

Financial Statements of

**PEIGAN BOARD OF
EDUCATION**

And Independent Auditors' Report thereon

Year ended March 31, 2019

Management's Responsibility for Financial Reporting

For the year ended March 31, 2019

Peigan Board of Education (the "Entity") management is responsible for the presentation, accuracy, objectivity, and integrity of the accompanying financial statements and the notes thereto. Management believes that the financial statements present fairly the Entity's financial position as at March 31, 2019 and the results of its operations for the year then ended.

The financial statements have been prepared in accordance with Canadian public sector accounting standards. Financial statements are not precise, since they include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintained a system of internal controls to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The Board carries out its responsibilities for review of the financial statements. The members of the Board are not officers or employees of the Entity. The Board meets regularly with management, and external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Board with and without the presence of management. The Board of the Entity has approved the financial statements.

The financial statements for the year ended March 31, 2019 have been reported on by our external auditors, KPMG LLP. The Independent Auditor's Report outlines the scope of their examination and provides their opinions on the fairness of presentation of the information in the financial statements.





July 23, 2019



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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of Peigan Board of Education and members of the Piikani Nation

Opinion

We have audited the financial statements of Peigan Board of Education (the Entity), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of changes in net assets (debt) for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, and its results of operations, changes in net assets (debt), 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 "***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.



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.



- 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 represents 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.

Other Matter – Comparative Information

The financial statements for the year ended March 31, 2018 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 20, 2018.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Lethbridge, Canada

July 23, 2019

PEIGAN BOARD OF EDUCATION

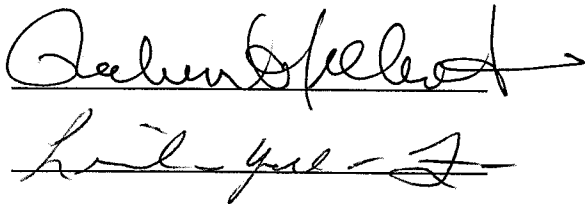
Statement of Financial Position

March 31, 2019, with comparative information for 2018

	2019	2018
Financial assets:		
Cash	\$ 1,493,103	\$ 490,162
Accounts receivable (note 4)	367,999	85,169
Goods and services tax receivable	20,566	32,174
Patronage equity	20,398	20,398
	<u>1,902,066</u>	<u>627,903</u>
Financial liabilities:		
Accounts payable and accruals (note 5)	310,882	332,135
Deferred revenue (note 6)	441,799	154,407
Current portion of long-term debt (note 7)	24,865	18,855
Long-term debt (note 7)	25,525	25,851
	<u>803,071</u>	<u>531,248</u>
Net financial assets	1,098,995	96,655
Non-financial assets:		
Tangible capital assets (note 8)	1,008,966	1,260,401
Prepaid expenses	3,900	37,151
	<u>1,012,866</u>	<u>1,297,552</u>
Commitments (note 14)		
Accumulated surplus (note 9)	\$ 2,111,861	\$ 1,394,207

See accompanying notes to financial statements.

On behalf of the Entity:



PEIGAN BOARD OF EDUCATION

Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	Budget (note 15)	2019	2018
Revenue:			
Indigenous Services Canada (note 10)	\$ 3,304,587	\$ 6,818,186	\$ 6,298,397
Piikani Nation contribution–Indigenous			
Services Canada	--	25,525	100,000
Blackfoot Confederacy	--	395,777	395,777
Piikani Nation Administration–Indigenous			
Services Canada	--	--	124,997
Rental income	10,250	32,464	35,977
Own source revenue	--	325,517	204,811
Other revenue	206,628	1,137,029	297,468
	3,521,465	8,734,498	7,457,427
Deferred revenue – prior year	--	154,407	40,155
Deferred revenue – current year	--	(441,799)	(154,407)
	3,521,465	8,447,106	7,343,175
Expenses:			
Administration	607,641	2,077,467	1,382,948
Post-secondary	--	1,282,033	1,121,974
Schools	1,442,630	2,022,772	2,403,286
Transportation	1,061,942	888,600	953,160
Operation and maintenance	479,171	469,021	510,902
Special education	--	912,532	799,054
Board	77,750	77,027	70,000
	3,669,134	7,729,452	7,241,324
Excess of revenue over expenses	(147,669)	717,654	101,851
Accumulated surplus, beginning of year	1,394,207	1,394,207	1,292,356
Accumulated surplus, end of year	\$ 1,246,538	\$ 2,111,861	\$ 1,394,207

See accompanying notes to financial statements.

