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# Consolidated financial statements of Timiskaming First Nation

March 31, 2021

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# Management's Statement of Responsibility

## Management's Responsibility for the Consolidated Financial Statements

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

The consolidated financial statements have been prepared by management in accordance with the Canadian public sector accounting standards ("PSAS") and as such include amounts that are the best estimates and judgments of management.

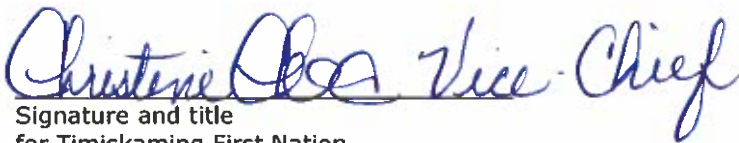
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The 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.

The 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 its responsibilities, and to review the consolidated financial statements and the external auditor's report.

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

On behalf of Timiskaming First Nation



Signature and title  
for Timiskaming First Nation

February 18, 2022



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## Independent Auditor's Report

To the Chief and Council of  
Timiskaming First Nation

### Qualified Opinion

We have audited the accompanying consolidated financial statements of Timiskaming First Nation (the "Organization"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, cumulative operating surplus, net investment in capital assets, changes in net assets (net debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, except for the possible effects of the matter 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 the Organization as at March 31, 2021, and the results of its consolidated operations, cumulative operating surplus, net investment in capital assets, changes in net assets (net debt) and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

### Basis for Qualified Opinion

As explained in Note 2, the Organization has not consolidated Widjikiwe Gas Bar LP because it has not yet been able to obtain data related to this entity. Under Canadian public sector accounting standards, the Organization should have consolidated this entity. Had Widjikiwe Gas Bar LP been consolidated, many elements in the accompanying consolidated financial statements would have been affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined.

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Organization 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 audit opinion.

## **Other information**

We draw attention to the fact that the Organization includes, in its consolidated financial statements, certain financial information that is not required by the PSAS. These information, prepared in accordance with the requirements of Indigenous Services Canada, addresses the status of the surplus (deficit) of funding for the year on page 6. The Organization also choose to present a statement of net investment in Capital assets in page 8. Finally, the Organization choose to present the expenses by object under ISC Financial Reporting Requirements on page 28. Our opinion is not modified in respect of the matters.

## **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 PSAS and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 GAAS 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 GAAS, 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 Organization'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 Organization'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 Organization to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 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.

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.

*MNP LLP*

February 18, 2022

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<sup>1</sup> CPA auditor, CA, public accountancy permit No.A137585

**Timiskaming First Nation**  
**Consolidated statement of operations**  
Year ended March 31, 2021

	2021	2020
	\$	\$
<b>Revenues</b>		
ISC – Fixed Contribution	5,064,696	2,348,565
ISC – Block Contribution	9,244,195	8,757,286
ISC – Flexible Contribution	3,059,310	1,856,060
ISC – Set Contribution	269,616	12,000
Administration fees	595,665	909,009
Anishnabe Long-Term Care Centre (ALTCC)	-	75,488
Canadian Mortgage and Housing Corporation (CMHC)	173,924	159,914
Contracts	16,800	-
First Nations Education Council (FNEC)	1,051,365	862,544
ANHRSDC	181,426	256,356
Ministère de la Culture et des Communications	49,500	10,000
Ministère des Forêts, de la Faune et des Parcs	135,000	83,000
Rent revenues	287,576	285,988
Review letters and (refundable surplus) recoverable deficit	(178,602)	54,003
Secrétariat aux affaires autochtones (SAA)	224,592	1,312,592
Sécurité publique du Québec	399,525	297,335
Public Safety and Emergency Preparedness Canada	1,017,819	322,112
Transfer from (to) Social Assistance program	(19,194)	(1,125)
Western Quebec School Board Invoicing	162,941	151,967
Société de Crédit Commercial Autochtone (SOCCA)	-	269,752
Withdrawal from replacement reserve	30,784	-
Other revenues	4,716,196	1,604,882
Deferred revenue from previous year	4,509,406	3,269,922
Deferred revenue to following year	(5,630,689)	(4,509,406)
	<b>25,361,851</b>	<b>18,388,244</b>

**Timiskaming First Nation**  
**Consolidated statement of operations**  
Year ended March 31, 2021

	2021	2020
	\$	\$
<b>Expenses</b>		
Band government	40,622	46,516
Administration	1,790,355	1,292,790
Education	4,680,539	4,792,419
Health	4,564,431	4,028,970
Public works	1,931,678	1,721,452
Public security	782,873	624,804
Social assistance	1,269,610	1,368,629
Housing	282,886	747,981
Economic development	2,312,106	1,943,629
Natural resources	560,937	592,076
Other	68,431	107,967
	<b>18,284,468</b>	<b>17,267,233</b>
<b>Surplus for the year</b>	<b>7,077,383</b>	<b>1,121,011</b>

The accompanying notes and schedules are an integral part of the consolidated financial statements.

**Conciliation to ISC Financial Reporting Requirements**

	2021	2020
	\$	\$
Surplus for the year under PSAS	7,077,383	1,121,011
Proceeds from long-term debt	888,550	1,103,650
Reimbursement of long-term debt	(425,306)	(693,776)
Acquisition of capital assets	(4,103,717)	(1,647,322)
Surplus (deficit) for the year under ISC Financial Reporting Requirements(1)	<b>3,436,910</b>	<b>(116,437)</b>

- (1) The operating surplus before amortization and (gain) loss on disposal of capital assets is \$4,710,132 (\$1,264,335 in 2020).

