

Financial Statements of

**PEIGAN BOARD OF
EDUCATION**

And Independent Auditors' Report thereon

Year ended March 31, 2020

Management's Responsibility for Financial Reporting

For the year ended March 31, 2020

Peigan Board of Education (the "Entity") management is responsible for the preparation, 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, 2020 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 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 have been audited by the independent firm of KPMG LLP, Chartered Professional Accountants. Their report to the Board of Trustees of Peigan Board of Education and members of the Piikani Nation, stating the scope of their examination and opinion on the financial statements, follows.



October 20, 2020



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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, 2020
- the statement of operations for the year then ended
- the statement of changes in net assets (net 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, 2020, and its results of operations, changes in net assets (net 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.

KPMG LLP

Chartered Professional Accountants

Lethbridge, Canada

October 20, 2020

PEIGAN BOARD OF EDUCATION

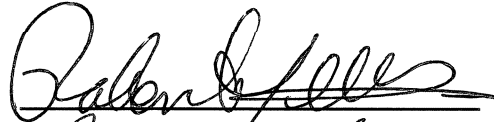

Statement of Financial Position

March 31, 2020, with comparative information for 2019

	2020	2019
Financial assets:		
Cash	\$ 2,571,821	\$ 1,493,103
Accounts receivable (note 4)	336,140	367,989
Due from other Piikani entities (note 5)	81,110	10
Goods and services tax receivable	20,339	20,566
Patronage equity	24,312	20,398
	<u>3,033,722</u>	<u>1,902,066</u>
Financial liabilities:		
Accounts payable and accruals (note 6)	381,568	310,882
Deferred revenue (note 7)	2,225,116	441,799
Long-term debt (note 8)	25,525	50,390
	<u>2,632,209</u>	<u>803,071</u>
Net financial assets	401,513	1,098,995
Non-financial assets:		
Tangible capital assets (note 9)	797,478	1,008,966
Prepaid expenses	3,710	3,900
	<u>801,188</u>	<u>1,012,866</u>
Commitments (note 15)		
Covid-19 (note 20)		
Accumulated surplus (note 10)	\$ 1,202,701	\$ 2,111,861

See accompanying notes to financial statements.

On behalf of the Entity:

PEIGAN BOARD OF EDUCATION

Statement of Operations

Year ended March 31, 2020, with comparative information for 2019

	Budget (note 16)	2020	2019
Revenue:			
Indigenous Services Canada (note 11)	\$ 4,764,366	\$ 7,516,596	\$ 6,818,186
Piikani Nation contribution—Indigenous Services Canada	--	--	25,525
Blackfoot Confederacy	--	--	395,777
Rental income	26,000	34,780	32,464
Other revenue	200,000	1,259,973	1,462,546
Transfers	(245,658)	--	--
	4,744,708	8,811,349	8,734,498
Deferred revenue – prior year	125,525	441,799	154,407
Deferred revenue – current year	--	(2,225,116)	(441,799)
	4,870,233	7,028,032	8,447,106
Expenses:			
Administration	--	1,474,870	1,730,068
Post-secondary	1,044,966	1,261,058	1,282,033
Schools	2,084,125	2,510,686	2,022,772
Transportation	1,285,955	842,201	888,600
Operation and maintenance	455,187	452,586	469,021
Special education	--	433,403	912,532
Board	--	79,473	77,027
Special programs	--	882,915	347,399
	4,870,233	7,937,192	7,729,452
Excess (deficit) of revenue over expenses	--	(909,160)	717,654
Accumulated surplus, beginning of year	2,111,861	2,111,861	1,394,207
Accumulated surplus, end of year	\$ 2,111,861	\$ 1,202,701	\$ 2,111,861

See accompanying notes to financial statements.