PEIGAN BOARD OF EDUCATION

Statement of Change in Net Financial Assets (Debt)

Year ended March 31, 2019, with comparative information for 2018

	Budget (note 15)	2019	2018
Excess of revenue over expenses	\$ 1,246,538	\$ 717,654	\$ 101,851
Acquisition of tangible capital assets	--	(275,332)	(59,600)
Amortization of tangible capital assets	--	500,267	445,256
Loss on disposal of tangible capital assets	--	21,000	--
Proceeds on sale of tangible capital assets	--	5,500	--
Acquisition of prepaid expenses	--	33,251	(35,000)
	1,246,538	284,686	350,656
Change in net financial assets	1,246,538	1,002,340	452,507
Net financial asset (debt), beginning of year	96,655	96,655	(355,852)
Net financial assets, end of year	\$ 1,343,193	\$ 1,098,995	\$ 96,655

See accompanying notes to financial statements.

PEIGAN BOARD OF EDUCATION

Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 717,654	\$ 101,851
Items not involving cash:		
Amortization of tangible capital assets	500,267	445,256
Loss on disposal of tangible capital assets	21,000	--
Change in non-cash operating assets and liabilities:		
Accounts receivable	(282,830)	(38,338)
Goods and services tax	11,608	(203)
Accounts payable and accrued liabilities	(21,253)	152,312
Deferred revenue	287,392	114,252
Prepaid expenses and deposits	33,251	(35,000)
	<u>1,267,089</u>	<u>740,130</u>
Capital activities:		
Acquisition of tangible capital assets	(275,332)	(59,600)
Proceeds on sale of tangible capital assets	5,500	--
	<u>(269,832)</u>	<u>(31,000)</u>
Financing activities:		
Proceeds on long-term debt	26,691	--
Payment on long-term debt	(21,007)	(17,922)
	<u>5,684</u>	<u>(17,922)</u>
Increase in cash	1,002,941	662,608
Cash, beginning of year	490,162	(172,446)
Cash, end of year	<u>\$ 1,493,103</u>	<u>\$ 490,162</u>

See accompanying notes to financial statements.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

Peigan Board of Education (the "Entity") is located in the province of Alberta, and its principal activity is to provide for the educational needs of the families of the Piikani Nation. The Entity is exempt from tax under section 149 of the Income Tax Act.

1. Significant accounting policies:

The financial statements of Peigan Board of Education (the "Entity") are prepared by management in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the Entity are as follows:

(a) Reporting entity:

These financial statements include the assets, liabilities, accumulated surplus, revenues and expenses of all the Entity's activities and funds. Inter-departmental balances and organizational transactions have been eliminated.

(b) Basis of accounting:

The Entity follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Government transfers are the transfer of assets from other governments that are not the result of an exchange transaction, are not expected to be repaid in the future or are the result of a direct financial return.

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received for which expenses are not yet incurred are included in deferred revenue.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

1. Significant accounting policies (continued):

(d) Revenue recognition:

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

(e) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(f) Investments:

Investments are recorded at cost, unless there is evidence of impairment. If evidence of impairment exists, investments are written down to net realizable value.

(g) Employee future benefits:

The Entity and its employees participate in a multi-employer defined benefit pension plan. These contributions are expensed as incurred.

(h) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

1. Significant accounting policies (continued):

(h) Non-financial assets (continued):

(i) Tangible capital assets (continued):

Asset	Method	Rate
Buildings	Straight line	4%
Equipment	Straight line	20%
Automotive	Straight line	30%

Annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(iv) Interest capitalization

The Entity does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(v) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(vi) Inventories of supplies

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

1. Significant accounting policies (continued):

(i) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

Actual results could differ from these estimates.

(j) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand and deposits, cheques issued in excess of funds on deposit and deposits with original maturities of less than three months at the date of acquisition.

2. Recent accounting pronouncements:

The following summarizes the upcoming changes to the Public Sector Accounting Standards by the Public Sector Accounting Standards Board (PSAB). In 2020, the Entity will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently.

1. PS 1201 – Financial Statement Presentation

The implementation of this standard requires a new statement of re-measurement gains and losses separate from the statement of operations. This new statement will include the unrealized gains and losses arising from the remeasurement of financial instruments and items denominated in foreign currency. This standard is effective for fiscal years beginning on or after April 1, 2021.

2. PS 3450 – Financial Instruments

This section establishes recognition, measurement, and disclosure requirements for derivative and non-derivative instruments. The standard requires fair value measurements of derivative instruments and equity instruments; all other financial instruments can be measured at either cost or fair value depending upon elections made by the Entity. Unrealized gains and losses will be presented on the new statement of remeasurement gains and losses arising from the adoption of PS 1201. There will also be a requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities. As the Entity does not invest in derivatives or equity instruments based on its investment policy, it is anticipated that the adoption of this standard will have a minimal impact on the Entity. This standard is effective for fiscal years beginning on or after April 1, 2021.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

2. Recent accounting pronouncements (continued):

3. PS 2601 – Foreign Currency Translation

This section establishes guidance on the recognition, measurement, presentation and disclosure of assets and liabilities denominated in foreign currencies. The section requires monetary assets and liabilities, denominated in a foreign currency and non-monetary items valued at fair value denominated in a foreign currency to be adjusted to reflect the exchange rates in effect at the financial statement date. The resulting unrealized gains and losses are to be presented in the new statement of remeasurement gains and losses. This standard is effective for fiscal years beginning on or after April 1, 2021.

