

Temagami First Nation
Consolidated Financial Statements
For the year ended March 31, 2021

**Temagami First Nation
Consolidated Financial Statements
For the year ended March 31, 2021**

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Temagami First Nation
Management's Responsibility for the Consolidated Financial Statements

March 31, 2021

The accompanying consolidated financial statements of Temagami First Nation are the responsibility of management and have been approved by the Chief and the Executive Director on behalf of Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these consolidated financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is provided.

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

The Finance and Audit Committee meets at least four times annually to prepare for and review the annual financial statements and to monitor the investments of Temagami First Nation. The committee contributes to ensuring strong accountability (gway a ko chi gewin) and improving the quality of financial information available to Temagami First Nation members.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Temagami First Nation and meet when required.



Shelly Moore-Frappier, Chief



Robín Potts, Executive Director

July 29, 2021

Independent Auditor's Report

To the Chief and Council of Temagami First Nation

Opinion

We have audited the consolidated financial statements of Temagami First Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, consolidated statement of re-measurement gains, consolidated statement of changes in net financial assets and consolidated statement of 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 Temagami First Nation as at March 31, 2021, and its consolidated results of operations, its consolidated change in net financial assets, 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 Temagami 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.

Other Matters

Temagami First Nation has also prepared another set of financial statements for the year ended March 31, 2021 in accordance with Canadian public sector accounting standards which includes unaudited schedules that are not included in these consolidated financial statements. Our audit report on the other set of financial statements was issued to the members of Temagami First Nation and was dated July 29, 2021.

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 Temagami 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 Temagami First Nation or to cease operations, or has

no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Temagami 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 Temagami 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 Temagami 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 Temagami 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 Group 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

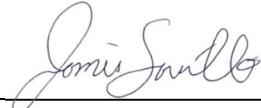
North Bay, Ontario
July 29, 2021

Temagami First Nation
Consolidated Statement of Financial Position

March 31, 2021	2021	2020
Financial Assets		
Cash and cash equivalents (Note 3)	\$ 2,753,518	\$ 1,155,879
Investments (Note 4)	6,374,407	3,009,458
Funds held in trust by ISC (Note 6)	2,353	2,353
Accounts receivable (Note 5)	<u>1,743,550</u>	<u>2,630,135</u>
	<u>10,873,828</u>	<u>6,797,825</u>
Liabilities		
Accounts payable and accrued liabilities	1,696,918	2,043,586
Deferred revenue (Note 11)	4,384,580	1,754,267
Long-term debt (Note 12)	<u>11,318,353</u>	<u>7,708,176</u>
	<u>17,399,851</u>	<u>11,506,029</u>
Net financial assets	<u>(6,526,023)</u>	<u>(4,708,204)</u>
Non-Financial Assets		
Tangible capital assets (Note 10a)	27,152,736	24,047,131
Prepaid expenses	<u>117,365</u>	<u>144,954</u>
	<u>27,270,101</u>	<u>24,192,085</u>
Accumulated surplus and re-measurement gains		
Accumulated surplus (Note 7)	20,434,717	19,483,881
Accumulated re-measurement gains	<u>309,361</u>	<u>-</u>
	<u>\$20,744,078</u>	<u>\$ 19,483,881</u>

Commitments (Note 10b), Contingent assets (Note 14), Contingent liabilities (Note 16) and Impacts of Global Pandemic (Note 19)

Approved on behalf of the Chief & Council

**Temagami First Nation
Consolidated Statement of Operations**

For the year ended March 31, 2021	2021 Budget (Note 18)	2021 Actual	2020 Actual
Revenues			
ISC (Note 15)	\$ 4,570,321	\$ 5,211,552	\$ 5,640,200
Health Canada (Note 15)	1,608,083	1,508,954	1,783,316
Government of Canada	371,493	398,649	862,643
CMHC subsidy	-	101,224	155,332
Province of Ontario	1,866,648	2,328,044	2,592,809
Ontario First Nation Limited Partnership	833,414	1,011,036	1,028,399
Band Generated and other (Note 20)	<u>2,381,726</u>	<u>2,066,627</u>	<u>2,929,660</u>
	<u>11,631,685</u>	<u>12,626,086</u>	<u>14,992,359</u>
Expenses (Note 17)			
Administration	886,912	623,046	919,685
Operations and maintenance programs	1,341,342	1,822,435	1,579,801
Housing programs	480,473	462,546	495,959
Education programs	2,046,877	1,875,945	1,702,786
Health and social programs	3,596,063	4,005,849	3,847,379
Community development programs	2,978,742	2,411,275	3,045,908
Ontario First Nation Limited Partnership	<u>419,000</u>	<u>474,154</u>	<u>440,128</u>
	<u>11,749,409</u>	<u>11,675,250</u>	<u>12,031,646</u>
Annual surplus	(117,724)	950,836	2,960,713
Accumulated surplus, beginning of year	<u>19,483,881</u>	<u>19,483,881</u>	<u>16,523,168</u>
Accumulated surplus, end of year (Note 7)	<u>\$ 19,366,157</u>	<u>\$20,434,717</u>	<u>\$ 19,483,881</u>