PEIGAN BOARD OF EDUCATION

Statement of Change in Net Financial Assets (Debt)

Year ended March 31, 2020, with comparative information for 2019

	Budget (note 16)	2020	2019
Excess (deficit) of revenue over expenses	\$ --	\$ (909,160)	\$ 717,654
Acquisition of tangible capital assets	--	(326,903)	(275,332)
Amortization of tangible capital assets	--	538,391	500,267
Loss on disposal of tangible capital assets	--	--	21,000
Proceeds on sale of tangible capital assets	--	--	5,500
Acquisition of prepaid expenses	--	190	33,251
	--	211,678	284,686
Change in net financial assets	--	(697,482)	1,002,340
Net financial asset, beginning of year	1,098,995	1,098,995	96,655
Net financial assets, end of year	\$ 1,098,995	\$ 401,513	\$ 1,098,995

See accompanying notes to financial statements.

PEIGAN BOARD OF EDUCATION

Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Excess (deficit) of revenue over expenses	\$ (909,160)	\$ 717,654
Items not involving cash:		
Amortization of tangible capital assets	538,391	500,267
Loss on disposal of tangible capital assets	--	21,000
	<u>(370,769)</u>	<u>1,238,921</u>
Change in non-cash operating assets and liabilities:		
Accounts receivable	31,849	(282,830)
Due from other Piikani entities	(81,100)	--
Goods and services tax	227	11,608
Patronage equity	(3,914)	--
Accounts payable and accrued liabilities	70,686	(21,253)
Deferred revenue	1,783,317	287,392
Prepaid expenses and deposits	190	33,251
	<u>1,430,486</u>	<u>1,267,089</u>
Capital activities:		
Acquisition of tangible capital assets	(326,903)	(275,332)
Proceeds on sale of tangible capital assets	--	5,500
	<u>(326,903)</u>	<u>(269,832)</u>
Financing activities:		
Proceeds on long-term debt	--	26,691
Payment on long-term debt	(24,865)	(21,007)
	<u>(24,865)</u>	<u>5,684</u>
Increase in cash	1,078,718	1,002,941
Cash, beginning of year	1,493,103	490,162
Cash, end of year	<u>\$ 2,571,821</u>	<u>\$ 1,493,103</u>

See accompanying notes to financial statements.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

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, 2020

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, 2020

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.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

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 2021, 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, 2020

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 3280 – Asset Retirement Obligations:

This section provides guidance on how to account for and report a liability for retirement of a tangible capital asset. This section is effective for fiscal years beginning on or after April 1, 2021.

6. 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.

7. 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.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

2. Recent accounting pronouncements (continued):

The Entity has prospectively adopted the following standards effective April 1, 2019:

(i) 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, 2020, the Entity had an operating line of credit totaling \$200,000 (2019 - \$200,000) of which \$nil (2019 - \$nil) was drawn which is secured by a general security agreement and bears interest at prime plus 2.65%.

At March 31, 2020, the prime interest rate was 2.45% (2019 – 3.95%).

4. Accounts receivable:

	2020	2019
Livingstone Range School Division	\$ 266,013	\$ 325,517
Indigenous Services Canada	63,534	--
Blackfoot Confederacy	--	13,299
Other	6,593	29,173
	<u>\$ 336,140</u>	<u>\$ 367,989</u>

5. Due from other Piikani entities:

	2020	2019
Piikani Social Development	\$ 80,000	\$ --
Piikani Nation	1,110	10
	<u>\$ 81,110</u>	<u>\$ 10</u>

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

6. Accounts payable and accrued liabilities:

	2020	2019
Trade accounts payable	\$ 71,047	\$ 89,869
Vacation pay	153,976	10,767
Payroll	156,545	210,246
	<u>\$ 381,568</u>	<u>\$ 310,882</u>

7. Deferred revenue:

Deferred revenue consists of funding received for programs as follows:

	2020	2019
Balance, beginning of year	\$ 441,799	\$ 154,407
Add amount received in year	2,225,116	820,851
Less amount recognized as revenue in the year	(441,799)	(533,459)
Balance, end of year	<u>\$ 2,225,116</u>	<u>\$ 441,799</u>

Deferred revenue is comprised of:

	2020	2019
Livingstone Range School Division	\$ 79,804	\$ 97,655
Government of Alberta	335,014	164,648
Government of Canada	33,411	63,496
Indigenous Services Canada	1,776,887	116,000
Balance, end of year	<u>\$ 2,225,116</u>	<u>\$ 441,799</u>

