

Financial Statements of

WAHNAPITAE FIRST NATION

And Independent Auditors' Report thereon

Year ended March 31, 2020

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Wahnapitae First Nation are the responsibility of management and have been approved by the Chief and Council of the First Nation.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles as described in note 1. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

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

The Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and are ultimately responsible for reviewing and approving the financial statements.

The Chief and Council review the First Nation's financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditors' report. The Chief and Council takes this information into consideration when approving the financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.

The financial statements have been audited by KPMG LLP in accordance with Canadian generally accepted auditing standards on behalf of the First Nation.


Chief


Executive Director



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INDEPENDENT AUDITORS' REPORT

To the Members of Wahnapitae First Nation

Opinion

We have audited the financial statements of Wahnapitae First Nation (the "First Nation"), which comprise:

- the statement of financial position as at March 31, 2020
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and the notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.



Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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:

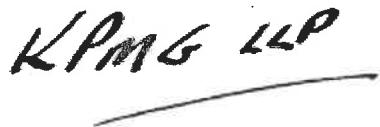
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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, internal 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 purposes 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 the 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive style and is underlined with a single horizontal line.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

August 11, 2020

WAHNAPITAE FIRST NATION

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Year ended March 31, 2020

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WAHNAPITAE FIRST NATION

Exhibit A - Statement of Financial Position

March 31, 2020, with comparative information for 2019

	2020	2019
Financial assets		
Cash	\$ 3,536,252	\$ 2,749,922
Accounts receivable (note 2)	914,704	736,411
Housing loans receivable (note 3)	191,127	192,169
Investment in N'Swakamok Forestry Corporation	1	1
<u>Consolidated revenue fund</u>	<u>339,591</u>	<u>333,054</u>
	4,981,675	4,011,557
Financial liabilities		
Accounts payable and accrued liabilities	472,825	438,073
Deferred revenue (note 5)	2,874,313	1,243,179
Loans payable to Indigenous Services Canada (note 6)	856,831	856,831
<u>Long-term debt (note 7)</u>	<u>2,678,014</u>	<u>2,617,466</u>
	6,881,983	5,155,549
Net debt	(1,900,308)	(1,143,992)
Non-financial assets		
Inventories	80,204	40,092
Tangible capital assets (note 8)	8,692,154	8,022,100
<u>Prepaid expenses</u>	<u>109,900</u>	<u>-</u>
	8,882,258	8,062,192
Contingent liabilities (note 9)		
Effects of COVID-19 (note 14)		
Accumulated surplus (note 10)	\$ 6,981,950	\$ 6,918,200

See accompanying notes to financial statements.

On behalf of the First Nation:

L. Roque
Chief

J. Hartland
Executive Director

WAHNAPITAE FIRST NATION

Exhibit B - Statement of Operations and Accumulated Surplus

Year ended March 31, 2020, with comparative information for 2019

	2020 Budget	2020 Total	2019 Total
(Note 13)			
Revenue:			
Indigenous Services Canada (note 11)	\$ 1,017,913	\$ 2,182,851	\$ 912,451
Health Canada	-	-	378,323
Provincial	363,587	507,170	634,278
Ontario First Nations Limited Partnership	-	645,746	743,498
Kinoomaadziwin Education Body	995,497	910,736	638,726
Mining agreements and services	380,500	417,389	459,532
Union of Ontario Indians	149,324	288,211	206,217
Canada Mortgage and Housing Corporation	100,596	107,849	153,354
Business Enterprise	-	1,807,428	1,726,239
Other	328,143	980,396	813,238
	3,335,560	7,847,776	6,665,856
Expenses:			
Band Government	698,610	1,494,805	1,375,430
Education	1,246,917	1,147,862	1,105,804
Public Works and Community Development	539,041	726,084	604,252
Health Services	450,040	1,036,759	901,439
Lands	859,953	873,147	680,868
CMHC Housing	203,143	209,769	161,775
General Housing	209,542	382,351	34,442
Business Enterprise	70,280	1,913,249	1,854,512
	4,277,526	7,784,026	6,718,522
Excess (deficiency) of revenue over expenses	(941,966)	63,750	(52,666)
Accumulated surplus, beginning of year	6,918,200	6,918,200	6,970,866
Accumulated surplus, end of year	\$ 5,976,234	\$ 6,981,950	\$ 6,918,200

See accompanying notes to financial statements.

