

Consolidated Financial Statements of

**KITIGAN ZIBI
ANISHINABEG FIRST
NATION**

Year ended March 31, 2021

KITIGAN ZIBI ANISHINABEG FIRST NATION

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of Kitigan Zibi Anishinabeg as at and for the year ended March 31, 2021 are the responsibility of Kitigan Zibi Anishabeg's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements.

Kitigan Zibi Anishabeg's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Kitigan Zibi Anishabeg Elected Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by Kitigan Zibi Anishabeg. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on Kitigan Zibi Anishabeg's consolidated financial statements. The independent auditors have full and free access to financial management of Kitigan Zibi Anishabeg.

On behalf of Kitigan Zibi Anishabeg Elected Council:


Dylan Whiteduck
Chief

June 16, 2022



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INDEPENDENT AUDITORS' REPORT

To the Chief and Councillors of Kitigan Zibi Anishinabeg First Nation

Opinion

We have audited the consolidated financial statements of Kitigan Zibi Anishinabeg First Nation (the Entity), which comprise:

- the consolidated statement of financial position as at March 31, 2021
- the consolidated statement of operations for the year then ended
- the consolidated statement of accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies and explanatory information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at March 31, 2021 and its consolidated results of operations and its consolidated 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 **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Matter - Comparative Information

The financial statements for the year ended March 31, 2020 were audited by another auditor who expressed an unqualified opinion on those financial statements on March 12, 2021.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

June 16, 2022

KITIGAN ZIBI ANISHINABEG FIRST NATION

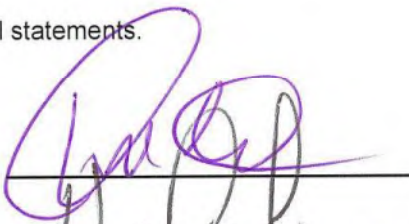
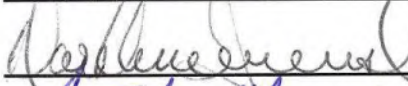

Consolidated Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Financial assets:		
Cash (note 3)	\$ 19,067,114	\$ 10,199,168
Cash externally restricted (note 3)	3,495,133	3,732,625
Temporary investments (note 4)	12,501,078	12,380,381
Accounts receivable (note 5)	7,373,743	3,093,942
Trust funds held by federal government (note 6)	7,296,947	7,152,854
Due from government and other government organizations (note 7)	4,460,967	4,420,352
Economic development loans receivable (note 8)	246,001	381,932
Revolving loans receivable (note 9)	2,322,576	2,002,822
Investments in government business enterprises (note 10)	459,484	465,717
Total financial assets	57,223,043	43,829,793
Liabilities:		
Accounts payable and accrued liabilities	2,135,658	1,410,386
Due to Community Members - trust funds	3,495,133	3,732,625
Replacement reserve	256,490	241,839
Due to government and other government organization	-	345,675
Deferred revenue (note 11)	3,802,386	2,409,175
Long-term debt (note 12)	681,687	738,383
Employee benefit obligations (note 13)	1,377,417	1,316,852
Total liabilities	11,748,771	10,194,935
Net financial assets	45,474,272	33,634,858
Non-financial assets:		
Tangible capital assets (schedule A)	21,518,707	23,863,559
Inventories held for use	334,290	334,275
	21,852,997	24,197,834
Contingencies (note 15)		
COVID-19 pandemic (note 20)		
Accumulated surplus (note 14)	\$ 67,327,269	\$ 57,832,692

See accompanying notes to consolidated financial statements.

On behalf of the Council:

	Director		Director
	Director		Director
	Director		Director - Counsellor

KITIGAN ZIBI ANISHINABEG FIRST NATION

Consolidated Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	2021 Budget (Unaudited - note 17)	2021 Actual	2020 Actual
Revenue:			
Indigenous Services Canada	\$ 16,308,364	\$ 26,592,188	\$ 17,333,481
Health Canada	-	-	4,451,285
First Nation Education Council	-	1,333,587	1,258,809
Solicitor General of Canada	727,230	925,568	638,700
Ministère des Finances du Québec	-	854,371	589,569
Assembly of First Nations Québec-Labrador	-	707,656	702,029
Ministère de la Famille	152,842	539,710	419,293
Canada Mortgage and Housing Corporation	82,041	78,488	130,973
Interest on short term deposits and loans	-	290,914	485,996
Annual distribution from Trust Fund	-	1,959,212	2,438,123
Other revenues	3,415,988	8,140,295	7,364,194
Revolving loans fund	-	115,481	143,806
Enterprise fund	-	(6,233)	4,955
Band fund	-	144,093	154,278
Internal revenues eliminated	(89,000)	(1,773,386)	(1,597,643)
	20,597,465	39,901,944	34,517,848
Expenses:			
Government operations (schedule C)	10,395,990	6,516,032	5,563,579
Education (schedule G)	106,461	6,703,082	7,196,439
Social services (schedule J)	119,050	5,172,160	5,608,667
Sundry (schedule K)	701,543	3,310,841	3,228,754
Health (schedule H)	239,809	3,940,654	2,642,678
Policing (schedule L)	15,500	1,474,723	1,315,982
Employment programs (schedule E)	244,595	705,398	1,054,244
Public works (schedule I)	31,200	958,668	819,126
Community services (schedule F)	47,381	141,001	153,754
Economic development (schedule D)	1,952,499	335,795	364,181
COVID-19 (schedule M)	-	263,261	-
Amortization of capital assets (schedule A)	-	2,583,941	2,459,083
Revolving loans fund	-	75,197	205,566
Internal charges eliminated	(178,398)	(1,773,386)	(1,597,643)
	13,675,630	30,407,367	29,014,410
Annual surplus	\$ 6,921,835	\$ 9,494,577	\$ 5,503,438

