
SHAMATTAWA FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

SHAMATTAWA FIRST NATION

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MARCH 31, 2021

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Shamattawa First Nation are the responsibility of management and have been approved by Chief and 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 statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.


Chief and 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.

Chief and 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 auditors' report.

The external auditors, Baker Tilly HMA 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 Shamattawa First Nation and meet when required.



Chief



Councilor



Councilor

Councilor

Councilor

Councilor

Councilor

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INDEPENDENT AUDITOR'S REPORT

To the Chief, Council and Membership
Shamattawa First Nation

Qualified Opinion

We have audited the accompanying consolidated financial statements of Shamattawa First Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Shamattawa First Nation as at March 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

We were unable to obtain assurance over the existence and completeness of accounts payable and accrued liabilities, therefore we were unable to determine whether adjustments to accounts payable and accrued liabilities, expenses, annual surplus (deficit), accumulated surplus, net debt and cash used for operating activities might be necessary.

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 Shamattawa 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 qualified opinion.

Responsibilities of Management and Those Charged with Governance for the 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 Shamattawa 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 Shamattawa First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Shamattawa First Nation's financial reporting process.

(continued.....)

Auditor's Responsibility 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 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 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 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 Shamattawa 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 Shamattawa 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 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 Shamattawa 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.

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.

Baker Tilly HMA LLP

Chartered Professional Accountants

Winnipeg, Manitoba
January 30, 2024

SHAMATTAWA FIRST NATION

STATEMENT 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 607,631	\$ 1,137,486
Restricted cash (Note 2)	9,784,542	321,918
Accounts receivable (Note 3)	1,259,992	1,848,867
Inventory for resale	<u>1,324,347</u>	<u>1,449,194</u>
Total financial assets	<u>12,976,512</u>	<u>4,757,465</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	30,462,846	24,293,289
Deferred revenue (Note 5)	4,400,998	2,930,295
Long-term debt (Note 6)	<u>4,352,645</u>	<u>5,227,202</u>
Total liabilities	<u>39,216,489</u>	<u>32,450,786</u>
Net debt	(26,239,977)	(27,693,321)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 7)	94,579,663	98,634,199
Construction in progress (Note 8)	10,275,169	2,894,400
Prepaid expenses	<u>-</u>	<u>10,445</u>
Total non-financial assets	<u>104,854,832</u>	<u>101,539,044</u>
Accumulated surplus	\$ <u>78,614,855</u>	\$ <u>73,845,723</u>
Contingent liabilities (Note 9)		

Approved on behalf of Chief and Council


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Chief
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Councillor
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Councillor

SHAMATTAWA FIRST NATION

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 1	2 0 2 0
REVENUE			
Indigenous Services Canada	\$ 14,287,063	\$ 36,555,364	\$ 19,265,062
First Nations and Inuit Health		4,441,612	3,341,344
Canada Mortgage and Housing Corporation		383,149	434,682
Employment and Social Development Canada		381,717	595,119
Sales		2,096,517	2,436,334
Other revenue	1,461,478	3,527,876	3,883,904
Eliminations	-	(1,719,806)	(1,569,927)
	<u>15,748,541</u>	<u>45,666,429</u>	<u>28,386,518</u>
EXPENDITURES			
Governance and administration	2,229,113	3,075,160	3,044,376
Economic development	53,298	745,391	823,230
Social services	4,834,076	5,459,654	4,748,163
Employment and training		268,498	477,503
Education	7,495,861	8,168,787	7,950,648
Health		9,302,521	5,516,239
Public works	1,288,099	10,660,327	7,597,071
Housing authority	60,000	2,676,649	2,163,920
Kisemattawa Pimukamik Gar Bar		2,260,116	2,870,830
Eliminations	-	(1,719,806)	(1,569,927)
	<u>15,960,447</u>	<u>40,897,297</u>	<u>33,622,053</u>
ANNUAL SURPLUS (DEFICIT)	(211,906)	4,769,132	(5,235,535)
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>73,845,723</u>	<u>73,845,723</u>	<u>79,081,258</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 73,633,817</u>	<u>\$ 78,614,855</u>	<u>\$ 73,845,723</u>