4. PS 3041 – Portfolio Investments

This section removes the distinction between temporary and portfolio investments and provides additional guidance on recognition, measurement, presentation and disclosure of these types of investments. Upon adoption of this section and PS 3450, PS 3040 – Portfolio investments will no longer be applicable. This standard is effective for fiscal years beginning on or after April 1, 2021.

5. PS 3430 – Restructure Transactions

This section provides guidance on the recognition, measurement and presentation on restructuring transactions by both the transferor and recipients of assets and/or liabilities, together with related program or operating responsibilities. This section is effective for fiscal years beginning on or after April 1, 2021.

6. PS 3400 – Revenue

This section provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions. This section is effective for fiscal years beginning on or after April 1, 2022.

The requirements in PS 1201, PS 3450, PS 2601 and PS 3041 are required to be implemented at the same time.

Management has indicated that the impact of the adoption of this standard is being evaluated and it is not known or reasonably estimable at this time.

The Entity has prospectively adopted the following standards effective April 1, 2018:

(i) PS 2200 – Related party disclosures

Defines a related party and identifies disclosures for related parties and related party transactions, including key management personnel and close family members.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

2. Recent accounting pronouncements (continued):

- (ii) PS 3420 – Inter-entity transactions
Establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.
- (iii) PS 3210 – Assets
Provides guidance for applying the definition of assets set out in PS 1000 – Financial statement concepts and establishes general disclosure standards for assets.
- (iv) PS 3320 – Contingent assets
Defines and establishes disclosure standards for contingent assets.
- (v) PS 3380 – Contractual rights
Defines and establishes disclosure standards on contractual rights.
- (vi) PS 3430 – Restructuring transactions
Provides guidance on the recognition, measurement and presentation of restructuring transactions by both the transferor and recipients of assets and/ or liabilities, together with related program or operating responsibilities.

3. Bank indebtedness:

At March 31, 2019, the Entity had an operating line of credit totaling \$200,000 (2018 - \$200,000) of which \$nil (2018 - \$nil) was drawn which is secured by a general security agreement and bears interest at prime plus 2.65%.

At March 31, 2019, the prime interest rate was 3.95% (2018 – 3.45%).

4. Accounts receivable:

	2019	2018
Blackfoot Confederacy	\$ 13,299	\$ 44,596
Piikani Nation Administration – Indigenous Services Canada	--	20,833
Livingstone Range School Division	325,517	--
Other	29,183	19,740
	<hr/> \$ 367,999	<hr/> \$ 85,169

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

5. Accounts payable and accrued liabilities:

	2019	2018
Trade accounts payable	\$ 89,869	\$ 253,759
Vacation pay	10,767	10,767
Payroll	210,246	67,609
	<u>\$ 310,882</u>	<u>\$ 332,135</u>

6. Deferred revenue:

Deferred revenue consists of funding received for programs as follows:

	2019	2018
Balance, beginning of year	\$ 154,407	\$ 40,155
Add amount received in year	820,851	297,490
Less amount recognized as revenue in the year	(533,459)	(183,238)
Balance, end of year	<u>\$ 441,799</u>	<u>\$ 154,407</u>

Deferred revenue is comprised of:

	2019	2018
Livingstone Range School Division	\$ 97,655	\$ 36,737
Government of Alberta	164,648	117,670
Government of Canada	63,496	--
Indigenous Services Canada	116,000	--
Balance, end of year	<u>\$ 441,799</u>	<u>\$ 154,407</u>

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

7. Long-term debt:

	2019	2018
Loan payable in 10 monthly installments of \$2,070 including interest at 6.10%, secured by two 2016 Freightliner buses due September 2020	\$ 27,702	\$ 44,706
John Deere Equipment loan with an interest rate of nil%, payable in monthly installments of \$445, having a net book value of \$43,185 due June 2023	22,688	--
Less: current portion	24,865	18,855
	<u>\$ 25,525</u>	<u>\$ 25,851</u>

The principal payments required on all long-term debt for the next five years are approximately as follows:

2020	\$ 24,865
2021	13,514
2022	5,338
2023	5,338
2024	1,335
	<u>\$ 50,390</u>

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

8. Tangible capital assets:

Cost	2018	Additions	Disposals	2019
Buildings and improvements	\$ 9,470,754	\$ --	\$ --	\$ 9,470,754
Equipment	2,002,423	107,103	364,779	1,744,747
Automotive	680,938	168,229	117,386	731,781
	\$12,154,115	\$ 275,332	\$ 482,165	\$ 11,947,282