WAHNAPITAE FIRST NATION

Exhibit C - Statement of Changes in Net Debt

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Excess (deficiency) of revenue over expenses	\$ 63,750	\$ (52,666)
Acquisition of tangible capital assets	(1,238,379)	(443,026)
Amortization of tangible capital assets	537,484	446,587
Net book value of disposal of tangible capital assets	30,841	31,688
	(606,304)	(17,417)
Use of inventories	(40,112)	712
Use (acquisition) of inventory	(109,900)	4,050
Change in net financial assets	(756,316)	(12,655)
Net debt, beginning of year	(1,143,992)	(1,131,337)
Net debt, end of year	\$ (1,900,308)	\$ (1,143,992)

See accompanying notes to financial statements.

WAHNAPITAE FIRST NATION

Exhibit D - Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Operating transactions:		
Excess (deficiency) of revenue over expenses	\$ 63,750	\$ (52,666)
Adjustments for:		
Amortization of tangible capital assets	537,484	446,587
Loss on disposal of tangible capital assets	2,841	31,688
	<u>604,075</u>	<u>425,609</u>
Change in non-cash working capital:		
Accounts receivable	(178,295)	(134,442)
Accounts payable and accrued liabilities	34,751	97,629
Deferred revenue	1,631,134	767,712
Prepaid expenses	(109,900)	4,050
Inventories	<u>(40,112)</u>	<u>712</u>
	<u>1,941,653</u>	<u>1,161,270</u>
Financing transactions:		
Issuance of long-term debt	253,450	-
Principal payments on housing loans receivable	1,042	5,742
Principal payments on long-term debt	<u>(192,899)</u>	<u>(7,424)</u>
	<u>61,593</u>	<u>(1,682)</u>
Investing transactions:		
Proceeds from disposal of tangible capital assets	28,000	-
Cash used to acquire tangible capital assets	(1,238,379)	(443,026)
Consolidated revenue fund	<u>(6,537)</u>	<u>(7,559)</u>
	<u>(1,216,916)</u>	<u>(450,585)</u>
Net increase in cash position	786,330	709,003
Cash, beginning of year	2,749,922	2,040,919
Cash, end of year	\$ 3,536,252	\$ 2,749,922

See accompanying notes to financial statements.

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

The Wahnapitae First Nation (the “First Nation”), located in Capreol, Ontario, administers programs and provides services to First Nation members.

1. Significant accounting policies:

These financial statements of the First Nation are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants of Canada. The following is a summary of the significant accounting policies followed in the preparation of these financial statements:

(a) Reporting entity:

The reporting entity includes activities of all committees of the First Nation under the control of Chief and Council.

(b) Basis of accounting:

The First Nation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land improvements	25
Buildings and building improvements	25 - 40
Vehicles	5 - 10
Furniture, computers and fixtures	3 - 10
Machinery and equipment	5 - 20
Roads infrastructure	40 - 50

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued):

(c) Non-financial assets (continued):

(ii) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(d) Revenue recognition:

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the statement of financial activities.

(e) Investment in N'Swakamok Forestry Corporation:

The investment is accounted for by the equity method and represents a 20% interest in the corporation.

(f) Consolidated revenue funds:

Funds held in trust are comprised of funds held in Ottawa Trust accounts and 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.