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 1	2 0 2 0
Annual surplus (deficit)	\$ (211,906)	\$ 4,769,132	\$ (5,235,535)
Acquisition of tangible capital assets and construction in progress		(9,443,683)	(5,573,212)
Amortization of tangible capital assets	-	6,117,450	7,594,693
	-	(3,326,233)	2,021,481
Acquisition of prepaid expenses			(10,445)
Use of prepaid expenses	-	10,445	628,012
	-	10,445	617,567
CHANGE IN ASSETS (DEBT) FOR YEAR	(211,906)	1,453,344	(2,596,487)
NET DEBT, <i>beginning of year</i>	(27,693,321)	(27,693,321)	(25,096,834)
NET DEBT, <i>end of year</i>	\$ (27,905,227)	\$ (26,239,977)	\$ (27,693,321)

SHAMATTAWA FIRST NATION

STATEMENT 4

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2021	2020
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from funding and other sources	\$ 47,726,007	\$ 33,513,808
Cash paid to suppliers and employees	(28,023,002)	(27,369,071)
Interest paid	(451,996)	(125,385)
	<u>19,251,009</u>	<u>6,019,352</u>
<i>CAPITAL ACTIVITIES</i>		
Acquisition of tangible capital assets and construction in progress	(9,443,683)	(5,573,212)
<i>FINANCING ACTIVITY</i>		
Repayment of long term debt	(874,557)	(503,620)
NET INCREASE (DECREASE) IN CASH DURING YEAR	8,932,769	(57,480)
CASH, <i>beginning of year</i>	<u>1,459,404</u>	<u>1,516,884</u>
CASH, <i>end of year</i>	<u>\$ 10,392,173</u>	<u>\$ 1,459,404</u>
CASH COMPRISED OF		
Cash	\$ 607,631	\$ 1,137,486
Restricted cash	<u>9,784,542</u>	<u>321,918</u>
	<u>\$ 10,392,173</u>	<u>\$ 1,459,404</u>

SHAMATTAWA FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared 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.

REPORTING ENTITY

The Shamattawa First Nation reporting entity includes the Shamattawa First Nation (the First Nation) government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

These consolidated financial statements combine the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to combination:

S.F.N. Programs:

- Shamattawa First Nation Operating Fund
- Shamattawa First Education Authority Inc.
- Shamattawa First Health Authority
- Shamattawa First Nation Housing Authority Ltd.
- Shamattawa First Nation Employment and Training
- Kisemattawa Pimukamik Gas Bar

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

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 provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, construction in progress and prepaid expenses.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

NET ASSETS (DEBT)

S.F.N.'s financial statements are presented so as to highlight net debt as the measurement of financial position. The net assets (debt) of S.F.N. is determined by its financial assets less liabilities. Net assets (debt) combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)**TANGIBLE CAPITAL ASSETS*

Tangible capital assets are stated at cost and recorded in the capital assets. Social housing assets acquired under Canada Mortgage and Housing Corporation sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long term debt. Amortization of tangible capital assets is recorded on a straight line basis at the following annual rates:

Buildings	2.5 - 4%
Housing	4%
Equipment	2.5 - 20%
Vehicles	10 - 30%
Infrastructure	4%

Amortization is computed at one-half of the annual amortization in the year of acquisition.

Tangible capital assets are written down when conditions indicate that they no longer contribute to S.F.N.'s ability to provide goods or services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

SEGMENTS

S.F.N. conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of S.F.N.'s long-term objectives to aid in resource allocation decisions, and to assess operational performance.

REVENUE RECOGNITION

All revenue is recorded on the accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue.

Funding received under the terms of contribution agreements with the federal government is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted by the federal government for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

FINANCIAL INSTRUMENTS

Financial instruments include cash, accounts receivable, investments, accounts payable and accrued liabilities and long term debt. Unless otherwise stated, it is management's opinion that S.F.N. is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise stated, the carrying value of S.F.N.'s financial assets and liabilities approximates their fair value.

