

Wawakapewin First Nation
Consolidated Financial Statements
March 31, 2020

Wawakapewin First Nation

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For the year ended March 31, 2020

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Management's Responsibility

To the Members of Wawakapewin First Nation:

The accompanying consolidated financial statements of Wawakapewin 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 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 Wawakapewin First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are 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.



Signature

Band Administrator

Independent Auditor's Report

To the Members of Wawakapewin First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Wawakapewin 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, changes in net financial assets 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, except for the effect of the matter described in the Basis of Qualified Opinion paragraph, 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 and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Inventory consists of fuel and gas purchased for use by the First Nation. We did not observe the inventory counts at the beginning or end of the year and alternative means did not provide us with the necessary assurance regarding the cost of inventory. As a result, we were unable to determine what adjustments, if any, might be necessary to inventory held for use, expenses, annual surplus and accumulated surplus.

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Winnipeg, Manitoba

August 14, 2020

MNP LLP

Chartered Professional Accountants

MNP

Wawakapewin First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
Financial assets		
Cash	571,521	141,823
Accounts receivable (Note 3)	353,890	467,972
Portfolio investments (Note 4)	104,361	500,023
Ottawa Trust Fund (Note 5)	34,234	30,328
	1,064,006	1,140,146
Liabilities		
Accounts payable and accruals (Note 6)	400,484	426,246
Deferred revenue (Note 7)	380,468	294,621
	780,952	720,867
Net financial assets	283,054	419,279
Contingencies (Note 8)		
Non-financial assets		
Tangible capital assets (Schedule 1)	2,799,035	2,620,954
Inventory held for use	49,563	135,623
Prepaid expenses	29,276	22,712
	2,877,874	2,779,289
Accumulated surplus (Note 9)	3,160,928	3,198,568

Approved on behalf of the Chief and Council



Chief



Councillor

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

Wawakapewin First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2020

	<i>Schedules</i>	<i>2020 Budget (Note 16)</i>	<i>2020</i>	<i>2019</i>
Revenue				
Indigenous Services Canada (Note 10)		1,321,156	1,795,430	1,819,712
Ontario First Nations Limited Partnership (Note 11)		910,864	914,197	1,053,296
First Nations and Inuit Health (Note 12)		677,348	686,543	695,713
Other revenue		411,836	462,839	588,455
Ministry of Northern Development and Mines		189,838	199,109	27,810
Ministry of Indigenous Relations and Reconciliation		85,000	85,500	81,000
Revenue deferred in prior year (Note 7)		294,621	294,621	887,608
Revenue deferred to subsequent year (Note 7)		-	(380,468)	(294,621)
		3,890,663	4,057,771	4,858,973
Segment expenses				
Capital	4	705,828	624,149	751,450
Economic Development	5	116,751	82,843	46,991
First Nation Management	6	920,149	909,118	847,447
Health	7	885,582	738,297	773,771
Municipal Services	8	818,336	691,834	720,261
Other	9	1,000,266	878,021	839,016
Total segment expenses (Schedule 2)		4,446,912	3,924,262	3,978,936
Surplus before other item		(556,249)	133,509	880,037
Other item				
Gain (loss) on disposal of tangible capital assets		-	(171,149)	33,059
Annual surplus (deficit)		(556,249)	(37,640)	913,096
Accumulated surplus, beginning of year		3,198,568	3,198,568	2,285,472
Accumulated surplus, end of year		2,642,319	3,160,928	3,198,568

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

Wawakapewin First Nation
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2020

	2020 Budget (Note 16)	2020	2019
Annual surplus (deficit)	(556,249)	(37,640)	913,096
Purchases of tangible capital assets	-	(749,897)	(1,024,330)
Amortization of tangible capital assets	285,000	400,667	291,480
Loss (gain) on disposal of tangible capital assets	-	171,149	(33,059)
Proceeds of disposal of tangible capital assets	-	-	56,000
Increase in prepaid expenses	-	(6,564)	(3,138)
Decrease in inventory held for use	-	86,060	162,135
Increase (decrease) in net financial assets	(271,249)	(136,225)	362,184
Net financial assets, beginning of year	419,279	419,279	57,095
Net financial assets, end of year	148,030	283,054	419,279