(g) Use of estimates:

The preparation of 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 at the date of the financial statements and the reported amounts of revenue and expenses during the periods specified. Significant items subject to such estimates and assumptions include the carrying value of capital assets and valuation allowances for accounts receivable. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

2. Accounts receivable:

	2020	2019
Vale Canada Limited	\$ 2,225	\$ 13,086
Indigenous Services Canada	623,666	294,306
KGHM International	12,748	12,098
Health Canada	—	121,182
KEB	39,080	33,022
Canada Mortgage and Housing Corporation	8,754	8,763
Ontario Power Generation	20,000	20,000
Government of Canada	10,532	10,532
Glencore	7,700	2,200
Ministry of Natural Resources	5,000	19,000
Independent Electricity System Operator	52,292	52,292
Union of Ontario Indians	19,500	52,981
Other	304,182	275,834
Allowance for doubtful accounts	(190,975)	(178,885)
	<hr/>	<hr/>
	\$ 914,704	\$ 736,411

3. Housing loans receivable:

Housing loans to band members bear interest at various rates, have terms of five years and are secured by the specific band member's homes.

4. Line of credit:

The First Nation has available an operating line of credit in the amount of \$25,000, secured by a general security agreement over the assets of the First Nation. Interest on amounts drawn is charged at the prime lending rate plus 0.75%.

5. Deferred revenue:

Deferred revenue relates to cash received in advance for future periods. The balance includes \$65,595 (2019 - \$77,850) in tenant receipts for business enterprise lot fees. This revenue has been deferred as the services have yet to be provided.

6. Loans payable to Indigenous Services Canada:

The loans payable to Indigenous Services Canada ("ISC") are secured, by a promissory non-interest bearing note and are due on the earlier of the settlement of the land claim or March 31, 2022.

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

7. Long-term debt:

	2020	2019
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$776 including interest at 1.73%, due 2025	\$ 79,515	87,339
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$567 including interest at 1.39%, due 2020	63,551	69,433
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,894 including interest at 2.22%, due 2024	267,912	284,509
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,654 including interest at 1.11%, due 2021	292,350	308,858
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,610 including interest at 1.43%, due 2022	292,753	307,771
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,970 including interest at 1.87%, due 2024	380,742	397,071
Canada Mortgage and Housing Corporation construction financing, payable in monthly instalments of \$1,403 Including interest at 1.03%, due 2021	316,396	329,789
Waubetek Business Development Corporation, payable in monthly installments of \$1,138 non-interest bearing, due 2024, security described in i) below	56,924	68,309
Toronto Dominion Bank term loan, payable in monthly instalments of \$4,742 including interest at 4.65%, due 2024, security described in ii) below	242,125	—
Toronto Dominion Bank term loan, payable in monthly instalments of \$7,795 including interest at 4.91%, due 2028	620,462	681,684
Toronto Dominion Bank term loan, payable in monthly instalments of \$1,770 including interest at 4.92%, due 2023	65,284	82,703
	<hr/> \$ 2,678,014	<hr/> 2,617,466

- i. The Waubetek Business Development Corporation loan payable is secured by specific equipment and assets having a carrying value of \$66,963 (2019 - \$69,875).
- ii. The Toronto Dominion Bank term loan payable is secured under a security agreement where the lender has first position on specific equipment having a carrying value of \$221,769

Principal payments required on long-term debt within each of the next five years are as follows:

2021	\$ 237,842
2022	245,276
2023	253,006
2024	232,969
2025	206,822
Thereafter	1,502,099

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

8. Tangible capital assets:

Cost	Balance at March 31, 2019	Additions	Disposals	Balance at March 31, 2020
Land improvements	\$ 149,309	-	-	149,309
Buildings	6,227,537	1,580	-	6,229,117
Road infrastructure	1,514,668	49,874	-	1,564,542
Machinery and equipment	1,529,625	477,121	(54,479)	1,952,267
Furniture, computer and fixtures	239,445	29,888	-	269,333
Social housing	2,554,917	527,466	-	3,082,383
Assets under construction	-	152,450	-	152,450
Total	\$ 12,215,501	1,238,379	(54,479)	13,399,401

Accumulated amortization	Balance at March 31, 2019	Disposals	Amortization expense	Balance at March 31, 2020
Land improvements	\$ 71,784	-	5,973	77,757
Buildings	1,541,411	-	181,914	1,723,325
Road infrastructure	646,569	-	31,995	678,564
Machinery and equipment	1,157,288	(23,638)	190,952	1,324,602
Furniture, computer and fixtures	192,184	-	19,850	212,034
Social housing	584,165	-	106,800	690,965
Total	\$ 4,193,401	(23,638)	537,484	4,707,247