Temagami First Nation
Consolidated Statement of Re-Measurement Gains

<u>For the year ended March 31, 2021</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2020 Actual</u>
Accumulated re-measurement gains, beginning of year	\$ -	\$ -	-
Unrealized gains attributed to: Investments	- -	<u>309,361</u>	-
Accumulated re-measurement gains, end of year	\$ -	<u>309,361</u>	\$ -

Temagami First Nation
Consolidated Statement of Change in Net Debt

For the year ended March 31, 2021	2021 Budget	2021 Actual	2020 Actual
Annual surplus	\$ (117,724)	\$ 950,836	\$ 2,960,713
Unrealized gain on investments	-	309,361	-
Acquisition of tangible capital assets	(10,033,127)	(4,555,725)	(10,463,359)
Amortization of tangible capital assets	565,318	1,374,746	958,273
Loss on disposal of tangible capital assets	-	75,374	-
	<u>(9,585,533)</u>	<u>(1,845,408)</u>	<u>(6,544,373)</u>
Acquisition of prepaid expenses	-	(117,365)	(144,954)
Use of prepaid expenses	<u>-</u>	<u>144,954</u>	<u>112,417</u>
	<u>-</u>	<u>27,589</u>	<u>(32,537)</u>
Change in net financial debt	(9,585,533)	(1,817,819)	(6,576,910)
Net financial (debt) assets, beginning of year	<u>(4,708,204)</u>	<u>(4,708,204)</u>	<u>1,868,706</u>
Net financial debt, end of year	<u>\$ (14,293,737)</u>	<u>\$ (6,526,023)</u>	<u>\$ (4,708,204)</u>

**Temagami First Nation
Consolidated Statement of Cash Flows**

<u>For the year ended March 31, 2021</u>	<u>2021</u>	<u>2020</u>
Cash provided by (used in):		
Operating activities		
Annual surplus	\$ 950,836	\$ 2,960,713
Items not involving cash		
Amortization of tangible capital assets	1,374,746	958,273
Loss on disposal of tangible capital assets	<u>75,374</u>	<u>-</u>
	2,400,956	3,918,986
Changes in non-cash working capital balances		
Accounts receivable	886,585	1,133,777
Prepaid expenses	27,589	(32,537)
Accounts payable and accrued liabilities	(346,668)	77,624
Deferred revenue	<u>2,630,313</u>	<u>(493,129)</u>
	5,598,775	4,604,721
Capital activities		
Purchase of tangible capital assets	<u>(4,555,725)</u>	<u>(10,463,359)</u>
Investing activities		
Purchase of investments	<u>(3,055,588)</u>	<u>(3,159)</u>
Financing activities		
Proceeds from long-term debt	3,900,177	5,532,000
Repayments of long-term debt	<u>(290,000)</u>	<u>(179,559)</u>
	3,610,177	5,352,441
Increase (decrease) in cash and cash equivalents during the year	1,597,639	(509,356)
Cash and cash equivalents, beginning of year	<u>1,155,879</u>	<u>1,665,235</u>
Cash and cash equivalents, end of year	<u>\$ 2,753,518</u>	<u>\$ 1,155,879</u>

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

1. Significant Accounting Policies

Accounting Principles The consolidated financial statements of the Temagami First Nation ("TFN") are the representation of management prepared in accordance with Canadian public sector accounting standards as prescribed by the Canadian Public Sector Accounting Board.

Method of Accounting Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Basis of Consolidation TFN reporting entity consolidates the assets, liabilities and results of operations for TFN government and all related entities which are accountable to TFN and are either owned or controlled by TFN and the Daki Menan Lands and Resources Corporation which are controlled by TFN.

Financial Instruments Cash and portfolio instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable and accrued liabilities, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

1. Significant Accounting Policies (continued)

Cash and Cash Equivalents	Cash and cash equivalents includes cash on hand, current bank accounts and short-term deposits, if any, with terms to maturity of less than 90 days.														
Funds Held in Trust by ISC	Band funds held in trust by Indigenous Services Canada ("ISC") arise 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 primarily governed by Sections 63 to 69 of the Indian Act.														
Tangible Capital Assets	Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs attributable to acquisition or construction of the tangible capital asset including but not limited to transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue, when fair value can be reasonably estimated. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing in the year the asset is available for productive use as follows:														
	<table><tbody><tr><td>Buildings</td><td>25 to 50 years</td></tr><tr><td>Construction camp (included in buildings)</td><td>5 years</td></tr><tr><td>Vehicles</td><td>3 to 20 years</td></tr><tr><td>Machinery and equipment</td><td>3 to 10 years</td></tr><tr><td>Land improvements</td><td>7 to 40 years</td></tr><tr><td>Infrastructure</td><td>15 to 75 years</td></tr><tr><td>IT equipment</td><td>2 to 4 years</td></tr></tbody></table>	Buildings	25 to 50 years	Construction camp (included in buildings)	5 years	Vehicles	3 to 20 years	Machinery and equipment	3 to 10 years	Land improvements	7 to 40 years	Infrastructure	15 to 75 years	IT equipment	2 to 4 years
Buildings	25 to 50 years														
Construction camp (included in buildings)	5 years														
Vehicles	3 to 20 years														
Machinery and equipment	3 to 10 years														
Land improvements	7 to 40 years														
Infrastructure	15 to 75 years														
IT equipment	2 to 4 years														
	Construction in progress is not amortized until construction is substantially complete and the assets are ready for use.														
Reserves and Reserve Funds	Certain amounts as approved by TFN's Chief and Council, are set aside for future purposes. Transfers to and from reserves and reserve funds are an adjustment to the respective reserve when approved.														