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

Wawakapewin First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	(37,640)	913,096
Non-cash items		
Amortization	400,667	291,480
Gain (loss) on disposal of capital assets	171,149	(33,059)
	534,176	1,171,517
Changes in working capital accounts		
Accounts receivable	114,082	(182,526)
Accounts payable and accruals	(25,762)	197,570
Deferred revenue	85,847	(592,987)
Inventory held for use	86,060	162,135
Prepaid expenses	(6,564)	(3,138)
	787,839	752,571
Financing activity		
Repayment of equipment financing	-	(75,627)
Capital activities		
Purchases of tangible capital assets	(749,897)	(1,024,330)
Proceeds of disposal of tangible capital assets	-	56,000
	(749,897)	(968,330)
Investing activities		
Change in portfolio investments	395,662	(300,000)
Ottawa Trust Fund	(3,906)	(3,919)
	391,756	(303,919)
Increase (decrease) in cash	429,698	(595,305)
Cash, beginning of year	141,823	737,128
Cash, end of year	571,521	141,823

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

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

1. Nature of operations

Wawakapewin First Nation (the "First Nation") is located in the province of Ontario and provides various services to its Members. Wawakapewin First Nation includes the First Nation's members, government and all related entities that are accountable to the First Nation that 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 include the following significant accounting policies:

Reporting entity consolidated

The Wawakapewin 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 organization:

- Sheila Childforever Memorial Economic Development Corporation

All inter-entity balances have been eliminated on consolidation.

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 is comprised of balances with banks. Cash subject to restrictions, if any, is included in restricted cash.

Portfolio investments

Portfolio investments are valued at the lower of cost and market value.

Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the 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.

Net financial assets

The First Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated annual 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, prepaid expenses and inventory held for use.

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

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 straight-line method 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.

	Years
Band housing	15
Generating station	15
General buildings	10
Heavy vehicles	5
Land improvement	15
Roads	10
Vehicles and equipment	3-5
Water and sewer infrastructure	15

Long-lived assets

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

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

Asset under construction

Asset under construction represents the total cost of assets being constructed that are not available for use. When the construction phase has been completed and the assets are available for use they are amortized according to the rates indicated above.

Revenue recognition

Government Transfers

Government transfer revenue, including, but not limited to, Indigenous Services Canada and First Nations and Inuit Health 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

Investment and interest revenue is recognized on an accrual basis in the year that it is earned.

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

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

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.

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. Inventory is stated after provisions have been made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements and stipulations have been met on government transfer revenue and externally restricted revenue.

These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the 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.

Segments

The First Nation conducts its business through six reportable segments as identified below. These reportable segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions and to assess operational performance. For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment. These segments are differentiated by the major activities or services they provide. The First Nation's reportable segments are as follows:

Capital - includes capital projects, operations and maintenance of all on reserve housing.

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

First Nation Management - includes governance and administration activities.

Health - includes health services to the First Nation.

Municipal Services - includes the development and maintenance of the community's infrastructure, buildings, roads and the provision of other more specialized community services.

Other - includes the planning, managing and delivery of large scale infrastructure and capital projects to the First Nation.

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).

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

3. Accounts receivable

	2020	2019
Indigenous Services Canada	165,940	118,118
First Nations and Inuit Health	16,139	104
Goods and services tax and harmonized sales tax	89,281	115,516
Members	108,687	82,608
Nishnawbe Aski Nation	13,675	27,300
Related party - Shibogama First Nations Council (Note 13)	5,200	22,047
Sioux Lookout Area Aboriginal Management Board	7,134	-
Canada Mortgage and Housing Corporation	-	147,380
	406,056	513,073
Less: Allowance for doubtful accounts	52,166	45,101
	353,890	467,972

The allowance for doubtful accounts pertains to accounts receivable from Members.