See accompanying notes to consolidated financial statements.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Consolidated Statement of Accumulated Surplus

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Balance, beginning of year	\$ 57,832,692	\$ 52,329,254
Annual surplus	9,494,577	5,503,438
Balance, end of year	\$ 67,327,269	\$ 57,832,692

See accompanying notes to consolidated financial statements.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2021, with comparative information for 2020

	Budget (Unaudited - note 17)	2021	2020
Net financial assets, beginning of year	\$ 33,634,858	\$ 33,634,858	\$ 26,483,203
Annual surplus	-	9,494,577	5,503,438
Purchases of tangible capital assets	-	(239,089)	(783,731)
Amortization of tangible capital assets	-	2,583,941	2,459,083
	-	11,839,429	7,178,790
Acquisition of inventories held for use	-	(15)	(27,135)
Change in net financial assets	-	11,839,414	7,151,655
Net financial assets, end of year	\$ 33,634,858	\$ 45,474,272	\$ 33,634,858

KITIGAN ZIBI ANISHINABEG FIRST NATION

Consolidated Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 9,494,577	\$ 5,503,438
Items not involving cash:		
Amortization of tangible capital assets	2,583,941	2,459,083
Net loss (gain) from government business enterprises	6,233	(4,955)
Changes in non-cash operating working capital:		
Accounts receivable	(4,469,397)	(2,092,523)
Deferred revenue	1,393,211	(354,043)
Accounts payable and accrued liabilities	914,868	(87,568)
Change in employee benefit obligations	60,565	(29,200)
Replacement reserve	14,651	19,535
Due to/from government and other government organization	(386,290)	(669,493)
	9,612,359	4,744,274
Financing:		
Repayment of long term debt	(56,696)	(62,250)
Acquisition of inventories held for use	(15)	(27,135)
	(56,711)	(89,385)
Investing:		
Investments in temporary investments and replacement reserve	(120,697)	(169,018)
Purchase of tangible capital assets	(239,089)	(783,731)
Change in trust funds held by federal government	(144,093)	245,722
Change in revolving loans during the year	(319,754)	81,751
Change in economic development loans	135,931	(97,089)
	(687,702)	(722,365)
Increase in cash	8,867,946	3,932,524
Cash, beginning of year	10,199,168	6,266,644
Cash, end of year	\$ 19,067,114	\$ 10,199,168

See accompanying notes to consolidated financial statements.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2021

Nature of operations:

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

1. Economic dependence:

Kitigan Zibi Anishinabeg receives 69% (2020 - 63%) 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.

2. Significant accounting policies:

(a) Basis of accounting:

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of Canada ("PSAB"), and as required by Indigenous Services Canada ("ISC").

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.

Significant accounting policies adopted by KZA are described below.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(b) Basis of consolidation:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the KZA reporting entity, which includes organizations, committees and local boards accountable for the administration of their financial affairs and resources to KZA as follows.

(i) Departments:

The following departments are included in these financial statements:

KZA Administration Sector
KZA Band Council
KZA Education Sector and School
KZA Health and Social Services
KZA Pakinawatik
KZA Police Department
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

(ii) Government business enterprises

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. 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. Organizations accounted for on a modified equity basis include:

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

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(b) Basis of consolidation (continued):

(iii) Trust funds held on behalf of KZA by Federal Government:

Funds held in trust on behalf of KZA by the Government of Canada are reported on the statement 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.

(iv) Other trust funds

Other trust funds and their related operations administered by KZA are not included in these consolidated financial statements, including the Kitigan Zibi Anishinabeg Trust.

(c) 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.

(d) 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.

(e) 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.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(f) Segmented information:

KZA conducts its operations through functional 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 in schedules C to L to these consolidated financial statements.

(g) Revenue recognition:

Government Transfers

Government transfers are recognized as revenue when the transfer is authorized and all eligibility criteria, if any, have been met, and a reasonable estimate of the amount can be made. 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. Transfers 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 a Trust Fund is recognized when received.

Investment income

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

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(g) Revenue recognition (continued):

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.

(h) 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.

(i) Temporary investments:

Temporary investments are valued at the lower of cost and market value, when there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

(j) 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.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(k) 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:

Asset	Rate
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 to 10 years
Computer hardware	3 years

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(k) Tangible capital assets (continued):

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

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.

(l) Inventories held for use:

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.

(m) Use of estimates:

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 receivable. 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.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(n) 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 \$843,476 (2020 - \$811,737).

(o) Future accounting pronouncements:

(i) Financial instruments:

This accounting pronouncement establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments and derivative instruments. It is effective for fiscal years beginning on or after April 1, 2022 for governments or equivalents.

(ii) Foreign currency translation:

This accounting pronouncement establishes standards on how to account for and report transactions that are denominated in a foreign currency in government financial statements. It is effective for fiscal years beginning on or after April 1, 2022 for governments or equivalents.