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

1. Significant Accounting Policies (continued)

Revenue Recognition Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

All other revenue is recorded as the applicable service is provided and collection is reasonably assured.

**Management
Estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

Accounts receivable and accounts payable are reported based on amounts expected to be recovered or incurred and reflect an appropriate allowance for unrecoverable amounts based on management's estimates. Amounts recorded for amortization of tangible capital assets are based on estimates of useful service life.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

2. Change in Accounting Policy

On April 1, 2020, Temagami First Nation adopted Public Accounting Standards PS 1201 - Financial Statement Presentation, PS 2601 - Foreign Currency Translation and PS 3450 - Financial Instruments. The standards were adopted prospectively from the date of adoption. The new standards provide comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments and foreign currency transactions.

Under PS 3450, all financial instruments, including derivatives, are included on the consolidated statement of financial position and are measured either at fair value or at amortized cost based on the characteristics of the instrument and the accounting policy choices (see Note 1 - Significant Accounting Policies).

3. Financial Instruments

Classification

The carrying value of each class of the First Nation's financial instruments is provided in the following table.

	2021		
	Fair Value	Cost/ Amortized Cost	Total
Cash and cash equivalents	\$ -	\$ 2,753,518	\$ 2,753,518
Accounts receivable	- -	1,743,550	1,743,550
Investments (quoted in an active market)	6,374,407	-	6,374,407
Funds held in trust by ISC	-	2,353	2,353
Accounts payable and accrued liabilities	- -	1,696,918	1,696,918
Long-term debt	- -	11,318,353	11,318,353
	\$ 6,374,407	\$17,514,692	\$23,889,099

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

3. Financial Instruments (continued)

Fair Value Measurement

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2021		
	Level 1	Level 2	Level 3
Investments	\$ 6,374,407	\$ -	\$ 6,374,407

There were no transfers between Level 1 and Level 2 for the year ended March 31, 2021. There were also no transfers in or out of Level 3.

Risk Management

Credit Risk

Credit risk is the risk of financial loss to the First Nation if a debtor fails to make payments of interest and principal when due. Other than the impairment of receivables disclosed in Note 5, it is management's opinion that the First Nation is not exposed to significant credit risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and equity risk.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The First Nation is exposed to currency risk through foreign investments purchased and sold in foreign currencies. It is the opinion of management that the First Nation is not exposed to significant currency risk.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

3. Financial Instruments (continued)

Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The First Nation is exposed to this risk through its interest bearing investments and long term debt.

The First Nation holds long-term debt with variable interest rates which involve risks of default on interest and principal and price changes due to, without limitation, such factors as interest rate changes and general economic conditions.

The First Nation structures its finances so as to stagger the maturities of debt, thereby minimizing exposure to interest rate fluctuations.

Equity Risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The First Nation is exposed to this risk through its equity holdings within its portfolio investments.

Liquidity Risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the First Nation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The First Nation is exposed to this risk mainly in respect of accounts payable and accrued liabilities and long-term debt. Unless otherwise noted, the expected cash outflows are within one year.

The First Nation's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions.

There have not been any changes to these risks from the prior year.

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

4. Investments

Investments are recorded at market value and consist of the following:

	2021	2020
GIC's ⁽ⁱ⁾	\$ 4,017,300	\$ 1,032,341
Mutual funds, T-Bill funds, bonds and equities	<u>2,357,107</u>	<u>1,977,117</u>
	<u><u>\$ 6,374,407</u></u>	<u><u>\$ 3,009,458</u></u>

(i) GIC's balance consists of three guaranteed investment certificates maturing May, September and October of 2021 bearing interest rate at 0.6% and one guaranteed investment certificate maturing March, 2022 bearing interest rate at 0.2%

5. Accounts Receivable

	2021	2020
Indigenous Services Canada (ISC)	\$ 629,766	\$ 671,180
Health Canada	11,439	22,001
Government of Canada	162,901	210,353
Province of Ontario	81,752	285,330
Other ⁽ⁱ⁾ (net of allowance for doubtful accounts of \$82,828 (2020 - \$85,661)	<u>857,692</u>	<u>1,441,271</u>
	<u><u>\$ 1,743,550</u></u>	<u><u>\$ 2,630,135</u></u>

(i) Included in Other receivables are two loans receivable in the amount of \$33,942 (2020 - \$40,377), receivable over 10 to 12 years and each bearing interest at a rate of 5% per annum.