**Timiskaming First Nation**  
**Consolidated statement of cumulative operating surplus**  
Year ended March 31, 2021

	Notes	2021 \$	2020 \$
Balance at beginning of year		<b>1,483,988</b>	(1,059,652)
Surplus for the year		<b>7,077,383</b>	1,121,011
Transfer to net investment in capital assets			
Acquisition of capital assets	29	<b>(4,103,717)</b>	(1,647,322)
Amortization, (gain) loss on disposal of capital assets and proceeds from disposal of capital assets		<b>1,463,222</b>	1,454,222
Proceeds from long-term debt		<b>738,550</b>	1,103,650
Reimbursement of long-term debt		<b>(425,306)</b>	(468,775)
Use and decrease of (allocation to) bus reserve		-	64,812
Use and decrease of extension of the school reserve		-	233,814
Use and decrease of (allocation to) ancestral village reserve		-	305,000
Use and decrease of (allocation to) building acquisition reserve		-	205,000
Use and decrease of (allocation to) Widjikiwe Gas Bar Reserve		-	152,800
Use and decrease of (allocation to) Midjin Dépanneur and Parcels of Land		-	50,000
Allocation to Community Arena reserve	15	<b>(3,578,682)</b>	-
Adjustment of reserves funds – Article 95		<b>155,920</b>	(30,572)
Balance at end of year		<b>2,811,358</b>	1,483,988

The accompanying notes and schedules are an integral part of the consolidated financial statements.

**Timiskaming First Nation**  
**Consolidated statement of net investment in capital assets**  
Year ended March 31, 2021

	Notes	2021 \$	2020 \$
<b>Net investment in capital assets at beginning of year</b>		<b>24,022,685</b>	24,339,086
<b>Variation of net investment in capital assets</b>			
Plus:			
Acquisition of capital assets	29	<b>4,103,717</b>	1,647,322
Reimbursement of long-term debt		<b>425,306</b>	468,775
Adjustment of capital assets for consolidation purposes		-	125,374
Transfer of loans to Widjikiwe Gas Bar LP	29	<b>1,277,000</b>	-
		<b>5,806,023</b>	2,241,471
Less:			
Proceeds from long-term debt		<b>738,550</b>	1,103,650
Amortization, (gain) loss on disposal of capital assets and proceeds from disposal of capital assets		<b>1,463,222</b>	1,454,222
Transfer of capital assets to Widjikiwe Gas Bar LP	29	<b>2,316,633</b>	-
		<b>4,518,405</b>	2,557,872
<b>Net investment in capital assets at end of year</b>		<b>25,310,303</b>	24,022,685

The accompanying notes and schedules are an integral part of the consolidated financial statements.



**Timiskaming First Nation**  
**Consolidated financial position**  
As at March 31, 2021

	Notes	2021 \$	2020 \$
<b>Financial assets</b>			
Cash		9,904,496	2,995,033
Accounts receivable	4	5,862,218	4,660,194
Restricted cash and deposits	6	825,829	815,470
		<b>16,592,543</b>	<b>8,470,697</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	9	3,447,650	1,689,467
Due to ISC – Health Branch	10	84,616	67,389
Due to ISC	11	35,733	3,120
Deferred revenue	13	5,630,689	4,513,543
ISC – Unexpended Funding	12	-	1,730
Due to Widjikiwe Gas Bar, no interest	29	259,807	-
Current portion of long-term debt	14	616,055	406,520
Long-term debt	14	3,333,925	4,357,216
Deferred revenue – long-term		-	95,863
		<b>13,408,475</b>	<b>11,134,848</b>
<b>Net assets (net debt)</b>		<b>3,184,068</b>	<b>(2,664,151)</b>
<b>Non-financial assets</b>			
Prepaid expenses	5	96,499	212,124
Capital assets	7	29,110,286	28,786,422
		<b>29,206,785</b>	<b>28,998,546</b>
<b>Accumulated surplus</b>	16	<b>32,390,853</b>	<b>26,334,395</b>

Contingencies and guarantees (Note 25)

The accompanying notes and schedules are an integral part of the consolidated financial statements.

Approved by the First Nation's Council

 , Council's member  
 , Council's member

**Timiskaming First Nation****Consolidated statement of changes in net assets (net debt)**

Year ended March 31, 2021

	Notes	2021 \$	2020 \$
<b>Surplus for the year</b>		<b>7,077,383</b>	<b>1,121,011</b>
<b>Changes in capital assets</b>			
Acquisition of capital assets	29	(4,103,717)	(1,647,322)
Proceeds from disposal of capital assets		190,000	73,450
Amortization		1,337,724	1,348,949
(Gain) loss from disposal of capital assets		(64,502)	31,823
		<b>(2,640,495)</b>	<b>(193,100)</b>
<b>Changes in other non-financial assets</b>			
Changes in the prepaid expenses		<b>115,625</b>	<b>(132,664)</b>
<b>Changes in the non-operational surplus, reserves and other</b>			
Transfer to replacement reserve – Article 95		<b>40,050</b>	50,750
Use of replacement reserve – Article 95		<b>(30,784)</b>	(24,890)
Interests added to replacement and operating reserve funds – Article 95		<b>6,429</b>	8,809
Increase of In-trust fund		<b>3,011</b>	4,611
Transfer of loans to Widjikiwe Gas Bar LP	29	<b>1,277,000</b>	-
		<b>1,295,706</b>	<b>39,280</b>
<b>Changes in net assets (net debt)</b>		<b>5,848,219</b>	<b>834,527</b>
<b>Net debt at the beginning of the year</b>		<b>(2,664,151)</b>	<b>(3,498,678)</b>
<b>Net assets (net debt) at end of year</b>		<b>3,184,068</b>	<b>(2,664,151)</b>

The accompanying notes and schedules are an integral part of the consolidated financial statements.

