

**Kasabonika Lake First Nation**  
**Consolidated Financial Statements**  
*March 31, 2020*

**Kasabonika Lake First Nation**  
**Consolidated Financial Statements - Table of Contents**  
*For the year ended March 31, 2020*

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	<b>Page</b>
<b>Management's Responsibility</b>	
<b>Independent Auditor's Report</b>	
<b>Consolidated Financial Statements</b>	
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
<b>Notes to the Consolidated Financial Statements</b> .....	5
<b>Schedules</b>	
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 - Infrastructure Services .....	27
Schedule 9 - Consolidated Schedule of Segment Operations - Ontario First Nations Limited Partnership .....	28
Schedule 10 - Consolidated Schedule of Segment Operations - Other .....	29
Schedule 11 - Consolidated Schedule of Segment Operations - Sineonokway Education Authority .....	30
Schedule 12 - Consolidated Schedule of Segment Operations - Social Services .....	31
Schedule 13 - Consolidated Schedule of Segment Operations - Subsidized Housing .....	32

## Management's Responsibility

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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.

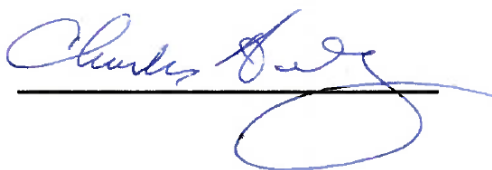
Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting 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.

September 15, 2021

A handwritten signature in blue ink, appearing to read "Charles D. Dyer", is written over a horizontal line.

Financial Advisor

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, 2020, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations, changes in its 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 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

September 15, 2021

*MNP LLP*

Chartered Professional Accountants  
Licensed Public Accountants

**MNP**

# Kasabonika Lake First Nation

## Consolidated Statement of Financial Position

As at March 31, 2020

**2020**                      **2019**

### Financial assets

Cash	24,933,989	10,736,236
Accounts receivable (Note 3)	3,887,051	2,029,108
Guaranteed Investment Certificate (Note 4)	1,400,000	-
Portfolio investments (Note 5)	100,143	100,023
Investments in Government Business Partnerships (Note 6)	922,942	811,161
Restricted cash (Note 7)	257,377	36,085
	<b>31,501,502</b>	<b>13,712,613</b>

### Liabilities

Bank indebtedness (Note 8)	-	115,000
Accounts payable and accruals (Note 9)	2,155,102	2,482,794
Deferred revenue (Note 10)	23,260,499	8,044,788
Long-term debt (Note 11)	13,247,816	13,230,501
Capital lease obligation (Note 12)	385,286	367,725
	<b>39,048,703</b>	<b>24,240,808</b>

<b>Net debt</b>	<b>(7,547,201)</b>	<b>(10,528,195)</b>
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### Contingencies (Note 13)

### Non-financial assets

Tangible capital assets (Note 14) (Schedule 1)	56,610,741	55,631,943
Inventory held for use (Note 15)	1,193,312	1,183,993
Prepaid expenses	18,633	98,604
	<b>57,822,686</b>	<b>56,914,540</b>

<b>Accumulated surplus (Note 16)</b>	<b>50,275,485</b>	<b>46,386,345</b>
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Approved on behalf of the Chief and Council

  
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Chief

Head  
Councillor

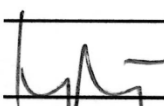

Councillor

Councillor

Deputy Chief

Councillor

Councillor

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# Kasabonika Lake First Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2020*

	<i>Schedules</i>	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Revenue</b>				
Indigenous Services Canada (Note 17)		40,722,985	38,282,434	24,174,793
Other revenue (Note 18)		7,648,624	5,563,819	5,163,289
Government of Ontario		316,441	4,062,899	4,082,429
Ontario First Nations Limited Partnership (Note 19)		1,128,000	1,304,711	1,506,402
Canada Mortgage and Housing Corporation		72,051	456,213	463,455
Revenue deferred in prior year (Note 10)		8,044,788	8,044,788	1,826,192
Revenue deferred to subsequent year (Note 10)		-	(23,260,499)	(8,044,788)
		<b>57,932,889</b>	<b>34,454,365</b>	<b>29,171,772</b>
<b>Segment expenses</b>				
Business Enterprises	4	1,056,434	3,048,135	3,179,757
Economic Development	5	242,100	210,148	300,805
Governance	6	818,259	2,189,676	1,940,831
Health Services	7	6,718,659	4,580,782	3,584,504
Infrastructure Services	8	27,658,391	7,744,289	7,433,177
Ontario First Nations Limited Partnership	9	-	11	24
Other	10	2,517,157	1,265,191	1,073,559
Sineonokway Education Authority	11	7,650,354	5,131,144	3,773,612
Social Services	12	2,846,953	5,857,756	4,444,752
Subsidized Housing	13	-	598,046	536,195
<b>Total segment expenses (Schedule 2)</b>		<b>49,508,307</b>	<b>30,625,178</b>	<b>26,267,216</b>
<b>Annual surplus before other items</b>		<b>8,424,582</b>	<b>3,829,187</b>	<b>2,904,556</b>
<b>Other income (expenses)</b>				
Loss on disposal of capital assets		-	(14,762)	-
Gain on investments in government business partnerships (Note 6)		-	74,715	657,531
		-	<b>59,953</b>	<b>657,531</b>
<b>Annual surplus</b>		<b>8,424,582</b>	<b>3,889,140</b>	<b>3,562,087</b>
<b>Accumulated surplus, beginning of year</b>		<b>46,386,345</b>	<b>46,386,345</b>	<b>42,824,258</b>
<b>Accumulated surplus, end of year</b>		<b>54,810,927</b>	<b>50,275,485</b>	<b>46,386,345</b>