6. Funds Held in Trust by ISC

	2021	2020
Capital	<u>\$ 2,353</u>	<u>\$ 2,353</u>

These funds are held by Indigenous and Northern Affairs Canada in trust for TFN. These funds can only be used with approval from the TFN community.

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

7. Accumulated Surplus

	2021	2020
Investment in tangible capital assets:		
Tangible capital assets (Note 10)	\$ 27,152,736	\$ 24,047,131
Long-term debt (Note 12)	<u>(10,317,771)</u>	<u>(6,707,594)</u>
	<u>16,834,965</u>	<u>17,339,537</u>
Reserves and earmarked funds:		
Water treatment plant ⁱ⁾	71,194	71,194
Canada Mortgage and Housing Corporation ⁱ⁾	318,316	274,838
Future generations fund ⁱⁱ⁾	2,357,107	1,977,117
Housing ⁱⁱ⁾	26,141	23,825
DMLRC ⁱⁱ⁾	441,265	88,640
Manitou Proceeds ⁱⁱ⁾	<u>74,392</u>	<u>74,392</u>
	<u>3,288,415</u>	<u>2,510,006</u>
Other items:		
General surplus	1,311,919	634,920
Contingent liability (Note 12 i))	<u>(1,000,582)</u>	<u>(1,000,582)</u>
	<u>\$ 20,434,717</u>	<u>\$ 19,483,881</u>

i) These are reserve funds established for future capital repairs and construction.

ii) These are earmarked funds for revenue generation and planned capital projects.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

8. Pension and Benefit Plans

TFN has a defined contribution pension plan for permanent employees. Under the terms of this plan, employee contributions of up to 5.5% of salary are matched by TFN. All investment decisions are the responsibility of the individual employee. During the year, TFN made contributions to this plan in the amount of \$286,399 (2020 - \$222,548).

In addition, TFN has a benefit plan for active employees covering supplemental health and dental costs. The full cost of this plan is covered by TFN.

9. Resource Revenue Sharing

The Temagami First Nation (TFN) and the Teme Augama Anishnabai (TAA) receive revenues from mining activities on N'Daki Menan. A resource agreement previously concluded provides participation opportunities and certain financial benefits for the TFN and the TAA.

The assets and financial activity from this agreement are not included in these consolidated financial statements since they are not controlled or directed by the Temagami First Nation. There continues to be an ongoing process to determine how these assets will be allocated and used between the above two entities.

During the year, amounts earned under this agreement and investment income earned on the assets on hand amounted to \$429,214 (2020 - \$448,042). Expenses related to monitoring the agreement and approved allocations amounted to \$179,825 (2020 - \$184,209). At March 31, 2021, assets including cash, short term investments and amounts receivable totalled \$2.129 million (2020 - \$1.879 million)

Temagami First Nation
Notes to Financial Statements

March 31, 2021

10. Tangible Capital Assets

a. Tangible capital assets

	2021								
	Buildings - CMHC	Vehicles	Machinery and equipment	Land Improvements	Infrastructure	Buildings	IT Equipment	Construction in Progress	Total
Cost, beginning of year	\$ 2,275,894	\$ 1,959,498	\$ 1,744,337	\$ 182,592	\$ 5,913,253	\$ 17,041,047	\$ 591,586	\$ 4,051,087	\$ 33,759,294
Additions	483	558,351	188,537	109,770	13,542	3,490,349	115,242	79,451	4,555,725
Disposals	-	(62,914)	(51,751)	-	-	-	(4,305)	(40,786)	(159,756)
Transfers	1,620,000	-	-	-	-	2,335,302	-	(3,955,302)	-
Cost, end of year	<u>\$ 3,896,377</u>	<u>\$ 2,454,935</u>	<u>\$ 1,881,123</u>	<u>\$ 292,362</u>	<u>\$ 5,926,795</u>	<u>\$ 22,866,698</u>	<u>\$ 702,523</u>	<u>\$ 134,450</u>	<u>\$ 38,155,263</u>
Accumulated amortization, beginning of year	\$ 860,795	\$ 1,485,557	\$ 925,837	\$ 83,174	\$ 3,291,827	\$ 2,587,922	\$ 477,051	\$ -	\$ 9,712,163
Amortization	90,878	182,368	210,038	12,204	234,218	591,990	53,050	-	1,374,746
Disposals	-	(44,355)	(35,722)	-	-	-	(4,305)	-	(84,382)
Accumulated amortization, end of year	<u>\$ 951,673</u>	<u>\$ 1,623,570</u>	<u>\$ 1,100,153</u>	<u>\$ 95,378</u>	<u>\$ 3,526,045</u>	<u>\$ 3,179,912</u>	<u>\$ 525,796</u>	<u>\$ -</u>	<u>\$ 11,002,527</u>
Net carrying amount, end of year	<u>\$ 2,944,704</u>	<u>\$ 831,365</u>	<u>\$ 780,970</u>	<u>\$ 196,984</u>	<u>\$ 2,400,750</u>	<u>\$ 19,686,786</u>	<u>\$ 176,727</u>	<u>\$ 134,450</u>	<u>\$ 27,152,736</u>

