

KITIGAN ZIBI ANISHINABEG  
INDEPENDANT AUDITOR'S REPORT  
AND CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2020

## KITIGAN ZIBI ANISHINABEG

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## MANAGEMENT'S REPORT

### *Management's Responsibility for the Consolidated Financial Statements*

The accompanying consolidated financial statements of **KITIGAN ZIBI ANISHINABEG** are the responsibility of management and have been approved by the 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 Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgments of management.

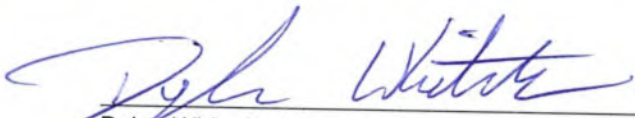
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

The external auditors, **LANGEVIN GRONDIN, CPA INC.**, conduct an independent audit, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of **KITIGAN ZIBI ANISHINABEG** and meet when required.

On behalf of **KITIGAN ZIBI ANISHINABEG** :



Dylan Whiteduck  
Chief

March 12, 2021

ASSOCIÉS :

Marie-Claude Grondin, CPA, CA

François Langevin, CPA, CA

## INDEPENDANT AUDITOR'S REPORT

To the Chief and Councillors of  
**KITIGAN ZIBI ANISHINABEG**

### *Opinion*

We have audited the accompanying consolidated financial statements of **KITIGAN ZIBI ANISHINABEG**, which comprise the consolidated statement of financial position as at **MARCH 31, 2020**, and the consolidated statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **KITIGAN ZIBI ANISHINABEG** as at **MARCH 31, 2020**, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for opinion**

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


### **Responsibilities of management and those charged with governance for the consolidated financial statements**

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

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

Those charged with governance are responsible for overseeing **KITIGAN ZIBI ANISHINABEG's** financial reporting process.



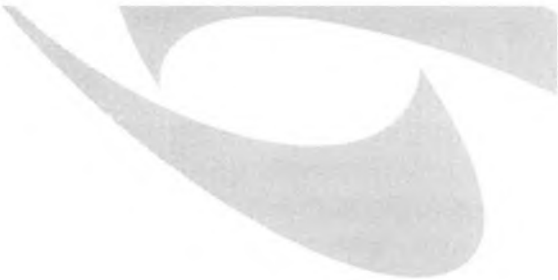


## Auditor's responsibilities for the audit of the consolidated financial statements

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 judgement 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 **KITIGAN ZIBI ANISHINABEG'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 **KITIGAN ZIBI ANISHINABEG'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 **KITIGAN ZIBI ANISHINABEG** 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.



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.

**Other Matters**

Schedules C to N accompanying the consolidated financial statements are presented as supplementary information only and are unaudited.

*Langevin Grondin, CPA Inc.*

Maniwaki, March 12, 2021

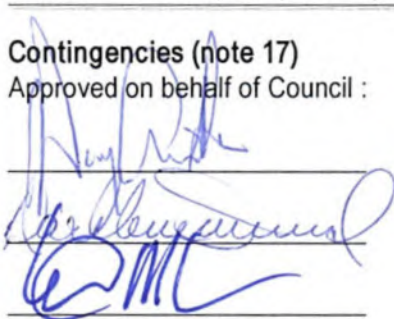
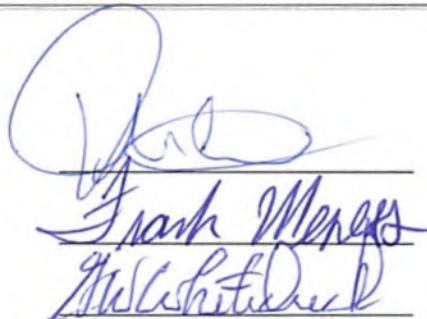
<sup>†</sup> By Marie-Claude Grondin, CPA auditor, CA

KITIGAN ZIBI ANISHINABEG  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Financial assets</b>		
Cash and cash equivalents (note 3)	\$ 10 199 168	\$ 6 266 644
Cash externally restricted (note 3)	3 732 625	-
Temporary investments (note 4)	12 380 381	12 211 363
Accounts receivable (note 5)	3 283 538	1 191 015
Trust funds held by federal government (note 6)	7 152 854	7 398 576
Due from government and other government organizations (note 7)	4 420 352	3 770 001
Economic development loans receivable (note 8)	381 932	284 843
Revolving loans receivable (note 9)	2 002 822	2 084 573
Investments in government business enterprises (note 10)	276 121	271 166
<b>Total financial assets</b>	<b>43 829 793</b>	<b>33 478 181</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 11)	1 429 549	1 517 117
Due to Community members - Trust funds	3 732 625	-
Replacement reserve	241 839	222 304
Due to government and other government organizations (note 12)	345 675	364 817
Deferred revenue (note 13)	2 409 175	2 763 218
Long-term debt (note 14)	738 383	800 633
Employee benefit obligations (note 15)	1 297 689	1 326 889
<b>Total liabilities</b>	<b>10 194 935</b>	<b>6 994 978</b>
<b>Net financial assets</b>	<b>33 634 858</b>	<b>26 483 203</b>
<b>Non-financial assets</b>		
Tangible capital assets (appendix A)	23 863 559	25 538 911
Inventories held for use	334 275	307 140
<b>Total non-financial assets</b>	<b>24 197 834</b>	<b>25 846 051</b>
<b>Accumulated surplus (note 16)</b>	<b>\$ 57 832 692</b>	<b>\$ 52 329 254</b>

**Contingencies (note 17)**

Approved on behalf of Council :

Frank Menegs



KITIGAN ZIBI ANISHINABEG  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2020

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	<u>Budget</u>	<u>2020</u>	<u>2019</u>
<b>Revenues</b>			
Indigenous Services Canada	\$ 15 314 923	\$ 17 333 481	\$ 16 074 042
Health Canada	3 349 922	4 451 285	3 857 791
Canada Mortgage and Housing Corporation	-	130 973	75 437
Assembly of First Nations Québec-Labrador	-	702 029	721 210
Ministère des finances du Québec	-	589 569	573 790
Ministère de la Famille	278 228	419 293	378 930
First Nations Education Council	1 025 598	1 258 809	1 405 386
Solicitor General of Canada	638 700	638 700	621 606
Interest on short term deposits and loans	-	485 996	323 880
Annual distribution from Trust Fund	-	2 438 123	-
Other revenues (appendix B)	1 819 939	7 364 194	6 179 485
Revolving loans fund	-	143 806	128 030
Enterprise fund	-	4 955	-
Band fund	400 000	154 278	190 487
Internal revenues eliminated	(201 000)	(1 597 643)	(743 446)
	22 626 310	34 517 848	29 786 628
<b>Expenses</b>			
Government operations (appendix C)	4 883 724	5 569 886	5 276 688
Economic development (appendix D)	276 012	364 182	270 799
Employment programs (appendix E)	193 576	1 052 187	759 383
Community services (appendix F)	569 330	153 754	220 781
Education (appendix G)	8 119 434	7 196 921	6 746 022
Health (appendix H)	4 078 374	2 642 367	2 912 789
Public works (appendix I)	831 488	816 855	978 425
Social services (appendix J)	2 247 103	5 607 863	4 728 037
Sundry (appendix K)	-	3 227 408	2 970 680
Policing (appendix L)	1 228 269	1 315 981	1 175 182
Amortization of tangible capital assets (appendix A)	-	2 459 083	2 414 947
Revolving loans fund	-	205 566	93 837
Enterprise fund	-	-	30 144
Band fund	400 000	-	-
<b>Total expenses (note 22)</b>	22 827 310	30 612 053	28 577 714
Internal charges eliminated	(201 000)	(1 597 643)	(743 446)
	22 626 310	29 014 410	27 834 268
<b>Surplus</b>	\$ -	\$ 5 503 438	\$ 1 952 360