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, 2020*

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
<b>Annual surplus</b>	<b>8,424,582</b>	<b>3,889,140</b>	3,562,087
Purchases of tangible capital assets	-	(5,472,887)	(3,603,331)
Amortization of tangible capital assets	-	4,725,550	4,430,939
Capital leasing obligation	-	(246,223)	-
Loss on disposal of capital assets	-	14,762	-
Change in inventory held for use	-	(9,319)	27,425
Change in prepaid expenses	-	79,971	(98,604)
	-	(908,146)	756,429
<b>Change in net debt</b>	<b>8,424,582</b>	<b>2,980,994</b>	4,318,516
<b>Net debt, beginning of year</b>	<b>(10,528,195)</b>	<b>(10,528,195)</b>	(14,846,711)
<b>Net debt, end of year</b>	<b>(2,103,613)</b>	<b>(7,547,201)</b>	(10,528,195)

*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, 2020*

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	3,889,140	3,562,087
Amortization	4,725,550	4,430,939
Gain on investments in government business partnerships	(74,715)	(657,531)
Loss on disposal of capital assets	14,762	-
	8,554,737	7,335,495
Changes in working capital accounts		
Accounts receivable	(1,857,943)	614,666
Accounts payable and accruals	(327,692)	(1,439,367)
Deferred revenue	15,215,711	6,218,596
Inventory held for use	(9,319)	27,425
Prepaid expenses	79,971	(98,604)
	21,655,465	12,658,211
<b>Financing activities</b>		
Advances of long-term debt	2,474,400	1,400,000
Repayment of long-term debt	(2,457,085)	(2,593,795)
Repayment of capital lease obligations	(228,662)	(327,105)
	(211,347)	(1,520,900)
<b>Capital activity</b>		
Purchases of tangible capital assets	(5,472,887)	(3,603,331)
<b>Investing activities</b>		
Purchase of Guaranteed Investment Certificate	(1,400,000)	-
Increase in portfolio investment	(120)	-
Investments in Government Business Partnerships	(37,066)	(75,001)
Increase in restricted cash	(221,292)	(337)
	(1,658,478)	(75,338)
<b>Increase in cash</b>	<b>14,312,753</b>	<b>7,458,642</b>
<b>Cash, beginning of year</b>	<b>10,621,236</b>	<b>3,162,594</b>
<b>Cash, end of year</b>	<b>24,933,989</b>	<b>10,621,236</b>
<b>Cash is composed of:</b>		
Cash	24,933,989	10,736,236
Bank indebtedness	-	(115,000)
	<b>24,933,989</b>	<b>10,621,236</b>

# Kasabonika Lake First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

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### 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. 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
- Wechimachida Construction Services (GP) Corporation
- Wechimachida Construction 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.

#### **Cash**

Cash 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 Partnerships' annual surplus (deficit).

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

**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 Asset Management GP Corporation
- Landmark Inn General Partner Ltd.
- Thawikayhigan Limited Partnership
- 2665686 Ontario Inc.

**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.

**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.

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

***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.

	<b><i>Method</i></b>	<b><i>Rate</i></b>
Buildings - class A	straight-line	6.67%
Buildings - class B	declining balance	5% - 10%
CMHC Housing	straight-line	6.67%
Computers	straight-line	33.33%
Equipment - class A	straight-line	20%
Equipment - class B	declining balance	20%
Infrastructure	straight-line	6.67%
Store tanks	declining balance	3%
Vehicles - class A	straight-line	33.33%
Vehicles - class B	declining balance	20% - 30%
Vehicles under capital lease	straight-line	33.33%

***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.

***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.

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

**Revenue recognition**

*Government transfers*

Government transfer revenue, including, but not limited to, Indigenous Services Canada 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. No liability was considered necessary at March 31, 2020 and 2019.

**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, 2020.

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, 2020

### 2. 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 and outside of 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.

*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.

*Subsidized Housing* - activities include the management and administration of houses that are subsidized by CMHC.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2 (*Significant accounting policies*).

### 3. Accounts receivable

	2020	2019
Indigenous Services Canada	1,645,021	1,004,780
Trade	2,074,234	1,579,678
Thawikaygan Limited Partnership	274,228	-
GST and Sales Tax rebates	134,784	-
Sioux Lookout Area Aboriginal Management Board	121,552	97,966
Nishnawbe-Aski Nation	62,500	73,450
Ontario Ministry of Energy, Northern Development and Mines	19,899	-
	4,332,218	2,755,874
Less: allowance for doubtful accounts	445,167	726,766
	3,887,051	2,029,108

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, 2020*

**4. Guaranteed Investment Certificate**

The Guaranteed Investment Certificate matured May 11, 2020. The interest rate was 1.95% per annum. Subsequent to year-end, the Guaranteed Investment Certificate was renewed with a new maturity date of May 11, 2022 with an interest rate at 1.95% per annum.