	Net book value, March 31, 2019	Net book value, March 31, 2020
Land improvements	\$ 77,525	71,552
Buildings	4,686,126	4,505,792
Road infrastructure	868,099	885,978
Machinery and equipment	372,337	627,665
Furniture, computer and fixtures	47,261	57,299
Social housing	1,970,752	2,391,418
Assets under construction	-	152,450
Total	\$ 8,022,100	8,692,154

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

8. Tangible capital assets (continued):

Cost	Balance at March 31, 2018	Additions	Disposals	Balance at March 31, 2019
Land improvements	\$ 149,309	-	-	149,309
Buildings	6,146,000	81,537	-	6,227,537
Road infrastructure	1,514,668	-	-	1,514,668
Machinery and equipment	1,186,737	342,888	-	1,529,625
Furniture, computer and fixtures	305,342	18,601	(84,498)	239,445
Social housing	2,554,917	-	-	2,554,917
Total	\$ 11,856,973	443,026	(84,498)	12,215,501

Accumulated amortization	Balance at March 31, 2018	Disposals	Amortization expense	Balance at March 31, 2019
Land improvements	\$ 65,811	-	5,973	71,784
Buildings	1,273,835	-	267,576	1,541,411
Road infrastructure	615,821	-	30,748	646,569
Machinery and equipment	1,084,669	(52,810)	125,429	1,157,288
Furniture, computer and fixtures	175,323	-	16,861	192,184
Social housing	584,165	-	-	584,165
Total	\$ 3,799,624	(52,810)	446,587	4,193,401

	Net book value, March 31, 2018	Net book value, March 31, 2019
Land improvements	\$ 83,498	77,525
Buildings	4,872,165	4,686,126
Road infrastructure	898,847	868,099
Machinery and equipment	102,068	372,337
Furniture, computer and fixtures	130,019	47,261
Social housing	1,970,752	1,970,752
Total	\$ 8,057,349	8,022,100

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

9. Contingent liabilities:

(a) Government funding:

The First Nation has entered into accountable contribution arrangements with several government funding agencies. All such programs are subject to audit by the various governments, with audit adjustments repayable to the government.

(b) Loan guarantees - Band members:

The First Nation is contingently liable for loan guarantees to various chartered banks in favour of individual Band members. The guarantees total \$332,970 (2019 - \$362,418).

(c) In accordance with the terms and conditions of a financing arrangement between the Bank of Montreal and the Robinson Huron Treaty Trust ("Trust"), the First Nation as a beneficiary of the Trust has guaranteed borrowings in proportion to its beneficial interest in the Trust in the amount of \$203,000. As of March 31, 2020, its proportional outstanding loan balance as part of the Trust is \$203,000 (2019 - \$203,000).

10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2020	2019
Surplus (deficit):		
Invested in capital assets	\$ 6,014,130	5,404,634
Operations	(2,026,998)	(1,374,599)
Land claim	(1,352,501)	(1,152,496)
	2,634,631	2,877,539
Reserves set aside for specific purpose by Council:		
Consolidated revenue trust	339,591	333,054
Ontario First Nations Limited Partnership	1,397,817	1,111,475
Community Development	894,715	894,715
Education	45,698	45,698
CMHC replacement reserves	109,841	96,062
Ontario Power Generation Settlement	1,559,657	1,559,657
	4,347,319	4,040,661
	\$ 6,981,950	6,918,200

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

11. Indigenous Services Canada Funding:

	2020	2019
Total funding per confirmation	\$ 3,649,200	\$ 1,253,832
Deferred revenue – beginning	710,949	281,225
Deferred revenue – ending	(2,177,298)	(622,606)
Total funding per financial statements	\$ 2,182,851	\$ 912,451

12. Comparative information:

Certain 2019 comparative information have been reclassified to conform with the presentation adopted in 2020.