(iii) Asset retirement obligations:

In August 2018, the Public Sector Accounting Board issued this accounting standard that addresses the reporting of legal obligations associated with the retirement of tangible capital assets. This new standard takes effect for annual reporting periods beginning on or after April 1, 2022.

(iv) Revenue:

This Section establishes standards on how to account for and report on revenue. Specifically, it differentiates between arising from transactions that includes performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". This new standard takes effect for annual reporting periods beginning on or after April 1, 2023. Management is assessing the impact of the adoption of these standards which is not known or able to be reasonably estimated at this time.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

3. Cash:

	2021	2020
Unrestricted:		
Operating	\$ 18,930,345	\$ 10,252,661
Policing	136,769	(53,493)
Externally restricted:		
Due to Community Members	3,495,133	3,732,625
Total cash	\$ 22,562,247	\$ 13,931,793

4. Temporary investments:

Term deposits consist of various Canadian dollar term deposits which bear interest at 3.21% annually and have maturing dates ranging from February 2024 to February 2027. The market value of the term deposits at March 31, 2021 approximates their carrying amount.

(a) Replacement reserve:

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 \$256,490 (\$241,839 in 2020). Temporary investments are reported separately on the consolidated statement of financial position.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

5. Accounts receivable:

	2021	2020
Rent	\$ 21,955	\$ 30,787
Wood sales	16,188	18,748
Salary advances	34,927	38,720
Distributions from Trust Fund	2,898,446	2,438,123
Other	5,667,375	1,692,525
	8,638,891	4,218,903
Less: allowance for doubtful accounts	(1,265,148)	(1,124,961)
	\$ 7,373,743	\$ 3,093,942

6. Trust funds held by federal government:

	March 31, 2020	Additions 2021	Withdrawals 2021	March 31, 2021
General - Revenue Fund	\$ 318,658	\$ 12,548	\$ -	\$ 331,206
Land claims settlements - Revenue Fund	4,170,609	116,305	-	4,286,914
General - Capital Fund	828,518	15,240	-	843,758
Land claims settlements - Capital Fund	1,835,069	-	-	1,835,069
	\$ 7,152,854	\$ 144,093	\$ -	\$ 7,296,947

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 FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

7. Due from government and other government organizations:

	2021	2020
Indigenous Services Canada	\$ 3,129,532	\$ 2,757,724
Health Canada	15,753	52,653
Canada Mortgage and Housing Corporation	43,685	59,959
Provincial government	472,152	326,027
Other government organizations	799,845	1,223,989
	\$ 4,460,967	\$ 4,420,352

8. Economic development loans receivable:

	2021	2020
Loans receivable at March 31 st	\$ 405,866	\$ 485,631
Allowance for loan impairment	(159,865)	(103,699)
	246,001	381,932
Less : Current portion receivable	(127,613)	(156,519)
	\$ 118,388	\$ 225,413

The loans, secured by mortgages on land or equipment and maturing from 2021 to 2022, bear interest at rates varying between 4.2% and 5.5%.

9. Revolving loans receivable:

	2021	2020
Loans receivable at March 31st	\$ 2,869,865	\$ 2,531,080
Allowance for loan impairment	(547,289)	(528,258)
	2,322,576	2,002,822
Less: Current portion receivable	(340,242)	(436,512)
	\$ 1,982,334	\$ 1,566,310

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

9. Revolving loans receivable (continued):

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

10. Investments in government business enterprises:

KZA owns 100% of the common shares of 3183092 Canada Inc. - Pasahigan Home Center and 4106679 Canada Inc. holding of Mitigog Forestry Enterprises Inc.

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.

The equity interest held by KZA in these entities is as follows:

	2021	2020
3183092 Canada Inc.	\$ 162,268	\$ 163,914
41066789 Canada Inc.	297,216	301,803
	<u>\$ 459,484</u>	<u>\$ 465,717</u>

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Investments in government business enterprises (continued):

	2021	2020
3183092 Canada Inc. - Pasahigan Home Centre		
Assets:		
Cash	\$ 35,759	\$ 34,005
Term deposits	75,850	75,474
Accounts receivable	320	837
Advances to shareholders	36,987	39,114
Investments	32,885	34,401
Total assets	\$ 181,801	\$ 183,831
Liabilities:		
Accounts payable and accrued liabilities	\$ 2,791	\$ 3,175
Advances from shareholders	16,742	16,742
Shareholders' equity:		
Share capital	457,000	457,000
Deficit	(294,732)	(293,086)
	162,268	163,914
Total liabilities and equity	\$ 181,801	\$ 183,831
Revenue:		
Interest income	\$ 442	\$ 604
Dividends	1,278	1,220
Changes in fair value of quoted shares	(1,516)	8,599
	204	10,423
Expenses:		
Professional fees	1,850	1,850
Taxes and permits	-	293
	1,850	2,143
Net earnings (loss)	\$ (1,646)	\$ 8,280

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Investments in government business enterprises (continued):