4. Portfolio investments

	2020	2019
Measured at cost:		
Guaranteed Investment Certificate, maturing August 5, 2020, bearing interest at 0.50%	104,338	-
Investment in 2472881 Ontario Inc. 1 share constituting 4.55%	10	10
Investment in Ontario First Nations Limited Partnership - 1 unit constituting 1.77% interest	10	10
Ontario First Nations Sovereign Wealth LP - 1 share constituting a 0.77% interest	1	1
OFN Asset Management GP Corp - 1 share constituting 0.77% interest	1	1
Investment in Ontario First Nations Limited Partnership - 1 unit constituting 1.77% interest	1	1
Guaranteed Investment Certificate, matured during the year	-	500,000
	104,361	500,023

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

5. 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.

	2020	2019
Capital Trust		
Balance, beginning and end of year	3	3
Revenue Trust		
Balance, beginning of year	30,325	26,406
Interest	581	594
Land lease - Bell Canada	3,325	3,325
Balance, end of year	34,231	30,325
	34,234	30,328

6. Accounts payable and accruals

	2020	2019
Trade payables and accruals	396,248	422,008
Related party - Shibogama First Nations Council (Note 13)	4,236	4,238
	400,484	426,246

7. Deferred revenue

	2020	2019
Indigenous Services Canada		
Water Systems Operations and Maintenance	112,647	47,000
Aboriginal Headstart	97,539	-
First Nations Water and Wastewater Action Plan - Water Operations and Maintenance	40,701	-
Landfill Study	33,462	149,888
Governance Planning	32,776	75,000
	317,125	271,888
First Nations and Inuit Health		
Choose Life - Jordan's Principle	63,343	-
Ministry of Indigenous Relations and Reconciliation	-	22,733
	380,468	294,621

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

8. 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.

9. Accumulated surplus

	2020	2019
Invested in tangible capital assets	2,799,035	2,620,954
Unrestricted accumulated surplus	327,659	547,286
Ottawa Trust Funds	34,234	30,328
	3,160,928	3,198,568

10. Reconciliation of funding from Indigenous Services Canada

The Indigenous Services Canada ("ISC") revenue of \$1,795,430 (2019 – \$1,819,712) on the statement of operations and accumulated surplus agrees to the ISC confirmation.

11. Ontario First Nations Limited Partnership

Based on the agreement between the First Nation and Ontario First Nations Limited Partnership ("OFNLP"), the First Nation receives from 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.

12. Reconciliation of funding from First Nations and Inuit Health

The First Nations and Inuit Health ("FNIH") revenue of \$686,543 (2019 – \$695,713) on the statement of operations and accumulated surplus agrees to the FNIH confirmation.

13. Related party transactions

During the year, the First Nation conducted the following transactions with Shibogama First Nations Council ("Shibogama"). The First Nation is a Member of Shibogama. These transactions were recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2020	2019
Revenue - Administration fees and other	29,348	25,500
Expenses - Rent	3,500	3,500
Expenses - Other	1,413	246
	34,261	29,246

14. Line of credit

The First Nation has an approved operating line of credit of \$100,000 with interest to be charged at prime interest rate plus 2% per annum. At March 31, 2020 the line of credit used was \$nil (2019 - \$nil).

Wawakapewin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

15. Budget information

The disclosed budget information was approved by the Chief and Council of the Wawakapewin First Nation on January 30, 2020.

16. Economic dependence

Wawakapewin First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") and First Nations and Inuit Health ("FNIH") 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.

17. Compliance with laws and regulations

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.

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.

18. Comparative figures

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

Wawakapewin First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Assets under construction</i>	<i>Band housing</i>	<i>Building</i>	<i>Generating station</i>	<i>General buildings</i>	<i>Heavy vehicles</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	1,081,838	671,572	-	1,573,516	2,707,458	1,604,762	7,639,146
Acquisition of tangible capital assets	133,932	-	401,946	59,000	-	130,500	725,378
Disposal of tangible capital assets	(171,149)	-	-	-	-	-	(171,149)
Transfer to generating station and general buildings	(1,013,989)	-	-	725,135	288,854	-	-
Balance, end of year	30,632	671,572	401,946	2,357,651	2,996,312	1,735,262	8,193,375
Accumulated amortization							
Balance, beginning of year	-	644,504	-	783,398	2,642,880	1,132,951	5,203,733
Annual amortization	-	5,774	12,058	130,842	25,789	173,753	348,216
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	-	650,278	12,058	914,240	2,668,669	1,306,704	5,551,949
Net book value of tangible capital assets	30,632	21,294	389,888	1,443,411	327,643	428,558	2,641,426
2019 Net book value of tangible capital assets	1,081,838	27,068	-	790,118	64,578	471,811	2,435,413