Accumulated amortization	2018	Amortization expense	Disposals	2019
Building and improvements	\$ 8,307,038	\$ 378,831	\$ --	\$ 8,685,869
Equipment	1,943,067	38,480	364,779	1,616,768
Automotive	643,609	82,956	90,886	635,679
Total	\$10,893,714	\$ 500,267	\$ 455,665	\$ 10,938,316

Net book value	2019	2018
Buildings and improvements	\$ 784,885	\$ 1,163,716
Equipment	127,979	59,356
Automotive	96,102	37,329
	\$ 1,008,966	\$ 1,260,401

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

9. Accumulated surplus:

	Unrestricted	Equity in tangible capital assets ⁽¹⁾	Total 2019	Total 2018
Beginning balance	\$ 178,512	\$ 1,215,695	\$ 1,394,207	\$ 1,292,356
Excess of revenue over expenses	717,654	--	717,654	101,851
Amortization of tangible capital assets	500,267	(500,267)	--	--
Acquisition of tangible capital assets	(275,332)	275,332	--	--
Loss on disposal of tangible capital assets	21,000	(21,000)	--	--
Proceeds on disposal of tangible capital assets	5,500	(5,500)	--	--
Proceeds on long-term debt used for capital	26,691	(26,691)	--	--
Principal payments on long-term debt related to tangible capital assets (21,007)		21,007	--	--
	\$ 1,153,285	\$ 958,576	\$ 2,111,861	\$ 1,394,207

⁽¹⁾ Equity in tangible capital assets:

	2019	2018
Tangible capital assets	\$ 11,947,282	\$ 12,154,115
Accumulated amortization	(10,938,316)	(10,893,714)
Debt	(50,390)	(44,706)
	\$ 958,576	\$ 1,215,695

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

10. Indigenous Services Canada Funding ("ISC"):

	2019	2018
ISC Funding:		
Fixed funding:		
Community buildings (NTMW-001)	\$ 12,391	\$ 12,391
CPP and pension other employees (NG0P-001)	118,651	132,071
Fit up of education facilities (NTH7-001)	14,680	14,920
Guidance and counselling (NP13-001)	45,000	45,000
Instruction service formula (NP05-001)	1,257,911	1,425,201
Instruction service formula (NP05-002)	162,861	--
Low cost special education (NP08-001)	31,455	35,669
Maintenance management (NTMW-001)	20,200	20,200
Pension plan admin and non-status (NG0L-001)	64,622	42,614
Post secondary student support program (NP5A-001)	1,161,137	1,312,085
Post secondary student support program (NP5A-002)	150,948	--
School – O&M (NTHL-001)	431,986	431,986
Student transportation services (NP18-001)	1,285,506	1,295,506
Enhanced teachers salaries (NP07-001)	62,648	62,648
School effectiveness (NP1M-001)	133,500	70,000
Parental and community engagement (NP1P-001)	10,000	55,918
Teacher recruitment and retention (NP1Q-001)	46,084	15,000
Language and culture (NP1R-001)	200,500	287,500
FN and Inuit-Skills link program (NP21-001)	152,997	157,418
Band operations school direct services (NP34-001)	837,109	882,270
Band operated school-evaluation (NP09-001)	35,000	--
EPP-Structural readiness (NP2K-001)	221,100	--
Regional implementation (NP2L-001)	280,000	--
Total fixed funding	\$ 6,736,286	\$ 6,298,397
Set funding:		
Instruction service formula (NP05-003)	\$ 81,900	\$ --
Total ISC funding	\$ 6,818,186	\$ 6,298,397

11. Economic dependence:

Peigan Board of Education receives a significant portion of its revenue pursuant to funding agreements with Indigenous Services Canada ("ISC") as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Entity to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

12. Pension Plan:

The Entity has a defined contribution pension plan covering substantially all full-time employees. The pension plan expense is \$194,926 (2018 - \$174,292). Contributions are based on 7.50% of all status employee salaries and 5.50% of all non-status employee salaries. There were no changes to the pension plan during the year.

13. Financial instruments:

Management is of the opinion that the Entity is not exposed to significant market, interest, currency, liquidity or credit risk arising from its financial instruments.

14. Commitments:

The Entity has entered into various lease agreements with various third parties for the use of equipment with estimated minimal annual payments as follows: 2020-\$385,994; 2021-\$341,005; 2022-\$342,005; 2023-\$212,601; 2024-\$208,361

15. Budget information:

The disclosed budget information has been approved by the Peigan Board of Education's Board of Trustees at a meeting held June 5, 2018.

16. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

17. Segmented disclosure:

The Entity discloses information on its segments in the following schedules. The Entity provides a range of services to the Nation Members, for each reported segment, revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments is consistent with those adopted by the Entity as a whole.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

18. Consolidated expenses by object:

	Budget	2019	2018
Amortization	\$ --	\$ 500,267	\$ 445,256
Automotive	42,000	58,162	40,095
Bank charges and interest	--	18,978	9,018
Books	10,000	66,234	49,701
Elders	37,500	51,825	29,617
GST on expenses	--	411	15,121
Honoraria	30,600	48,163	154,511
Insurance	11,787	38,973	25,310
Interest on long-term debt	5,806	2,323	2,777
Living allowance	--	688,406	609,595
Miscellaneous	4,500	25,409	20,208
Professional development	64,831	190,051	171,239
Professional fees	2,000	222,652	236,770
Rent	42,040	22,236	28,925
Repairs and maintenance	377,555	278,621	174,012
Salaries and benefits	2,656,892	4,274,203	3,790,004
CPP and pension plan expense	--	194,926	174,292
Special projects	14,621	72,467	133,645
Supplies	187,652	272,024	471,960
Telephone	24,300	30,362	51,721
Transportation	1,500	1,008	1,526
Travel	55,550	172,169	149,877
Tuition	--	358,047	333,187
Utilities	80,000	68,374	79,503
Advertising	--	11,285	1,450
Grants	--	44,681	5,400
Field trips	20,000	17,195	36,604
	\$ 3,669,134	\$ 7,729,452	\$ 7,241,324

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2019

19. Chief, council and board member honorariums and travel:

	Honorariums	Travel	Total 2019
Alma C Provost	\$ 2,475	\$ 97	\$ 2,572
Beatrice Little Mustache	5,054	689	5,743
Jacqueline Big Bull	5,054	1,768	6,822
Linda Yellow Face	5,450	1,027	6,477
Margaret Potts	3,400	2,466	5,866
Roberta Yellow Horn	5,600	934	6,534
Thelma Crow Shoe	2,458	97	2,555
Tyrone Potts	2,975	1,213	4,188
Barnaby Provost	--	793	793
Stanley Grier	--	793	793
	\$ 32,466	\$ 9,877	\$ 42,343

20. Contractual Rights:

Contractual rights are rights of the Entity to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met. The Entity has entered into agreements with various third parties that will provide future revenues and assets. The timing and extent of future revenues varies based on the terms of the individual agreements.

PEIGAN BOARD OF EDUCATION

Schedule of Revenue and Expenses - Administration

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada			
Enhanced teacher salaries (NP07-001)	\$ --	\$ 62,648	\$ 62,648
FN and Inuit skills link program (NP21-001)	--	--	157,418
School effectiveness (NP1M-001)	133,500	133,500	--
Parental and community engagement (NP1P-001)	10,000	10,000	--
Teacher recruitment and retention (NP1Q-001)	46,084	46,084	15,000
Language and culture (NP1R-001)	200,500	200,500	--
Pension plan admin and non-status (NG0L-001)	--	64,622	42,614
CPP and pension and other employees (NG0P-001)	--	118,651	132,071
Band operated school-evaluation (NP09-001)	--	35,000	--
EPP-Structural readiness (NP2K-001)	--	221,100	--
Regional implementation (NP2L-001)	--	280,000	--
Other revenue	--	911,309	297,468
	390,084	2,083,414	707,219
Deferred revenue:			
Beginning of year	--	117,670	--
End of year	--	(344,144)	(117,670)
	390,084	1,856,940	589,549
Expenses:			
Advertising	--	9,350	1,450
Amortization	--	500,267	445,256
Bank charges and interest	--	16,121	9,019
Books	--	4,355	--
Elders	37,500	51,625	29,617
Field trips	20,000	1,901	--
Grants	--	138	--
GST and Sales Tax	--	372	15,121
Honoraria	--	300	1,545
Insurance	--	18,550	15,523
Miscellaneous	--	13,065	125
Professional development	20,000	45,798	1,878
Professional fees	--	92,455	72,873
Rent	--	6,633	9,776
Repairs and maintenance	--	27,305	--
Salaries and benefits	138,000	916,576	439,324
Special projects	--	35,437	27,356
Supplies	139,000	60,102	82,505
Telephone	--	12,904	22,175
Travel	9,500	69,287	35,113
CCP and pension plan expense	--	194,926	174,292
	364,000	2,077,467	1,382,948
Excess (deficiency) of revenue over expenses			
before transfers	26,084	(220,527)	(793,399)
Transfers between programs			
Transfers from (to) other departments	--	373,905	474,367
Transfer to Schools	--	(50,000)	--
Excess of revenue over expenses	\$ 26,084	\$ 103,378	\$ (319,032)

