

Cat Lake First Nation
Consolidated Financial Statements
March 31, 2021

Cat Lake First Nation
Contents
For the year ended March 31, 2021

Page

Management's Responsibility

Independent Auditors' Report

Consolidated Financial Statements

Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4

Notes to the Consolidated Financial Statements	5
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Schedules

Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	16
Schedule 2 - Consolidated Schedule of Expenses by Object.....	18
Schedule 3 - Consolidated Schedule of Revenue and Expenses.....	19

Management's Responsibility

To the Chief and Council and Members of Cat Lake First Nation:

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

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Cat Lake First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the First Nation's external auditors.

Grant Thornton LLP is appointed by the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

November 8, 2021



Band Manager

Independent Auditor's Report

To the Chief and Council and Members of
Cat Lake First Nation

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Qualified Opinion

We have audited the consolidated financial statements of Cat Lake First Nation ("the First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated operating surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Cat Lake First Nation as at March 31, 2021, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

During our audit, we noted that Cat Lake First Nation reports its long-term investments in three business entities at cost as current financial information is not available. Canadian public sector accounting standards require that long-term investments in which the First Nation has significant influence, be consolidated in the First Nation's financial statements. As a result, we were unable to determine whether adjustments might have been necessary in respect of the investment in business entities and the elements making up the consolidated statement of financial position, consolidated statement of operations and accumulated operating surplus and consolidated statements of change in net debt and cash flows.

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation'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 First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Thunder Bay, Canada
November 15, 2021


Chartered Professional Accountants
Licensed Public Accountants

Cat Lake First Nation
Consolidated Statement of Financial Position
As at March 31, 2021

	2021	2020
Financial assets		
Cash resources (Note 3)	3,654,388	914,369
Accounts receivable (Note 4)	1,187,036	1,005,854
Due from government and other government organizations (Note 5)	929,540	1,058,716
Portfolio investments (Note 6)	22	22
Investments in business entities	52	52
Funds held in Ottawa Trust Fund (Note 8)	313,163	303,583
	6,084,201	3,282,596
Liabilities		
Accounts payable and accruals (Note 9)	4,205,228	4,140,945
Due to government and other government organizations (Note 10)	383,049	287,176
Deferred revenue (Note 11)	3,564,873	1,372,929
Long-term debt (Note 12)	2,211,022	2,963,637
	10,364,172	8,764,687
Net debt	(4,279,971)	(5,482,091)
Contingent liabilities (Note 13)		
Non-financial assets		
Tangible capital assets (Note 14) (Schedule 1)	29,840,051	28,867,009
Inventories held for use (Note 15)	274,680	283,991
Prepaid expenses	96,534	-
	30,211,265	29,151,000
Accumulated surplus	25,931,294	23,668,909

Approved on behalf of the Council

 ^{for} Chief

 Councillor

Cat Lake First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2021

	2021 <i>Budget</i>	2021	2020
Indigenous Services Canada (Note 19)			
Grant	577,145	502,767	490,767
Fixed Contribution	4,298,383	9,987,518	6,337,802
Flexible Contribution	5,114,664	3,121,424	1,571,368
Set Contribution	374,494	390,175	1,443,927
	10,364,686	14,001,884	9,843,864
Administration fees	1,867,146	2,042,345	1,730,169
Canada Mortgage and Housing Corporation	-	53,003	17,798
HST and sales tax rebates	-	54,851	-
Interest income	-	525	15,032
Ministry of Children Community and Social Services (Note 19)	1,631,637	2,767,796	1,899,456
Ministry of Energy, Northern Development and Mines (Note 19)	269,395	277,479	269,395
Ministry of Health (Note 19)	53,439	243,774	210,712
Ministry of Indigenous Affairs	-	238,302	-
Musselwhite	540,000	776,071	148,123
Nishnawbe-Aski Nation	304,195	289,511	261,932
OFNLP2008	1,287,017	1,085,708	1,116,898
Other revenue	80,560	885,397	960,303
Rental income	36,000	129,024	31,124
Trust Fund revenue	-	9,580	9,086
Windigo First Nations Council	-	94,234	436
Deferred revenue, beginning of year	-	1,372,929	1,897,054
Deferred revenue, end of year	-	(3,564,873)	(1,372,929)
Funding recoveries	(96,612)	(179,598)	(52,224)
	16,337,463	20,577,942	16,986,229
Expenses			
Administration	6,465,657	7,339,861	5,622,751
Economic development	295,410	954,096	900,581
Education	4,155,902	3,970,103	3,876,202
Health Authority	2,539,039	2,063,262	2,807,600
Social Assistance	1,913,892	3,641,285	2,740,449
OFNLP2008	1,287,017	213,716	679,239
Social Housing	-	133,234	-
	16,656,917	18,315,557	16,626,822
Surplus (deficit) before other items	(319,454)	2,262,385	359,407
Other expenses			
Loss on disposal of investments	-	-	(103)
Surplus (deficit)	(319,454)	2,262,385	359,304
Accumulated surplus, beginning of year	-	23,668,909	23,309,605
Accumulated surplus, end of year	-	25,931,294	23,668,909