Wawakapewin First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Land improvement</i>	<i>Roads</i>	<i>Vehicles and equipment</i>	<i>Water and sewer infrastructure</i>	<i>2020</i>	<i>2019</i>
Cost							
Balance, beginning of year	7,639,146	28,000	72,000	694,038	648,433	9,081,617	8,149,522
Acquisition of tangible capital assets	725,378	-	-	24,519	-	749,897	1,024,330
Disposal of tangible capital assets	(171,149)	-	-	-	-	(171,149)	(92,235)
Transfer to generating station and general buildings	-	-	-	-	-	-	-
Balance, end of year	8,193,375	28,000	72,000	718,557	648,433	9,660,365	9,081,617
Accumulated amortization							
Balance, beginning of year	5,203,733	22,405	72,000	531,564	630,961	6,460,663	6,238,477
Annual amortization	348,216	1,868	-	47,086	3,497	400,667	291,480
Accumulated amortization on disposals	-	-	-	-	-	-	(69,294)
Balance, end of year	5,551,949	24,273	72,000	578,650	634,458	6,861,330	6,460,663
Net book value of tangible capital assets	2,641,426	3,727	-	139,907	13,975	2,799,035	2,620,954
2019 Net book value of tangible capital assets	2,435,413	5,595	-	162,474	17,472	2,620,954	

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

	2020	2019
Consolidated expenses by object		
Amortization	400,667	291,480
Bad debts (recovery)	7,065	(21,928)
Bank charges and interest	6,919	6,024
Contractors	109,721	22,386
Equipment rent	103,777	104,013
Fuel and gas	366,572	403,029
Honoraria	150,100	155,145
Housing renovation	377,833	298,595
Insurance	50,301	42,554
Land based activities and supplies	46,339	98,981
Materials	127,365	300,510
Office supplies	36,007	37,540
Other	191,749	238,079
Professional fees	180,438	196,989
Program delivery	170,033	192,376
Rent	3,500	3,500
Repairs and maintenance	409,427	403,862
Salaries and benefits	612,855	658,826
Supplies	96,649	117,682
Telephone	31,925	29,791
Training	35,345	39,052
Travel	409,675	360,450
	3,924,262	3,978,936

Wawakapewin First Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations
For the year ended March 31, 2020

	<i>Schedule #</i>	<i>Revenue and Other income</i>	<i>Expenses</i>	<i>Transfers From (To)</i>	<i>2020 Surplus (Deficit)</i>	<i>2019 Surplus (Deficit)</i>
Segments						
Capital	4	321,917	624,149	401,149	98,917	674,070
Economic Development	5	85,358	82,843	-	2,515	5,689
First Nation Management	6	167,647	909,118	267,447	(474,024)	(200,687)
Health	7	875,049	738,297	-	136,752	136,558
Municipal Services	8	878,701	691,834	-	186,867	(8,084)
Other	9	1,557,950	878,021	(668,596)	11,333	305,550
Total		3,886,622	3,924,262	-	(37,640)	913,096

Wawakapewin First Nation
Capital
Schedule 4 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	205,491	698,802
Canada Mortgage and Housing Corporation	-	147,380
Revenue deferred in prior year	149,888	257,898
Revenue deferred to subsequent year	(33,462)	(149,888)
	321,917	954,192
Expenses		
Housing renovation	377,833	298,595
Materials	56,849	100,739
Other	29,894	18,340
Repairs and maintenance	123,570	272,646
Salaries and benefits	36,003	61,130
	624,149	751,450
Surplus (deficit) before transfers	(302,232)	202,742
Transfers between segments	401,149	471,328
Surplus	98,917	674,070