**5. Portfolio investments**

	2020	2019
Landmark Inn Limited Partnership - 2 units constituting 7.69% interest	98,000	98,000
Landmark Inn General Partner Ltd. - 20 common shares constituting 7.41% interest	2,000	2,000
Thawikayhigan Limited Partnership - 16% interest	100	-
2665686 Ontario Inc. - 20 units constituting 20% interest	20	-
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
	<b>100,143</b>	<b>100,023</b>

**6. Investments in Government Business Partnerships**

			2020	
	Investment cost	Advances	Cumulative share of income (loss)	Total investment
<b>First Nation Businesses: Modified equity method</b>				
Asabanaka Drill Services Limited Partnership - 50.9%	41,528	212,802	(177,746)	76,584
Asabanaka Drill Services Corporation (GP) - 51%	51	5,576	(4,093)	1,534
Wechimachida - Penn-Co Joint Venture - 51%	1	-	844,823	844,824
	<b>41,580</b>	<b>218,378</b>	<b>662,984</b>	<b>922,942</b>
				2019
	Investment cost	Advances	Cumulative share of income (loss)	Total investment
<b>First Nation Businesses: Modified equity method</b>				
Asabanaka Drill Services Limited Partnership - 50.9%	41,528	178,702	(117,601)	102,629
Asabanaka Drill Services Corporation - 51%	51	2,610	(4,484)	(1,823)
Wechimachida - Penn-Co Joint Venture - 51%	1	-	710,354	710,355
	<b>41,580</b>	<b>181,312</b>	<b>588,269</b>	<b>811,161</b>

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

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

	<i>Asabanaka Drill Services Corporation As at March 31, 2020</i>	<i>Asabanaka Drill Services LP As at March 31, 2020</i>	<i>Wechimachida - Penn-Co Joint Venture As at March 31, 2020</i>
<b>Summary Financial Information for each Government Business Partnership:</b>			
<b>Assets</b>			
Cash	-	5,275	1,582,038
Investment in Asabanaka Drill Services LP	1	-	-
Inventory	-	100,000	-
Due from related parties	49	1	-
Accounts receivable	-	951	2,832,501
Property and equipment	-	186,850	-
Mining Claims	-	4,400	-
Account receivable Kasabonika Lake First Nation (note 8)	-	-	476,243
<b>Total assets</b>	<b>50</b>	<b>297,477</b>	<b>4,890,782</b>
<b>Liabilities</b>			
Accounts payable and accruals	2,050	74,206	2,556,375
Due to Asabanaka Drill Services LP	349	-	-
Due to Kasabonika Lake First Nation	5,576	212,802	-
Deferred revenue	-	99,989	-
Long-term debt	-	176,631	-
Holdback payable	-	-	677,890
<b>Total liabilities</b>	<b>7,975</b>	<b>563,628</b>	<b>3,234,265</b>
<b>Contribution and partnership units</b>	<b>-</b>	<b>83,056</b>	<b>-</b>
<b>Accumulated surplus (deficit)</b>	<b>(7,925)</b>	<b>(349,207)</b>	<b>1,656,517</b>
<b>Total revenue</b>	<b>-</b>	<b>80,738</b>	<b>2,901,063</b>
<b>Total expenses</b>	<b>(766)</b>	<b>198,900</b>	<b>2,637,398</b>
<b>Net income (loss)</b>	<b>766</b>	<b>(118,162)</b>	<b>263,665</b>

• *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 Joint Venture* was created to construct the Emily Anderson Memorial Menoyawin Health Centre and is also being used for the new teacherage construction and other projects in the community.



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

**7. Restricted cash**

	2020	2019
CMHC replacement reserve	241,302	6,496
Ottawa Trust Funds	15,154	14,862
CMHC operating reserve	921	14,727
	<b>257,377</b>	<b>36,085</b>

*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, 2020, the replacement reserve bank account was overfunded by \$89,600 (2019 - underfunded by \$107,604).

*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 (2019 - \$828); interest revenue \$nil (2019 - \$nil)
Revenue trust	\$14,326 (2019 - \$14,034); interest revenue \$292 (2019 - \$337)

*CMHC operating reserve*

The Agreements require that the Authority maintain a separate bank account to fund the full amount of the operating surplus reserve. At year-end the bank account was underfunded by \$7,666 (2019 - underfunded by \$27,606).

**8. Bank indebtedness**

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

- The first facility is \$500,000 at a rate of prime plus 1.5% per annum to be used to finance general operating requirements. As at March 31, 2020 the line of credit balance was \$nil (2019 - \$nil).
- The second facility is \$125,000 at a rate of prime plus 1.5% per annum to be used on general operating requirements for payroll. As at March 31, 2020 the line of credit balance was \$nil (2019 - \$115,000).
- The third facility is \$70,000 at a rate of prime plus 1.5% per annum to be used on the operating requirements for social services. As at March 31, 2020 the line of credit balance was \$nil (2019 - \$nil).

