigenous Services Canada	130,507	1,009,844
First Nations and Inuit Health	874,273	213,018
Nishnawbe-Aski Nation	73,450	172,452
Sioux Lookout Area Aboriginal Management Board	97,966	147,982
Ontario Ministry of Energy, Northern Development and Mines	-	19,701
Trade	1,579,678	1,951,935
Other	-	30,316
Less: allowance for doubtful accounts	2,755,874	3,545,248
	<u>726,766</u>	<u>901,474</u>
	2,029,108	2,643,774

The allowance for doubtful accounts pertains to trade receivables.

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

5. Portfolio investments

	2019	2018
Measured at cost:		
Landmark Inn Limited Partnership - 2 units constituting 7.69% interest	98,000	98,000
First Nations Limited Partnership - 1 unit constituting 4.55% interest	10	10
2472881 Ontario Inc. - 1 unit, 4.55% interest	10	10
Ontario First Nations Limited Partnership - 1 unit constituting 0.77% interest	1	1
Ontario First Nations Sovereign Wealth LP ("OFNSWLP") - 1 unit, 0.77% interest	1	1
OFN Asset Management GP Corp. - 1 unit, 0.77% interest	1	1
Landmark Inn General Partner Ltd. - 20 common shares constituting 7.41% interest	2,000	2,000
	100,023	100,023

6. Investments in Government Business Partnerships

	2019			
	Investment cost	Advances	Cumulative share of income (loss)	Total investment
First Nation Businesses: Modified equity method				
Asabanaka Drill Services Limited Partnership - 50.9%	41,528	178,702	(117,601)	102,629
Asabanaka Drill Services Corporation (GP) - 51%	51	2,610	(4,484)	(1,823)
Wechimachida - Penn-Co Joint Venture - 51%	1	-	710,354	710,355
	41,580	181,312	588,269	811,161

	2018			
	Investment cost	Advances	Cumulative share of loss	Total investment (Restated)
First Nation Businesses: Modified equity method				
Asabanaka Drill Services Limited Partnership - 50.9%	41,528	103,702	(66,335)	78,895
Asabanaka Drill Services Corporation - 51%	51	2,610	(2,927)	(266)
	41,579	106,312	(69,262)	78,629

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

6. Investments in Government Business Partnerships *(Continued from previous page)*

	<i>Asabanaka Drill Services Corporation As at March 31, 2019</i>	<i>Asabanaka Drill Services LP As at March 31, 2019</i>	<i>Wechimachida - Penn-Co Business Partnership As at March 31, 2019</i>
Assets			
Cash	-	3,711	1,192,247
Investment in Asabanaka Drill Services LP	1	-	-
Inventory	-	100,000	-
Due from related parties	49	-	4,520,553
Accounts receivable	-	25,765	-
Property and equipment	-	298,936	-
Mining Claims	-	4,400	-
Total assets	50	432,812	5,712,800
Liabilities			
Accounts payable and accruals	5,900	77,091	4,319,948
Due to Asabanaka Drill Services LP	232	-	-
Due to Kasabonika Lake First Nation	2,610	178,702	-
Deferred revenue	-	139,985	-
Long-term debt	-	185,023	-
Total liabilities	8,742	580,801	4,319,948
Contribution and partnership units	-	83,056	-
Accumulated surplus (deficit)	(8,692)	(231,045)	1,392,852
Total revenue	-	291,320	3,678,883
Total expenses	3,052	392,039	3,453,976
Net income (loss)	(3,052)	(100,719)	224,907

Summary financial information for each Government Business Partnerships is as follows:

- *Asabanaka Drill Services Limited Partnership* was created to provide drill services with a focus on the Kasabonika traditional area and the far north of Ontario in general. Although there is no shared ownership with Nimkie Mining Services ("NMS") the intent was to maintain the alliance with NMS to cover off a complexity of training and safety requirements for the new company.
- *Asabanaka Drill Services Corporation* is the general partner of Asabanaka Drill Services Limited Partnership.
- *Wechimachida - Penn-Co Business Partnership* was created to construct the Emily Anderson Memorial Menoyawin Health Centre in the community.