The accompanying notes are an integral part of these consolidated financial statements

Cat Lake First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Annual surplus	-	2,262,385	359,304
Purchases of tangible capital assets	-	(2,888,538)	(1,431,444)
Amortization of tangible capital assets	1,906,966	1,915,496	1,762,047
Acquisition of inventories held for use	-	-	(266,780)
Use of inventories held for use	9,311	9,311	-
	1,916,277	(963,731)	63,823
Acquisition of prepaid expenses	-	(96,534)	-
Decrease in net debt	1,916,277	1,202,120	423,127
Net debt, beginning of year	-	(5,482,091)	(5,905,218)
Net debt, end of year	1,916,277	(4,279,971)	(5,482,091)

The accompanying notes are an integral part of these consolidated financial statements

Cat Lake First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Operating surplus	2,262,385	359,304
Non-cash items		
Amortization	1,915,496	1,762,047
Ottawa Trust Fund	(9,580)	(9,086)
Loss on disposal of investment in business entities	-	103
	4,168,301	2,112,368
Changes in working capital accounts		
Accounts receivable	(181,182)	88,990
Due from government organizations	129,176	1,197,595
Accounts payable and accruals	64,282	614,407
Deferred revenue	2,191,944	(524,125)
Due to government organizations	95,873	(236,834)
Inventories held for use	9,311	(266,780)
Prepaid expenses	(96,534)	-
	6,381,171	2,985,621
Financing activities		
Proceeds from long-term debt financing	383,686	345,944
Repayment of long-term debt financing	(815,819)	(299,859)
Repayment of capital financing	(320,481)	(728,939)
Cash used in financing activities	(752,614)	(682,854)
Capital activities		
Purchases of tangible capital assets	(2,888,538)	(1,431,444)
Increase in cash resources	2,740,019	871,323
Cash resources, beginning of year	914,369	43,046
Cash resources, end of year	3,654,388	914,369

The accompanying notes are an integral part of these consolidated financial statements

1. Operations

Cat Lake First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its members. Cat Lake First Nation includes the First Nation's members, government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. These include the following significant accounting policies:

Principles of consolidation

The consolidated financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Cat Lake First Nation
- Cat Lake First Nation Recipient Appointed Advisor Account
- Cat Lake First Nation Health Authority
- Cat Lake First Nation OFNLP2008
- Cat Lake First Nation Social Housing

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

Cat Lake First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the cost method. Under the cost method, only the First Nation's initial investment is reported in the consolidated financial statements. Entities accounted for by the cost basis include:

- 1089907 Ontario Inc. (Operating as Keewatin Contracting)

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 inventories held for use.

Cash resources

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

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated operating surplus. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

2. Significant accounting policies *(Continued from previous page)*

Tangible capital assets

Tangible capital assets are initially 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 attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Tangible capital assets are written down when conditions indicate they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their book value. The net write-downs are accounted for as expenses in the consolidated statement of operations and accumulated operating surplus.

Contributed tangible capital assets are recorded into revenue 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 nominal value.

Certain assets have historical or cultural value, including works of art, historical documents, and historical and cultural artifacts, are not recognized as tangible capital assets.

Tangible capital assets that are not yet ready for use are recorded as construction in progress. No amortization is recorded until the asset is ready for use.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<i>Method</i>	<i>Rate</i>
Buildings	straight-line	25-30 years
Community infrastructure	straight-line	25 years
Equipment	straight-line	5-10 years
Fuel tanks	straight-line	10 years
Furniture and fixtures	straight-line	5-10 years
Housing	straight-line	25 years
Radio station	straight-line	5 years
Street lights	straight-line	10 years
Vehicles	straight-line	10 years

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation 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. 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 ended.