KITIGAN ZIBI ANISHINABEG  
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS  
FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
Balance at beginning of year	\$ 52 329 254	\$ 50 376 894
Add :		
Surplus for the year	5 503 438	1 952 360
Balance at end of year	\$ 57 832 692	\$ 52 329 254

KITIGAN ZIBI ANISHINABEG  
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDED MARCH 31, 2020

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
<b>Annual surplus</b>	\$ -	\$ 5 503 438	\$ 1 952 360
Purchases of tangible capital assets	-	(783 731)	(604 485)
Amortization of tangible capital assets	-	2 459 083	2 414 947
(Gain) Loss on sale of tangible capital assets	-	-	(4 077)
Proceeds of disposal of tangible capital assets	-	-	4 077
<b>Sub-total</b>	-	1 675 352	1 810 462
Acquisition of prepaid expenses	-	-	-
Acquisition of inventories held for use	-	(27 135)	-
Use of inventories held for use	-	-	38 260
Use of prepaid expenses	-	-	-
	-	(27 135)	38 260
<b>Change in net financial assets</b>	-	7 151 655	3 801 082
<b>Net financial assets, beginning of year</b>	26 483 203	26 483 203	22 682 121
<b>Net financial assets, end of year</b>	\$ 26 483 203	\$ 33 634 858	\$ 26 483 203

KITIGAN ZIBI ANISHINABEG  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Operating activities</b>		
Annual surplus	\$ 5 503 438	\$ 1 952 360
Items not affecting cash :		
Amortization of tangible capital assets	2 459 083	2 414 947
Gain on disposal of tangible capital assets	-	( 4 077 )
Net (gain) loss from government business enterprises	( 4 955 )	30 144
Net changes in non-cash working capital items	( 3 259 962 )	240 958
	<u>4 697 604</u>	<u>4 634 332</u>
<b>Investing activities</b>		
Investments in temporary investments and replacement reserve	( 149 483 )	( 61 823 )
Proceeds from disposal of tangible capital assets	-	4 077
Purchase of tangible capital assets	( 783 731 )	( 604 485 )
Investments in funds held in trust	245 722	149 515
New revolving loans during the year	( 690 652 )	( 502 145 )
Principal repayments on revolving loans	772 403	616 427
New CEDO loans during the year	( 369 036 )	( 246 363 )
Principal repayments on CEDO loans	271 947	144 610
	<u>( 702 830 )</u>	<u>( 500 187 )</u>
<b>Financing activities</b>		
Repayment of long term debt	( 62 250 )	( 594 477 )
<b>Increase in cash and cash equivalents</b>	<b>3 932 524</b>	<b>3 539 668</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>6 266 644</b>	<b>2 726 976</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 10 199 168</b>	<b>\$ 6 266 644</b>
<b>Net change in non-cash working capital items</b>		
Accounts receivables and due from government	\$ ( 2 742 874 )	\$ ( 64 535 )
Inventories	( 27 135 )	38 260
Accounts payable, due to government and employee obligations	( 135 910 )	( 312 532 )
Deferred revenues	( 354 043 )	579 765
	<u>\$ ( 3 259 962 )</u>	<u>\$ 240 958</u>



**KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020**

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**Note 1 - Operations**

The Kitigan Zibi Anishinabeg ("KZA") is a First Nation government located in the province of Quebec that provides a large variety of services to the members of its community.

**Note 2 - Summary of Significant Accounting Policies**

**Basis of accounting**

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 Canadian Institute of Chartered Professional Accountants.

**Reporting Entity**

The Kitigan Zibi Anishinabeg reporting entity includes the Kitigan Zibi Anishinabeg government and all related entities that are controlled by the First Nation.

**Principles of consolidation**

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Financial Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only KZA's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of KZA.

KZA consolidates the assets, liabilities, revenues and expenses of the following entities:

- 1- KZA Administration Sector
- 2- KZA Band Council
- 3- KZA Education Sector and School
- 4- KZA Health and Social Services
- 5- KZA Pakinawatik
- 6- KZA Police Department
- 7- KZA Wasozon Daycare

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

Organizations accounted for on a modified equity basis include :

- 1- 3183092 Canada Inc. - "Pasahigan Home Center"
- 2- 4106679 Canada Ltd - "Holding of Mitigog Forestry Enterprises Inc."
- 3- Mitigog Forestry Enterprises Inc.

## Note 2 - Summary of Significant Accounting Policies

### Basis of presentation

Revenues 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.

### 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 deferred costs.

### Net financial assets

KZA's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of KZA are determined by its financial assets less its liabilities. Net financial assets are comprised of two components, non-financial assets and accumulated surplus.

### Segments

KZA conducts its operations through ten reportable segments. These operating segments are established by senior management to facilitate the achievement of KZA's long-term objectives to aid in resource allocation decisions and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

Segment disclosure is provided in the consolidated schedules of revenues and expenses in appendix C to L.

### Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less from the date of acquisition. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.



**KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020**

**Note 2 - Summary of Significant Accounting Policies**

**Temporary investments**

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

**Loans receivable**

Loans are recorded at principal amounts, less any allowance for anticipated losses, plus accrued interest. Interest revenue is accrued on loans receivable to the extent it is deemed collectable.

**Tangible capital assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital assets and related lease obligations are recorded at an amount equal to the present value of the minimum lease payments. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Long term financing received to fund tangible capital asset purchases is recognized in the period the financing is acquired and recorded as an increase in long-term debt. Repayments of long term financing are recognized as a decrease in long-term debt.

Tangible capital assets are amortized annually using the straight-line basis over their estimated useful lives as follows :

Buildings	25 years
Social housing	25 years
Skating rink	25 years
Playgrounds	25 years
Parking lots and Roads	20 years
Water and Sewer system	20 years
Sugarbush hydro line	15 years
Fiber optic project	10 years
Gravel pit	10 years
Equipment	10 years
Sugarbush equipment	5 years
Automotive equipment	4 and 10 years
Computer hardware	3 years

In the year of acquisition, 50% of the normal depreciation is recorded.



**KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020**

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**Note 2 - Summary of Significant Accounting Policies**

Tangible capital assets are written down when conditions indicate that they no longer contribute to KZA'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. KZA performs impairment testing on long lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long lived asset is not recoverable if it exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using discounted future cash flows. Any impairment is included in surplus for the year.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including work of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

**Inventories**

Inventories are measured at the lower of cost and replacement value. Cost is determined using the average cost method. Those inventories are recognized as an expense when consumed.

**Measurement uncertainty**

In preparing the consolidated financial statements for KZA, management is required 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 revenues and expenses during the period. The most subjective estimates relate to the useful lives of tangible capital assets and reserve for doubtful accounts related to accounts receivables and loans. Management believes that these estimates are appropriate. However, actual results could differ from these estimates. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the year in which they become known.

## Note 2 - Summary of Significant Accounting Policies

### Revenue recognition

#### *Government Transfers*

Government transfer is recognized as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, revenue is recognized as the liability is settled. Transfer of non-depreciable assets are recognized in revenue when received or receivable.

#### *Externally restricted revenue*

Externally restricted revenues are recognized in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, externally restricted inflows are recorded as deferred revenues.

#### *Funds held in Trust*

Revenue related to the receipt of funds held in Trust Fund is recognized when received.

#### *Investment income*

Interest is recognized on the accrual basis as it is earned. Dividends are recognized when declared.

#### *Rental income*

Rental income is recognized on a straight line basis over the term of the lease

#### *Other income*

Revenue is recognized when a price is agreed and all significant contractual obligations have been satisfied, and collectibility is reasonably assured.

### Pension plan

The KZA contributes in a multiemployer pension plan and a money purchase plan. The multiemployer pension plan is a defined benefit plan and the money purchase plan is a defined contribution plan. However, the multiemployer plan is accounted for as a defined contribution plan since sufficient information is not available for the plan as the plan's benefits are capitalized in a pension fund for all its participants. The employee contributes between 6.80% and 9.50% of its salary while the employer contributes 1.82 to 2 times the contribution of the employee. The expense for the fiscal year is \$811 737 (\$859 574 in 2019).



**KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020**

**Note 2 - Summary of Significant Accounting Policies**

**Trust funds held by Federal Government**

Funds held in trust on behalf of KZA by the Government of Canada 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 tangible capital assets and revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

**Note 3 - Cash and cash equivalents**

	<u>2020</u>	<u>2019</u>
<b>Unrestricted</b>		
Operating	\$ 10 252 661	\$ 6 226 599
Policing	( 53 493 )	40 045
	<u>\$ 10 199 168</u>	<u>\$ 6 266 644</u>

**Externally restricted**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, KZA First Nation must set aside funds for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the replacement reserve. The replacement reserve included in temporary investments at year end is \$241 839 (\$222 304 in 2019). Temporary investments are reported separately on the consolidated statement of financial position and are not included in cash and cash equivalent.

Externally restricted cash also relates to funds held in Ottawa trust funds which is reported separately on the consolidated statement of financial position and is not included in cash and cash equivalents.

Externally restricted cash also relates to funds held in a separate account and due to qualified community members regarding the KZA Trust Fund for land claims.

**Note 4 - Temporary investments**

Term deposits consist of various Canadian dollar term deposits which bear interest at 2.10% annually and have maturing dates ranging from April to October 2020. The market value of the term deposits at March 31, 2020 approximates their carrying amount.



KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020

**Note 5 - Agreements and accounts receivable**

	<u>2020</u>	<u>2019</u>
Rent	\$ 30 787	\$ 31 437
Wood sales	18 748	41 164
Salary advances	38 720	47 344
Annual distribution from Trust Fund	2 438 123	-
Other	1 882 121	1 635 638
	4 408 499	1 755 583
Less : allowance for doubtful accounts	( 1 124 961 )	( 564 568 )
	\$ 3 283 538	\$ 1 191 015

**Note 6 - Trust funds held by Federal Government**

	<u>March 31</u> <u>2019</u>	<u>Additions</u> <u>2020</u>	<u>Withdrawals</u> <u>2020</u>	<u>March 31</u> <u>2020</u>
General - Revenue Fund	284 989	33 669	-	318 658
Land claims settlements - Revenue Fund	4 450 000	120 609	400 000	4 170 609
General - Capital Fund	828 518	-	-	828 518
Land claims settlements - Capital Fund	1 835 069	-	-	1 835 069
	\$ 7 398 576	\$ 154 278	\$ 400 000	\$ 7 152 854

The Trust Funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the *Indian Act*. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Section 63 to 69 of the *Indian Act*.

KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020

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**Note 7 - Due from government and other government organizations**

	<u>2020</u>	<u>2019</u>
<b>Federal government</b>		
Indigenous Services Canada	\$ 2 757 724	\$ 2 411 131
Health Canada	52 653	324 807
Canada Mortgage and Housing Corporation	59 959	305 384
<b>Provincial government</b>	326 027	134 908
<b>Other government organizations</b>	1 223 989	593 771
	<u>\$ 4 420 352</u>	<u>\$ 3 770 001</u>

**Note 8 - Economic development loans**

	<u>2020</u>	<u>2019</u>
Loans receivable at March 31 <sup>st</sup>	\$ 485 631	\$ 322 928
Allowance for loan impairment	( 103 699 )	( 38 085 )
	381 932	284 843
Less : Current portion receivable	156 519	232 152
	<u>\$ 225 413</u>	<u>\$ 52 691</u>

The loans, secured by mortgages on land or equipment and maturing from 2020 to 2021, bear interest at rates varying between 4.2% and 5.5%.

**Note 9 - Revolving loans**

	<u>2020</u>	<u>2019</u>
Loans receivable at March 31 <sup>st</sup>	\$ 2 531 080	\$ 2 472 879
Allowance for loan impairment	( 528 258 )	( 388 306 )
	2 002 822	2 084 573
Less: Current portion receivable	436 512	422 759
	<u>\$ 1 566 310</u>	<u>\$ 1 661 814</u>

The loans, secured by mortgages on land and/or building and maturing from 2020 to 2044, bear interest at rates varying between 3% and 8.34%.

KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020

**Note 10 - Investments in Government Business Enterprises**

KZA owns 100% of "3183092 Canada Inc. - Pasahigan Home Center" and "4106679 Canad Inc.", holding of "Mitigog Forestry Enterprises Inc."