	2021	2020
4106679 Canada Ltd. - Consolidated, includes activities from Mitigog Forestry Enterprises Inc.		
Assets:		
Cash	\$ 5,801	\$ 5,598
Term deposits	199,683	198,689
Accounts receivable	2,124	2,366
Land, at cost	105,372	105,372
Total assets	\$ 312,980	\$ 312,025
Liabilities:		
Accounts payable and accrued liabilities	\$ 15,764	\$ 10,222
Shareholders' equity:		
Share capital	1	1
Retained earnings	297,215	301,802
	297,216	301,803
Total liabilities and equity	\$ 312,980	\$ 312,025
Revenue:		
Interest income	\$ 1,242	\$ 2,520
Expenses:		
Professional fees	3,575	3,500
Taxes and permits	2,254	2,335
Interest and bank charges	-	10
	5,829	5,845
Net loss	\$ (4,587)	\$ (3,325)

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

11. 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:

	March 31, 2020	Funding received	Revenue recognized	March 31 2021
Federal government:				
Indigenous Services				
Canada	\$ 2,118,310	\$ 27,975,348	\$ 26,592,188	\$ 3,501,470
Other:				
First Nation Education				
Council	273,944	-	-	273,944
Unearned fees	16,921	10,051	-	26,972
	290,865	10,051	-	300,916
Total deferred revenue at year end	\$ 2,409,175	\$ 27,985,399	\$ 26,592,188	\$ 3,802,386

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

12. Long-term debt:

	2021	2020
Canada Mortgage and Housing Corporation - loan, payable by monthly instalments of \$3,053, including interest calculated at the rate of 0.68% amortized on a period of 10 years, renewable August 1, 2025 and maturing February 1, 2030	\$ 316,838	\$ 350,884
Canada Mortgage and 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, 2024 and maturing October 1, 2039	246,282	257,778
Canada Mortgage and 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, 2021 and maturing March 1, 2031	118,567	129,721
	\$ 681,687	\$ 738,383

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

2022	\$ 164,476
2023	46,343
2024	46,783
2025	247,027
2026	177,058
	\$ 681,687

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

13. Employee benefit obligations:

	2021	2020
Vacation and overtime	\$ 789,055	\$ 669,264
Post-employment benefits	588,362	647,588
	<u>\$ 1,377,417</u>	<u>\$ 1,316,852</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 payments to the pension plan and severance pay payable at year-end.

14. Accumulated surplus:

	2021	2020
Revolving loans fund	\$ 3,970,914	\$ 3,915,535
Appropriated fund balance	15,917,120	11,053,102
Unappropriated fund balance	18,845,784	12,120,308
Investment in capital assets	20,837,020	23,125,176
Equity in trust funds	7,296,947	7,152,854
Enterprise fund (note 10)	459,484	465,717
	<u>\$ 67,327,269</u>	<u>\$ 57,832,692</u>

15. Contingencies:

KZA has been named the defendant in a number of legal claims. Council is of the opinion that there is a strong defense against these claims and is defending the claims. At this time, it is not possible to determine the outcome of these claims. Accordingly, no provision for losses have been reflected in the accounts of KZA on these matters. Council does not anticipate that the impact, if any, will be material to the financial statements.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

16. Kitigan Zibi Anishinabeg Trust:

On May 29, 2019, KZA created the Kitigan Zibi Anishinabeg Trust (the "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 amount 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 KZA 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 the Trust are not included on the statement of financial position.

17. Budgeted figures:

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

18. Comparative information:

Certain comparative information have been reclassified to conform to the presentation adopted for the current year.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

19. Expenses by object:

	2021	2020
Salaries	\$ 11,790,201	\$ 10,758,152
Merc's and benefits	1,556,336	1,614,583
Administration / office expenses	378,471	1,332,025
Advertising and community info	107,965	69,091
Bank charges, fees and contingency fund	172,040	579,392
Building, equipment and facilities maintenance	441,583	377,212
Amortization of tangible capital assets	2,583,941	2,459,083
Donations and sponsorship	87,605	68,419
Equipment furniture and expense	246,748	208,504
Insurance	147,424	121,526
Communications	1,423,934	1,310,932
Membership / subscription fees	160,405	84,888
Community services	4,631,751	3,612,813
Program and other expenses	1,050,810	1,011,071
Rental fees and expenses	325,142	265,151
Training, conferences and meetings	919,736	816,696
Travel and fuel expenses	263,298	632,512
Utilities	316,115	301,770
Vehicle maintenance and repairs	219,577	236,905
Allowances	4,454,245	3,579,424
Communications	121,953	99,540
Community services	192,049	201,120
Permits and licenses	60,699	81,789
Revolving loans funds - bad debts	332,653	299,462
Legal fees	120,875	284,427
Revolving loans fund	75,197	205,566
	32,180,753	30,612,053
Internal changes eliminated	(1,773,386)	(1,597,643)
	\$ 30,407,367	\$ 29,014,410

KITIGAN ZIBI ANISHINABEG FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

20. COVID-19 pandemic

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian, Ontario and Municipal governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Ontario resulting in an economic slowdown. Government entities and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. However, the success of these interventions continues to be indeterminable.

KZA has enacted several measures in response to the ongoing pandemic. KZA has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic.

- Closure of parks and recreation facilities and administrative buildings for non-essential personnel
- Strict health and safety actions such as screening, social distancing, use of personal protective equipment and working space renovations for those workers that were requested to work on site

The current challenging economic climate may lead to reduction of service levels which may also have a direct impact on KZA's revenues, annual surplus or deficit and reserve funds in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the KZA, surrounding economy and services, are not known at this time.