FAIR VALUE

Due to the short term nature of all financial instruments other than long term debt, the carrying value as presented in financial statements are reasonable estimates of fair value. Management has estimated fair value by reference to established financial markets. As is true for all estimates, actual fair value could differ from this estimate, and if so any difference would be accounted for in the period in which it becomes known. For investments in government business enterprises and long term debt it is not practicable within constraints of timeliness or cost to determine the fair value with sufficient reliability because the instruments are not traded in an organized financial market.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)**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 certain assets and liabilities at the date of financial statements and the reported amounts of certain revenue and expenses during the reporting period. S.F.N. estimates the net book value of tangible capital assets based upon the amortization period and the estimated useful lives of the tangible capital assets. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the periods in which they become known.

2. RESTRICTED CASH

CMHC Replacement Reserve

Under the terms of the operating agreements with C.M.H.C., the Replacement Reserve is to be credited with an annual allocation of \$63,297 (2020 - \$66,630). These funds, along with accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by C.M.H.C. from time to time. The funds in the account may only be used as approved by C.M.H.C. Expenditures are charged to accumulated interest first and then to principal. As of March 31, 2021 an accumulated balance of \$871,259 (2020 - \$957,787) for this reserve remains unfunded and due from the operating fund.

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 primarily 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 collection is reasonably assured. Capital and revenue trust monies are transferred to S.F.N. on the authorization of the Minister of Indigenous Services Canada, with the consent of S.F.N.'s Council.

	2 0 2 1	2 0 2 0
Ottawa Trust Fund	\$ 2,969	\$ 2,918
Soil remediation project - Ayshukum Engineering	190,124	270,410
Soil remediation project - PM Associates	<u>9,591,449</u>	<u>48,590</u>
	<u>\$ 9,784,542</u>	<u>\$ 321,918</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

3. ACCOUNTS RECEIVABLE

	2021	2020
Indigenous Services Canada		
Basic Needs - COVID-19	\$	212,292
Capacity Enhancement		15,500
Community Buildings - Fuel Purchase		164,000
Community Buildings - Storage Container		16,247
Community Buildings - Tank and Pump		45,000
Community Economic Development		73,189
COVID-19 General Support		47,145
COVID-19 Household Supplies		32,200
Heavy Equipment Repairs		100,000
Major Renovation - Housing Furnace Repairs		125,000
Water Treatment Plant - Action Plan	247,561	
Water Treatment Plant Expansion	172,852	250,000
Water Treatment Plant Repair	43,756	
Water Treatment Plant Truck		36,667
Water and Sewer Repair Projects		87,020
Vulnerable Systems	26,214	
First Nations and Inuit Health		
Building Healthy Communities		2,383
Brighter Futures		2,648
Community Disease Control and Management	29,392	
Community Facilities O & M	30,791	20,126
Direct Service Delivery	139	91
Home and Community Care	4,450	2,909
Jordan's Principle - Home Modification	15,025	
Medical Transportation	6,000	
Medical Transportation Van	164,048	
Mental Wellness	11,452	
NNADAP		1,968
Nursing - Canadian Prenatal Nutrition Program	3,776	736
Public Health - Nurse Support	4,537	2,965
Youth Solvent Abuse		487
C.M.H.C.	376,031	267,268
Advances receivable	124,018	151,386
Manitoba Keewatinowi Okimakanak	3,928	3,928
Trade and other	1,731,969	1,536,346
Subtotal	2,995,939	3,197,501
Less: Allowance for doubtful accounts	(1,735,947)	(1,348,634)
	\$ 1,259,992	\$ 1,848,867

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 1	2 0 2 0
Indigenous Services Canada		
Basic Needs	\$ 159,731	\$ 159,731
In-Home Care	33,772	33,772
Leadership Governance Capacity	84,795	84,795
Water O & M	1,150	1,150
New Paths	50,000	50,000
Management Action Plan	49,576	49,576
Band Operated School	138,946	138,946
Payroll remittances payable	2,863,563	2,761,484
Salaries and vacation payable	91,686	186,199
Trade and other	<u>26,989,627</u>	<u>20,827,636</u>
	<u>\$ 30,462,846</u>	<u>\$ 24,293,289</u>