	<u>2020</u>	<u>2019</u>
<b>Investment - "3183092 Canada Inc. - Pasahigan Home Center"</b>		
<b>Shares</b>		
100 Class "A" shares	\$ 60 100	\$ 60 100
456 900 Class "D" shares	456 900	456 900
Long term advances	( 26 544 )	( 26 544 )
	490 456	490 456
Add : Accumulated equity	( 353 289 )	( 361 569 )
Less : Dividends received	( 160 946 )	( 160 946 )
	( 23 779 )	( 32 059 )

**Investment - "4106679 Canada Ltd." - Holding of Mitigog Forestry Enterprises Inc.**

<b>Shares</b>		
1 Common share - 100 %	1	1
Add : Accumulated equity	849 899	853 224
Less : Dividends received	( 550 000 )	( 550 000 )
	299 900	303 225
	\$ 276 121	\$ 271 166



**Note 10 - Investments in Government Business Enterprises**

The following tables present condensed financial information for these commercial enterprises :

	<u>2020</u>	<u>2019</u>
<b>3183092 Canada Inc. - "Pasahigan Home Centre"</b>		
Cash	\$ 34 005	\$ 32 082
Temporary investments	75 474	75 098
Accounts receivable	837	1 033
Other assets	56 773	50 507
<b>Total assets</b>	<b>167 089</b>	<b>158 720</b>
Accounts payable	3 175	3 086
Equity	163 914	155 634
<b>Total liabilities and equity</b>	<b>167 089</b>	<b>158 720</b>
Revenues	( 10 423 )	( 2 564 )
Expenses	2 143	7 529
Net earnings (loss)	8 280	( 10 093 )
<b>4106679 Canada Ltd. - "Holding of Mitigog Forestry Enterprises Inc."</b>		
Cash	5 598	3 105
Temporary investments	198 689	200 232
Accounts receivable	2 366	3 088
Tangible capital assets	105 372	105 372
Other assets	1	1
<b>Total assets</b>	<b>312 026</b>	<b>311 798</b>
Accounts payable	10 222	6 669
Equity	301 804	305 129
<b>Total liabilities and equity</b>	<b>312 026</b>	<b>311 798</b>
Revenues	2 520	10 142
Expenses	5 845	30 193
Net earnings (loss)	\$ ( 3 325 )	\$ ( 20 051 )

**Note 10 - Investments in Government Business Enterprises**

"3183092 Canada Inc." is a holding company that manages investments.

"4106679 Canada Inc." is a holding company that manages investments and owns 100% of "Mitigog Forestry Enterprises Inc." that harvests timber for sale to local mills.

**Note 11 - Accounts payable and accrued liabilities**

	<u>2020</u>	<u>2019</u>
Trade payables	\$ 1 086 329	\$ 1 343 653
Accrued salaries and benefits payable	343 220	173 464
	<u>\$ 1 429 549</u>	<u>\$ 1 517 117</u>

**Note 12 - Due to government and other government organizations**

	<u>2020</u>	<u>2019</u>
Federal government	\$ 204 132	\$ 279 199
Provincial government	125 815	72 198
Other government organizations	15 728	13 420
	<u>\$ 345 675</u>	<u>\$ 364 817</u>

KZA's liabilities to other government organizations include workmen's compensations to the CNESST at year end.

KITIGAN ZIBI ANISHINABEG  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020

**Note 13 - Deferred Revenue**

Deferred revenues represent contributions received during the year but not yet spent. These deferred revenues should be used to cover capital and other expenses of the subsequent year. Changes in deferred contributions are as follows :

	<u>March 31</u> <u>2019</u>	<u>Funding</u> <u>received</u>	<u>Revenue</u> <u>recognized</u>	<u>March 31</u> <u>2020</u>
<b>Federal government</b>				
Indigenous Services Canada	\$ 2 351 379	\$ 3 877 215	\$ 4 110 284	\$ 2 118 310
<b>Other</b>				
First Nation Education Council	273 944	-	-	273 944
Unearned fees	137 895	217 822	338 796	16 921
	411 839	217 822	338 796	290 865
Total deferred revenue at year end	\$ 2 763 218	\$ 4 095 037	\$ 4 449 080	\$ 2 409 175



KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020

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Note 14 - Long term debt

	<u>2020</u>	<u>2019</u>
Canada Mortgage & Housing Corporation - loan, payable by monthly instalments of \$792, including interest calculated at the rate of 1,82% amortized on a period of 4 years and 8 months, reimbursed during the year	\$ -	\$ 1 580
Canada Mortgage & Housing Corporation - loan, payable by monthly instalments of \$1 111, including interest calculated at the rate of 1,05% amortized on a period of 4 years and 10 months, reimbursed during the year	-	12 157
Canada Mortgage & Housing Corporation - loan, payable by monthly instalments of \$3 117, including interest calculated at the rate of 1,12% amortized on a period of 15 years, renewable August 1 <sup>st</sup> , 2020 and maturing February 1 <sup>st</sup> , 2030	350 884	384 150
Canada Mortgage & Housing Corporation - loan payable by monthly instalments of \$1 294, including interest calculated at the rate of 1,75%, amortized on a period of 20 years, renewable October 1 <sup>st</sup> , 2024 and maturing October 1 <sup>st</sup> , 2039	257 778	262 000
Canada Mortgage & Housing Corporation - loan, payable by monthly instalments of \$1 044, including interest calculated at the rate of 1,11% amortized on a period of 14 years and 11 months, renewable April 1 <sup>st</sup> , 2021 and maturing March 1 <sup>st</sup> , 2031	129 721	140 746
	\$ 738 383	\$ 800 633

Long term debt repayments to be made over the next years are as follows :

2021	\$ 56 333
2022	57 192
2023	57 752
2024	58 315
2025	58 895
2026 to 2031	449 896
	\$ 738 383

**Note 15 - Employee benefits obligations**

	<u>2020</u>	<u>2019</u>
Vacation and overtime	\$ 669 265	\$ 591 187
Post-employment benefits	628 424	735 702
	<u>\$ 1 297 689</u>	<u>\$ 1 326 889</u>

**Vacation and overtime**

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

**Post-employment benefits**

The post-employment benefits refers to the pension plan, the money purchase plan and severance pay payable at year-end.

**Note 16 - Accumulated surplus**

	<u>2020</u>	<u>2019</u>
Revolving loans fund	\$ 3 915 535	\$ 3 977 295
Appropriated fund balance	11 053 102	8 709 161
Unappropriated fund balance	12 266 618	7 191 492
Investment in capital assets	23 125 176	24 738 278
Equity in trust funds	7 152 854	7 398 576
Enterprise funds	319 407	314 452
	<u>\$ 57 832 692</u>	<u>\$ 52 329 254</u>

**KITIGAN ZIBI ANISHINABEG  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020**

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**Note 17 - Contingencies**

A motion for a permanent injunction and damages was deposited by an individual against Kitigan Zibi Anishinabeg. The plaintiff is requesting access to his property located on the Gatineau river through a road that he has previously built himself on aboriginal lands without the authorization of the Council. The plaintiff is requesting damages and interests of \$ 150,000. The motion has been rejected by court but the plaintiff has decided to appeal. At this point a conservative monetary evaluation of \$50,000 can be considered.

A \$800,000 lawsuit for damages and interest was instituted against Kitigan Zibi Anishinabeg by community members. At this point a conservative evaluation of \$100,000 can be considered.

On the date of these financial statements, no judgment has been rendered by the court for these two cases. It is currently impossible to evaluate the outcome of the above litigations and the amount, if any, that Kitigan Zibi Anishinabeg could be required to pay. Consequently, no provision has been made in the financial statements.

Kitigan Zibi Anishinabeg's insurance company has been notified for these contingencies.