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule A: Consolidated Schedule of Tangible Capital Assets

Year ended March 31, 2021

	Land	34 Lot Project in conts.	Buildings	Social Housing	Skating rink	Subtotal
Cost						
Balance, beginning of year	\$ 929,456	\$ 3,203,938	\$ 16,547,979	\$ 3,622,720	\$ 200,681	\$ 24,504,774
Acquisition of tangible capital assets	-	-	21,645	-	-	21,645
Disposal of tangible capital assets	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-
Balance, end of year	\$ 929,456	\$ 3,203,938	\$ 16,569,624	\$ 3,622,720	\$ 200,681	\$ 24,526,419
Accumulated amortization						
Balance, beginning of year	\$ -	\$ -	\$ 12,823,348	\$ 1,810,426	\$ 60,204	\$ 14,693,978
Annual amortization	-	128,158	422,746	144,909	8,027	703,840
Accumulated amortization on disposals	-	-	-	-	-	-
Write down of capital assets	-	-	-	-	-	-
Balance, end of year	\$ -	\$ 128,158	\$ 13,246,094	\$ 1,955,335	\$ 68,231	\$ 15,397,818
2021 Net book value of tangible capital assets	\$ 929,456	\$ 3,075,780	\$ 3,323,530	\$ 1,667,385	\$ 132,450	\$ 9,128,601
2020 Net book value of tangible capital assets	\$ 929,456	\$ 3,203,938	\$ 3,724,631	\$ 1,812,294	\$ 140,477	\$ 9,810,796

KITIGAN ZIBI ANISHINABEG FIRST NATION

Consolidated Schedule of Tangible Capital Assets (continued)

Year ended March 31, 2021

	Subtotal	Playgrounds	Parking lots and roads	Water and sewer system	Sugarbush hydro line	Subtotal
Cost						
Balance, beginning of year	\$ 24,504,774	\$ 107,375	\$ 3,164,172	\$ 25,625,939	\$ 92,826	\$ 53,495,086
Acquisition of tangible capital assets	21,645	-	-	-	-	21,645
Disposal of tangible capital assets	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-
Balance, end of year	\$ 24,526,419	\$ 107,375	\$ 3,164,172	\$ 25,625,939	\$ 92,826	\$ 53,516,731
Accumulated amortization						
Balance, beginning of year	\$ 14,693,978	\$ 94,373	\$ 2,325,176	\$ 14,385,868	\$ 92,826	\$ 31,592,221
Annual amortization	703,840	4,295	130,729	1,246,019	-	2,084,883
Accumulated amortization on disposals	-	-	-	-	-	-
Write down of capital assets	-	-	-	-	-	-
Balance, end of year	\$ 15,397,818	\$ 98,668	\$ 2,455,905	\$ 15,631,887	\$ 92,826	\$ 33,677,104
2021 Net book value of tangible capital assets	\$ 9,128,601	\$ 8,707	\$ 708,267	\$ 9,994,052	\$ -	\$ 19,839,627
2020 Net book value of tangible capital assets	\$ 9,810,796	\$ 13,002	\$ 838,996	\$ 11,240,071	\$ -	\$ 21,902,865

KITIGAN ZIBI ANISHINABEG FIRST NATION

Consolidated Schedule of Tangible Capital Assets (continued)

Year ended March 31, 2021

	Subtotal	Fibre optic project	Gravel pit	Equipment	Sugarbush equipment	Subtotal
Cost						
Balance, beginning of year	\$ 53,495,086	\$ 15,000	\$ 30,000	\$ 2,208,237	\$ 125,209	\$ 55,873,532
Acquisition of tangible capital assets	21,645	-	-	74,335	-	95,980
Disposal of tangible capital assets	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-
Balance, end of year	\$ 53,516,731	\$ 15,000	\$ 30,000	\$ 2,282,572	\$ 125,209	\$ 55,969,512
Accumulated amortization						
Balance, beginning of year	\$ 31,592,221	\$ 15,000	\$ 30,000	\$ 1,692,733	\$ 120,118	\$ 33,450,072
Annual amortization	2,084,883	-	-	110,758	2,037	2,197,678
Accumulated amortization on disposals	-	-	-	-	-	-
Write down of capital assets	-	-	-	-	-	-
Balance, end of year	\$ 33,677,104	\$ 15,000	\$ 30,000	\$ 1,803,491	\$ 122,155	\$ 35,647,750
2021 Net book value of tangible capital assets	\$ 19,839,627	\$ -	\$ -	\$ 479,081	\$ 3,054	\$ 20,321,762
2020 Net book value of tangible capital assets	\$ 21,902,865	\$ -	\$ -	\$ 515,504	\$ 5,091	\$ 22,423,460

KITIGAN ZIBI ANISHINABEG FIRST NATION

Consolidated Schedule of Tangible Capital Assets (continued)