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

	2020	2019
Revenue		
Indigenous Services Canada	36,000	111,000
Other	7,134	16,680
Revenue deferred in prior year	75,000	28,000
Revenue deferred to subsequent year	(32,776)	(75,000)
	85,358	80,680
Expenses		
Other	16,695	-
Salaries and benefits	23,685	33,104
Supplies	-	1,055
Travel	42,463	12,832
	82,843	46,991
Surplus before transfers	2,515	33,689
Transfers between segments	-	(28,000)
Surplus	2,515	5,689

Wawakapewin First Nation
First Nation Management
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	121,841	152,513
Other	45,806	679
	167,647	153,192
Expenses		
Amortization	388,609	291,480
Bad debts (recovery)	7,065	(21,928)
Bank charges and interest	6,919	6,024
Communication	10,388	11,743
Honoraria	134,100	141,945
Insurance	34,650	30,625
Internet	-	16,194
Materials	12,331	18,803
Office supplies	15,909	20,821
Professional fees	55,649	62,868
Rent	3,500	3,500
Salaries and benefits	91,864	81,638
Training	5,429	16,951
Travel	142,705	166,783
	909,118	847,447
Deficit before transfers	(741,471)	(694,255)
Transfers between segments	267,447	493,568
Deficit	(474,024)	(200,687)

Wawakapewin First Nation
Health

Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
First Nations and Inuit Health	686,543	695,713
Other revenue	251,849	228,291
Revenue deferred to subsequent year	(63,343)	-
	875,049	924,004
Expenses		
Honoraria	1,500	-
Land based activities and supplies	46,339	98,981
Materials	2,606	2,368
Office supplies	20,098	16,719
Other	74,135	70,928
Professional fees	13,721	19,217
Program delivery	170,033	192,376
Salaries and benefits	225,590	191,031
Supplies	33,146	45,105
Telephone	-	4,051
Training	24,723	21,096
Travel	126,406	111,899
	738,297	773,771
Surplus before transfers	136,752	150,233
Transfers between segments	-	(13,675)
Surplus	136,752	136,558

Wawakapewin First Nation
Municipal Services
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	741,941	484,747
Ministry of Northern Development and Mines	199,109	27,810
Other	43,999	72,700
Revenue deferred in prior year	47,000	52,602
Revenue deferred to subsequent year	(153,348)	(47,000)
	878,701	590,859
Expenses		
Contractors	100,337	-
Equipment rent	103,777	104,013
Fuel and gas	118,522	140,889
Insurance	7,163	6,219
Materials	55,579	109,490
Other	4,120	40,140
Repairs and maintenance	96,172	82,783
Salaries and benefits	101,593	150,728
Supplies	56,913	58,917
Travel	47,658	27,082
	691,834	720,261
Surplus (deficit) before transfers	186,867	(129,402)
Transfers between segments	-	121,318
Surplus (deficit)	186,867	(8,084)

Wawakapewin First Nation
Other

Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

	2020	2019
Revenue		
Ontario First Nations Limited Partnership	914,197	1,053,296
Indigenous Services Canada	690,157	372,650
Other	114,051	122,725
Ministry of indigenous Relations and Reconciliation	85,500	81,000
Revenue deferred in prior year	22,733	549,108
Revenue deferred to subsequent year	(97,539)	(22,733)
	1,729,099	2,156,046
Expenses		
Amortization	12,058	-
Contractors	9,384	22,386
Fuel and gas	248,050	262,140
Honouraria	14,500	13,200
Insurance	8,488	5,710
Materials	-	69,111
Other	56,517	96,928
Professional fees	111,068	114,904
Repairs and maintenance	189,685	48,432
Salaries and benefits	134,120	141,195
Supplies	6,590	12,605
Telephone	31,925	9,546
Training	5,193	1,006
Travel	50,443	41,853
	878,021	839,016
Surplus before other items	851,078	1,317,030
Other items		
(Loss) gain on disposal of tangible capital assets	(171,149)	33,059
Surplus before transfers	679,929	1,350,089
Transfers between segments	(668,596)	(1,044,539)
Surplus	11,333	305,550