**Timiskaming First Nation**  
**Consolidated statement of cash flows**  
Year ended March 31, 2021

	Notes	2021 \$	2020 \$
<b>Operating activities</b>			
Surplus for the year		<b>7,077,383</b>	1,121,011
Items not affecting cash:			
Amortization		<b>1,337,724</b>	1,348,949
(Gain) loss from disposal of capital assets		<b>(64,502)</b>	31,823
		<b>8,350,605</b>	2,501,783
Changes in non-cash operating working capital items	20	<b>2,000,984</b>	(962,701)
		<b>10,351,589</b>	1,539,082
<b>Investing activities</b>			
Acquisition of capital assets		<b>(4,103,717)</b>	(1,647,322)
Proceeds from disposal of capital assets		<b>190,000</b>	73,450
Increase of the restricted cash and deposit		<b>(10,359)</b>	(69,280)
		<b>(3,924,076)</b>	(1,643,152)
<b>Financing activities</b>			
Transfer to replacement reserve – Article 95		<b>40,050</b>	50,750
Use of replacement reserve – Article 95		<b>(30,784)</b>	(24,890)
Interests added to replacement and operating reserve funds – Article 95		<b>6,429</b>	8,809
Increase of In-trust fund from ISC		<b>3,011</b>	4,611
Proceeds from long-term debt		<b>888,550</b>	1,103,650
Reimbursement of long-term debt		<b>(425,306)</b>	(693,776)
		<b>481,950</b>	449,154
Net increase of cash and cash equivalents		<b>6,909,463</b>	345,084
Cash and cash equivalents, beginning of year		<b>2,995,033</b>	2,649,949
<b>Cash and cash equivalents, end of year</b>		<b>9,904,496</b>	2,995,033

See additional information presented in Note 20.

Cash and cash equivalents consist of cash.

The accompanying notes and schedules are an integral part of the consolidated financial statements.

**1. Description of the organization**

Timiskaming First Nation (the "First Nation") is an unincorporated legal body as defined in the *Indian Act*. A band council is considered a form of local government consisting of a Chief and two or more councillors who are chosen by election or band custom to carry out the functions of government for the First Nation.

**2. Accounting policies**

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards applicable to local governments issued by the CPA Canada Public Sector Accounting Handbook. The principles of fund accounting have been used in the preparation of these consolidated financial statements in accordance with Canadian public sector accounting standards. Accounts are classified into funds in accordance with specified requirements, activities and objectives. The accrual method is followed for the recognition of revenues and expenses.

*Principle of consolidation*

The consolidated financial statements include the accounts of the First Nation and the organizations under its control. The First Nation controls 100% of Widjikiwe Holdings Corp. (WHC – company incorporated under the *Canada Business Corporation Act*) which is fully responsible of Widjikiwe L.P., TFN Construction L.P. (TFNCLP) and Widjikiwe Gas Bar (WGB) as general partner of this limited partnership. The First Nation is the limited partner. Transactions concluded between these organizations and reciprocal balances are eliminated. Nevertheless, the reciprocal balances have not been eliminated in the segment disclosure (Note 18) and WGB has not been consolidated which constitutes a departure from Canadian public sector accounting standards.

*Cash and cash equivalents*

Cash and cash equivalents include cash, bank overdraft, bank loan and short-term investments with a term to maturity of three months or less at the date of acquisition.

*Capital assets*

The capital assets are composed of all capital assets recorded at cost. The methods, the term and depreciation rates for the capital assets are as follows:

Community buildings	Diminishing balance	2.5%
Private housing	Straight line	25 years
Motorized equipment	Diminishing balance	10.0%, 20.0% and 30.0%
Roadway system	Diminishing balance	2.5%
Office and other equipment	Diminishing balance	20.0% and 30.0%
Water and sanitation systems	Diminishing balance	2.5%
Assets under capital lease:		
Motorized equipment	Diminishing balance	30.0%

Tangible capital assets are written down when conditions indicate that they no longer contribute to Timiskaming First Nation's ability to provide goods and 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.

## **2. Accounting policies (continued)**

### *Revenue recognition*

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

### *Revenues and expenses related to the acquisition of capital assets*

Revenues and expenses related to the acquisition of capital assets are primarily recorded in the net investment in capital assets when the related capital expenses are recorded, provided that the First Nation meets the eligibility criteria.

### *Use of estimates*

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 disclosures of contingencies at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Key components of the consolidated financial statements requiring management to make estimates include the provision for doubtful accounts in respect of receivables, the useful lives of long-lived assets, the deferred revenues, unexpended funding and liabilities under legal contingencies. Actual results could differ from these estimates.

### *Pension plan*

The cost of the defined pension plan is equal to the pension plan expenses.

The pension plan is a multiemployer defined benefit pension plan that is accounted for as a defined contribution plan.

### *Proceeds from disposal of capital assets and the related revenues*

Proceeds from disposal of capital assets and from assets held for sale are recorded in the net investment in capital assets.

## **3. Canada Emergency Wage Subsidy**

During the fiscal year, in the context of the COVID-19 pandemic, TFNCLP qualified as an eligible employer for the Canada Emergency Wage Subsidy (CEWS) by demonstrating that it reached a percentage decrease in required income during the program eligibility period. Therefore, the Organization is entitled to a subsidy representing from 50% to 75% of the eligible salaries for employees. Subsidies received were inscribed against salaries.