Prime rate as at March 31, 2020 was 2.45 % (2019 - 3.95%).

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

**9. Accounts payable and accruals**

	2020	2019
Trade payables and accruals	1,507,397	1,471,256
Related party - Wechimachida - Pennco Joint Venture (Note 6)	476,243	771,717
Government remittances	129,121	156,010
Related party - Shibogama First Nations Council	42,341	83,811
	<b>2,155,102</b>	<b>2,482,794</b>

Accounts payable with Shibogama First Nations Council ("Shibogama") is unsecured, non-interest bearing, due on demand and has arisen from transactions in the normal course of operations. The First Nation is a Member of Shibogama.

**10. Deferred revenue**

	2020	2019
<b>Indigenous Services Canada</b>		
New School	22,358,826	6,500,000
Aboriginal Headstart	142,720	-
Regional Marketing Plan Project	100,603	139,424
Fire Hydrant Repairs	93,338	130,822
Governance	49,125	-
Tobacco Control	6,944	-
Nursing Station Upgrade Station	-	712,596
Community Based Prevention Services	-	363,487
Adapt Project	-	111,029
Resource Business Structure	-	40,467
	<b>22,751,556</b>	<b>7,997,825</b>
<b>Ontario First Nations Limited Partnership</b>		
Ontario First Nations Limited Partnership	281,742	-
<b>Other</b>		
Insurance Claims	112,869	-
<b>Government of Ontario</b>		
General Welfare Assistance	67,619	-
<b>Ministry of the Attorney General</b>		
Revitalizing Indigenous Legal Services	34,750	35,000
<b>Sioux Lookout Area Aboriginal Management Board</b>		
Daycare Repairs	11,963	11,963
	<b>23,260,499</b>	<b>8,044,788</b>

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

**11. Long-term debt**

	2020	2019
Phase 1: CMHC mortgage repayable in monthly payments of \$4,261 including interest at 1.14% per annum, maturity date of June 2031 with a renewal date of June 2021, secured by a Ministerial guarantee and assignment of fire insurance for a seven-unit rental housing project.	<b>539,732</b>	584,437
Phase 2: CMHC mortgage repayable in monthly payments of \$5,527 including interest at 2.21% per annum, maturity date of November 2033 with a renewal date of February 2024, secured by a Ministerial guarantee and assignment of fire insurance for a eight-unit rental housing project.	<b>782,199</b>	830,696
Phase 3: CMHC mortgage repayable in monthly payments of \$2,089 including interest at 2.70% per annum, maturity date of July 2033 with a renewal date of November 2023, secured by a Ministerial guarantee and assignment of fire insurance for a six-unit rental housing project.	<b>280,666</b>	297,927
Phase 4: CMHC mortgage repayable in monthly payments of \$8,647 including interest at 1.83% per annum, maturity date of October 2034 with a renewal date of May 2020, secured by a Ministerial guarantee and assignment of fire insurance for a ten-unit rental housing project.	<b>1,327,924</b>	1,406,644
Phase 5: CMHC mortgage repayable in monthly payments of \$3,124 including interest at 1.43% per annum, maturity date of March 2037 with a renewal date of April 2022, secured by a Ministerial guarantee and assignment of fire insurance for a four-unit rental housing project.	<b>565,641</b>	594,818
Phase 6: CMHC mortgage repayable in monthly payments of \$3,138 including interest at 1.05% per annum, maturity date of April 2040 with a renewal date of April 2020, secured by a Ministerial guarantee and assignment of fire insurance for a four-unit rental housing project.	<b>681,824</b>	712,152
Phase 7: CMHC mortgage repayable in monthly payments of \$4,395 including interest at 1.84% per annum, maturity date of September 2042 with a renewal date of September 2022, secured by a Ministerial guarantee and assignment of fire insurance for a six-unit rental housing project.	<b>971,687</b>	1,006,225
Phase 8: CMHC mortgage repayable in monthly payments of \$6,827 including interest at 1.83% per annum, maturity date of December 2034 with a renewal date of December 2024, secured by a Ministerial guarantee and assignment of fire insurance for a six-unit rental housing project.	<b>1,060,215</b>	-
Loan payable in monthly payments of \$4,239 including interest prime plus 2% per annum, maturity date of December 2020 and secured by a general security agreement. Subsequent year-end, the loan was renewed with maturity date December 2021.	<b>129,052</b>	169,432
Loan payable in monthly payments of \$47,560 including interest at 5.23% per annum, maturity date of March 1, 2023; secured by a general security agreement and assignment of Ontario First Nation Limited Partnership revenue. Subsequent year-end, the loan was renewed with maturity date March 2023 (*).	<b>4,847,423</b>	5,154,351

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

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

	2020	2019
Loan payable in monthly payments of \$33,739 including interest at 3.90% per annum, maturity date of December 2021, secured by a general security agreement and an assignment of OFNLP revenues.	785,430	1,023,613
Loan payable in monthly payments of \$129,736 including interest at 3.85% per annum, maturity date of February 2021, 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 (*).	1,276,023	-
Loan repaid during the year	-	1,450,206
	<b>13,247,816</b>	<b>13,230,501</b>

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:

2021	2,378,512
2022	1,143,767
2023	762,064
2024	750,279
2025	777,028

Prime rate as at March 31, 2020 was 2.45 % (2019 - 3.95%).