A 920,000,000\$ motion for damages and harm for reputation and serious defamation was deposited by an individual and 364 other plaintiffs against Kitigan Zibi Anishinabeg and the Police Services of Kitigan Zibi Anishinabeg. The plaintiffs during the proceedings reduced the amount of the judgment to \$100. The plaintiffs' originating claim was dismissed following a judgment rendered on February 19, 2021. The monetary evaluation should be \$0 at this point.

On December 9, 2020, a formal notice has been received by a company which claims to be entitled to damages of \$21,427 for unpaid construction work.

On the date of these financial statements, no judgment has been rendered by the court for this case that is under investigation. It is currently impossible to evaluate the outcome of the above litigation and the amount, if any, that Kitigan Zibi Anishinabeg could be required to pay. Consequently, no provision has been made in the financial statements.

**Note 18 -Economic dependence**

Kitigan Zibi Anishinabeg receives 63% (69% in 2019) of its revenue from Indigenous Services Canada and other agencies of the Government of Canada. The ability of KZA to continue its operations relies on the Government of Canada's funding.



#### **Note 19 - Kitigan Zibi Anishinabeg Trust**

On May 29th, 2019, Kitigan Zibi Anishinabeg created the Kitigan Zibi Anishinabeg Trust. The purpose of the Trust is to receive the settlement funds of the land claims global settlement and invest those funds on behalf of the community. Those re-invested funds are to be used within certain parameters established by the Trust.

The land claims global settlement was ratified by a vote held on January 5th, 2019 for an amount of \$116,801,811 of which \$528,151 was deducted by the Government of Canada to reimburse the loans to KZA from Indigenous Services Canada. From the balance of \$116,273,660, funds were distributed directly to KZA qualifying members (\$13,403 per Capita Distribution) The balance of \$78,000,000 was deposited in the Trust Fund.

The Kitigan Zibi Anishinabeg is the beneficiary of the Trust.

The Trustee shall transfer to KZA an amount totalling \$3,000,000 of the Trust Property to be used by Council to address emergency situations when directed to do so by Council Resolution.

The Trustee shall transfer to KZA an amount totalling \$5,000,000 of the Trust Property to be used by Council for Land Purchases when directed to do so by Council Resolution.

The annual income from the Trust account as determined by the Trustee shall be due and irrevocably payable in its entirety to, or as directed by, KZA in accordance with the terms of the Trust Agreement as at December 31st of each fiscal year.

These assets held in trust are not included on the statement of financial position as assets of KZA as it is not KZA property.

#### **Note 20 - Budgeted Figures**

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the directors.

#### **Note 21 - Comparative figures**

Comparative figures have been reclassified to conform to the presentation adopted for the current year.

KITIGAN ZIBI ANISHINABEG  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020

Note 22 - Expenses by object

	<u>2020</u>	<u>2019</u>
Salaries	\$ 10 758 156	\$ 10 648 460
Merc's and benefits	1 614 584	1 545 161
Administration / office expenses	1 333 658	500 221
Advertising and community Info	69 101	56 702
Allowances	3 579 422	3 425 179
Bank charges, fees and contingency fund	579 390	58 144
Building, equipment and facilities maintenance	377 216	327 782
Communications	99 542	96 555
Community services	201 120	156 031
Donations and sponsorship	68 419	72 231
Equipment furniture and expense	208 504	163 671
Insurance	121 527	109 774
Legal fees	284 428	377 942
Materials and supplies	1 310 929	1 633 794
Membership / surbscription fees	84 889	50 746
Permits and licenses	81 789	40 566
Professionnal fees, services and honoraria	3 640 768	2 802 589
Program and other expenses	981 447	1 063 647
Rental fees and expenses	265 157	290 980
Training, conferences and meetings	816 698	1 125 150
Transportation (commercial)	299 461	303 731
Travel and fuel expenses	632 520	690 152
Utilities	301 773	336 511
Vehicle maintenance and repairs	236 906	163 067
Amortization of fixed assets	2 459 083	2 414 947
Revolving loans funds - Bad debts	205 566	93 837
Enterprise funds - share of deficit	-	30 144
	<u>\$ 30 612 053</u>	<u>\$ 28 577 714</u>

KITIGAN ZIBI ANISHINABEG  
APPENDIX A - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED MARCH 31, 2020

	<i>Land</i>	<i>34 Lot Project in const.</i>	<i>Buildings</i>	<i>Social Housing</i>	<i>Skating rink</i>	<i>Subtotal</i>
<b>Cost</b>						
Balance, beginning of year	\$ 927 956	\$ 3 203 938	\$ 16 547 979	\$ 3 622 720	\$ 200 681	\$ 24 503 274
Acquisition of tangible capital assets	1 500	-	-	-	-	1 500
Disposal of tangible capital assets	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-
Balance, end of year	929 456	3 203 938	16 547 979	3 622 720	200 681	24 504 774
<b>Accumulated amortization</b>						
Balance, beginning of year	-	-	12 367 088	1 665 517	52 177	14 084 782
Annual amortization	-	-	456 260	144 909	8 027	609 196
Accumulated amortization on disposals	-	-	-	-	-	-
Write down of capital assets	-	-	-	-	-	-
Balance, end of year	-	-	12 823 348	1 810 426	60 204	14 693 978
<b>Net book value of tangible capital assets</b>	929 456	3 203 938	3 724 631	1 812 294	140 477	9 810 796
2019 Net book value of tangible capital assets	\$ 927 956	\$ 3 203 938	\$ 4 180 891	\$ 1 957 203	\$ 148 504	\$ 10 418 492



KITIGAN ZIBI ANISHINABEG  
APPENDIX A - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED MARCH 31, 2020

	<i>Subtotal</i>	<i>Playgrounds</i>	<i>Parking lots and roads</i>	<i>Water and Sewer system</i>	<i>Sugarbush hydro line</i>	<i>Subtotal</i>
<b>Cost</b>						
Balance, beginning of year	\$ 24 503 274	\$ 107 375	\$ 3 164 172	\$ 25 625 939	\$ 92 826	\$ 53 493 586
Acquisition of tangible capital assets	1 500	-	-	-	-	1 500
Disposal of tangible capital assets	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-
Balance, end of year	24 504 774	107 375	3 164 172	25 625 939	92 826	53 495 086
<b>Accumulated amortization</b>						
Balance, beginning of year	14 084 782	90 078	2 191 802	13 139 849	92 826	29 599 337
Annual amortization	609 196	4 295	133 374	1 246 019	-	1 992 884
Accumulated amortization on disposals	-	-	-	-	-	-
Write down of capital assets	-	-	-	-	-	-
Balance, end of year	14 693 978	94 373	2 325 176	14 385 868	92 826	31 592 221
<b>Net book value of tangible capital assets</b>	9 810 796	13 002	838 996	11 240 071	-	21 902 865
2019 Net book value of tangible capital assets	\$ 10 418 492	\$ 17 297	\$ 972 370	\$ 12 486 090	-	\$ 23 894 249