5. DEFERRED REVENUE

	2 0 2 1	2 0 2 0
Indigenous Services Canada		
Soil remediation	\$ 26,086	\$ 34,454
Basic Needs COVID-19		102,203
ISC COVID-19 Response		79,345
ISC Emergency Management Assistance Program	31,857	15,500
Water and Sewer Repair Project		87,020
Water Treatment Plant - Action Plan	121,748	
Water Treatment Plant Repairs		391,373
Water Treatment Plant Expansions		24,278
WTP and WM Distribution Upgrade Project	2,978,336	
ISC - Thunder Cloud House Project	139,526	
ISC - 19/20 New Housing		1,161,162
Vulnerable Systems	12,625	
First Nations and Inuit Health		
Jordan's Principle	<u>1,090,820</u>	<u>1,034,960</u>
	<u>\$ 4,400,998</u>	<u>\$ 2,930,295</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

6. LONG TERM DEBT

	2 0 2 1	2 0 2 0
C.M.H.C. mortgage, 0.75%, repayable in monthly installments of \$4,701.85 (P & I), due November 2024, secured by Ministerial Guarantee and assignment of all risks insurance.	\$ 204,004	\$ 258,138
C.M.H.C. mortgage, 1.83%, repayable in monthly installments of \$933 (P & I), due May 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	39,660	50,028
C.M.H.C. mortgage, 1.76%, repayable in monthly installments of \$3,544 (P & I), due August 2020, secured by Ministerial Guarantee and assignment of all risks insurance.		17,640
C.M.H.C. mortgage, 2.48%, repayable in monthly installments of \$3,356 (P & I), due August 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	425,329	454,732
C.M.H.C. mortgage, 2.61%, repayable in monthly installments of \$3,120 (P & I), due December 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	397,010	423,789
C.M.H.C. mortgage, 2.61%, repayable in monthly installments of \$4,679 (P & I), due December 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	595,423	635,584
C.M.H.C. mortgage, 0.96%, repayable in monthly installments of \$5,843.15 (P & I), due March 2026, secured by Ministerial Guarantee and assignment of all risks insurance.	902,977	963,181
C.M.H.C. mortgage, 1.30%, repayable in monthly installments of \$5,607 (P & I), due May 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	860,988	916,743
C.M.H.C. mortgage, 1.97%, repayable in monthly installments of \$5,534 (P & I), due December 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	927,254	974,994
Peace Hills Trust mortgage repayable in monthly installments \$14,956 (P & I), due January 2023, secured by a Band Council Resolution. If a payment is missed, the full amount of delinquent interest which was written-down would immediately become due and payable.	-	532,373
	<u>\$ 4,352,645</u>	<u>\$ 5,227,202</u>

The scheduled principal amounts payable within the next five years to meet retirement provisions is estimated to be as follows:

March 31, 2022	\$ 330,924
2023	336,395
2024	341,975
2025	325,108
2026	285,355

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

7. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2021	Total 2020
Buildings	\$ 118,414,326	\$	\$ 118,414,326	\$ 58,257,284	\$ 2,314,010	\$ 60,571,294	\$ 57,843,032	\$ 60,157,042
Infrastructure	49,350,884		49,350,884	28,663,406	1,974,035	30,637,441	18,713,443	20,687,478
Vehicles and equipment	6,652,969	919,441	7,572,410	5,092,980	683,002	5,775,982	1,796,428	1,559,989
Housing	<u>28,943,377</u>	<u>1,143,473</u>	<u>30,086,850</u>	<u>12,713,687</u>	<u>1,146,403</u>	<u>13,860,090</u>	<u>16,226,760</u>	<u>16,229,690</u>
	<u>\$ 203,361,556</u>	<u>\$ 2,062,914</u>	<u>\$ 205,424,470</u>	<u>\$ 104,727,357</u>	<u>\$ 6,117,450</u>	<u>\$ 110,844,807</u>	<u>\$ 94,579,663</u>	<u>\$ 98,634,199</u>