13. Budget figures:

The budget data presented in these consolidated financial statements is based upon the operating and capital budgets approved by Council. The reconciliation of the approved budget to the budget figures reported on these consolidated financial statements is listed below.

Approved revenue budget:	
Total revenues per budget	\$ 3,335,560

Revenue budget per financial statements	\$ 3,335,560
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Approved expense budget:	
Total expenses per budget	\$ 3,740,042
Add: Amortization of tangible capital assets	537,484

Expense budget per financial statements	\$ 4,277,526
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WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

14. Effects of COVID-19:

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and Ontario governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Ontario resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable. The current challenging economic climate may lead to adverse changes in cash flows, working capital levels and/or debt balances, which may also have a direct impact on the First Nation's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect to the First Nation's business is not known at this time.

15. Segmented information:

Wahnapitae First Nation is a diversified governmental institution that provides a wide range of services to its band members, including band support, health services, education, sustainable development and capital. For management reporting purposes the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

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.

General / Band Support

The band support 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 the governance activities of chief and council, the operations of the band's business operations, community development, public works, management and assistance for computer and communications related projects and services.

Health Services

The health services department provides a diverse bundle of services directed toward the well-being of the members of the First Nation including such activities as long-term care, health centers, diabetes, fetal alcohol syndrome, mental health, smoke free programs, traditional healing and training designed to enhance the health of member communities.

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

15. Segmented information (continued):

Education

The education department provides education management services to the member First Nations as well as overseeing various small incentives on behalf of the communities.

Lands

The lands department provides services to make use of the natural landscape of the First Nation in the form of mining and mineral agreements with local mining companies to provide long-term sustainable resources to the First Nation and its members.

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 allocations 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 financial statements as disclosed in the summary of significant accounting policies.

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

15. Segmented information (continued):

	General/Band Support	Health Services	Education	Lands	2020 Total
Revenue:	\$ 4,793,534	1,112,531	1,166,540	775,171	7,847,776
Expenses:					
Salaries, benefits and honoraria	1,262,653	460,622	270,748	550,507	2,544,530
Travel and training	168,612	85,027	47,615	32,940	334,194
Materials, supplies and rentals	2,751,842	308,700	116,744	42,877	3,220,163
Contractual and professional fees	574,716	103,163	110,905	178,824	967,608
Interest on long-term debt	62,066	-	3,816	-	65,882
Tuition and student allowances	1,800	1,120	461,539	-	464,459
Other	533,585	151,648	156,008	46,846	888,087
Amortization of tangible capital assets	431,887	53,345	31,096	21,154	537,482
Investment in tangible capital assets	(1,060,901)	(126,866)	(50,609)	-	(1,238,376)
	4,726,260	1,036,759	1,147,862	873,148	7,784,029
Excess (deficiency) of revenue over expenses	\$ 67,274	75,772	18,678	(97,977)	63,747

WAHNAPITAE FIRST NATION

Notes to Financial Statements

Year ended March 31, 2020

15. Segmented information (continued):

	General/Band Support	Health Services	Education	Lands	2019 Total
Revenue:	\$ 3,824,787	891,542	1,162,611	786,916	6,665,856
Expenses:					
Salaries, benefits and honoraria	1,026,951	453,073	230,182	384,135	2,094,341
Travel and training	161,060	75,053	32,426	51,094	319,633
Materials, supplies and rentals	1,793,942	119,445	204,736	36,057	2,154,180
Contractual and professional fees	461,024	140,296	34,813	102,486	738,619
Interest on long-term debt	60,678	-	2,963	-	63,641
Tuition and student allowances	-	-	619,552	-	619,552
Other	367,230	111,202	111,517	85,942	675,891
Amortization of tangible capital assets	376,488	27,971	20,974	21,154	446,587
Investment in tangible capital assets	(216,962)	(25,601)	(151,359)	-	(393,922)
	4,030,411	901,439	1,105,804	680,868	6,718,522
Excess (deficiency) of revenue over expenses	\$ (205,624)	(9,897)	56,807	106,048	(52,666)