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

7. Restricted cash

	2019	2018
Ottawa Trust Funds	14,862	14,525
CMHC replacement reserve	21,223	21,223
	36,085	35,748

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.

Capital trust \$828 (2018 - \$828); interest revenue \$nil (2018 - \$nil)
 Revenue trust \$14,034 (2018 - \$13,697); interest revenue \$337 (2018 - \$302)

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 qualifying items. 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, 2019, the replacement reserve bank account was underfunded by \$165,798 (2018 - underfunded by \$61,506).

8. Bank indebtedness

The First Nation has 3 lines of credit available for use:

- The first facility is \$500,000 at a rate of prime plus 1.5% to be used to finance general operating requirements. As at March 31, 2019 the line of credit balance was \$nil (2018 - \$nil).
- The second facility is \$125,000 at a rate of prime plus 1.5% to be used on general operating requirements for payroll. As at March 31, 2019 the line of credit balance was \$115,000 (2018 - \$26,573).
- The third facility is \$70,000 at a rate of prime plus 1.5% to be used on the operating requirements for social services. As at March 31, 2019 the line of credit balance was \$nil (2018 - \$nil).

Prime rate as at March 31, 2019 was 3.95 % (2018 - 3.45%).

9. Accounts payable and accruals

	2019	2018
Trade payables and accruals	1,555,067	1,874,485
Related party - Wechimachida - Pennco Joint Venture	771,717	1,843,632
Government remittances	156,010	175,892
First Nations and Inuit Health	-	28,152
	2,482,794	3,922,161

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

10. Deferred revenue

	2019	2018
Indigenous Services Canada		
New School	6,500,000	-
Community Based Prevention Services	363,487	-
Regional Marketing Plan Project	139,424	-
Fire Hydrant Repairs	130,822	-
Adapt Project	111,029	-
Resource Business Structure	40,467	40,467
Community Based Prevention Services	-	51,929
Counselling	-	4,450
Fire Hydrant Repairs	-	175,000
Governance	-	6,403
Resource Capacity Development	-	26,382
Governance Capacity Development	-	49,791
New School Feasibility Study	-	19,037
Regional Marketing Plan Project	-	139,424
	7,285,229	512,883
First Nations and Inuit Health		
Nursing Station Upgrade Station	712,596	817,398
Brighter Futures	-	10,247
Building Healthy Communities	-	3,470
Early Childhood Development	-	12,241
Health Planning Management and Governance	-	28,207
Health Service/Health Promotion	-	6,318
Respite	-	13,169
Jordan's Principle Choose Life	-	154,870
Nutrition North	-	9,255
	712,596	1,055,175
Northern Ontario Heritage Fund Corporation		
Corporation - Minerals Program	-	25,990
Corporation - Winter Road Realignment	-	89,675
	-	115,665
Ministry of the Attorney General		
Revitalizing Indigenous Legal Services	35,000	21,575
Sioux Lookout Area Aboriginal Management Board		
Daycare Repairs	11,963	57,283
Canada Mortgage and Housing Corporation		
Repairs and renovations	-	63,611
	8,044,788	1,826,192