(\*) Long-term debt is subject to certain covenants with respect to timely submission of the annual audited consolidated financial statements and financial statements with a Notice to Reader Report for Petrokas Ltd. and Kasabonika Lake Community Development Corporation to their lender. As at March 31, 2020, the First Nation was not in compliance with this covenant.

Subsequent to year-end, 3 mortgages with CMHC were subject to renewed loan terms, as follows:

- Phase 1 was renewed with required monthly payments of \$4,259 including interest at 1.13% per annum, maturing June 2031, with a scheduled renewal date of June 2026.
- Phase 4 was renewed with required monthly payments of \$8,068 including interest at 0.79% per annum, maturing October 2034, with a scheduled renewal date of January 2026.
- Phase 6 was renewed with required monthly payments of \$3,029 including interest at 0.68% per annum, maturing April 2040, with a scheduled renewal date of October 2025.

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

**12. Capital lease obligations**

	2020	2019
Obligation under capital lease payable in equal monthly installments of \$5,248 including interest at 2.19% per annum, maturity date February 2024. Secured by vehicle with a net book value of \$190,921.	241,415	-
Obligation under capital lease payable in equal monthly installments of \$4,216 including interest at 4.89% per annum, maturity date March 2022. Secured by equipment with a net book value of \$67,202 (2019 - \$112,004).	96,960	147,550
Obligation under capital lease payable in equal monthly installments of \$4,691 including interest at 5.05% per annum, maturity date September 2021. Secured by vehicle with a net book value of \$26,080 (2019 - \$78,208). Subsequent to year-end, the capital lease obligation was paid in full.	46,911	103,205
Lease repaid during the year.	-	116,970
	<b>385,286</b>	<b>367,725</b>

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

2021	165,463
2022	113,567
2023	62,978
2024	63,450
	405,458
Less: imputed interest	(20,170)
Balance of obligation	385,286

**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, 2020 might be recovered.

**14. Tangible capital assets**

	2020	2019
<b>Construction in progress</b>		
New school and teacherage	5,732,487	1,146,984
Nursing station	-	13,272,672
	<b>5,732,487</b>	14,419,656
Tangible capital assets in use	<b>50,878,254</b>	41,212,287
	<b>56,610,741</b>	55,631,943

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

**15. Inventory held for use**

	2020	2019
Fuel	1,135,157	1,142,793
Other	58,155	41,200
	<b>1,193,312</b>	<b>1,183,993</b>

**16. Accumulated surplus**

	2020	2019
Investment in tangible capital assets	49,230,137	48,807,708
Unrestricted accumulated deficit	(53,037)	(3,403,819)
Investments in Government Business Partnerships	922,942	811,161
CMHC replacement reserve required	151,702	114,100
Ottawa Trust Funds	15,154	14,862
CMHC operating reserve required	8,587	42,333
	<b>50,275,485</b>	<b>46,386,345</b>

**17. Reconciliation of funding from Indigenous Services Canada**

The Indigenous Services Canada ("ISC") revenue of \$38,282,434 (2019 – \$24,174,793) on the consolidated statement of operations and accumulated surplus agrees to the ISC confirmation.

**18. Other revenue**

	2020	2019
Other	2,450,223	1,694,778
Sales	2,062,385	2,265,230
Hotel revenue	512,383	591,667
Nishnawbe Aski Nation	395,397	373,537
Sioux Lookout Area Aboriginal Board	143,431	238,077
	<b>5,563,819</b>	<b>5,163,289</b>

**19. 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.

**20. Economic dependence**

Kasabonika Lake First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

**21. Budget information**

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

**22. 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, 2020. 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.

**23. Comparative figures**

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

**24. Significant event**

During March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At this time these factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

**Kasabonika Lake First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2020*

	<i>Land</i>	<i>Buildings</i>	<i>CMHC Housing</i>	<i>Computers</i>	<i>Equipment</i>	<i>Vehicles</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	50,000	20,964,024	11,353,055	19,088	2,397,924	3,123,439	37,907,530
Acquisition of tangible capital assets	-	-	-	-	57,000	135,011	192,011
Disposal of tangible capital assets	-	-	-	-	-	(330,993)	(330,993)
Transfer	-	12,355,560	1,629,608	-	312,820	185,745	14,483,733
Balance, end of year	50,000	33,319,584	12,982,663	19,088	2,767,744	3,113,202	52,252,281
<b>Accumulated amortization</b>							
Balance, beginning of year	-	9,427,710	4,784,827	19,088	2,212,020	2,801,162	19,244,807
Annual amortization	-	1,540,246	811,596	-	78,683	208,550	2,639,075
Accumulated amortization on disposals	-	-	-	-	-	(316,231)	(316,231)
Transfer	-	(701,806)	701,806	-	281,538	117,354	398,892
Balance, end of year	-	10,266,150	6,298,229	19,088	2,572,241	2,810,835	21,966,543
<b>Net book value of tangible capital assets</b>	50,000	23,053,434	6,684,434	-	195,503	302,367	30,285,738
2019 Net book value of tangible capital assets	50,000	11,536,314	6,568,228	-	185,904	322,277	18,662,723