KITIGAN ZIBI ANISHINABEG  
APPENDIX A - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED MARCH 31, 2020

	<i>Subtotal</i>	<i>Fibre optic project</i>	<i>Gravel pit</i>	<i>Equipment</i>	<i>Sugarbush equipment</i>	<i>Subtotal</i>
<b>Cost</b>						
Balance, beginning of year	\$ 53 493 586	\$ 15 000	\$ 30 000	\$ 2 024 703	\$ 125 209	\$ 55 688 498
Acquisition of tangible capital assets	1 500	-	-	183 534	-	185 034
Disposal of tangible capital assets	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-
Balance, end of year	53 495 086	15 000	30 000	2 208 237	125 209	55 873 532
<b>Accumulated amortization</b>						
Balance, beginning of year	29 599 337	15 000	30 000	1 585 199	118 081	31 347 617
Annual amortization	1 992 884	-	-	107 534	2 037	2 102 455
Accumulated amortization on disposals	-	-	-	-	-	-
Write down of capital assets	-	-	-	-	-	-
Balance, end of year	31 592 221	15 000	30 000	1 692 733	120 118	33 450 072
<b>Net book value of tangible capital assets</b>	<b>21 902 865</b>	<b>-</b>	<b>-</b>	<b>515 504</b>	<b>5 091</b>	<b>22 423 460</b>
2019 Net book value of tangible capital assets	\$ 23 894 249	\$ -	-	\$ 439 504	\$ 7 128	\$ 24 340 881

KITIGAN ZIBI ANISHINABEG  
APPENDIX A - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED MARCH 31, 2020

	<i>Subtotal</i>	<i>Automotive equipment</i>	<i>Computer hardware</i>	<i>2020</i>	<i>2019</i>
<b>Cost</b>					
Balance, beginning of year	\$ 55 688 498	\$ 4 117 848	\$ 284 745	\$ 60 091 091	\$ 59 557 368
Acquisition of tangible capital assets	185 034	520 420	78 277	783 731	604 485
Disposal of tangible capital assets	-	-	-	-	(70 762)
Write down of tangible capital assets	-	-	-	-	-
Balance, end of year	55 873 532	4 638 268	363 022	60 874 822	60 091 091
<b>Accumulated amortization</b>					
Balance, beginning of year	31 347 617	2 982 494	222 069	34 552 180	32 207 995
Annual amortization	2 102 455	327 669	28 959	2 459 083	2 414 947
Accumulated amortization on disposals	-	-	-	-	(70 762)
Write down of capital assets	-	-	-	-	-
Balance, end of year	33 450 072	3 310 163	251 028	37 011 263	34 552 180
<b>Net book value of tangible capital assets</b>	22 423 460	1 328 105	111 994	23 863 559	25 538 911
2019 Net book value of tangible capital assets	\$ 24 340 881	\$ 1 135 354	\$ 62 676	\$ 25 538 911	



KITIGAN ZIBI ANISHINABEG  
APPENDIX B - OTHER REVENUES  
FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
Dwayne Dumont trucking	649 953	164 334
Sales of timber	269 783	381 121
N.C.C.	5 500	48 700
Western Quebec	26 948	64 441
Sand/crushed stone sales	51 853	84 783
Administration rentals, fees and internal charges	1 646 417	775 530
Individual contributions	794 617	784 762
Donations	20 743	5 363
Equipment rental	84 302	119 451
Sopfeu	161 803	336 106
Resolute	821 626	471 362
Rent	425 983	370 459
RexForet	309 793	919 324
Restorative justice	77 100	105 000
Barriere Lake Band	302 538	169 795
Sales of maple syrup	118 505	109 479
Insurance claim and insurance revenue	78 929	70 756
MRC	7 346	25 829
Bingo	154 343	177 724
ISC	18 991	-
N.A.C.E.C.	40 207	40 205
Québec en forme	52 000	65 000
Gain on sale of tangible capital assets	-	4 077
Fundraising	137 974	154 111
Instructional service	41 442	2 671
Lunch Money	65 922	68 357
Gym fees	8 826	9 200
Ministère de la justice - traffic tickets	15 190	17 933
Daycare parent contribution	76 582	88 701
Summer employment	20 425	24 406
FNQLHSSC	100 053	104 242
City of Ottawa	42 024	41 200
C.K.W.E. Radio	11 868	15 195
GST and PST reimbursement	41 094	28 354
<b>Sub-total</b>	<b>6 680 680</b>	<b>5 847 971</b>

KITIGAN ZIBI ANISHINABEG  
APPENDIX B - OTHER REVENUES  
FOR THE YEAR ENDED MARCH 31, 2020

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	<u>2020</u>	<u>2019</u>
<b>Sub-total</b>	6 680 680	5 847 971
Environment Canada	303 045	188 176
MFFP participation funds	125 000	-
SAA	20 000	-
Recyc-Quebec	26 039	25 840
Other revenues	224 297	143 652
	7 379 061	6 205 639
Less : Transferred to replacement reserve fund	14 867	26 154
	\$ 7 364 194	\$ 6 179 485

KITIGAN ZIBI ANISHINABEG  
 SEGMENT DISCLOSURE  
 APPENDIX C - GOVERNMENT OPERATIONS (UNAUDITED)  
 FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ 3 066 659	\$ 3 150 540
Canada Mortgage and Housing Corporation	40 000	2 817
Environment Canada	303 045	188 176
National Capital Commission	-	43 700
Other Communities and Organizations	490 184	937 947
Other revenues	781 293	994 000
	<u>4 681 181</u>	<u>5 317 180</u>
<b>Expenses</b>		
Salaries	1 996 928	2 297 505
Merc's and benefits	646 198	624 284
Administration / office expenses	319 208	113 472
Advertising and community Info	28 687	11 392
Allowances	24 600	-
Bank charges, fees and contingency fund	412	3 883
Building, equipment and facilities maintenance	10 803	22 453
Communications	19 091	19 909
Community services	2 567	3 300
Donations and sponsorship	4 927	746
Equipment furniture and expense	102 829	28 553
Insurance	14 272	12 333
Materials and supplies	549 392	766 135
Membership / surbscription fees	34 862	13 634
Permits and licenses	19 902	3 722
Professionnal fees, services and honoraria	1 491 761	975 713
Program and other expenses	112 670	97 010
Rental fees and expenses	45 494	74 688
Training, conferences and meetings	16 686	2 366
Travel and fuel expenses	100 690	174 955
Utilities	14 755	18 494
Vehicle maintenance and repairs	13 152	12 141
	<u>5 569 886</u>	<u>5 276 688</u>
<b>(Deficit) Surplus</b>	<b>\$ ( 888 705 )</b>	<b>\$ 40 492</b>



KITIGAN ZIBI ANISHINABEG  
SEGMENT DISCLOSURE  
APPENDIX D - ECONOMIC DEVELOPMENT (UNAUDITED)  
FOR THE YEAR ENDED MARCH 31, 2020