8. CONSTRUCTION IN PROGRESS

	2021	2020
Housing - 10 unit Project	\$ 2,894,400	\$ 2,894,400
WTP and WM Distribution Upgrade Project	7,171,479	
ISC - Thunder Cloud House Project	<u>209,290</u>	<u>-</u>
	<u>\$ 10,275,169</u>	<u>\$ 2,894,400</u>

Construction in progress will be transferred to tangible capital assets upon completion and will be amortized accordingly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

9. CONTINGENT LIABILITIES

S.F.N. receives funding from various government agencies based on specified program needs and budgets and allocates certain expenses to the various programs. In many cases the funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their agreements. At this time no estimate of the requirements, if any, to reimburse the agencies can be made. For accounting purposes any amounts assessed or claims paid will be accounted for in the year of determination.

10. ECONOMIC DEPENDENCE

S.F.N. receives a major portion of its revenues pursuant to a funding arrangement with Indigenous Services Canada.

11. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUE

	2 0 2 1	2 0 2 0
Arrangement: # 307-307	\$ 42,467,679	\$ 24,191,385
Plus: I.S.C. revenue deferred from prior year	1,895,335	969,675
F.N.I.H. revenue deferred from prior year	1,034,960	426,367
Less: I.S.C. revenue deferred to following year	(3,310,178)	(1,895,335)
F.N.I.H. revenue deferred to following year	(1,090,820)	(1,034,960)
I.S.C. Waste Water O & M recovery		(1,150)
I.S.C. MAP project recovery	-	(49,576)
TOTAL I.S.C. AND F.N.I.H. REVENUE PER FINANCIAL STATEMENTS	\$ <u>40,996,976</u>	\$ <u>22,606,406</u>
REVENUE PER STATEMENT OF OPERATIONS (<i>Statement 2</i>)		
Indigenous Services Canada	\$ 36,555,364	\$ 19,265,062
First Nations and Inuit Health	<u>4,441,612</u>	<u>3,341,344</u>
	\$ <u>40,996,976</u>	\$ <u>22,606,406</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

12. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2 0 2 1	2 0 2 0
Administration	\$ 1,465,259	\$ 1,291,083
Amortization	6,117,450	7,594,693
Bad debts	394,188	788,707
Bank and interest charges	40,169	89,066
Contracted services	649,338	493,399
Contract services	6,085,003	33,179
Equipment and materials		464,750
Funeral	135,746	448,309
Gas and diesel	2,438,674	3,251,376
Donations	3,500	
Honoraria	759,953	533,085
Insurance	824,680	653,516
Rent	19,472	
Interest on long-term debt	451,996	125,385
Office expenses	322,639	299,824
Professional development	173,216	210,471
Professional fees	2,098,301	1,021,196
Program costs	525,119	925,021
Repairs and maintenance	1,311,592	1,010,700
Social assistance	3,764,858	2,971,076
Soil remediation		420,461
Special needs	198,482	262,133
Student and training allowances	82,249	281,389
Supplies	2,012,251	765,683
Telephone	127,893	114,316
Travel	613,578	1,159,938
Tuition	87,075	49,881
User fees	29,062	22,418
Utilities	3,617,526	3,189,602
Wages and benefits	8,267,834	6,721,323
Eliminations	(1,719,806)	(1,569,927)
	<u>\$ 40,897,297</u>	<u>\$ 33,622,053</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

13. SEGMENT DISCLOSURE

Shamattawa First Nation provides a range of services to its members. For management reporting purposes, operations and activities are reported by department. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the year are as follows:

	Governance and Administration		Economic Development		Social Services		Employment and Training		Education	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues										
Federal Government										
ISC	\$ 1,262,950	\$ 1,142,224	\$ 202,567	\$ 109,565	\$ 6,176,141	\$ 4,980,059	\$ 41,501	\$ 38,434	\$ 7,459,977	\$ 8,510,476
CMHC										
ESDC							254,679	434,190	127,038	160,929
Other	-	-	74,865	-	-	-	-	-	-	-
Subtotal	1,262,950	1,142,224	277,432	109,565	6,176,141	4,980,059	296,180	472,624	7,587,015	8,671,405
Other revenue	2,215,534	1,740,694	315,593	1,156,300	-	-	-	-	586,153	45,609
Total revenue	3,478,484	2,882,918	593,025	1,265,865	6,176,141	4,980,059	296,180	472,624	8,173,168	8,717,014
Expenses										
Amortization									1,393,242	1,414,454
Debt servicing	370,862	28,771								
Other	2,199,773	2,371,929	689,546	634,776	5,239,081	4,565,956	255,279	434,190	3,674,300	3,662,106
Salaries and benefits	504,525	643,676	55,845	188,454	220,573	182,207	13,219	43,313	3,101,245	2,874,088
Total expenses	3,075,160	3,044,376	745,391	823,230	5,459,654	4,748,163	268,498	477,503	8,168,787	7,950,648
Surplus (Deficit)	\$ 403,324	\$ (161,458)	\$ (152,366)	\$ 442,635	\$ 716,487	\$ 231,896	\$ 27,682	\$ (4,879)	\$ 4,381	\$ 766,366

SHAMATTAWA FIRST NATION

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

13. SEGMENT DISCLOSURE (continued)

	Health		Housing		Public Works		Kisemattawa Pimukamik Gas Bar		Elimination		TOTAL	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues												
Federal Government												
ISC	\$ 4,402,288	\$ 983,919	\$ 176,591	\$	\$16,833,349	\$ 3,500,384	\$	\$	\$	\$	\$ 36,555,364	\$ 19,265,061
FNIH	4,441,612	3,341,344									4,441,612	3,341,344
CMHC			383,149	434,682							383,149	434,682
ESDC											381,717	595,119
Other	-	-	-	-	-	-	-	-	-	-	74,865	-
Subtotal	8,843,900	4,325,263	559,740	434,682	16,833,349	3,500,384	-	-	-	-	41,836,707	23,636,206
Other revenue	-	227,418	306,669	691,466	29,062	22,418	2,096,517	2,436,334	(1,719,806)	(1,569,927)	3,829,722	4,750,312
Total revenue	<u>8,843,900</u>	<u>4,552,681</u>	<u>866,409</u>	<u>1,126,148</u>	<u>16,862,411</u>	<u>3,522,802</u>	<u>2,096,517</u>	<u>2,436,334</u>	<u>(1,719,806)</u>	<u>(1,569,927)</u>	<u>45,666,429</u>	<u>28,386,518</u>
Expenses												
Amortization	751,347	754,092	1,146,403	1,047,635	2,801,319	4,362,704	25,139	15,808			6,117,450	7,594,693
Debt servicing			81,134	96,614							451,996	125,385
Other	5,177,267	3,287,885	1,427,887	802,497	7,121,720	2,441,869	1,994,970	2,549,371	(1,719,806)	(1,569,927)	26,060,017	19,180,652
Salaries and benefits	<u>3,373,907</u>	<u>1,474,262</u>	<u>21,225</u>	<u>217,174</u>	<u>737,288</u>	<u>792,498</u>	<u>240,007</u>	<u>305,651</u>	-	-	8,267,834	6,721,323
Total expenses	<u>9,302,521</u>	<u>5,516,239</u>	<u>2,676,649</u>	<u>2,163,920</u>	<u>10,660,327</u>	<u>7,597,071</u>	<u>2,260,116</u>	<u>2,870,830</u>	<u>(1,719,806)</u>	<u>(1,569,927)</u>	<u>40,897,297</u>	<u>33,622,053</u>
Surplus (Deficit)	<u>\$ (458,621)</u>	<u>\$ (963,558)</u>	<u>\$ (1,810,240)</u>	<u>\$ (1,037,772)</u>	<u>\$ 6,202,084</u>	<u>\$ (4,074,269)</u>	<u>\$ (163,599)</u>	<u>\$ (434,496)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,769,132</u>	<u>\$ (5,235,535)</u>