Temagami First Nation
Notes to Financial Statements

March 31, 2021

10. Tangible Capital Assets (continued)

a. Tangible capital assets (continued)

	2020									
	Buildings - CMHC	Vehicles	Machinery and equipment	Land Improvements	Infrastructure	Buildings	IT Equipment	Construction in Progress		Total
Cost, beginning of year	\$ 2,255,003	\$ 1,857,522	\$ 1,272,304	\$ 161,052	\$ 5,455,327	\$ 5,101,921	\$ 530,067	\$ 6,662,739	\$ 23,295,935	
Additions	20,891	101,976	472,033	21,540	457,926	5,567,751	61,519	3,759,723	10,463,359	
Transfers	-	-	-	-	-	6,371,375	-	(6,371,375)	-	-
Cost, end of year	\$ 2,275,894	\$ 1,959,498	\$ 1,744,337	\$ 182,592	\$ 5,913,253	\$ 17,041,047	\$ 591,586	\$ 4,051,087	\$ 33,759,294	
Accumulated amortization, beginning of year	\$ 771,468	\$ 1,334,614	\$ 790,258	\$ 76,818	\$ 3,082,325	\$ 2,270,636	\$ 427,771	-	\$ 8,753,890	
Amortization	89,327	150,943	135,579	6,356	209,502	317,286	49,280	-	958,273	
Accumulated amortization, end of year	\$ 860,795	\$ 1,485,557	\$ 925,837	\$ 83,174	\$ 3,291,827	\$ 2,587,922	\$ 477,051	-	\$ 9,712,163	
Net carrying amount, end of year	\$ 1,415,099	\$ 473,941	\$ 818,500	\$ 99,418	\$ 2,621,426	\$ 14,453,125	\$ 114,535	\$ 4,051,087	\$ 24,047,131	

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

10. Tangible Capital Assets (continued)

b. Construction In Progress and Commitments

	DMLRC Sawmill(i)	Elders' Complex(ii)	Warehouse(iii)	FHW C Addition(iv)	OPP Station(v)	Total
Project Budget	\$ 130,000	\$ 6,500,000	\$ 200,000	\$ 210,090	\$ 893,000	\$ 7,933,090
Construction in progress, beginning of year	\$ -	\$ 3,381,775	\$ 95,786	\$ -	\$ 573,526	\$ 4,051,087
Additions	6,064	3,221,591	-	73,387	768,757	4,069,799
Transfers	-	(6,603,366)	-	-	(842,283)	(7,445,649)
Write-down (vi)	-	-	(40,786)	-	-	(40,786)
Construction in progress, end of year	\$ 6,064	\$ -	\$ 55,000	\$ 73,387	\$ -	\$ 134,451

- i) Construction of the DMLRC Sawmill is underway and it is expected to be completed by September 30, 2021.
- ii) The Elder's Complex site became operational in September 2020 and was transferred to assets.
- iii) Construction of the warehouse is under review.
- iv) Construction of the FHW addition is underway and it is expected to be completed by August 30, 2021.
- v) The OPP Station became operational in February 2021 and was transferred to assets.
- vi) A decision was made to change the location of the warehouse and the costs incurred for the original location and warehouse design were written off.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

10. Tangible Capital Assets (continued)

c. Funding for Capital Projects

Non-recurring funding for major capital projects has been received and included in revenues, as follows:

	2021	2020
- Government of Canada	\$ 343,698	\$ 1,557,652
- Province of Ontario	89,904	430,039
- Other (IESO and TECK)	-	<u>225,000</u>
	<u>\$ 433,602</u>	<u>\$ 2,212,691</u>

11. Deferred Revenue

Deferred revenue by program is detailed as follows:

	2021	2020
Housing		
- Housing Grant (ISC)	\$ 111,777	\$ 38,088
Operations and Maintenance		
- Contaminated Sites (ISC)	49,547	104,259
- Solid Waste Management (ISC)	-	1,800
- Enhanced Water (ISC)	85,036	-
- Enhanced Wastewater (ISC)	49,046	-
- Community Infrastructure (ISC)	8,000	-
- COVID-19 School Minor Capital (ISC)	8,010	-
- COVID -19 Other Infrastructure (ISC)	49,785	-
Education Programs		
- COVID-19 School Emergencies (ISC)	81,354	-
- Special education (ISC)	77,615	152,235
- Post Secondary Education (ISC)	49,580	-
- Education Partnership - REA (ISC)	106,594	42,698
- Education Secondary (ISC)	237,842	178,254
- Bear Island Education Authority (ISC)	1,369,140	620,903