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	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ 263 945	\$ 256 843
Other revenues	43 768	18 942
	<u>307 713</u>	<u>275 785</u>
<b>Expenses</b>		
Salaries	252 071	180 847
Merc's and benefits	28 824	12 409
Administration / office expenses	10 325	502
Advertising and community Info	484	672
Bank charges, fees and contingency fund	435	-
Building, equipment and facilities maintenance	4 152	7 481
Donations and sponsorship	2 065	78
Equipment furniture and expense	1 374	541
Insurance	147	114
Materials and supplies	1 093	( 280 )
Membership / surbscription fees	816	746
Professionnal fees, services and honoraria	22 264	15 303
Program and other expenses	10 645	35 295
Rental fees and expenses	16 360	12 381
Training, conferences and meetings	7 633	1 978
Travel and fuel expenses	5 312	2 610
Utilities	171	122
Vehicle maintenance and repairs	11	-
	<u>364 182</u>	<u>270 799</u>
<b>(Deficit) Surplus</b>	<b>\$ ( 56 469 )</b>	<b>\$ 4 986</b>

KITIGAN ZIBI ANISHINABEG  
 SEGMENT DISCLOSURE  
 APPENDIX E - EMPLOYMENT PROGRAMS (UNAUDITED)  
 FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Canada Mortgage Housing Corporation	\$ 29 051	\$ -
Assembly of First Nations Québec-Labrador	702 029	721 210
Other Communities and Organizations	20 425	24 451
Other revenues	4 041	13 668
	<u>755 546</u>	<u>759 329</u>
<b>Expenses</b>		
Salaries	423 244	347 940
Merc's and benefits	45 183	25 380
Administration / office expenses	23 844	25 146
Advertising and community Info	3 898	5 015
Allowances	222 061	266 218
Building, equipment and facilities maintenance	5 528	20
Communications	180	-
Equipment furniture and expense	75	330
Materials and supplies	158 240	1 409
Professionnal fees, services and honoraria	102 391	33 481
Program and other expenses	6 722	46
Rental fees and expenses	1 238	1 800
Training, conferences and meetings	50 906	50 908
Travel and fuel expenses	8 677	1 690
	<u>1 052 187</u>	<u>759 383</u>
<b>Deficit</b>	<u>\$ ( 296 641 )</u>	<u>\$ ( 54 )</u>

KITIGAN ZIBI ANISHINABEG  
 SEGMENT DISCLOSURE  
 APPENDIX F - COMMUNITY SERVICES (UNAUDITED)  
 FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ -	\$ 3 689
Other Communities and Organizations	10 333	-
Other revenues	15 778	15 998
	26 111	19 687
<b>Expenses</b>		
Salaries	48 477	50 871
Merc's and benefits	3 639	3 624
Administration / office expenses	1 435	217
Advertising and community Info	29	189
Building, equipment and facilities maintenance	4 364	7 698
Donations and sponsorship	20 558	42 931
Equipment furniture and expense	23	310
Insurance	2 275	2 109
Materials and supplies	-	372
Membership / surbscription fees	15 006	14 761
Professionnal fees, services and honoraria	25 186	59 516
Program and other expenses	19 026	25 257
Rental fees and expenses	129	88
Utilities	13 607	12 838
	153 754	220 781
<b>Deficit</b>	\$ ( 127 643 )	\$ ( 201 094 )



KITIGAN ZIBI ANISHINABEG  
SEGMENT DISCLOSURE  
APPENDIX G - EDUCATION (UNAUDITED)  
FOR THE YEAR ENDED MARCH 31, 2020

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	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ 7 426 804	\$ 5 567 167
Ministère de la Famille	419 293	378 930
First Nation Education Council	1 258 809	1 365 386
Western Québec School Board	26 948	64 441
Barriere Lake Band	302 538	169 795
Other communities and Organizations	219 986	185 647
Other revenues	191 132	172 595
	<u>9 845 510</u>	<u>7 903 961</u>
<b>Expenses</b>		
Salaries	3 070 347	3 046 135
Merc's and benefits	254 484	282 013
Administration / office expenses	465 851	105 987
Advertising and community Info	12 634	12 106
Allowances	622 073	630 928
Bank charges, fees and contingency fund	541 730	38 786
Building, equipment and facilities maintenance	150 687	69 901
Communications	13 140	12 615
Community services	815	743
Donations and sponsorship	13 373	1 724
Equipment furniture and expense	8 988	16 448
Insurance	40 961	34 156
Materials and supplies	299 168	498 004
Membership / surbscription fees	6 249	5 120
Permits and licenses	3 289	3 359
Professionnal fees, services and honoraria	276 129	315 485
Program and other expenses	203 847	173 884
Rental fees and expenses	2 614	5 337
Training, conferences and meetings	698 925	999 326
Transportation (commercial)	278 614	272 785
Travel and fuel expenses	72 047	67 903
Utilities	136 195	141 758
Vehicle maintenance and repairs	24 761	11 519
	<u>7 196 921</u>	<u>6 746 022</u>
<b>Surplus</b>	\$ 2 648 589	\$ 1 157 939

KITIGAN ZIBI ANISHINABEG  
SEGMENT DISCLOSURE  
APPENDIX H - HEALTH (UNAUDITED)  
FOR THE YEAR ENDED MARCH 31, 2020

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	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ ( 1 566 )	\$ 1 096
Health Canada	4 451 285	3 857 791
Other revenues	6 000	16 187
	<u>4 455 719</u>	<u>3 875 074</u>
<b>Expenses</b>		
Salaries	1 378 002	1 466 538
Merc's and benefits	177 027	191 373
Administration / office expenses	151 116	145 346
Advertising and community Info	17 545	20 721
Bank charges, fees and contingency fund	1 348	360
Building, equipment and facilities maintenance	66 827	47 719
Communications	12 557	12 342
Community services	-	406
Donations and sponsorship	21 793	23 684
Equipment furniture and expense	25 340	12 916
Insurance	16 537	22 186
Materials and supplies	68 552	142 800
Membership / surbscription fees	13 383	14 555
Permits and licenses	14 811	8 512
Professionnal fees, services and honoraria	190 674	246 034
Program and other expenses	103 262	136 524
Rental fees and expenses	18 533	13 620
Training, conferences and meetings	15 201	48 268
Transportation (commercial)	13 522	25 291
Travel and fuel expenses	256 328	257 387
Utilities	23 433	25 842
Vehicle maintenance and repairs	56 576	50 365
	<u>2 642 367</u>	<u>2 912 789</u>
<b>Surplus</b>	\$ 1 813 352	\$ 962 285

KITIGAN ZIBI ANISHINABEG  
SEGMENT DISCLOSURE  
APPENDIX I - PUBLIC WORKS (UNAUDITED)  
FOR THE YEAR ENDED MARCH 31, 2020