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

11. Long-term debt

	2019	2018
Phase 1: CMHC mortgage repayable in monthly payments of \$4,261 including interest at 1.14%, maturity date of June 1, 2031 with a renewal date of June 1, 2021, secured by a Ministerial guarantee and assignment of fire insurance for a seven-unit rental housing project.	584,437	628,650
Phase 2: CMHC mortgage repayable in monthly payments of \$5,527 including interest at 2.21%, maturity date of November 1, 2033 with a renewal date of February 1, 2024, secured by a Ministerial guarantee and assignment of fire insurance for a eight-unit rental housing project.	830,696	878,534
Phase 3: CMHC mortgage repayable in monthly payments of \$2,088 including interest at 2.70%, maturity date of July 1, 2033 with a renewal date of November 1, 2023, secured by a Ministerial guarantee and assignment of fire insurance for a six-unit rental housing project.	297,927	315,070
Phase 4: CMHC mortgage repayable in monthly payments of \$8,647 including interest at 1.83%, maturity date of October 1, 2034 with a renewal date of July 1, 2020, secured by a Ministerial guarantee and assignment of fire insurance for a ten-unit rental housing project.	1,406,644	1,483,998
Phase 5: CMHC mortgage repayable in monthly payments of \$3,124 including interest at 1.43%, maturity date of March 1, 2037 with a renewal date of April 1, 2022, secured by a Ministerial guarantee and assignment of fire insurance for a four-unit rental housing project.	594,818	623,600
Phase 6: CMHC mortgage repayable in monthly payments of \$3,138 including interest at 1.05%, maturity date of April 1, 2040 with a renewal date of July 1, 2020, secured by a Ministerial guarantee and assignment of fire insurance for a four-unit rental housing project.	712,152	742,180
Phase 7: CMHC mortgage repayable in monthly payments of \$4,395 including interest at 1.84%, maturity date of September 1, 2042 with a renewal date of September 1, 2022, secured by a Ministerial guarantee and assignment of fire insurance for a six-unit rental housing project.	1,006,225	1,040,177
Loan payable in monthly payments of \$4,239 including interest at prime plus 2%, maturity date December 2019 and secured by general security agreement. Subsequent to year-end, the loan payable was renewed with required monthly payments of \$4,239 including interest at prime plus 2% and maturing December 2020.	169,432	207,502
Loan payable in monthly payments of \$12,595 including fixed interest at 3.57%, maturity date July 2019 and secured by general security agreement. Subsequent to year-end, the loan was paid in full.	50,206	196,679
Loan payable in monthly payments of \$47,560 including interest at 5.23%, due March 2023, secured by general security agreement and an assignment of OFNLP revenues.	5,154,351	5,447,005
Loan payable in monthly payments of \$33,739 including interest at 3.90%, due November 2019, secured by general security agreement and an assignment of OFNLP revenues. Subsequent to year-end, the loan payable was renewed with required monthly payments of \$33,739 including interest at 3.90% and maturing December 2021.	1,023,613	1,380,901

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

11. Long-term debt *(Continued from previous page)*

	2019	2018
Loan payable in monthly payments of \$119,500 including interest at 4.30% per annum, maturing March 2020, secured by a general security agreement on the First Nation's assets and a guarantee by the Kasabonika Lake First Nation. Subsequent to year-end, the loan was repaid.	1,400,000	-
<u>Loan repaid during the year.</u>	-	1,480,000
	13,230,501	14,424,296

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2020	2,598,779
2021	1,047,151
2022	882,051
2023	675,096
2024	700,336

Prime rate as at March 31, 2019 was 3.95 % (2018 - 3.45%).

12. Capital lease obligations

	2019	2018
Capital lease payable in monthly payments of \$2,834 including interest at 4.76% per annum. Secured by Ford F750 water truck with a net book value of \$37,131 (2018 - \$61,885). Due December 2019.	22,674	56,684
Capital lease payable in monthly payments of \$4,328 per month including interest at 4.75% per annum and maturity date of March 2020. Secured by John Deere 624K loader with a net book value of \$56,715 (2018 - \$94,525). Subsequent to year-end, the capital lease obligation was paid in full.	47,611	99,550
Capital lease payable in monthly payments of \$4,245 per month including interest at 4.61% per annum and a maturity date of March 2020. Secured by fuel truck with a net book value of \$85,489 (2018 - \$106,862). Subsequent to year-end, the capital lease obligation was paid in full.	46,685	97,625
Capital lease payable in monthly payments of \$4,691 per month including interest at 5.05% per annum. Secured by fuel truck with a net book value of \$78,208 (2018 - \$130,336). Due September 2021.	103,205	159,498
Capital lease payable in monthly payments of \$4,216 per month including interest at 4.89% per annum. Secured by Caterpillar excavator with a net book value of \$112,004 (2018 - \$156,807). Due March 2022.	147,550	198,138
Capital lease obligation, repaid during the year.	-	24,760
Capital lease obligation, repaid during the year.	-	16,890
<u>Capital lease obligation, repaid during the year.</u>	-	41,685
	367,725	694,830

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Capital lease obligations *(Continued from previous page)*

Minimum lease payments related to the obligations under capital lease are as follows:

2020	232,272
2021	102,190
2022	50,589
	<hr/>
	385,051
Less: imputed interest	17,326
	<hr/>
Balance of obligation	367,725

13. Contingencies

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. It has not yet been determined to what extent any funding amounts related to the year ended March 31, 2019 might be recovered.