PEIGAN BOARD OF EDUCATION

Schedule Revenue and Expense – Post Secondary

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada:			
Post-secondary student support program (NP5A-001)	\$ --	\$ 1,161,137	\$ 1,312,085
Post-secondary student support program (NP5A-002)	--	150,948	--
Other revenue	--	25,800	992
	--	1,337,885	1,313,077
Expenses:			
Advertising	--	886	--
Books	--	57,987	37,874
Grants	--	27,720	3,750
Honoraria	--	--	1,500
Living allowance	--	688,406	609,595
Miscellaneous	--	67	--
Professional development	--	21,635	1,668
Salaries and benefits	--	89,788	91,330
Special projects	--	775	1,470
Supplies	--	25,871	27,241
Telephone	--	1,595	6,726
Travel	--	9,256	15,117
Tuition costs	--	358,047	325,703
	--	1,282,033	1,121,974
Excess of revenue over expenses before transfers	--	55,852	191,103
Transfers between programs:			
Transfer to Board	--	(16,000)	(14,000)
Transfer to Administration	--	(25,502)	(102,114)
	--	(41,502)	(116,114)
Excess of revenue over expenses	\$ --	\$ 14,350	\$ 74,989

PEIGAN BOARD OF EDUCATION

Schedule Revenue and Expense – Schools

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada:			
Instruction service formula (NP05-001)	\$ 1,339,374	\$ 1,257,911	\$ 1,425,201
Instruction service formula (NP05-002)	--	162,861	--
FN and Inuit-Skills link program (NP21-001)	--	152,997	--
Guidance and counselling (NP13-001)	41,850	45,000	45,000
School effectiveness (NP1M-001)	--	--	70,000
Parental and community engagement (NP1P-001)	--	--	55,918
Language and culture (NP1R-001)	--	--	287,500
Piikani Nation Administration – ISC	--	--	124,997
Blackfoot Confederacy	--	395,777	395,777
Other revenue	206,628	156,436	--
	<u>1,587,852</u>	<u>2,170,982</u>	<u>2,404,393</u>
Expenses:			
Advertising	--	1,049	--
Bank charges and interest	--	2,857	--
Books	10,000	3,892	11,828
Elders	--	200	--
Field trips	--	15,086	35,504
Grants	--	16,823	1,650
GST expense	--	39	--
Honoraria	--	15,397	115,562
Miscellaneous	--	10,119	--
Professional development	28,831	85,141	124,522
Professional fees	--	4,295	1,184
Rent	17,200	11,906	19,148
Repairs and maintenance	--	13,310	--
Salaries and benefits	1,583,119	1,582,204	1,596,397
Special projects	1,121	25,321	89,662
Supplies	28,500	162,160	327,021
Telephone	11,500	12,115	16,478
Travel	6,000	60,858	56,846
Tuition costs	--	--	7,484
	<u>1,686,271</u>	<u>2,022,772</u>	<u>2,403,286</u>
Excess (deficiency) of revenue over expenses before transfers	<u>(98,419)</u>	<u>148,210</u>	<u>1,107</u>
Transfers between programs:			
Transfer to Board	(32,000)	(32,000)	(28,000)
Transfer to Administration	--	(125,037)	(157,974)
Transfer from Administration	--	50,000	--
	<u>(32,000)</u>	<u>(107,037)</u>	<u>(185,974)</u>
Excess (deficiency) of revenue over expenses	<u>\$ (130,419)</u>	<u>\$ 41,173</u>	<u>\$ (184,867)</u>

PEIGAN BOARD OF EDUCATION

Schedule Revenue and Expense – Schools (High School)

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada:			
Instruction service formula (NP05-001)	\$ 717,566	\$ 704,614	\$ 913,237
Instruction service formula (NP05-002)	--	81,431	--
FN and Inuit-Skills link program (NP21-001)	--	76,499	--
Guidance and counselling (NP13-001)	22,500	22,500	45,000
School effectiveness (NP1M-001)	--	--	70,000
Parental and community engagement (NP1P-001)	--	--	55,918
Language and culture (NP1R-001)	--	--	143,750
Other revenue	101,255	27,874	--
	<u>841,321</u>	<u>912,918</u>	<u>1,227,905</u>
Expenses:			
Advertising	--	713	--
Books	5,000	2,146	10,302
Field trips	--	7,867	34,526
Grants	--	1,949	--
Honoraria	--	14,697	110,414
Miscellaneous	--	6,156	--
Professional development	12,500	9,982	26,687
Professional fees	--	1,095	1,184
Rent	7,200	7,506	7,966
Repairs and maintenance	--	1,858	--
Salaries and benefits	851,219	635,603	752,185
Special projects	1,121	20,500	67,741
Supplies	10,000	40,491	157,201
Telephone	8,500	7,209	9,882
Travel	2,500	19,792	36,319
Tuition costs	--	--	7,484
	<u>898,040</u>	<u>777,564</u>	<u>1,221,891</u>
Excess (deficiency) of revenue over expenses before transfers	(56,719)	135,354	6,014
Transfers between programs:			
Transfer to Board	(16,000)	(16,000)	(14,000)
Transfer to Administration	--	(62,418)	(107,974)
	<u>(16,000)</u>	<u>(78,418)</u>	<u>(121,974)</u>
Excess (deficiency) of revenue over expenses	\$ (72,719)	\$ 56,936	\$ (115,960)