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	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ 721 750	\$ 702 330
Other revenues	34 700	53 067
	<u>756 450</u>	<u>755 397</u>
<b>Expenses</b>		
Salaries	209 391	371 572
Merc's and benefits	14 655	24 647
Administration / office expenses	67 554	2 337
Advertising and community Info	484	287
Building, equipment and facilities maintenance	15 363	50 018
Communications	9 438	8 075
Community services	93 586	78 998
Donations and sponsorship	659	-
Equipment furniture and expense	14 567	19 899
Insurance	1 739	2 812
Materials and supplies	61 188	53 805
Permits and licenses	2 983	3 536
Professionnal fees, services and honoraria	269 034	299 964
Program and other expenses	720	2 467
Rental fees and expenses	1 493	1 379
Training, conferences and meetings	515	1 100
Travel and fuel expenses	8 751	13 277
Utilities	41 918	38 761
Vehicle maintenance and repairs	2 817	5 491
	<u>816 855</u>	<u>978 425</u>
<b>Deficit</b>	\$ ( 60 405 )	\$ ( 223 028 )



KITIGAN ZIBI ANISHINABEG  
 SEGMENT DISCLOSURE  
 APPENDIX J - SOCIAL SERVICES (UNAUDITED)  
 FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ 5 855 889	\$ 6 100 058
<b>Expenses</b>		
Salaries	1 698 021	1 388 499
Merc's and benefits	181 075	154 227
Administration / office expenses	215 933	14 510
Advertising and community Info	867	388
Allowances	2 542 688	2 367 933
Bank charges, fees and contingency fund	( 4 941 )	( 542 )
Building, equipment and facilities maintenance	90 076	64 262
Communications	16 228	16 285
Community services	-	200
Equipment furniture and expense	23 563	15 152
Insurance	7 955	7 641
Materials and supplies	52 450	25 782
Membership / subscription fees	12 889	-
Permits and licenses	656	1 223
Professional fees, services and honoraria	383 639	272 802
Program and other expenses	145 657	137 579
Rental fees and expenses	144 149	171 825
Training, conferences and meetings	14 941	14 156
Transportation (commercial)	6 325	4 450
Travel and fuel expenses	39 907	36 332
Utilities	34 786	32 035
Vehicle maintenance and repairs	999	3 298
	5 607 863	4 728 037
<b>Surplus</b>	\$ 248 026	\$ 1 372 021

KITIGAN ZIBI ANISHINABEG  
 SEGMENT DISCLOSURE  
 APPENDIX K - SUNDRY (UNAUDITED)  
 FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Indigenous Services Canada	\$ -	\$ 292 319
Canada Mortgage and Housing Corporation	61 922	72 620
First Nation Education Council	-	40 000
National Capital Commission	5 500	5 000
Other Communities and Organizations	1 184 283	1 048 780
Other revenues	7 027 989	2 888 750
	<u>8 279 694</u>	<u>4 347 469</u>
<b>Expenses</b>		
Salaries	819 748	719 124
Merc's and benefits	100 246	73 910
Administration / office expenses	34 479	46 639
Advertising and community Info	2 042	5 824
Allowances	168 000	160 100
Bank charges, fees and contingency fund	40 397	15 614
Building, equipment and facilities maintenance	27 521	57 647
Communications	17 250	17 558
Community services	103 963	72 384
Donations and sponsorship	4 169	2 979
Equipment furniture and expense	27 465	68 592
Insurance	34 466	25 577
Legal Fees	284 428	377 942
Materials and supplies	71 248	115 592
Membership / surbscription fees	1 366	1 930
Permits and licenses	37 092	17 608
Professionnal fees, services and honoraria	818 670	530 239
Program and other expenses	377 243	447 665
Rental fees and expenses	33 669	9 162
Training, conferences and meetings	6 714	4 793
Transportation (commercial)	1 000	1 205
Travel and fuel expenses	78 407	81 111
Utilities	31 984	61 538
Vehicle maintenance and repairs	105 841	55 947
	<u>3 227 408</u>	<u>2 970 680</u>
<b>Surplus</b>	\$ 5 052 286	\$ 1 376 789

KITIGAN ZIBI ANISHINABEG  
 SEGMENT DISCLOSURE  
 APPENDIX L - POLICING (UNAUDITED)  
 FOR THE YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Solicitor General of Canada	\$ 638 700	\$ 621 606
Ministère des Finances du Québec	589 569	573 790
Other Communities and Organizations	20 000	2 177
	<u>1 248 269</u>	<u>1 197 573</u>
<b>Expenses</b>		
Salaries	861 927	779 429
Merc's and benefits	163 253	153 294
Administration / office expenses	43 913	46 065
Advertising and community Info	2 431	108
Bank charges, fees and contingency fund	9	43
Building, equipment and facilities maintenance	1 895	583
Communications	11 658	9 771
Community services	189	-
Donations and sponsorship	875	89
Equipment furniture and expense	4 280	930
Insurance	3 175	2 846
Materials and supplies	49 598	30 175
Membership / surbscription fees	318	-
Permits and licenses	3 056	2 606
Professionnal fees, services and honoraria	61 020	54 052
Program and other expenses	1 655	7 920
Rental fees and expenses	1 478	700
Training, conferences and meetings	5 177	2 255
Travel and fuel expenses	62 401	54 887
Utilities	4 924	5 123
Vehicle maintenance and repairs	32 749	24 306
	<u>1 315 981</u>	<u>1 175 182</u>
<b>(Deficit) Surplus</b>	<b>\$ ( 67 712 )</b>	<b>\$ 22 391</b>



KITIGAN ZIBI ANISHINABEG  
APPENDIX M - FUNDING RECONCILIATION (ISC) (UNAUDITED)  
FOR THE YEAR ENDED MARCH 31, 2020

		<u>2020</u>	<u>2019</u>
ISC Revenue per Financial Statements		\$ 17 333 481	\$ 16 074 042
<b>Add (Less):</b>			
Specific Claims Settlement		-	(528 151)
Adjustment of prior year - refundable contributions			
Review of financial report		144 718	11 133
Deferred revenue prior year	Note 13	(2 351 379)	(1 602 616)
Deferred revenue current year	Note 13	2 118 310	2 351 379
		(88 351)	231 745
ISC Revenue per funding confirmation		\$ 17 245 130	\$ 16 305 787

**KITIGAN ZIBI ANISHINABEG**  
**APPENDIX N - APPROPRIATED SURPLUS (UNAUDITED)**  
**FOR THE YEAR ENDED MARCH 31, 2020**

	<u>2020</u>	<u>2019</u>
Registration and membership	\$ 36 104	\$ 54 212
New water and sewer O/M	-	20 834
Economic development	537 160	602 003
Finance department	-	13 849
Community capital facilities	-	8 050
On reserve construction	92 502	74 160
On reserve renovations	440 785	553 197
Land Management R.L.A.P.	55 772	77 658
Survey project	5 130	5 130
Pre-employment support	10 299	10 299
Plans for new band office	80 400	80 400
Education	4 596 769	3 072 119
Daycare 60+ months	89 713	79 258
Child care aid (Wazoson)	325 478	202 138
Social assistance	462 823	505 805
Enhance prevention	2 510 154	1 971 041
Waseya house - Special project	433 319	603 686
Health transfer surplus spending	472 345	459 480
Health flexible funding	904 349	315 842
	<hr/>	<hr/>
	\$ 11 053 102	\$ 8 709 161