14. Subsequent event

COVID-19 outbreak

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on the economy through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

Loan

Subsequent to year-end, the First nation obtained \$1,400,000 of financing from Royal Bank of Canada, with monthly payments of \$129,736 including interest at 3.85% per annum, maturing February 2021.

15. Tangible capital assets

	2019	2018
Construction in progress		
Nursing station	13,272,672	9,734,511
Temporary classroom	1,146,984	1,146,985
<hr/>		
Tangible capital asset in use	14,419,656	10,881,496
	41,212,287	45,578,055
	<hr/>	<hr/>
	55,631,943	56,459,551

16. Inventories of held for use

	2019	2018
Fuel		
Other	1,142,793	1,188,286
	41,200	23,132
	<hr/>	<hr/>
	1,183,993	1,211,418

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

17. Accumulated surplus

	<i>2019</i>	<i>2018</i>
Ottawa Trust Funds	14,862	14,525
Investment in tangible capital assets	48,807,708	48,671,611
CMHC replacement reserve required	187,021	82,729
Investments in Government Business Partnerships	811,161	78,629
Unrestricted deficit	(3,434,407)	(6,023,236)
	46,386,345	42,824,258

18. Reconciliation of funding from Indigenous Services Canada

The Indigenous Services Canada ("ISC") revenue of \$17,259,971 (2018 – \$11,005,745) on the consolidated statement of operations and accumulated surplus agrees to the ISC confirmation.

19. First Nations and Inuit Health Funding

The First Nations and Inuit Health revenue of \$6,914,822 (2018 – \$9,925,819) on the consolidated statement of operations and accumulated surplus agrees to the First Nations and Inuit Health confirmation.

20. Other revenue

	<i>2019</i>	<i>2018</i>
Hotel rentals	591,667	702,141
Nishnawbe Aski Nation	373,537	355,706
Other	1,490,356	2,295,495
Housing rent	204,421	410,452
Sioux Lookout Area Aboriginal Board	238,077	339,685
Sales	2,265,231	1,571,848
	5,163,289	5,675,327

21. Ontario First Nations Limited Partnership

Based on the agreement between the Province of Ontario and Ontario First Nations Limited Partnership ("OFNLP"), the Province of Ontario shall pay to OFNLP twelve monthly payments equal to one-twelfth of 1.7% of the aggregate provincial gross gaming revenue. The use of these funds, according to agreements, is restricted to community development, health, education, cultural development and economic development.

22. Economic dependence

Kasabonika Lake 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.

23. Budget information

The disclosed budget information has been approved by the Chief and Council of the Kasabonika Lake First Nation.

Kasabonika Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

24. Compliance with laws and regulations

First Nations Financial Transparency Act

The First Nation was required to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 29, 2019. Since the audit report date is dated after this date, the First Nation has not complied with this requirement. The possible effect of this non-compliance has not yet been determined. The First Nation fully intends to post its consolidated financial statements on a website upon release of these consolidated financial statements.

Provision for site rehabilitation

The Ontario Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under this environmental law, there is a requirement for closure and post-closure care of solid waste sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance. As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discounted future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the First Nation is bound by environmental laws of The Ontario Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

25. Comparative figures

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

Kasabonika Lake First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Land</i>	<i>Buildings</i>	<i>CMHC Housing</i>	<i>Computers</i>	<i>Equipment</i>	<i>Vehicles</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	50,000	20,964,024	11,353,055	19,088	2,220,890	2,748,399	37,355,456
Acquisition of tangible capital assets	-	-	-	-	7,934	57,237	65,171
Transfer	-	-	-	-	169,100	317,803	486,903
Balance, end of year	50,000	20,964,024	11,353,055	19,088	2,397,924	3,123,439	37,907,530
Accumulated amortization							
Balance, beginning of year	-	8,199,654	4,027,578	19,088	1,935,753	2,282,350	16,464,423
Annual amortization	-	1,228,056	757,249	-	191,717	201,009	2,378,031
Transfer	-	-	-	-	84,550	317,803	402,353
Balance, end of year	-	9,427,710	4,784,827	19,088	2,212,020	2,801,162	19,244,807
Net book value of tangible capital assets	50,000	11,536,314	6,568,228	-	185,904	322,277	18,662,723
2018 Net book value of tangible capital assets	50,000	12,764,370	7,325,477	-	285,137	466,049	20,891,033