Inventories held for use

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Rental revenue is recognized over the rental term. Other revenues are earned from other services provided by the First Nation and are recognized when the service has been provided and collectibility is reasonably assured.

Revenues from trust monies are recognized when measurable, earned and collection is reasonably assured. These monies are reported on by the Government of Canada.

Government transfers

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

Administration fees

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as administration recovery revenue.

Net financial assets (net debt)

The First Nation's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the First Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus (deficit).

Use of estimates

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

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

Provisions are made for slow moving and obsolete inventory.

Amortization is based on estimated useful lives of tangible capital assets.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the annual surplus (deficit) in the periods in which they become known.

Expense allocation

Certain expenses which pertain to the operations as a whole have been allocated to various programs at the discretion of Chief and Council.

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

2. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through eight reportable segments: Administration, OFNLP2008, Economic Development, Education, Health Authority, Social Assistance, Social Housing and Ottawa Trust Fund. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue 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.

Other economic interests

Cat Lake First Nation is a member of Tikinagan Child and Family Services. Tikinagan Child and Family Services is an organization comprised of thirty First Nations, whose purpose is to provide child and family services to the thirty member First Nations.

Cat Lake First Nation is a member of Windigo First Nations Tribal Council. Windigo First Nations Tribal Council is an organization comprised of seven First Nations. The Tribal Council enhances the technical services provided by the First Nation.

Cat Lake First Nation is a member of Windigo First Nations Education Authority. Windigo First Nations Education Authority is an organization of four First Nations. The Education Authority enhances education services provided by the First Nation.

3. Cash resources

	2021	2020
Administration	428,771	27,856
OFNLP2008	2,394	3,652
Health Authority	510,643	89,505
Social assistance	16,064	273,627
ISC Funds Account	2,696,516	519,729
	3,654,388	914,369

4. Accounts receivable

	2021	2020
Members	79,270	113,853
Musselwhite	172,618	48,385
Nishnawbe-Aski Nation	234,204	222,246
Trade receivables	319,764	82,029
Windigo Tribal Council	532,774	725,518
	1,338,630	1,192,031
Less: allowance for doubtful accounts	151,594	186,177
	1,187,036	1,005,854

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

5. Due from government and other government organizations

	2021	2020
Federal government		
Canada Mortgage and Housing Corporation	140,239	-
First Nation and Inuit Health Branch	52,050	82,092
Indigenous Services Canada	504,989	752,560
Harmonized Sales Tax receivable	123,466	71,516
	820,744	906,168
Provincial government		
Ministry of the Attorney General	3,390	-
Ministry of Energy, Northern Development and Mines	69,370	67,349
Ministry of Children, Community and Social Services	-	49,163
Ministry of Transportation	2,995	2,995
Province of Ontario	33,041	33,041
	108,796	152,548
	929,540	1,058,716

6. Portfolio investments

	2021	2020
Investment in 2472881 Ontario Ltd.	10	10
Investment in OFN Asset Management GP Corporation	1	1
Investment in Sovereign Wealth LP	1	1
Investment in First Nation LP	10	10
	22	22

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

7. Investments in partnerships and business entities

Summary financial information for each First Nation business partnership, accounted for using the modified equity method, for their respective year-end is as follows:

The First Nation has investments in the following entities:

	2021
Significantly influenced businesses:	
1089907 Ontario Inc. (Operating as Keewatin Contracting) - 51%	51
Five Rivers Business Development Corporation - 100%	1
	52

2020

Significantly influenced businesses:	
1089907 Ontario Inc. (Operating as Keewatin Contracting) - 51%	51
Five Rivers Business Development Corporation - 100%	1
	52

Cat Lake First Nation is also in partnership with Windigo Partnership and Windigo Community Economic Development Corporation.

The First Nation does not own a significant portion of the partnership, nor can it exhibit control over the operations. No amount was expended by the First Nation to become a partner in the operation.

8. Funds held in Ottawa Trust Fund

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Aboriginal Affairs and Northern Development Canada, with the consent of the First Nation's Council.