Year ended March 31, 2021

	Subtotal	Automotive equipment	Computer hardware	2021	2020
Cost					
Balance, beginning of year	\$ 55,873,532	\$ 4,638,268	\$ 363,022	\$ 60,874,822	\$ 60,091,091
Acquisition of tangible capital assets	95,980	-	143,109	239,089	783,731
Disposal of tangible capital assets	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-
Balance, end of year	\$ 55,969,512	\$ 4,638,268	\$ 506,131	\$ 61,113,911	\$ 60,874,822
Accumulated amortization					
Balance, beginning of year	\$ 33,450,072	\$ 3,310,163	\$ 251,028	\$ 37,011,263	\$ 34,552,180
Annual amortization	2,197,678	321,830	64,433	2,583,941	2,459,083
Accumulated amortization on disposals	-	-	-	-	-
Write down of capital assets	-	-	-	-	-
Balance, end of year	\$ 35,647,750	\$ 3,631,993	\$ 315,461	\$ 39,595,204	\$ 37,011,263
2021 Net book value of tangible capital assets					
	\$ 20,321,762	\$ 1,006,275	\$ 190,670	\$ 21,518,707	
2020 Net book value of tangible capital assets					
	\$ 22,423,460	\$ 1,328,105	\$ 111,994		\$ 23,863,559

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule B - Other Revenues

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Administration rentals, fees and internal charges	\$ 400,797	\$ 1,646,417
Barriere Lake Band	137,984	302,538
Bingo	39,710	154,343
C.K.W.E. Radio	203,179	11,868
City of Ottawa	51,700	42,024
COVID-19	354,995	-
Daycare parent contribution	33,812	76,582
Donations	16,106	20,743
Dwayne Dumont trucking	673,520	649,953
Environment Canada	345,265	303,045
Equipment rental	102,335	84,302
FNQLHSSC	19,339	100,053
Fundraising	(17,767)	137,974
GST and PST reimbursement	4,495	41,094
Gym fees	796	8,826
ISC	-	18,991
Individual contributions	1,184,420	794,617
Instructional service	-	41,442
Insurance claim and insurance revenue	63,977	78,929
Lunch money	20,265	65,922
MFFP participation funds	125,000	125,000
MRC	97,465	7,346
Ministere de la justice - traffic tickets	15,601	15,190
N.A.C.E.C.	40,205	40,207
N.C.C.	-	5,500
Other revenues	679,340	224,297
Quebec en forme	52,000	52,000
Recyc-Quebec	-	26,039
Rent	471,458	425,983
Resolute	1,668,895	821,626
Restorative justice	72,480	77,100
RexForet	394,567	309,793
SAA	160,000	20,000
Sales of maple syrup	125,386	118,505
Sales of timber	199,692	269,783
Sand/crushed stone sales	59,997	51,853
Sopfeu	326,262	161,803
Summer employment	-	20,425
Western Quebec	31,670	26,948
	8,154,946	7,379,061
Less: Transferred to replacement reserve fund	(14,651)	(14,867)
	\$ 8,140,295	\$ 7,364,194

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule C - Government Operations

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 5,869,339	\$ 3,066,659
Other revenues	2,547,735	1,531,232
Canada Mortgage and Housing Corporation	31,005	40,000
	8,448,079	4,637,891
Expenses:		
Salaries	2,404,109	1,996,928
Merc's and benefits	374,304	646,207
Administration / office expenses	102,038	316,386
Advertising and community Info	34,710	28,655
Bank charges, fees and contingency fund	11,602	408
Building, equipment and facilities maintenance	17,403	10,802
Donations and sponsorship	6,757	4,927
Equipment furniture and expense	37,551	102,829
Insurance	13,217	14,271
Materials and supplies	270,921	549,601
Membership / subscription fees	99,593	31,177
Professional fees, services and honoraria	1,981,122	1,491,772
Program and other expenses	126,982	112,671
Rental fees and expenses	133,913	45,492
Training, conferences and meetings	19,315	16,686
Travel and fuel expenses	42,854	100,689
Utilities	16,898	14,755
Vehicle maintenance and repairs	3,843	13,153
Allowances	766,175	24,600
Communications	36,717	19,090
Community services	3,767	2,578
Permits and licenses	12,177	19,902
Transportation (commercial)	64	-
	6,516,032	5,563,579
	\$ 1,932,047	\$ (925,688)

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule D - Economic Development

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 277,565	\$ 263,945
Other revenues	96,218	19,746
Interest on short term deposits and loans	-	24,022
	373,783	307,713
Expenses:		
Salaries	189,993	252,072
Merc's and benefits	17,415	28,824
Administration / office expenses	373	10,325
Advertising and community Info	2,603	484
Bank charges, fees and contingency fund	-	435
Building, equipment and facilities maintenance	2,893	4,152
Donations and sponsorship	-	2,065
Equipment furniture and expense	96	1,374
Insurance	216	147
Materials and supplies	304	1,093
Membership / subscription fees	1,101	816
Professional fees, services and honoraria	7,150	22,264
Program and other expenses	97,792	10,643
Rental fees and expenses	12,935	16,360
Training, conferences and meetings	109	7,634
Travel and fuel expenses	1,539	5,312
Utilities	268	170
Vehicle maintenance and repairs	-	11
Permits and licenses	1,008	-
	335,795	364,181
	\$ 37,988	\$ (56,468)