**Kasabonika Lake First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2020*

	<i>Subtotal</i>	<i>Infrastructure</i>	<i>Vehicles and equipment under capital lease</i>	<i>Store tanks</i>	<i>Assets under construction</i>	<i>2020</i>	<i>2019</i>
<b>Cost</b>							
Balance, beginning of year	37,907,530	30,563,375	878,974	919,435	14,419,656	84,688,970	81,085,639
Acquisition of tangible capital assets	192,011	-	229,100	-	5,297,999	5,719,110	3,603,331
Disposal of tangible capital assets	(330,993)	-	-	-	-	(330,993)	-
Transfer	14,483,733	-	(498,565)	-	(13,985,168)	-	-
Balance, end of year	52,252,281	30,563,375	609,509	919,435	5,732,487	90,077,087	84,688,970
<b>Accumulated amortization</b>							
Balance, beginning of year	19,244,807	8,748,957	509,427	553,836	-	29,057,027	24,626,088
Annual amortization	2,639,075	1,860,736	214,771	10,968	-	4,725,550	4,430,939
Accumulated amortization on disposals	(316,231)	-	-	-	-	(316,231)	-
Transfer	398,892	-	(398,892)	-	-	-	-
Balance, end of year	21,966,543	10,609,693	325,306	564,804	-	33,466,346	29,057,027
<b>Net book value of tangible capital assets</b>	<b>30,285,738</b>	<b>19,953,682</b>	<b>284,203</b>	<b>354,631</b>	<b>5,732,487</b>	<b>56,610,741</b>	<b>55,631,943</b>
2019 Net book value of tangible capital assets	18,662,723	21,814,418	369,547	365,599	14,419,656	55,631,943	

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

	2020	2019
<b>Consolidated expenses by object</b>		
Amortization	4,725,550	4,430,939
Bad debt expense (recovery)	(247,310)	58,017
Bank charges	89,353	77,550
Community activities	1,502,390	646,842
Cost of sales	1,251,840	1,508,427
Employee compensation	10,366,936	9,609,950
Financial assistance	470,449	102,839
Food and beverage	69,332	49,423
Funerals	276,002	182,279
Honoraria	129,755	154,589
Insurance	543,494	354,428
Interest on long-term debt	497,467	519,729
Materials and supplies	664,565	208,575
Office supplies	172,731	15,496
Other	843,403	730,338
Professional fees	544,827	653,248
Program education	197,250	58,964
Program expense	132,282	233,791
Repairs and maintenance	628,496	919,629
Social assistance	2,343,759	2,224,910
Supplies	2,344,927	1,047,035
Training	549,579	489,650
Travel	1,123,775	1,071,553
Utilities	1,404,326	919,015
	<b>30,625,178</b>	<b>26,267,216</b>

# Kasabonika Lake First Nation

## Schedule 3 - Consolidated Summary Schedule of Segment Operations

*For the year ended March 31, 2020*

	<i>Schedule #</i>	<i>Revenue and other items</i>	<i>Expenses</i>	<i>Transfers From (To)</i>	<i>2020 Surplus (Deficit)</i>	<i>2019 Surplus (Deficit)</i>
<b>Segments</b>						
Business Enterprises	4	2,560,006	3,048,135	(12,000)	(500,129)	(612,800)
Economic Development	5	167,300	210,148	(9,011)	(51,859)	64,930
Governance	6	1,284,405	2,189,676	2,330,335	1,425,064	(610,540)
Health Services	7	5,413,232	4,580,782	(687,176)	145,274	4,127,033
Infrastructure Services	8	8,345,960	7,744,289	(296,579)	305,092	(2,327,111)
Ontario First Nations Limited Partnership	9	1,022,969	11	(1,022,958)	-	-
Other	10	1,998,268	1,265,191	578,139	1,311,216	655,720
Sineonokway Education Authority	11	8,172,843	5,131,144	(1,591,742)	1,449,957	1,626,796
Social Services	12	4,898,682	5,857,756	155,784	(803,290)	561,913
Subsidized Housing	13	650,653	598,046	555,208	607,815	76,146
<b>Total</b>		<b>34,514,318</b>	<b>30,625,178</b>	<b>-</b>	<b>3,889,140</b>	<b>3,562,087</b>

**Kasabonika Lake First Nation**  
**Business Enterprises**  
**Schedule 4 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Sales	2,574,768	2,856,897
<b>Expenses</b>		
Amortization	263,034	296,418
Bad debt recovery	(234)	-
Bank charges	28,899	23,506
Community events and donations	-	23,190
Cost of sales	1,251,840	1,508,427
Employee compensation	528,903	396,670
Honoraria	5,650	6,500
Insurance	93,000	112,980
Interest on long-term debt	47,465	46,851
Materials and supplies	-	41,013
Office supplies	62,659	15,496
Other	63,512	11,711
Professional fees	48,551	48,533
Repairs and maintenance	44,731	238,581
Supplies	497,718	323,664
Travel	39,107	43,820
Utilities	73,300	42,397
	3,048,135	3,179,757
<b>Deficit before other items</b>	(473,367)	(322,860)
<b>Other items</b>		
Loss on disposal of capital assets	(14,762)	-
<b>Deficit before transfers</b>	(488,129)	(322,860)
<b>Transfers between segments</b>	(12,000)	(289,940)
<b>Deficit</b>	(500,129)	(612,800)