PEIGAN BOARD OF EDUCATION

Schedule Revenue and Expense – Schools (Elementary)

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada:			
Instruction service formula (NP05-001)	\$ 621,808	\$ 553,297	\$ 511,964
Instruction service formula (NP05-002)	--	81,430	--
FN and Inuit-Skills link program (NP21-001)	--	76,498	--
Guidance and counselling (NP13-001)	19,350	22,500	--
Language and culture (NP1R-001)	--	--	143,750
Other revenue	105,373	8,562	--
	<u>746,531</u>	<u>742,287</u>	<u>655,714</u>
Expenses:			
Bank charges and interest	--	2,831	--
Books	5,000	420	1,526
Field trips	--	3,574	--
Grants	--	150	--
GST expense	--	10	--
Honoraria	--	700	3,210
Miscellaneous	--	3,346	--
Professional development	16,331	5,352	22,401
Professional fees	--	405	--
Rent	10,000	4,400	11,182
Repairs and maintenance	--	2,878	--
Salaries and benefits	731,901	602,297	535,240
Special projects	--	3,846	1,905
Supplies	18,500	19,620	38,874
Telephone	3,000	3,641	3,491
Travel	3,500	6,983	4,079
	<u>788,232</u>	<u>660,453</u>	<u>621,908</u>
Excess (deficiency) of revenue over expenses before transfers	<u>(41,701)</u>	<u>81,834</u>	<u>33,806</u>
Transfers between programs:			
Transfer to Board	(16,000)	(16,000)	(14,000)
Transfer to Administration	--	(62,619)	(50,000)
	<u>(16,000)</u>	<u>(78,619)</u>	<u>(64,000)</u>
Excess (deficiency) of revenue over expenses	\$ (57,701)	\$ 3,215	\$ (30,194)

PEIGAN BOARD OF EDUCATION

Schedule Revenue and Expense – Schools (School Lunch)

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Piikani Nation Administration – ISC	\$ --	\$ --	\$ 124,997
Other revenue	--	120,000	--
	--	120,000	124,997
Expenses:			
GST expense	--	28	--
Miscellaneous	--	554	--
Salaries and benefits	--	85,820	64,232
Special projects	--	125	177
Supplies	--	83,298	100,012
Travel	--	3,778	903
	--	173,603	165,324
Deficiency of revenue over expenses before transfers	--	(53,603)	(40,327)
Transfers between programs:			
Transfer from Administration	--	50,000	--
Deficiency of revenue over expenses	\$ --	\$ (3,603)	\$ (40,327)

PEIGAN BOARD OF EDUCATION

Schedule Revenue and Expense – Schools (First Nation Student Success Initiative)

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Blackfoot Confederacy	\$ --	\$ 395,777	\$ 395,777
Expenses:			
Advertising	--	336	--
Bank charges and interest	--	26	--
Books	--	1,326	--
Elders	--	200	--
Field trips	--	3,645	978
Grants	--	14,724	1,650
GST expense	--	1	--
Honoraria	--	--	1,938
Miscellaneous	--	63	--
Professional development	--	69,807	75,434
Professional fees	--	2,795	--
Repairs and maintenance	--	8,574	--
Salaries and benefits	--	258,484	244,740
Special projects	--	850	19,839
Supplies	--	18,751	30,934
Telephone	--	1,265	3,105
Travel	--	30,305	15,545
	--	411,152	394,163
Excess (deficiency) of revenue over expenses	\$ --	\$ (15,375)	\$ 1,614