Kasabonika Lake First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Subtotal</i>	<i>Infrastructure</i>	<i>Vehicles and equipment under capital lease</i>	<i>Store tanks</i>	<i>Assets under construction</i>	<i>2019</i>	<i>2018</i>
Cost							
Balance, beginning of year	37,355,456	30,563,375	1,365,877	919,435	10,881,496	81,085,639	71,103,528
Acquisition of tangible capital assets	65,171	-	-	-	3,538,160	3,603,331	9,982,111
Transfer	486,903	-	(486,903)	-	-	-	-
Balance, end of year	37,907,530	30,563,375	878,974	919,435	14,419,656	84,688,970	81,085,639
Accumulated amortization							
Balance, beginning of year	16,464,423	6,888,222	730,913	542,530	-	24,626,088	21,008,589
Annual amortization	2,378,031	1,860,735	180,867	11,306	-	4,430,939	3,617,499
Transfer	402,353	-	(402,353)	-	-	-	-
Balance, end of year	19,244,807	8,748,957	509,427	553,836	-	29,057,027	24,626,088
Net book value of tangible capital assets	18,662,723	21,814,418	369,547	365,599	14,419,656	55,631,943	56,459,551
2018 Net book value of tangible capital assets	20,891,033	23,675,153	634,964	376,905	10,881,496	56,459,551	

Kasabonika Lake First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2019

	2019	2018
Consolidated expenses by object		
Amortization	4,430,939	3,617,499
Bad debts	58,017	313,397
Bank charges and interest	77,550	136,533
Community events and donations	649,421	767,227
Consulting and engineer fees	9,000	13,954
Cost of sales	1,508,427	1,749,962
Employee compensation	9,609,950	7,766,587
Financial assistance	102,839	174,295
Food and beverage	68,115	88,617
Funerals	182,279	211,096
Honouraria	154,589	121,474
Hydro	3,678	2,692
Insurance	354,428	316,815
Interest on long-term debt	519,729	525,138
Materials and supplies	302,220	517,866
Office supplies	95,313	145,575
Other	702,926	670,902
Professional fees	644,248	407,923
Program education	58,964	252,821
Program expense	233,791	292,452
Repairs and maintenance	919,629	1,088,831
Social assistance	2,224,910	1,826,426
Supplies	904,080	1,289,181
Telephone	666	889
Training	451,748	453,734
Travel	1,071,553	1,082,724
Utilities	928,207	929,258
	26,267,216	24,763,868

Kasabonika Lake First Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations
For the year ended March 31, 2019

	<i>Schedule #</i>	<i>Revenue and Other Income</i>	<i>Expenses</i>	<i>Transfers From (To)</i>	<i>2019 Surplus (Deficit)</i>	<i>2018 Surplus (Deficit)</i>
Segments						
Business Enterprises	4	2,856,897	3,066,777	(402,920)	(612,800)	(920,085)
Economic Development	5	220,300	127,030	(25,200)	68,070	(10,015)
Governance	6	948,249	2,069,801	476,010	(645,542)	(1,211,475)
Health Services	7	7,545,938	3,584,503	47,193	4,008,628	5,974,640
Housing	8	714,891	442,229	(196,516)	76,146	7,631
Infrastructure Services	9	3,090,822	5,848,794	(429,027)	(3,186,999)	(2,322,173)
Ontario First Nations Limited Partnership	10	1,506,402	24	(1,506,378)	-	-
Other	11	3,983,268	3,951,569	2,005,170	2,036,869	3,728,696
Sineonokway Education Authority	12	5,223,015	3,619,575	31,668	1,635,108	921,380
Social Services	13	3,739,521	3,556,914	-	182,607	197,036
Total		29,829,303	26,267,216	-	3,562,087	6,365,635