**Timiskaming First Nation**  
**Notes to the consolidated financial statements**  
March 31, 2021

**4. Accounts receivable**

	2021 \$	2020 \$
ISC receivable	3,127,269	1,389,405
CMHC receivable	45,626	532,379
First Nations Education Council receivable	32,201	90,427
Public Safety and Emergency Preparedness Canada receivable	686,848	-
ANHRSDC receivable	-	53,867
SAA receivable	548,357	870,000
Rent receivable – Article 95	22,219	25,109
Rent receivable – Band housing	108,893	118,203
Western Quebec School Board receivable	119,288	105,727
SOCCA – Receivable	25,000	614,635
Sécurité pulique du Québec receivable	94,014	-
Canada Economic Development (CED)	116,763	58,650
Canada Emergency Wage Subsidy	214,087	-
Les Pétroles Alcasyna (1993) inc.	-	350,000
Other accounts receivable	1,074,196	742,045
	<b>6,214,761</b>	<b>4,950,447</b>
Allowance for doubtful accounts	<b>(352,543)</b>	<b>(290,253)</b>
	<b>5,862,218</b>	<b>4,660,194</b>

**5. Prepaid expenses**

	2021 \$	2020 \$
Prepaid expenses – Post-secondary	51,689	51,689
Prepaid expenses – Other	44,810	160,435
	<b>96,499</b>	<b>212,124</b>

**6. Restricted cash and deposits**

	2021 \$	2020 \$
In-trust fund – Capital and revenues accounts	242,545	239,534
Replacement reserve fund (Note 17)*	343,680	478,611
Operating reserve fund*	239,604	97,325
	<b>825,829</b>	<b>815,470</b>

- \* Under the agreement with CMHC, an annual amount for housing units must be invested for the replacement reserve in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then capital. However, the replacement reserve and the operating reserve are sufficient in 2021 and 2020 (over of \$155,393 and over of \$7,822).

**Timiskaming First Nation**  
**Notes to the consolidated financial statements**  
March 31, 2021

**7. Capital assets**

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2021 Net book value</b>	<b>2020 Net book value</b>
	\$	\$	\$	\$
Land	779,842	-	779,842	1,182,913
Community buildings	16,552,748	3,188,692	13,364,056	11,321,163
Private housing	8,833,793	6,372,430	2,461,363	3,201,856
Buildings under construction (Gas Bar)	-	-	-	216,153
Motorized equipment	4,006,899	1,954,426	2,052,473	2,170,470
Roadway system	8,552,464	6,071,416	2,481,048	2,544,665
Office and other equipment	2,173,383	1,238,327	935,056	833,286
Water and sanitation systems	9,318,180	2,281,732	7,036,448	7,185,894
Assets under capital lease : Motorized equipment	-	-	-	130,022
	<b>50,217,309</b>	<b>21,107,023</b>	<b>29,110,286</b>	<b>28,786,422</b>

Assets under construction, included in Community buildings for an amount of \$1,915,092 are not amortized as at March 31, 2021.

**8. Bank loan**

TFN Construction L.P. has an authorized bank loan for an amount of \$75,000, bearing interests at prime rate (2.45% as at March 31, 2021) plus 1.25%. No amount has been used as of March 31, 2021.

**9. Accounts payable and accrued liabilities**

	<b>2021</b>	<b>2020</b>
	\$	\$
Suppliers	2,467,401	766,525
Salaries, vacation and pension plan	424,022	444,993
Remittances payable	153,229	34,466
Other	402,998	443,483
	<b>3,447,650</b>	<b>1,689,467</b>

**10. Due to ISC – Health Branch**

	<b>2021</b>	<b>2020</b>
	\$	\$
Medical Transportation	73,744	67,389
Water Quality	10,872	-
	<b>84,616</b>	<b>67,389</b>

**Timiskaming First Nation**  
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**11. Due to ISC**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Estates Management Program	<b>2,262</b>	1,120
Emergency Preparedness	-	2,000
Community Arena	<b>3,602</b>	-
Advisory Services - Housing	<b>23,954</b>	-
Culture	<b>5,915</b>	-
	<b>35,733</b>	3,120

**12. ISC – Unexpended Funding**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Estates Management Program	-	1,730

**13. Deferred revenue**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Registry and Land Management (Schedule 1)	<b>27,153</b>	-
Land Support Services (Schedule 7)	-	15,591
Capacity Development – Electoral Code (Schedule 9)	<b>10,000</b>	10,000
Capacity Development – Salary Scale (Schedule 11)	-	2,669
Capacity Development – Strategic Plan (Schedule 12)	-	4,279
Mentorship & Capacity Building (Schedule 16)	<b>89,000</b>	-
HR Software & Training (Schedule 17)	<b>27,000</b>	-
Food Storage Shelter (Schedule 18)	<b>32,952</b>	-
Emergency Management Assistance - Covid 19 (Schedule 19)	<b>87,864</b>	-
New Paths for Education – N1P1 – Parental and Community Engagement (Schedule 25)	-	35,872
Special Education (Schedule 27)	<b>138,021</b>	-
Skills Link // Youth Programs – Science and Technology (Schedule 28)	<b>18,009</b>	13,825
Diversification of Secondary School Learning Paths (Schedule 29)	-	5,875
Skills Link // Youth Programs – Career Promotion and Awareness (Schedule 30)	<b>15,254</b>	9,754
New Paths for Education – NP1Q – Teacher Recruitment and Retention (Schedule 31)	-	386
Skills Link FENC - Youth Employment ITC (Schedule 32)	<b>2,168</b>	-
Innovation in Education Program – FNEC (Schedule 35)	-	16,746
Continuous School Improvement – FNEC (Schedule 36)	<b>120,174</b>	75,150
Partnership Initiative (Schedule 37)	<b>83,066</b>	-