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

11. Deferred Revenue (continued)

	2021	2020
Health and Social		
- COVID-19 Mental Health & Addictions (Prov)	\$ 19,207	\$ -
- Child and Family Services - NCWP (Prov)	18,963	-
- Early Learning/Childcare (IFN)	118,000	108,917
- Healthy Living (HC)	62,092	-
- Social Assistance - TSF COVID	-	11,723
- Health Promo & Injury Prevention (HC)	37,447	-
- COVID-19 Health Facility (HC)	5,843	-
- Jordan's Principle - Secondary Students (HC)	8,984	8,984
- COVID-19 Mental Health (HC)	75,625	-
- COVID-19 Aboriginal Head Start (HC)	27,952	-
- COVID-19 Early Learning Safe Start	66,565	-
- HC - Jordan's Principal Navigator	52,464	21,210
- FN Child and Family Services (ISC)	90,913	153,102
- Family Well Being (Prov)	39,178	-
- COVID-19 Indigenous Comm Support Fund (ISC)	107,263	-
- Customary Care (IFN)	19,316	-
- Aboriginal Head Start (HC)	28,000	-
- COVID-19 Safe Re-open (Prov)	27,521	-
- Child Welfare CHRT (ISC)	710,136	-
Community Development		
- Victim Services (Prov)	16,607	-
- Library Grant	4,445	-
- Negotiations (ISC)	98,900	61,518
- Trillium - Archives	-	19,310
- Economic Development (ISC)	14,977	-
- 911 Implementation Project (ISC)	12,610	-
Lands and Resources		
- COVID-19 FNLMRC Supports	20,501	-
- Climate Monitor (ISC)	83,753	29,983
- Land Code Admin (ISC)	333,992	201,283
	<hr/>	<hr/>
	\$ 4,384,580	\$ 1,754,267

Deferred revenue by source:

ISC	\$ 4,034,276	\$ 1,612,517
Province	121,476	11,723
Other	<hr/>	<hr/>
Deferred revenue, end of year	\$ 4,384,580	\$ 1,754,267

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

12. Long-Term Debt

	2021	2020
Canada Mortgage and Housing Corporation mortgage receivable, repayable in monthly instalments of \$2,718 including interest at 0.94%. The loan matures August 2035. ⁽ⁱⁱ⁾	\$ 439,580	\$ 468,388
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,038 including interest at 1.3%. The loan matures June 2027. ⁽ⁱⁱ⁾	146,879	169,299
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$1,592 including interest at 1.3%. The loan matures June 2032. ⁽ⁱⁱ⁾	200,058	216,475
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$1,255 including interest at 1.3%. The loan matures May 2032. ⁽ⁱⁱ⁾	156,631	169,587
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$1,213 including interest at 1.77%. The loan matures October 2039. ⁽ⁱⁱ⁾	<u>231,801</u>	<u>242,079</u>
Total housing mortgages (Note 7)	1,174,949	1,265,828
Loan repayable in monthly instalments of \$19,101 including interest at 1.90%, secured by General Security Agreement. The loan matures June 16, 2030. ⁽ⁱⁱⁱ⁾	3,920,250	-
Loan repayable in monthly instalments of \$30,586 including interest at 2.72%, secured by General Security Agreement. The loan matures June 1, 2028. ⁽ⁱⁱⁱ⁾	<u>5,222,572</u>	<u>5,441,766</u>
Total debt (Note 7)	10,317,771	6,707,594
Loan payable, contingent on the settlement of the land claim. ⁽ⁱ⁾	<u>1,000,582</u>	<u>1,000,582</u>
	<u>\$11,318,353</u>	<u>\$ 7,708,176</u>

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

12. Long-Term Debt (continued)

Assuming refinancing of mortgages under similar terms, principal payments due over the next five years and thereafter, are as follows:

2022	\$ 307,579
2023	308,899
2024	310,240
2025	311,601
2026	312,983
Thereafter	<u>9,767,051</u>
	<u>\$ 11,318,353</u>

In 2021, interest expense of \$171,523 (2020 - \$89,309) has been reflected in the Consolidated Statement of Operations.

- (i) The loan payable of \$1,000,582 owing to the Research Branch of Indigenous and Northern Affairs Canada was made for the research, development and negotiation of the land claim. An amount of \$50,000 was loaned to the Band in 1976, a further \$75,584 loaned in the 1980-81 fiscal year, \$190,000 in the 1981-82 fiscal year, \$423,000 in the 1982-83 fiscal year, \$177,000 in the 1983-84 fiscal year, \$27,523 in the 1984-85 fiscal year to cover deficiencies from 1981 to 1984, and \$57,475 was loaned in the 1985-86 fiscal year. The loan repayment is contingent on the settlement of the land claim, at which time it will be repayable on March 31, 2025. (See Note 14)
- (ii) The CMHC loan in the amount of \$156,631 (2020 - \$169,587) represents a loan made by CMHC to TFN to construct two apartment duplexes as rental units. The other CMHC loans are made to TFN to enable Band members to purchase rent-to-own houses.
- (iii) Temagami First Nation is required to set aside cash in a debt reserve fund that is restricted towards paying down this debt. The restricted cash set aside at year end and included in cash and cash equivalents is \$479,861 (2020 - \$280,074).
- (iv) Subsequent to year end an additional CMHC loan will be received for in the amount of \$1,620,000 to finance a portion of the Elders Complex expenditures incurred in fiscal 2020 and 2021.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

13. Intergovernmental Arrangements

TFN continues to be involved in historical funding arrangements with the Government of Canada, particularly ISC, that enable TFN to administer its operations and provide services to its members. Funding provided to TFN pursuant to these agreements constitutes a significant portion of TFN's revenues. The nature of these arrangements continues to evolve.