PEIGAN BOARD OF EDUCATION

Schedule of Revenue and Expenses - Transportation

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada – ISC contribution:			
Student transportation services (NP18-001)	\$ 1,053,782	\$ 1,285,506	\$ 1,295,506
Rental income	--	22,744	300
Other income	--	800	--
	<u>1,053,782</u>	<u>1,309,050</u>	<u>1,295,806</u>
Expenses:			
Fuel	42,000	57,476	38,308
Honoraria	--	--	75
Insurance	9,787	18,693	9,787
Miscellaneous	--	693	--
Professional Development	1,500	938	1,871
Professional fees	2,000	1,856	1,173
Rent	24,840	3,697	--
Repairs and maintenance	274,059	137,944	130,124
Salaries and benefits	694,956	655,859	757,751
Special projects	500	--	465
Supplies	1,500	3,559	2,274
Telephone	3,300	1,582	2,620
Transportation	1,500	1,008	1,526
Travel	6,000	5,295	6,206
Field trip	--	--	980
	<u>1,061,942</u>	<u>888,600</u>	<u>953,160</u>
Excess (deficiency) of revenue over expenses before transfers	(8,160)	420,450	342,646
Transfers between programs:			
Transfer to Board	(16,000)	(16,000)	(14,000)
Transfer to Administration	--	(112,551)	(101,972)
	<u>(16,000)</u>	<u>(128,551)</u>	<u>(115,972)</u>
Excess (deficiency) of revenue over expenses	\$ (24,160)	\$ 291,899	\$ 226,674

PEIGAN BOARD OF EDUCATION

Schedule Revenue and Expenses – Operations and Maintenance

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada – ISC contribution:			
Fit up of education facilities (NTH7-001)	\$ 14,920	\$ 14,680	\$ 14,920
Schools – O&M (NTHL-001)	431,986	431,986	431,986
Community buildings (NTMW-001)	12,391	12,391	12,391
Maintenance management (NTN0-001)	20,200	20,200	20,200
Piikani Nation contribution - ISC	--	25,525	100,000
Rent	10,250	9,720	--
Other income	--	26,684	--
	<u>489,747</u>	<u>541,186</u>	<u>579,497</u>
Expenses:			
Automotive	--	686	1,787
Insurance	2,000	1,730	--
Interest on long-term debt	5,806	2,323	2,777
Miscellaneous	4,500	1,465	20,083
Professional development	2,000	--	700
Professional fees	--	--	58,978
Repairs and maintenance	103,496	84,092	43,888
Salaries and benefits	240,817	288,377	264,292
Supplies	18,052	14,657	22,389
Telephone	9,500	2,166	3,722
Travel	13,000	5,151	12,783
Utilities	80,000	68,374	79,503
	<u>479,171</u>	<u>469,021</u>	<u>510,902</u>
Excess of revenue over expenses before transfers	<u>10,576</u>	<u>72,165</u>	<u>68,595</u>
Transfers between programs:			
Transfer to Board	(14,000)	(14,000)	(14,000)
Transfer to Administration	--	(32,458)	(33,950)
	<u>(14,000)</u>	<u>(46,458)</u>	<u>(47,950)</u>
Excess (deficiency) of revenue over expenses	<u>\$ (3,424)</u>	<u>\$ 25,707</u>	<u>\$ 20,645</u>

PEIGAN BOARD OF EDUCATION

Schedule of Revenue and Expenses – Special Education

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Indigenous Services Canada – ISC contribution:			
Low cost special education (NP08-001) \$	--	\$ 31,455	\$ 35,669
Band operations school direct services (NP34-001)	--	837,109	882,270
Instruction service formula (NP05-001)	--	81,900	--
Other income	--	16,000	--
	--	966,464	917,939
Expenses:			
Field trips	--	208	120
Professional development	--	17,687	40,600
Professional fees	--	122,034	102,562
Repairs and maintenance	--	15,970	--
Salaries and benefits	--	741,219	640,910
Special projects	--	1,264	--
Supplies	--	1,705	9,714
Travel	--	12,445	5,148
	--	912,532	799,054
Excess of revenue over expenses before transfers	--	53,932	118,885
Transfers between programs:			
Transfer to Administration	--	(78,357)	(78,357)
Excess (deficiency) of revenue over expenses	\$ --	\$ (24,425)	\$ 40,528

PEIGAN BOARD OF EDUCATION

Schedule of Board Expenses

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Expenses:			
Honoraria	\$ 30,600	\$ 32,466	\$ 35,830
Professional development	12,500	18,852	--
Professional fees	--	2,012	--
Salaries	--	180	--
Special projects	13,000	9,670	14,693
Supplies	600	3,970	815
Travel	21,050	9,877	18,662
Deficiency of revenue over expenses before transfers	(77,750)	(77,027)	(70,000)
Transfers between programs:			
Transfer from other Departments	62,000	78,000	70,000
Deficiency of revenue over expenses	\$ (15,750)	\$ 973	\$ --

PEIGAN BOARD OF EDUCATION

Schedule of Own Source Revenue

March 31, 2019, with comparative information for 2018

	Budget	2019	2018
Revenue:			
Rental income	\$ --	\$ --	\$ 35,677
Other revenue	--	325,517	203,819
	--	325,517	239,496
Deferred revenue:			
Prior year	--	36,737	40,155
Current year	--	(97,655)	(36,737)
	--	(60,918)	3,418
Excess of revenue over expenses	\$ --	\$ 264,599	\$ 242,914