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule E - Employment Programs

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Other revenues	\$ -	\$ 24,465
Canada Mortgage and Housing Corporation	(10,329)	29,051
Assembly of First Nations Québec-Labrador	707,656	702,029
	697,327	755,545
Expenses:		
Salaries	137,448	423,245
Merc's and benefits	16,086	45,182
Administration / office expenses	25,421	23,844
Advertising and community Info	2,979	3,897
Building, equipment and facilities maintenance	-	5,528
Equipment furniture and expense	6,687	75
Materials and supplies	189,699	158,237
Membership / subscription fees	1,882	-
Professional fees, services and honoraria	121,545	102,390
Program and other expenses	(2,500)	6,722
Rental fees and expenses	-	1,238
Training, conferences and meetings	24,812	52,968
Travel and fuel expenses	39	8,676
Allowances	145,740	222,062
Communications	360	180
Transportation (commercial)	35,200	-
	705,398	1,054,244
	\$ (8,071)	\$ (298,699)

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule F - Community Services

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Other revenues	\$ 94,923	\$ 75,189
Expenses:		
Salaries	1,120	48,477
Merc's and benefits	72	3,639
Administration / office expenses	14,988	1,435
Advertising and community Info	447	29
Building, equipment and facilities maintenance	2,142	4,363
Donations and sponsorship	50,880	20,558
Equipment furniture and expense	-	23
Insurance	3,099	2,275
Membership / subscription fees	7,575	15,006
Professional fees, services and honoraria	38,752	25,186
Program and other expenses	9,083	19,026
Rental fees and expenses	63	129
Utilities	12,780	13,608
	141,001	153,754
	\$ (46,078)	\$ (78,565)

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule G - Education

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 8,244,731	\$ 7,426,804
Other revenues	314,420	740,604
First Nation Education Council	1,273,587	1,258,808
Ministère de la Famille	539,710	419,293
	10,372,448	9,845,509
Expenses:		
Salaries	2,795,686	3,070,341
Merc's and benefits	439,570	254,484
Administration / office expenses	69,887	465,848
Advertising and community Info	28,445	12,633
Bank charges, fees and contingency fund	124,495	541,730
Building, equipment and facilities maintenance	106,016	150,686
Donations and sponsorship	4,363	13,098
Equipment furniture and expense	56,486	8,987
Insurance	49,960	40,961
Materials and supplies	512,217	299,171
Membership / subscription fees	7,857	6,249
Professional fees, services and honoraria	216,300	276,128
Program and other expenses	104,160	203,846
Rental fees and expenses	3,196	2,614
Training, conferences and meetings	832,001	698,925
Travel and fuel expenses	23,173	71,945
Utilities	131,565	136,195
Vehicle maintenance and repairs	9,385	24,665
Allowances	888,369	622,073
Communications	13,630	13,141
Community services	1,029	815
Permits and licenses	4,607	3,289
Transportation (commercial)	280,685	278,615
	6,703,082	7,196,439
	\$ 3,669,366	\$ 2,649,070

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule H - Health

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 5,206,411	\$ (1,566)
Other revenues	15,887	6,000
Health Canada	-	4,451,285
	5,222,298	4,455,719
Expenses:		
Salaries	2,688,368	1,378,001
Merc's and benefits	258,195	177,024
Administration / office expenses	33,803	151,182
Advertising and community Info	26,903	17,545
Bank charges, fees and contingency fund	(1,008)	1,349
Building, equipment and facilities maintenance	115,288	66,828
Donations and sponsorship	7,403	22,068
Equipment furniture and expense	50,129	25,216
Insurance	25,769	16,537
Materials and supplies	195,109	68,553
Membership / subscription fees	14,121	13,382
Professional fees, services and honoraria	123,717	190,673
Program and other expenses	148,251	103,262
Rental fees and expenses	16,797	18,533
Training, conferences and meetings	3,638	15,200
Travel and fuel expenses	116,983	256,427
Utilities	29,121	23,434
Vehicle maintenance and repairs	38,504	56,576
Communications	17,362	12,555
Community services	13	-
Permits and licenses	17,070	14,811
Transportation (commercial)	15,118	13,522
	3,940,654	2,642,678
	\$ 1,281,644	\$ 1,813,041

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule I - Public Works

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 858,763	\$ 721,750
Other revenues	10,817	34,700
	869,580	756,450
Expenses:		
Salaries	265,685	209,391
Merc's and benefits	16,489	14,653
Administration / office expenses	1,586	66,800
Advertising and community info	754	484
Bank charges, fees and contingency fund	-	3
Building, equipment and facilities maintenance	13,687	15,363
Equipment furniture and expense	1,829	14,568
Insurance	2,299	1,739
Materials and supplies	68,471	61,188
Membership / subscription fees	9,160	3,685
Professional fees, services and honoraria	419,683	269,033
Program and other expenses	440	720
Rental fees and expenses	2,313	1,493
Training, conferences and meetings	-	515
Travel and fuel expenses	7,579	8,750
Utilities	48,738	41,917
Vehicle maintenance and repairs	2,139	2,817
Communications	7,993	9,437
Community services	88,048	93,586
Permits and licenses	1,775	2,984
	958,668	819,126
	\$ (89,088)	\$ (62,676)