Kasabonika Lake First Nation
Business Enterprises
Schedule 4 - Consolidated Schedule of Segment Operations

For the year ended March 31, 2019

	2019	2018
Revenue		
Sales	2,856,897	3,199,607
Expenses		
Amortization	296,418	331,206
Bad debts	-	147,950
Bank charges and interest	23,506	56,052
Community events and donations	23,190	10,070
Consulting and engineer fees	9,000	13,954
Cost of sales	1,508,427	1,749,962
Employee compensation	396,670	601,394
Honouraria	6,500	12,730
Hydro	3,678	2,692
Interest on long-term debt	46,851	42,303
Materials and supplies	41,013	75,689
Office supplies	15,496	86,654
Other	11,045	53,308
Professional fees	39,533	19,575
Repairs and maintenance	238,581	133,673
Supplies	323,664	592,340
Telephone	666	889
Travel	43,820	31,215
Utilities	38,719	29,056
	3,066,777	3,990,712
Deficit before transfers	(209,880)	(791,105)
Transfers between segments	(402,920)	(128,980)
Deficit	(612,800)	(920,085)

Kasabonika Lake First Nation
Economic Development
Schedule 5 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Other revenue	138,000	-
Indigenous Services Canada	82,300	82,300
	220,300	82,300
Expenses		
Community events and donations	8,552	44,871
Employee compensation	96,487	-
Honouraria	400	-
Other	2,001	-
Professional fees	10,345	-
Program expense	7,730	22,244
Travel	1,515	-
	127,030	67,115
Surplus before transfers	93,270	15,185
Transfers between segments	(25,200)	(25,200)
Surplus (deficit)	68,070	(10,015)

Kasabonika Lake First Nation
Governance
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	944,129	971,069
Other revenue	56,943	155,441
	1,001,072	1,126,510
Expenses		
Bad debts	58,017	165,447
Bank charges and interest	40,507	55,644
Community events and donations	1,050	49,435
Employee compensation	912,927	859,436
Honouraria	6,600	-
Insurance	354,428	316,815
Office supplies	79,817	58,921
Other	178,956	28,031
Professional fees	113,240	114,524
Repairs and maintenance	-	60,221
Supplies	-	85
Training	6,636	5,060
Travel	269,301	217,870
Utilities	48,322	58,031
	2,069,801	1,989,520
Deficit before other items	(1,068,729)	(863,010)
Other expenses		
Loss on investment	(52,823)	(30,728)
Deficit before transfers	(1,121,552)	(893,738)
Transfers between segments	476,010	(317,737)
Deficit	(645,542)	(1,211,475)

Kasabonika Lake First Nation
Health Services
Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
First Nations and Inuit Health	6,914,822	9,925,819
Other revenue	288,537	271,981
Revenue deferred in prior year	1,055,175	143,969
Revenue deferred to subsequent year	(712,596)	(1,055,175)
	7,545,938	9,286,594
Expenses		
Bank charges and interest	28	-
Community events and donations	321,817	420,249
Employee compensation	1,924,497	1,480,700
Food and beverage	31,653	12,831
Honouraria	111,489	60,044
Materials and supplies	80,495	432,558
Other	26,792	105,714
Professional fees	140,080	34,890
Program education	12,066	17,173
Program expense	4,816	-
Repairs and maintenance	85,864	13,000
Supplies	226,711	290,577
Training	139,610	162,469
Travel	293,599	176,561
Utilities	184,986	148,188
	3,584,503	3,354,954
Surplus before transfers	3,961,435	5,931,640
Transfers between programs	47,193	43,000
Surplus	4,008,628	5,974,640

Kasabonika Lake First Nation
Housing
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Canada Mortgage and Housing Corporation	463,455	365,099
Rent	251,436	268,093
	714,891	633,192
Expenses		
Amortization	279,309	258,283
Bank charges and interest	467	319
Interest on long-term debt	93,813	96,682
Professional fees	23,950	24,749
Repairs and maintenance	17,479	69,282
Utilities	27,211	11,210
	442,229	460,525
Surplus before transfers	272,662	172,667
Transfers between segments	(196,516)	(165,036)
Surplus	76,146	7,631