**Kasabonika Lake First Nation**  
**Economic Development**  
**Schedule 5 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Government of Ontario	85,000	90,000
Indigenous Services Canada	82,300	82,300
Other revenue	-	141,063
Revenue deferred in prior year	-	52,372
	<b>167,300</b>	<b>365,735</b>
<b>Expenses</b>		
Community activities	-	8,552
Employee compensation	172,266	178,160
Honoraria	-	400
Other	3,672	11,001
Professional fees	1,000	45,997
Supplies	7,679	20,880
Travel	25,531	35,815
	<b>210,148</b>	<b>300,805</b>
<b>Surplus (deficit) before transfers</b>	<b>(42,848)</b>	64,930
<b>Transfers between segments</b>	<b>(9,011)</b>	-
<b>Surplus (deficit)</b>	<b>(51,859)</b>	64,930

**Kasabonika Lake First Nation**  
**Governance**  
**Schedule 6 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Indigenous Services Canada	713,987	994,129
Other revenue	678,047	91,943
Canada Mortgage and Housing Corporation	36,000	-
Revenue deferred in prior year	-	27,978
Revenue deferred to subsequent year	(83,875)	-
	<b>1,344,159</b>	<b>1,114,050</b>
<b>Expenses</b>		
Bad debt expense (recovery)	(73,880)	58,017
Bank charges	33,712	40,507
Community activities	117,190	1,050
Employee compensation	1,206,874	951,196
Honoraria	-	6,600
Insurance	352,649	147,482
Other	526	188,928
Professional fees	216,544	128,151
Supplies	90,394	79,817
Training	30,985	6,636
Travel	148,866	283,476
Utilities	65,816	48,971
	<b>2,189,676</b>	<b>1,940,831</b>
<b>Deficit before other items</b>	<b>(845,517)</b>	<b>(826,781)</b>
<b>Other items</b>		
Loss on investment	(59,754)	(52,823)
<b>Deficit before transfers</b>	<b>(905,271)</b>	<b>(879,604)</b>
<b>Transfers between segments</b>	<b>2,330,335</b>	<b>269,064</b>
<b>Surplus (deficit)</b>	<b>1,425,064</b>	<b>(610,540)</b>

**Kasabonika Lake First Nation**  
**Health Services**  
**Schedule 7 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Indigenous Services Canada	4,337,594	6,914,822
Other revenue	369,986	469,095
Revenue deferred in prior year	712,596	1,055,175
Revenue deferred to subsequent year	(6,944)	(712,596)
	<b>5,413,232</b>	<b>7,726,496</b>
<b>Expenses</b>		
Bank charges	10	28
Community activities	935,933	321,817
Employee compensation	1,710,767	1,924,497
Food and beverage	-	31,653
Honoraria	95,484	111,489
Other	81,334	26,792
Professional fees	124,669	140,080
Program education	197,250	12,066
Program expense	-	4,816
Repairs and maintenance	80,137	85,864
Supplies	495,630	307,207
Training	89,053	139,610
Travel	240,315	293,599
Utilities	530,200	184,986
	<b>4,580,782</b>	<b>3,584,504</b>
<b>Surplus before transfers</b>	<b>832,450</b>	<b>4,141,992</b>
<b>Transfers between segments</b>	<b>(687,176)</b>	<b>(14,959)</b>
<b>Surplus</b>	<b>145,274</b>	<b>4,127,033</b>

**Kasabonika Lake First Nation**  
**Infrastructure Services**  
**Schedule 8 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Indigenous Services Canada	23,417,055	9,686,133
Other revenue	596,701	684,974
Government of Ontario	153,547	239,486
Revenue deferred in prior year	6,630,822	397,114
Revenue deferred to subsequent year	(22,452,165)	(6,630,822)
	<b>8,345,960</b>	<b>4,376,885</b>
<b>Expenses</b>		
Amortization	4,165,104	3,855,212
Employee compensation	1,268,089	1,467,505
Honoraria	7,800	5,800
Interest on long-term debt	319,818	333,846
Materials and supplies	455,587	112,393
Other	182,439	271,765
Professional fees	53,702	197,092
Repairs and maintenance	402,782	495,888
Supplies	176,540	105,287
Travel	56,868	61,341
Utilities	655,560	527,048
	<b>7,744,289</b>	<b>7,433,177</b>
<b>Surplus (deficit) before transfers</b>	<b>601,671</b>	<b>(3,056,292)</b>
<b>Transfers between segments</b>	<b>(296,579)</b>	<b>729,181</b>
<b>Surplus (deficit)</b>	<b>305,092</b>	<b>(2,327,111)</b>