**Timiskaming First Nation**  
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**13. Deferred revenue (continued)**

	2021 \$	2020 \$
Storytelling Spaces (Schedule 38)	20,000	-
Together We Speak (Schedule 39)	19,500	-
Instruction Services - Administration Covid 19 (Schedule 41)	37,337	-
ISC Health - Block Unexpended Contribution (Schedule 45)	480,056	-
Regional Hep-C Coordinator (Schedule 49)	-	13,683
Health Services Integration Fund (HSIF) (Schedule 51)	26,809	82,037
Quarterly Meetings NNADAP (Schedule 52)	-	12,698
Communicable Diseases (Schedule 54)	-	15,863
Jordan's Principle (Schedule 56)	1,134,772	694,732
NHW Aids Program (Schedule 57)	-	21,845
Medical Transportation (Schedule 60)	120,257	-
Diabetes Education (Schedule 64)	31,043	-
Avenir d'enfants (Schedule 67)	-	29,619
Home Nursing Care (Schedule 69)	-	121,731
First Line Project (Schedule 72)	143,521	124,589
Tobacco Reduction Program (Schedule 74)	33,386	26,341
National Youth Suicide Prevention (Schedule 75)	-	30,022
Prescription Drug Abuse (Schedule 76)	47,367	128,890
Mental Health - MHC - Traditionnal Healer (Schedule 77)	16,520	-
Head Start Program (FNHS) (Schedule 78)	-	2,859
Prevention Projects (Schedule 79)	32,084	-
New Horizons (Schedule 80)	-	6,123
Infrastructure - Renovation (Schedule 81)	12,080	12,080
Community Mobilization (Schedule 83)	-	37,831
Covid 19 Testing Center (Schedule 85)	135,490	-
Family Violence Prevention - FNQLHSSC (Schedule 87)	3,705	-
Cancer Control -FNQLHSSC (Schedule 88)	11,367	-
Second Harvest (Schedule 90)	6,825	-
Sports Participation - FNQLHSSC (Schedule 91)	1,485	-
Eco Center - Operations (Schedule 95)	58,328	30,400
Eco Center - Upgrade (Schedule 96)	105,667	169,535
Education Facilities / Design - Construction (Kiwetin Extension) (Schedule 98)	576,794	208,242
Drinking Water Upgrade (Schedule 99)	342,143	222,727
Arena Clean Up (Schedule 103)	-	48,213
Police Operations (Schedule 108)	12,602	-
Police Station Construction (Schedule 110)	585,000	-
Pre-Employment Support Program (Schedule 117)	357,263	242,836
Basic Needs - Covid 19 (Schedule 118)	150,271	-
Service Delivery - Covid 19 (Schedule 119)	29,467	-
RRAP - 70 Richard's Road (Schedule 126)	1,311	3,633

**13. Deferred revenue (continued)**

	2021 \$	2020 \$
EMA Covid-19 - ICSF 3 - ISC (Schedule 129)	<b>83,792</b>	-
Advisory Services – Housing (Schedule 130)	-	27,900
Capital Planning Project Infrastructure - Housing (Schedule 131)	<b>92,535</b>	-
RRAP – 22 Polson Street (Schedule 133)	<b>14,243</b>	10,813
Housing Renovations 2020-2021 (Schedule 135)	<b>61,805</b>	-
Housing - Rehabilitation of 3 Saltings (Schedule 138)	<b>31,417</b>	-
Radio Station (CHNT 92,3) (Schedule 142)	<b>55,808</b>	-
Algonquin Village (Schedule 145)	-	37,263
Sawmill – Economic Insertion (Schedule 147)	-	2,793
Widjikiwe Holdings Corp. – Gas Bar (Schedule 155)	-	1,753,226
Northern Ontario Heritage Fund Corporation (NOHFC) (Schedule 159)	-	17,209
Natural Resources & Heritage (Schedule 160)	-	44,965
CEAA (Schedule 162)	<b>92,878</b>	106,410
Climate Change (Schedule 163)	-	15,973
Emergency Preparedness (Schedule 165)	<b>15,100</b>	15,100
TFN's Activities (Schedule 167)	-	1,078
	<b>5,630,689</b>	4,509,406

**14. Long-term debt**

	2021 \$	2020 \$
Loans from CMHC, 0.69% to 2.68%, guaranteed by ISC, payable by monthly instalments of \$300 to \$2,008, capital and interests, maturing from 2028 to 2046	<b>2,433,914</b>	1,843,618
Loan, 5.55 %, guaranteed by a motorized equipment with a net book value of \$133,875, payable by monthly instalments of \$2,712, capital and interests, maturing in 2026	<b>122,950</b>	-
Loan, 2.56%	-	49,130
Loan, 3.33%, guaranteed by a movable hypothec (first ranking security interest in the universality of all present and future assets, corporeal and incorporeal), payable by monthly instalments of \$8,152, capital and interests, maturing in 2022	<b>8,202</b>	104,013
Loan, 5.50%, guaranteed and repaid by the Secrétariat aux affaires autochtones by semi- annual repayments of \$46,296 principal and interest, maturing in 2024	<b>213,668</b>	291,264
Loan from SOCCA, 6.50%, no guarantee, payable by monthly instalments of \$3,542, capital and interests, maturing in 2035	<b>372,505</b>	377,109
Loans in progress, transferred in the loans from CMHC in 2021	-	415,000

**14. Long-term debt (continued)**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Loan, 5.99%, guaranteed by a motorized equipment with a net book value of \$27,976, payable by monthly instalments of \$1,081, capital and interests, maturing in 2024	<b>33,796</b>	39,105
Loan, 5.99%, guaranteed by a motorized equipment with a net book value of \$29,008, payable by monthly instalments of \$1,121, capital and interests, maturing in 2024	<b>32,153</b>	40,544
Loan from SOCCA, 6.50%, guaranteed by a movable hypothec on the universality of all present and future assets and by the First Nation, payable by monthly instalments of \$6,359, capital and interests, maturing in 2029	<b>455,618</b>	486,100
Obligation under capital lease, 5.30%, reimbursed in April 2021	<b>127,174</b>	141,203
Loan from SOCCA, 7.00%, transferred to Widjikiwe Gas Bar LP	-	668,000
Loan from Canada Economic Development, transferred to Widjikiwe Gas Bar LP	-	58,650
Loan from Les Pétroles Alcasyna (1993) inc., no interest, transferred to Widjikiwe Gas Bar LP	-	250,000
Temporary loan, reimbursable at the reception of a subsidy, 7.00%, maturing in 2022	<b>150,000</b>	-
	<b>3,949,980</b>	4,763,736
Current portion	<b>616,055</b>	406,520
	<b>3,333,925</b>	4,357,216

Principal payments on long-term debt and future minimum lease payments under the capital leases required in each of the next five years are as follows:

	Long-term debt \$	Lease \$
2022	616,055	127,174
2023	344,802	-
2024	305,434	-
2025	250,893	-
2026	221,289	-

## 15. Reserves

These reserves are created from the cumulative operating surplus. When events for which they were created occur, they shall be returned to the cumulative operating surplus.