Kasabonika Lake First Nation
Infrastructure Services
Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	9,396,307	2,837,084
Other revenue	130,904	324,469
Revenue deferred in prior year	63,611	8,000
Revenue deferred to subsequent year	(6,500,000)	(63,611)
	3,090,822	3,105,942
Expenses		
Amortization	3,855,212	3,028,010
Employee compensation	750,161	618,689
Honouraria	5,800	-
Interest on long-term debt	25,515	62,652
Materials and supplies	90,339	6,656
Other	47,004	23,963
Professional fees	36,182	-
Repairs and maintenance	357,707	321,668
Supplies	100,287	131,317
Training	8,996	265
Travel	45,247	41,577
Utilities	526,344	576,121
	5,848,794	4,810,918
Deficit before transfers	(2,757,972)	(1,704,976)
Transfers between segments	(429,027)	(617,197)
Deficit	(3,186,999)	(2,322,173)

Kasabonika Lake First Nation
Ontario First Nations Limited Partnership
Schedule 10 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Ontario First Nations Limited Partnership	1,506,402	1,189,450
Expenses		
Bank charges and interest	24	13
Surplus before transfers	1,506,378	1,189,437
Transfers between segments	(1,506,378)	(1,189,437)
Surplus (deficit)	-	-

Kasabonika Lake First Nation
Other
Schedule 11 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	1,539,360	2,359,898
Other revenue	1,137,444	1,044,202
Government of Ontario	725,346	563,417
Revenue deferred in prior year	702,956	1,112,121
Revenue deferred to subsequent year	(832,192)	(702,956)
	3,272,914	4,376,682
Expenses		
Bank charges and interest	60	545
Community events and donations	294,812	164,453
Employee compensation	1,927,940	918,612
Finance assistance	102,839	174,295
Food and beverage	18,692	8,561
Funerals	154,763	181,581
Honouraria	8,800	26,500
Interest on long-term debt	353,550	323,501
Materials and supplies	90,373	2,963
Other	300,021	260,754
Professional fees	275,719	201,051
Repairs and maintenance	191,120	490,987
Supplies	68,448	28,288
Travel	123,807	160,051
Utilities	40,625	83,675
	3,951,569	3,025,817
Surplus (deficit) before other items	(678,655)	1,350,865
Other income		
Gain on investments	710,354	-
Surplus before transfers	31,699	1,350,865
Transfers between programs	2,005,170	2,377,831
Surplus	2,036,869	3,728,696

Kasabonika Lake First Nation
Sineonokway Education Authority
Schedule 12 - Consolidated Schedule of Segment Operations

For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	4,958,074	4,406,294
Other revenue	260,491	396,996
Revenue deferred in prior year	4,450	166,699
Revenue deferred to subsequent year	-	(4,450)
	5,223,015	4,965,539
Expenses		
Bank charges and interest	6,903	18,385
Community events and donations	-	78,149
Employee compensation	3,027,769	2,724,369
Food and beverage	17,770	67,225
Honouraria	15,000	22,200
Other	11,680	144,349
Professional fees	-	10,635
Program education	46,897	235,648
Program expense	107,137	148,910
Repairs and maintenance	28,877	-
Supplies	104,756	211,266
Training	-	48,310
Travel	193,701	336,399
Utilities	59,085	21,070
	3,619,575	4,066,915
Surplus before transfers	1,603,440	898,624
Transfers between programs	31,668	22,756
Surplus	1,635,108	921,380

Kasabonika Lake First Nation
Social Services
Schedule 13 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Government of Ontario	3,357,083	2,830,777
Indigenous Services Canada	339,800	349,100
Other revenue	42,638	14,538
	3,739,521	3,194,415
Expenses		
Bank charges and interest	6,054	5,575
Employee compensation	573,500	563,387
Funerals	27,516	29,515
Other	125,427	54,783
Professional fees	5,200	2,500
Program expense	114,108	121,298
Social assistance	2,224,910	1,826,426
Supplies	80,213	35,308
Training	296,507	237,630
Travel	100,564	119,051
Utilities	2,915	1,906
	3,556,914	2,997,379
Surplus	182,607	197,036