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

8. Long-term debt:

	2020	2019
Loan payable in 10 monthly installments of \$2,070 including interest at 6.10%, secured by two 2016 Freightliner buses due September 2020	\$ 8,175	\$ 27,702
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	17,350	22,688
	<u>\$ 25,525</u>	<u>\$ 50,390</u>

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

2021	\$ 13,514
2022	5,338
2023	5,338
2024	1,335
	<u>\$ 25,525</u>

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

9. Tangible capital assets:

Cost	2019	Additions	Disposals	2020
Buildings and improvements	\$ 9,470,754	\$ --	\$ --	\$ 9,470,754
Equipment	1,744,747	39,310	--	1,784,057
Automotive	731,781	287,593	--	1,019,374
	\$11,947,282	\$ 326,903	\$ --	\$ 12,274,185

Accumulated amortization	2019	Amortization expense	Disposals	2020
Building and improvements	\$ 8,685,869	\$ 378,831	\$ --	\$ 9,064,700
Equipment	1,616,768	44,473	--	1,661,241
Automotive	635,679	115,087	--	750,766
Total	\$10,938,316	\$ 538,391	\$ --	\$ 11,476,707

Net book value	2020	2019
Buildings and improvements	\$ 406,054	\$ 784,885
Equipment	122,816	127,979
Automotive	268,608	96,102
	\$ 797,478	\$ 1,008,966

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

10. Accumulated surplus:

	Unrestricted	Equity in tangible capital assets ⁽¹⁾	Total 2020	Total 2019
Beginning balance	\$ 1,153,285	\$ 958,576	\$ 2,111,861	\$ 1,394,207
Excess (deficit) of revenue over expenses	(909,160)	--	(909,160)	717,654
Amortization of tangible capital assets	538,391	(538,391)	--	--
Acquisition of tangible capital assets	(326,903)	326,903	--	--
Principal payments on long-term debt related to tangible capital assets	(24,865)	24,865	--	--
	\$ 430,748	\$ 771,953	\$ 1,202,701	\$ 2,111,861

⁽¹⁾ Equity in tangible capital assets:

	2020	2019
Tangible capital assets	\$ 12,274,185	\$11,947,282
Accumulated amortization	(11,476,707)	(10,938,316)
Debt	(25,525)	(50,390)
	\$ 771,953	\$ 958,576

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

11. Indigenous Services Canada Funding (“ISC”):

	2020	2019
ISC Funding:		
Fixed funding:		
FN School Formula (Q24F-001)	\$ 3,466,023	\$ --
FN School Second Level (Q24K-001)	528,477	--
FN School Kindergarten (Q24L-001)	288,983	--
FN School Protect Formula (Q24M-001)	193,253	--
FN School Protect Formula (Q24M-002)	10,041	--
FNS and Inuit-Skills link program (Q26G-001)	142,844	152,997
EPP-Structural Readiness (Q274-001)	98,450	221,100
FN Sch Targeted HCSE (Q28N-001)	474,024	--
Post Secondary student support program (Q29A-001)	1,487,457	1,161,137
Post Secondary student support program (NP5A-002)	--	150,948
Prov School Tuition (Q2EG-001)	63,534	--
Prov School Transport (Q2EL-001)	717,239	--
Fit Up of Education Facilities (Q36M-001)	13,680	14,680
Community Buildings (QBK-001)	12,391	12,391
Maintenance Management (Q3BO-001)	20,200	20,200
CPP and Pension Other Employees (NG0P-001)	--	118,651
Guidance and Counselling (NP13-001)	--	45,000
Instruction Service Formula (NP05-001)	--	1,257,911
Instruction Service Formula (NP05-002)	--	162,861
Low Cost Special Education (NP08-001)	--	31,455
Pension Plan Admin and Non-Status (NG0L-001)	--	64,622
School – O&M (NTHL-001)	--	431,986
Student Transportation Services (NP18-001)	--	1,285,506
Enhanced Teachers Salaries (NP07-001)	--	62,648
School Effectiveness (NP1M-001)	--	133,500
Parental and Community Engagement (NP1P-001)	--	10,000
Teacher Recruitment and Retention (NP1Q-001)	--	46,084
Language and Culture (NP1R-001)	--	200,500
Band Operations School Direct Services (NP34-001)	--	837,109
Band Operated School-Evaluation (NP09-001)	--	35,000
Regional Implementation (NP2L-001)	--	280,000
Total fixed funding	\$ 7,516,596	\$ 6,736,286
Set funding:		
Instruction Service Formula (NP05-003)	\$ --	\$ 81,900
Total ISC funding	\$ 7,516,596	\$ 6,818,186

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

12. 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.