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Reserve for health contingencies	<b>20,074</b>	20,074
Reserve for Community Arena	<b>3,578,682</b>	-
	<b>3,598,756</b>	20,074

## 16. Accumulated surplus

The accumulated surplus of Timiskaming First Nation is divided among several surpluses and reserves, as detailed below:

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Reserve for health contingencies	<b>20,074</b>	20,074
Reserve for Community Arena	<b>3,578,682</b>	-
In-trust fund	<b>242,545</b>	239,534
Operating reserve fund	<b>84,211</b>	89,503
Replacement reserve	<b>343,680</b>	478,611
Net investment in capital assets	<b>25,310,303</b>	24,022,685
Cumulative operating surplus	<b>2,811,358</b>	1,483,988
	<b>32,390,853</b>	26,334,395

## 17. Replacement reserve

The main categories of external restrictions related to fund balances are as follows:

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Balance at beginning of the year	<b>478,611</b>	450,914
Add: Current year addition	<b>40,050</b>	50,750
Adjustment from CMHC	<b>(149,566)</b>	(3,858)
Use of replacement reserve	<b>(30,784)</b>	(24,890)
Interests earned	<b>5,369</b>	5,695
Balance at end of the year	<b>343,680</b>	478,611

Under the terms of the agreement with CMHC, the replacement reserve account is to be credited annually. These funds along with accumulated interests must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interests first and then capital.

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**18. Segment disclosure**

	<b>Band government</b>		<b>Administration</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenues:</b>				
Federal government transfers	<b>67,775</b>	44,215	<b>1,492,024</b>	800,863
Provincial government transfers	<b>-</b>	-	<b>-</b>	-
Other revenues	<b>(27,153)</b>	2,301	<b>659,335</b>	1,022,396
<b>Total revenues</b>	<b>40,622</b>	46,516	<b>2,151,359</b>	1,823,259
<b>Expenses:</b>				
Salaries and fringe benefits	<b>35,196</b>	41,253	<b>602,244</b>	573,922
Amortization	<b>-</b>	-	<b>15,738</b>	17,459
Other expenses	<b>5,426</b>	5,263	<b>1,247,722</b>	701,409
<b>Total expenses</b>	<b>40,622</b>	46,516	<b>1,865,704</b>	1,292,790
<b>Annual surplus (deficit)</b>	<b>-</b>	-	<b>285,655</b>	530,469
	<b>Education</b>		<b>Health</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenues:</b>				
Federal government transfers	<b>5,062,006</b>	5,083,063	<b>5,170,616</b>	3,760,525
Provincial government transfers	<b>202,441</b>	151,967	<b>52,000</b>	52,000
Other revenues	<b>(284,531)</b>	785,195	<b>(879,395)</b>	425,312
<b>Total revenues</b>	<b>4,979,916</b>	6,020,225	<b>4,343,221</b>	4,237,837
<b>Expenses:</b>				
Salaries and fringe benefits	<b>2,326,461</b>	2,121,381	<b>2,281,074</b>	1,890,789
Amortization	<b>104,797</b>	97,075	<b>146,056</b>	139,482
Other expenses	<b>2,270,727</b>	2,573,963	<b>2,162,051</b>	2,076,755
<b>Total expenses</b>	<b>4,701,985</b>	4,792,419	<b>4,589,181</b>	4,107,026
<b>Annual surplus (deficit)</b>	<b>277,931</b>	1,227,806	<b>(245,960)</b>	130,811

**18. Segment disclosure (continued)**

	<b>Public works</b>		<b>Public security</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenues:</b>				
Federal government transfers	<b>3,451,966</b>	1,549,067	<b>1,017,819</b>	342,372
Provincial government transfers	<b>92,592</b>	92,592	<b>399,525</b>	297,335
Other revenues	<b>3,464,691</b>	144,407	<b>(592,895)</b>	11,276
<b>Total revenues</b>	<b>7,009,249</b>	1,786,066	<b>824,449</b>	650,983
<b>Expenses:</b>				
Salaries and fringe benefits	<b>610,713</b>	591,192	<b>552,664</b>	425,425
Amortization	<b>393,102</b>	399,447	<b>41,171</b>	31,994
Other expenses	<b>974,572</b>	730,813	<b>189,038</b>	167,560
<b>Total expenses</b>	<b>1,978,387</b>	1,721,452	<b>782,873</b>	624,979
<b>Annual surplus (deficit)</b>	<b>5,030,862</b>	64,614	<b>41,576</b>	26,004
	<b>Social assistance</b>		<b>Housing</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenues:</b>				
Federal government transfers	<b>1,801,409</b>	1,496,456	<b>1,051,117</b>	469,025
Provincial government transfers	<b>-</b>	-	<b>-</b>	-
Other revenues	<b>(306,323)</b>	(111,290)	<b>51,640</b>	365,033
<b>Total revenues</b>	<b>1,495,086</b>	1,385,166	<b>1,102,757</b>	834,058
<b>Expenses:</b>				
Salaries and fringe benefits	<b>113,875</b>	133,936	<b>117,404</b>	150,480
Amortization	<b>-</b>	-	<b>381,669</b>	370,125
Other expenses	<b>1,155,735</b>	1,234,693	<b>619,009</b>	293,226
<b>Total expenses</b>	<b>1,269,610</b>	1,368,629	<b>1,118,082</b>	813,831
<b>Annual surplus (deficit)</b>	<b>225,476</b>	16,537	<b>(15,325)</b>	20,227