14. Contingent Assets

TFN remains in ongoing land claim negotiations. It is expected that the parties will negotiate an amount of financial compensation to be paid by the Government of Ontario to TFN. At the date of the consolidated financial statement preparation the outcome of these negotiations and any financial compensation is unknown and cannot be reasonably estimated.

15. Funding Reconciliation

ISC/Health Canada revenue per funding confirmation	\$ 9,169,182
Amend #55 - April 2020	47,610
CHRT 19/20 (funding agreement 20/21)	(61,617)
NOBA #13 and #14 20/21	(24,349)
Health Canada funding outside agreement (Medical Trips)	11,439
Deferred revenue prior year	1,612,517
Deferred revenue current year	<u>(4,034,276)</u>
ISC/Health Canada revenue per the consolidated financial statements	<u>\$ 6,720,506</u>

Of the above \$9,169,182, \$4,772,428 relates new fiscal relationship funding and \$4,396,754 to non new fiscal relationship funding.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

16. Contingent Liabilities

Three lawsuits have been filed against the First Nation. It is the opinion of management and legal counsel, that the outcome of these lawsuits, now pending, is not determinable. TFN has filed a lawsuit against a consultant for the Multi-Use Facility and a counter-claim has been received. Since the final outcome of the above noted actions cannot be determined as likely and any loss cannot be reasonably estimated, no provision has been made in these financial statements.

17. Expenses by Object

	2021	2020
Salaries, wages and benefits	\$ 4,984,450	\$ 4,781,611
Materials, supplies and capital	935,694	1,287,537
Contracted services	3,261,645	3,061,223
Rents and financial	970,708	812,198
Travel, training and other	148,007	1,130,804
Amortization	<u>1,374,746</u>	<u>958,273</u>
	<u><u>\$11,675,250</u></u>	<u><u>\$ 12,031,646</u></u>

18. Budget

The Budget adopted by Council on June 18, 2020, with amended budget adopted by Council on November 12, 2020, was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget included transfers to and from reserves. As a result, the budget figures presented on the Consolidated Statements of Operations and Changes in Net Financial Assets represent the financial plan adopted by Council with adjustments as follows:

	2021
Budgeted surplus for the year	\$ -
Add:	
Debt principal repayments	290,000
Less:	
Transfers from reserves	<u>(407,724)</u>
Budget deficit per consolidated statement of operations	<u><u>\$ (117,724)</u></u>

Temagami First Nation
Notes to Consolidated Financial Statements

March 31, 2021

19. Impacts of Global Pandemic

On March 11, 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) a pandemic, resulting in economic uncertainties affecting the organization. The First Nation continues to actively monitor the impacts of the pandemic on its financial condition, liquidity, operations and workforce. The First Nation instituted rigorous protocols for all activities on Bear Island in order to ensure the safety of the community. Given the daily evolution of the COVID-19 outbreak, including efforts to curb its spread, impacts on suppliers, other levels of governments and financial institutions, the First Nation is not able to fully estimate the effects of the COVID-19 outbreak on its future results of operations, financial condition or liquidity at this time.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

20. Segmented Information

TFN is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, medical and other health services, administration, capital, enterprises and other services.

Services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Ontario First Nation Limited Partnership (OFNLP)

With revenues received through this partnership, Temagami First Nation provides its citizens that reside both on and off-reserve with an array of programs within the five areas of approved spending which include Education, Health, Economic, Cultural and Community Development.

Community Development

TFN provides a wide array of other services, including ferry and air boat services, fire protection, postal services, public library, youth employment projects and economic development. Also included are lands and resources and administration for TFN's land code. Community events such as the PowWow, special language, and cultural projects are also included.

Health and Social

The department provides a diverse bundle of services directed towards the well being of members including such activities as medical transportation, home support services, prenatal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

The social assistance department is responsible for administering assistance payments as well as providing services directed towards members.

Temagami First Nation Notes to Consolidated Financial Statements

March 31, 2021

20. Segmented Information (continued)

Administration

The administration department oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes dog by-law enforcement and the governance activities of Chief and Council.

Operations and Maintenance

This department is responsible for public services such as the operation and maintenance of roads, the water and sanitation system and waste management. Maintenance of Band buildings and community infrastructure is also included in this segment.

Education

The education department provides services to elementary students through operation of the Laura McKenzie Learning Centre. It also provides support for secondary students, primarily by entering into service contracts with provincially funded area school boards. In addition, the department supports post-secondary students by providing funds for tuition fees, books and living allowances.