13. Pension Plan:

The Entity has a defined contribution pension plan covering substantially all full-time employees. The pension plan expense is \$198,226 (2019 - \$194,926). 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.

14. 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.

15. Commitments:

The Entity has entered into various lease and contractual agreements with various third parties for the use of equipment or to provide services that will become liabilities in the future when the terms of the contract or agreements are met.

16. Budget information:

The disclosed budget information has been approved by the Peigan Board of Education's Board of Trustees at a meeting held April 2, 2019.

17. 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.

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

18. Consolidated expenses by object:

	Budget	2020	2019
Amortization	\$ --	\$ 538,391	\$ 500,267
COVID-19	--	14,900	--
Automotive	62,000	41,826	58,162
Bank charges and interest	--	12,391	18,978
Books	207,657	56,777	66,234
Elders	500	95,115	51,825
GST on expenses	--	3,870	411
Honoraria	12,700	37,364	48,163
Insurance	21,923	35,509	38,973
Interest on long-term debt	--	1,173	2,323
Living allowance	469,142	705,214	688,406
Miscellaneous	15,200	63,878	25,409
Professional development	44,150	185,544	190,051
Professional fees	12,690	125,552	222,652
Rent	31,439	20,947	22,236
Repairs and maintenance	591,885	262,434	278,621
Salaries and benefits	2,715,531	4,430,635	4,274,203
CPP and pension plan expense	--	198,226	194,926
Special projects	20,000	89,486	72,467
Supplies	144,420	256,220	272,024
Telephone	25,060	43,585	30,362
Transportation	2,590	987	1,008
Travel	43,511	192,606	172,169
Tuition	281,485	373,311	358,047
Utilities	75,000	83,678	68,374
Advertising	2,200	23,514	11,285
Grants	71,150	23,724	44,681
Field trips	20,000	20,335	17,195
	\$ 4,870,233	\$7,937,192	\$7,729,452

PEIGAN BOARD OF EDUCATION

Notes to Financial Statements

Year ended March 31, 2020

19. 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.

20. Covid-19:

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had significant financial, market and social dislocating impact. At the time of approval of these financial statements, the Entity has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic.

- The Department is following public health recommendations.
- The Department has implemented mandatory self-isolation for any individuals experiencing symptoms as well as any individuals returning from travel.

At this time, these factors present uncertainty over the future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

PEIGAN BOARD OF EDUCATION

Schedule of Salaries, Honoraria, Travel & Other Remuneration For Elected or Appointed Officials

March 31, 2020, with comparative information for 2019

Elected or Appointed Official	Position	Number of Months	Board Honorarium	Travel	Total 2020	Total 2019
Roberta Yellow Horn	Chairperson	12	\$ 7,650	\$ 3,576	\$ 11,226	\$ 6,534
Jacqueline Big Bull	Board Member	12	6,475	1,874	8,349	6,822
Beatrice Little Mustache	Board Member	12	6,900	1,096	7,996	5,743
Margaret Potts	Board Member	5	2,338	1,204	3,542	5,866
Alma Provost	Board Member	8	4,775	1,858	6,633	2,572
Thelma Crow Shoe	Board Member	5	2,650	1,053	3,703	2,555
Linda Yellow Face	Board Member	8	4,350	2,456	6,806	6,477
Tyrone Potts	Board Member	--	--	--	--	4,188
Barnaby Provost	Council Member	--	--	--	--	793
Stanley Grier	Chief	12	--	--	--	793
Total			\$ 35,138	\$ 13,118	\$ 48,255	\$ 42,343