**18. Segment disclosure (continued)**

	<b>Economic development</b>		<b>Natural resources</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenues:</b>				
Federal government transfers	<b>404,089</b>	376,317	<b>55,280</b>	98,458
Provincial government transfers	<b>90,000</b>	1,352,752	<b>135,000</b>	178,000
Other revenues	<b>3,849,533</b>	(200,186)	<b>267,714</b>	330,353
<b>Total revenues</b>	<b>4,343,622</b>	1,528,883	<b>457,994</b>	606,811
<b>Expenses:</b>				
Salaries and fringe benefits	<b>493,441</b>	589,183	<b>224,601</b>	243,537
Amortization	<b>227,044</b>	270,357	<b>-</b>	-
Other expenses	<b>1,984,768</b>	1,499,695	<b>359,336</b>	363,274
<b>Total expenses</b>	<b>2,705,253</b>	2,359,235	<b>583,937</b>	606,811
<b>Annual surplus (deficit)</b>	<b>1,638,369</b>	(830,352)	<b>(125,943)</b>	-
	<b>Other</b>		<b>Total</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenues:</b>				
Federal government transfers	<b>(5,915)</b>	15,100	<b>19,568,186</b>	14,035,461
Provincial government transfers	<b>-</b>	-	<b>971,558</b>	2,124,646
Other revenues	<b>39,088</b>	75,653	<b>6,241,704</b>	2,850,450
<b>Total revenues</b>	<b>33,173</b>	90,753	<b>26,781,448</b>	19,010,557
<b>Expenses:</b>				
Salaries and fringe benefits	<b>36,977</b>	35,973	<b>7,394,650</b>	6,797,071
Amortization	<b>28,147</b>	23,010	<b>1,337,724</b>	1,348,949
Other expenses	<b>3,307</b>	48,984	<b>10,971,691</b>	9,695,635
<b>Total expenses</b>	<b>68,431</b>	107,967	<b>19,704,065</b>	17,841,655
<b>Annual surplus (deficit)</b>	<b>(35,258)</b>	(17,214)	<b>7,077,383</b>	1,168,902

The segment disclosure is presented before elimination of revenue and expenses for consolidation purposes.

**19. Comparative figures**

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

**20. Additional information relating to the consolidated statement of cash flows**

	2021	2020
	\$	\$
<i>Changes in non-cash operating working capital items</i>		
Accounts receivable	(1,202,024)	(1,483,579)
Prepaid expenses	115,625	(132,664)
Accounts payable and accrued liabilities	1,758,183	(631,939)
Due to ISC – Health Branch	17,227	-
Due to ISC	32,613	-
Due to Widjikiwe Gas Bar, no interest	259,807	-
Deferred revenue	1,117,146	1,243,621
ISC – Unexpended Funding	(1,730)	(54,003)
Deferred revenue – long-term	(95,863)	95,863
	<b>2,000,984</b>	<b>(962,701)</b>

**21. Cumulative operating and funds balances**

The cumulative operating and funds balances as at March 31, 2021, do not take in consideration possible modifications following the review and analysis of the present consolidated financial statements by the ISC, CMHC, FNEC and ISC – Health Branch. Any adjustment, including deferred revenue, resulting from this analysis will be recorded in the current year as an adjustment in the funds or the results.

**22. Budget**

Budget figures are unaudited and are presented in each statement of revenues and expenses by project, when available.

**23. Pension plan**

The First Nation supports the contributory defined benefit pension plan for substantially all of its employees (rates for the police department are described below). It is a multiemployer plan that is administered by the Native Benefit Plan. The pension for native employees is 8.5% of the gross salary and the employer contributes 1.82 times the employee contribution, for the non-native it is 6.8 % of the gross salary and the employer contributes 1.82 times the employee contribution.

For the police department, the rate is 9.5% of the gross salary for the native employees and 7.2% for the non-native employees. The employer's contribution is 2 times the amount.

An expense of \$413,542 (\$404,052 in 2020) is included in salaries and fringe benefits of various departments.

## **24. Financial instruments**

### *Fair value of financial assets and liabilities*

The fair value represents approximately the amounts of the financial instruments that would be exchanged between the consenting parties, according to the current market value of instruments for which the risk, capital and duration are the same. Certain estimates and decisions were required to arrive at the fair value of financial instruments which was based upon actualization and other evaluation methods which depend largely on hypothesis of estimated cash flows and the actualization rate depending on different degrees of risk.

The fair value of cash, accounts receivable, restricted cash and deposits, accounts payable and accrued liabilities, due to ISC, due to ISC – Health Branch and due to Widjikiwe Gas Bar is approximately equal to their carrying value due to their short-term maturity date.

As at March 31, 2021, the net book value of all financial instruments corresponded approximately to their fair value with the exception of the following item:

	Net Book Value	Fair Value
Long-term debt	\$3,949,980	\$3,812,755

### *Credit risk*

The First Nation provides credit to its tenants in the normal course of its operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for potential credit losses.

### *Interests rate risk*

The long-term debt mainly bears interests at fixed rates. Consequently, the cash flows exposure is not significant. However, the fair value of loans having fixed rates of interests could fluctuate because of changes in market interests rates. The short-term loans represent a limited exposure to interests rate risk due to their short-term maturity.

## **25. Contingencies and guaranties**

The First Nation entered into forgivable loans agreements with CMHC for the Residential Rehabilitation Assistance Program On-Reserve (RRAP). If the same person owns and occupies the house for the term of the loan, which could vary for periods from two to five years, ending different dates, the loan will be earned of the full amount. Failing which, the unearned portion of this forgivable loan plus interests will become due and payable. The First Nation must notify CMHC if the property is sold, rented or transferred before the loan being fully earned. In that case, CMHC, at its sole discretion, could approve an assignment of this forgivable loan if the property is sold to a Band member who is eligible and meets the RRAP program criteria. As at March 31, 2021, the amount that should be reimbursed if the conditions are not respected is \$149,889.

The First Nation has guaranteed personal housing loans from members of the community for an amount of \$311,000 as at March 31, 2021.