Housing

This department is responsible for all housing including rental units, CMHC rent-to-own housing and any Residential Repair Assistance Programs (RRAP)

Daki Menan Lands and Resources Corporation

This corporation is an incorporated non-for-profit company. Activities include a fuelwood business, office and property rentals and forestry operations.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

Temagami First Nation
Segment Disclosure

For the year ended March 31, 2021

20. Segmented Information (continued)

	OFNLP	Community Development	Health and Social Administration	Operations & Maintenance	Education	Housing	Daki Menan Land and Resource Corporation	Total
Revenues								
Indigenous and Northern Affairs Canada	\$ -	\$ 928,519	\$ 808,833	\$ 547,962	\$ 968,594	\$ 1,827,370	\$ 130,274	\$ - 5,211,552
Province of Ontario	-	566,692	1,708,348	-	32,287	-	-	20,717 2,328,044
Health Canada	-	-	1,508,954	-	-	-	-	1,508,954
CMHC subsidy	-	-	-	-	-	-	-	101,224
Government of Canada	-	220,082	-	31,500	-	-	-	147,067 398,649
OFNLP and other transfers	984,785	26,251	-	-	-	-	-	1,011,036
Band Generated and other	203,993	700,551	428,383	(19,924)	218,060	5,755	168,996	360,813 2,066,627
	1,188,778	2,442,095	4,454,518	559,538	1,218,941	1,833,125	400,494	528,597 12,626,086
Expenses								
Salaries, wages and benefits	-	1,052,297	1,716,851	732,143	572,489	827,001	42,729	40,940 4,984,450
Materials, supplies and capital	237,946	88,019	126,285	71,637	296,605	73,993	35,369	5,840 935,694
Contracted services	17,100	957,828	1,483,744	112,221	195,562	313,224	99,910	82,056 3,261,645
Rents and financial expenses	186,772	47,813	256,957	20,727	70,338	265,917	83,128	39,056 970,708
Travel and training	32,336	59,139	201,765	20,942	12,901	327,923	437	10,471 665,914
Contributions from other programs	-	(50,317)	-	(435,844)	(31,746)	-	-	(517,907)
	474,154	2,154,779	3,785,602	521,826	1,116,149	1,808,058	261,573	178,363 10,300,504
Annual surplus before amortization	714,624	287,316	668,916	37,712	102,792	25,067	138,921	350,234 2,325,582
Amortization	-	65,661	220,247	101,220	706,286	67,887	200,973	12,472 1,374,746
Annual surplus (deficit)	\$ 714,624	\$ 221,655	\$ 448,669	\$ (63,508)	\$ (603,494)	\$ (42,820)	\$ (62,052)	\$ 337,762 \$ 950,836
Tangible capital assets purchased	\$ -	\$ 3,645,934	\$ 653,056	\$ 60,226	\$ 102,792	\$ 22,686	\$ 6,787	\$ 64,244 \$ 4,555,725

Temagami First Nation
Segment Disclosure

For the year ended March 31, 2020

20. Segmented Information (continued)	Community Development	Health and Social Administration	Operations & Maintenance	Education	Housing	Daki Menan Land and Resource Corporation	Total
	OFNLP						
Revenues							
Indigenous and Northern Affairs Canada	\$ -	\$ 2,071,323	\$ 498,554	\$ 540,478	\$ 810,383	\$ 1,528,008	\$ 191,454
Province of Ontario	-	1,037,665	1,482,494	-	72,650	-	-
Health Canada	-	-	1,783,316	-	-	-	-
CMHC subsidy	-	-	-	-	-	155,332	-
Government of Canada	-	826,749	-	29,894	6,000	-	-
OFNLP and other transfers	442,841	180,545	-	-	157,000	44,259	203,754
Band Generated and other	18,477	1,305,812	345,702	400,033	214,437	114,071	146,426
	461,318	5,422,094	4,110,066	970,405	1,260,470	1,686,338	696,966
							384,702
							14,992,359
Expenses							
Salaries, wages and benefits	-	1,104,467	1,648,008	597,177	547,660	734,685	117,408
Materials, supplies and capital	274,418	203,101	167,185	69,999	400,398	88,887	79,043
Contracted services	14,938	1,364,404	1,248,764	76,993	89,114	129,869	104,701
Rents and financial expenses	104,365	60,072	187,781	24,906	42,848	293,408	66,702
Travel and training	46,407	200,392	433,446	101,813	53,943	385,374	833
Other	-	(66,676)	-	-	(35,000)	-	-
	440,128	2,865,760	3,685,184	870,888	1,098,963	1,632,223	368,687
							111,540
							11,073,373
Annual surplus before amortization	21,190	2,556,334	424,882	99,517	161,507	54,115	328,279
Amortization and writeoffs	-	57,545	162,195	48,797	480,838	70,563	127,272
Annual surplus (deficit)	\$ 21,190	\$ 2,498,789	\$ 262,687	\$ 50,720	\$ (319,331)	\$ (16,448)	\$ 201,007
Tangible capital assets purchased	\$ -	\$ 9,431,299	\$ 356,174	\$ 110,677	\$ 286,950	\$ 44,796	\$ 233,463
							-
							\$ 10,463,359