**Kasabonika Lake First Nation**  
**Ontario First Nations Limited Partnership**  
**Schedule 9 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Revenue</b>		
Ontario First Nations Limited Partnership	<b>1,304,711</b>	1,506,402
Revenue deferred to subsequent year	<b>(281,742)</b>	-
	<b>1,022,969</b>	1,506,402
<b>Expenses</b>		
Bank charges	<b>11</b>	24
<b>Surplus before transfers</b>	<b>1,022,958</b>	1,506,378
<b>Transfers between segments</b>	<b>(1,022,958)</b>	(1,506,378)
<b>Surplus (deficit)</b>	<b>-</b>	-

**Kasabonika Lake First Nation**  
**Other**  
**Schedule 10 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Indigenous Services Canada	691,427	594,419
Other revenue	789,023	292,082
Government of Ontario	38,170	145,097
Revenue deferred in prior year	701,370	179,891
Revenue deferred to subsequent year	(356,191)	(701,370)
	<b>1,863,799</b>	<b>510,119</b>
<b>Expenses</b>		
Bank charges	36	60
Community activities	406,657	206,694
Employee compensation	572,614	664,844
Honoraria	1,450	-
Interest on long-term debt	31,729	45,219
Other	140,324	13,963
Professional fees	81,139	61,580
Repairs and maintenance	26,268	-
Supplies	-	35,929
Travel	4,974	45,270
	<b>1,265,191</b>	<b>1,073,559</b>
<b>Surplus (deficit) before other items</b>	<b>598,608</b>	<b>(563,440)</b>
<b>Other items</b>		
Gain on investments	134,469	710,354
<b>Surplus before transfers</b>	<b>733,077</b>	<b>146,914</b>
<b>Transfers between segments</b>	<b>578,139</b>	<b>508,806</b>
<b>Surplus</b>	<b>1,311,216</b>	<b>655,720</b>

**Kasabonika Lake First Nation**  
**Sineonokway Education Authority**  
**Schedule 11 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Indigenous Services Canada	7,925,810	4,958,074
Other revenue	247,033	285,351
Revenue deferred in prior year	-	4,450
	<b>8,172,843</b>	<b>5,247,875</b>
<b>Expenses</b>		
Bad debt recovery	(173,196)	-
Bank charges	-	6,903
Community activities	-	29,971
Employee compensation	3,771,386	3,148,635
Food and beverage	69,332	17,770
Honoraria	12,170	18,200
Other	153,480	11,680
Program education	193,540	46,897
Program expense	-	107,137
Repairs and maintenance	-	28,877
Supplies	836,501	104,756
Travel	239,088	193,701
Utilities	28,843	59,085
	<b>5,131,144</b>	<b>3,773,612</b>
<b>Surplus before transfers</b>	<b>3,041,699</b>	<b>1,474,263</b>
<b>Transfers between segments</b>	<b>(1,591,742)</b>	<b>152,533</b>
<b>Surplus</b>	<b>1,449,957</b>	<b>1,626,796</b>

**Kasabonika Lake First Nation**  
**Social Services**  
**Schedule 12 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenue</b>		
Government of Ontario	3,786,182	3,607,846
Indigenous Services Canada	1,114,261	944,915
Other revenue	77,821	90,451
Revenue deferred in prior year	-	109,212
Revenue deferred to subsequent year	(79,582)	-
	<b>4,898,682</b>	<b>4,752,424</b>
<b>Expenses</b>		
Bank charges	26,425	6,054
Community activities	42,611	55,568
Employee compensation	1,136,038	878,444
Finance assistance	470,449	102,839
Funerals	276,002	182,279
Honoraria	7,200	5,600
Materials and supplies	208,978	55,169
Office supplies	110,072	-
Other	218,117	194,499
Professional fees	2,127	7,866
Program expense	132,282	114,108
Repairs and maintenance	-	52,940
Social assistance	2,343,759	2,224,910
Supplies	240,464	124,120
Training	236,000	296,507
Travel	369,026	114,532
Utilities	38,206	29,317
	<b>5,857,756</b>	<b>4,444,752</b>
<b>Surplus (deficit) before transfers</b>	<b>(959,074)</b>	<b>307,672</b>
<b>Transfers between segments</b>	<b>155,784</b>	<b>254,241</b>
<b>Surplus (deficit)</b>	<b>(803,290)</b>	<b>561,913</b>

**Kasabonika Lake First Nation**  
**Subsidized Housing**  
**Schedule 13 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Revenue</b>		
Canada Mortgage and Housing Corporation	<b>420,213</b>	463,455
Rent	<b>230,440</b>	251,436
	<b>650,653</b>	714,891
<b>Expenses</b>		
Amortization	<b>297,412</b>	279,309
Bank charges	<b>261</b>	467
Insurance	<b>97,845</b>	93,966
Interest on long-term debt	<b>98,455</b>	93,813
Professional fees	<b>17,095</b>	23,950
Repairs and maintenance	<b>74,578</b>	17,479
Utilities	<b>12,400</b>	27,211
	<b>598,046</b>	536,195
<b>Surplus before transfers</b>	<b>52,607</b>	178,696
<b>Transfers between segments</b>	<b>555,208</b>	(102,550)
<b>Surplus</b>	<b>607,815</b>	76,146