The First Nation has guaranteed a credit line from Widjikiwe Gas Bar LP for a maximum of \$150,000.

## 26. Subsequent event

On May 2021, the First Nation contracted a bridge loan for the time of the police station construction in order to finance the Quebec contribution of 48% of the project total cost of \$3,750,000. This amount of \$1,800,000, bears interest at prime rate (2.45% as at March 31, 2021) plus 0.5% and has to be converted into a long term debt before August 31, 2022 to be reimbursed on a 15 years period.

## 27. Expenses by object

	2021	2020
	\$	\$
Salaries	6,424,631	5,927,403
Fringe benefits	970,019	869,668
Administration fees	571,628	909,009
Amortization	1,337,724	1,348,949
Allocations	1,691,688	1,558,407
Bad debt	56,018	21,211
Council – Honoraries	45,675	48,150
Christmas Food & Toy Drive	-	564
Contracts	810,259	984,757
Contracts – Rental of equipment	17,975	54,812
Eating Healthy Education	5,419	74,417
Election expenses	264	42,760
Electricity	159,682	154,409
FNEC Membership fees	2,000	-
Emergency (COVID)	385,754	103,500
Insurances	222,444	197,229
Interests and bank charges	9,756	21,167
Interests on long-term debt	134,906	145,176
Loss (gain) on disposal of capital assets	(64,502)	31,823
Maintenance	301,526	297,160
Material and supplies	2,290,836	1,280,676
Medical transportation	42,213	49,623
Professional fees	597,827	589,626
Professional fees (audit, accounting support & consultants)	131,167	100,886
Professional fees (legal)	129,510	96,574
Purchase of fuel	128,814	214,837
Summer Camp	235	-
Telecommunication	113,724	106,977
Training	103,263	57,226
Transfer to replacement reserve	40,050	50,750
Travel expenses	136,572	522,052
Tuition fees	914,823	964,878
Workshops	162,312	314,526
Other expenses	50,731	128,031
Transfer to Widjikiwe Gas Bar L.P.	356,167	-
Management fees	3,358	-
	<b>18,284,468</b>	<b>17,267,233</b>

**28. Expenses by object – ISC Financial Reporting Requirements**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Salaries	<b>6,424,631</b>	5,987,016
Fringe benefits	<b>970,019</b>	878,917
Administration fees	<b>595,665</b>	929,456
Amortization	<b>1,337,724</b>	1,348,950
Allocations	<b>1,691,688</b>	1,558,407
Bad debt	<b>56,018</b>	21,211
Council – Honoraries	<b>45,675</b>	48,150
Christmas Food & Toy Drive	-	564
Contracts	<b>2,446,093</b>	1,666,657
Contracts – Rental of equipment	<b>17,975</b>	54,812
Eating Healthy Education	<b>5,419</b>	74,417
Election expenses	<b>264</b>	42,760
Electricity	<b>159,682</b>	154,408
FNEC Membership fees	<b>2,000</b>	-
Emergency (COVID)	<b>385,754</b>	103,500
Insurances	<b>222,444</b>	197,229
Interests and bank charges	<b>9,756</b>	21,167
Interests on long-term debt	<b>163,608</b>	145,177
Loss (gain) on disposal of capital assets	<b>(64,502)</b>	31,823
Maintenance	<b>301,526</b>	297,159
Material and supplies	<b>2,419,841</b>	1,645,783
Medical transportation	<b>42,213</b>	49,623
Professional fees	<b>627,372</b>	592,237
Professional fees (audit, accounting support & consultants)	<b>131,167</b>	100,886
Professional fees (legal)	<b>129,510</b>	96,574
Purchase of capital assets	<b>2,196,785</b>	2,249,938
Purchase of fuel	<b>128,814</b>	214,839
Summer Camp	<b>235</b>	-
Reimbursement of long-term debt	<b>425,306</b>	693,778
Telecommunication	<b>113,724</b>	106,976
Training	<b>103,263</b>	57,226
Transfer to replacement reserve	<b>40,050</b>	50,750
Travel expenses	<b>136,572</b>	522,050
Tuition fees	<b>914,823</b>	964,878
Workshops	<b>162,312</b>	314,524
Other expenses	<b>50,731</b>	128,030
Transfer to Widjikiwe Gas Bar L.P.	<b>356,167</b>	-
Management fees	<b>63,167</b>	-
Transfer to net investment in capital assets	<b>(4,103,717)</b>	<b>(1,647,322)</b>
	<b>18,709,774</b>	<b>19,702,550</b>

## 29. Widjikiwe Gas Bar and contingency

On June 1st, 2020, Widjikiwe Gas Bar L.P. (WGB) was formed. The partners are Timiskaming First Nation as the limited partner and Widjikiwe Holdings Corp. (WHC) as the general partner. This limited partnership has been created to host a gas station on the territory of Timiskaming First Nation.

The gas bar began its operations in early December 2020 following the transfer of all construction operations on December 1st from WHC to WGB, WHC had the mandate to complete this project, started in 2019-2020. As of March 31, 2021, the amounts committed within the framework of this project and the transfer are as follows :

	<b>Revenues received</b>	<b>Loans</b>	<b>Capital assets - March 2020</b>	<b>Capital assets - March 2021 (1)</b>	<b>Transfer</b>
	\$	\$	\$	\$	\$
Widjikiwe Gas Bar LP	<b>1,395,800</b>	<b>1,277,000</b>	<b>(619,224)</b>	<b>(1,697,409)</b>	<b>356,167</b>

(1) included in acquisition of capital assets of \$4,103,717.

An amount to be paid to WGB results from this transfer i.e. \$259,807 which appears on the financial position, the latter including other transactions between the entities of WHC and the First Nation.

The entity have entered into a supply contract for the purchase of gasoline stocks from an exclusive supplier. This ten (10) years contract will expire in November 2030.