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule J - Social Services

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 5,673,130	\$ 5,855,889
Other revenues	19,113	-
	5,692,243	5,855,889
Expenses:		
Salaries	1,552,094	1,698,022
Merc's and benefits	196,783	181,075
Administration / office expenses	12,925	215,862
Advertising and community Info	5,111	867
Bank charges, fees and contingency fund	9,503	(4,941)
Building, equipment and facilities maintenance	54,402	90,075
Donations and sponsorship	-	659
Equipment furniture and expense	16,772	23,687
Insurance	9,783	7,955
Materials and supplies	37,378	52,452
Membership / subscription fees	(901)	12,889
Professional fees, services and honoraria	474,888	383,639
Program and other expenses	131,064	145,655
Rental fees and expenses	121,246	144,148
Training, conferences and meetings	6,453	14,940
Travel and fuel expenses	11,434	39,906
Utilities	29,856	34,786
Vehicle maintenance and repairs	153	1,094
Allowances	2,483,962	2,542,689
Communications	16,111	16,228
Permits and licenses	3,143	655
Transportation (commercial)	-	6,325
	5,172,160	5,608,667
	\$ 520,083	\$ 247,222

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule K - Sundry

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 205,210	\$ -
Other revenues	4,913,054	5,313,886
Interest on short term deposits and loans	290,915	461,974
Canada Mortgage and Housing Corporation	57,812	61,920
First Nation Education Council	60,000	-
Annual distribution from Trust Fund	1,959,212	2,438,123
	7,486,203	8,275,903
Expenses:		
Salaries	788,389	819,744
Merc's and benefits	76,037	100,243
Administration / office expenses	53,966	36,429
Advertising and community Info	1,227	2,069
Bank charges, fees and contingency fund	27,447	40,398
Building, equipment and facilities maintenance	124,644	27,519
Donations and sponsorship	17,324	4,169
Equipment furniture and expense	55,094	27,465
Insurance	37,434	34,466
Materials and supplies	104,332	71,040
Membership / subscription fees	1,861	1,366
Professional fees, services and honoraria	1,202,494	790,707
Program and other expenses	171,746	406,871
Rental fees and expenses	5,281	33,667
Training, conferences and meetings	2,397	4,651
Travel and fuel expenses	28,019	78,404
Utilities	40,811	31,982
Vehicle maintenance and repairs	145,610	105,841
Allowances	170,000	168,000
Communications	18,323	17,251
Community services	99,193	103,953
Permits and licenses	16,750	37,092
Transportation (commercial)	1,587	1,000
Legal Fees	120,875	284,427
	3,310,841	3,228,754
	\$ 4,175,362	\$ 5,047,149

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule L - Policing

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Other revenues	\$ -	\$ 20,000
Solicitor General of Canada	925,568	638,700
Ministère des Finances du Québec	854,371	589,569
	1,779,939	1,248,269
Expenses:		
Salaries	958,034	861,927
Merc's and benefits	160,986	163,253
Administration / office expenses	63,476	43,913
Advertising and community info	4,490	2,431
Bank charges, fees and contingency fund	-	9
Building, equipment and facilities maintenance	5,106	1,895
Donations and sponsorship	878	875
Equipment furniture and expense	22,105	4,280
Insurance	5,647	3,175
Materials and supplies	45,503	49,597
Membership / subscription fees	18,156	318
Professional fees, services and honoraria	46,101	61,021
Program and other expenses	10,504	1,655
Rental fees and expenses	29,398	1,478
Training, conferences and meetings	31,012	5,177
Travel and fuel expenses	31,677	62,402
Utilities	6,080	4,924
Vehicle maintenance and repairs	19,943	32,749
Communications	11,457	11,658
Community services	-	189
Permits and licenses	4,170	3,056
	1,474,723	1,315,982
	\$ 305,216	\$ (67,713)

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule M - COVID-19

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenues:		
Indigenous Services Canada	\$ 257,039	\$ -
Expenses:		
Salaries	9,275	-
Merc's and benefits	400	-
Advertising and community Info	297	-
Program and other expenses	253,289	-
	263,261	-
	\$ (6,222)	\$ -

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule N - Funding Reconciliation (Unaudited)

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
ISC Revenue per Financial Statements	\$ 26,592,188	\$ 17,333,481
Add (less):		
Adjustment of prior year - refundable contributions		
Review of financial report	(198,603)	144,718
Deferred revenue prior year	(2,118,310)	(2,351,379)
Deferred revenue current year	3,501,470	2,118,310
	1,184,557	(88,351)
ISC Revenue per funding confirmation received	\$ 27,776,745	\$ 17,245,130

KITIGAN ZIBI ANISHINABEG FIRST NATION

Schedule O - Appropriated Surplus (Unaudited)

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Registration and membership	\$ 36,119	\$ 36,104
Band support funding	12,272	-
Economic development	568,928	537,160
Community capital facilities	71,790	-
Indian government support - COVID-19	178,139	-
On reserve construction	141,714	92,502
On reserve renovations	547,967	440,785
Land Management R.L.A.P.	80,084	55,772
Survey project	5,130	5,130
Pre-employment support	230,861	10,299
Waste management plan	7,935	-
Plans for new band office	67,610	80,400
Education	8,136,955	4,596,769
Daycare 60+ months	6,550	89,713
Child care aid (Wazoson)	645,259	325,478
Social assistance	662,708	462,823
Enhance prevention	2,344,474	2,510,154
Waseya house - Special project	596,645	433,319
Health transfer surplus spending	380,361	472,345
Health flexible funding	1,195,619	904,349
	\$ 15,917,120	\$ 11,053,102