	2021	2020
Capital Trust		
Balance, beginning of year	4,904	4,904
Balance, end of year	4,904	4,904
Revenue Trust		
Balance, beginning of year	298,679	289,593
Interest	9,580	9,086
Balance, end of year	308,259	298,679
	313,163	303,583

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

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

9. Accounts payable and accruals

	2021	2020
Trade payables	3,431,604	3,350,713
Accrued salaries and benefits payable	107,494	153,960
Other accrued liabilities	203,926	306,079
Payroll remittance related liabilities	462,204	330,193
	4,205,228	4,140,945

10. Due to government and other government organizations

	2021	2020
Federal Government		
Indigenous Services Canada	190,564	190,564
First Nation and Inuit Health Branch	96,612	96,612
	287,176	287,176
Provincial		
Ministry of Children, Community and Social Services	95,873	-
	383,049	287,176

11. Deferred revenue

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
ISC - Education Programs	-	3,483,069	2,369,386	1,113,683
ISC - Aboriginal Diabetes Initiative	-	49,539	9,908	39,631
ISC - COVID-19 Response	156,796	1,050,665	743,181	464,280
ISC - Community Health Promo	88,246	195,546	39,110	244,682
ISC - Comprehensive Community Planning	-	75,000	-	75,000
ISC - Firesmart	-	79,225	19,845	59,380
ISC - Health Management	-	80,282	-	80,282
ISC - Healthy Child Development	-	187,370	37,474	149,896
ISC - Maternal Child Health	-	21,125	4,225	16,900
ISC - Nursing Station Needs Assessment	-	111,225	-	111,225
ISC - Prescription Drug Abuse	-	541,185	343,148	198,037
ISC - Professional and Institutional Development	-	75,000	-	75,000
OFNLP2008	1,127,887	1,085,710	1,276,720	936,877
	1,372,929	7,034,941	4,842,997	3,564,873

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

12. Long-term debt

	2021	2020
Toronto Dominion Bank ("TD") Demand loan, repayable monthly without specific instalment amounts plus interest at TD prime plus 1.95% (4.4% per annum), with no specific maturity date. Secured by a general security agreement as well as the assignment of OFNLP2008 and Musselwhite funding.	424,707	468,861
Toronto Dominion Bank Fixed rate term loan repayable in monthly instalments of \$66,046 including interest at 4.96%, matured March 2021.	-	771,666
Toronto Dominion Bank ("TD") Fixed rate term loan repayable in monthly instalments of \$27,344 plus interest at TD prime plus 1.95% (4.4% per annum), maturing February 28, 2023. Secured by a general security agreement as well as the assignment of OFNLP2008 and Musselwhite funding.	325,748	612,747
Canada Mortgage and Housing Corporation ("CMHC") Mortgage payable with payments of \$5,460 per month including interest of 0.73% per annum maturing July 2045 with a renewal date of July 2025. Secured by a ministerial guarantee from Indigenous Services Canada and a first mortgage on 7 housing units with a net book value of \$2,305,246.	1,460,567	1,110,363
	2,211,022	2,963,637

Principal repayments on long-term debt in each of the next five years, assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

2022	767,615
2023	94,201
2024	55,858
2025	56,268
2026	56,680
	1,030,622
Thereafter	1,180,400

Total interest charges for debt reported on the consolidated statement of operations and accumulated surplus are \$71,661 (2020 - \$169,320).

The demand loan is due on demand upon the request of the financial institution. The financial institution has not requested repayment of the balance as of March 31, 2021.

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

13. Contingent liabilities

The First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on the First Nation's consolidated financial statements.

Claims are currently outstanding against the First Nation. The outcome of the claims is not yet determinable, and accordingly, no provision has been made in these consolidated financial statements with respect to these matters. Any loss with respect to the claims will be recorded as an expense of the period in which the loss becomes likely and the amount is measurable.

14. Tangible capital assets

The consolidated schedule of tangible capital assets (Schedule 1) presents all balances and charges in the year relating to the tangible capital assets owned by the First Nation.

Housing includes construction-in-progress with a carrying value of \$1,412,626 (2020 - \$4,283,794). Buildings include construction-in-progress of \$692,590 (2020 - \$345,728). No amortization of these assets has been recorded during the year because it is currently under construction.

The First Nation holds works of art and historical treasures, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

15. Inventories held for use

	2021	2020
Fuel	249,660	283,991
Road supplies	25,020	-
	274,680	283,991

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

16. Reserves

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") the First Nation established the following:

In 2021, a replacement reserve, established by an annual allocation of \$9,695, to ensure replacement of buildings financed by CMHC. At March 31, 2021, \$9,695 (2020 - \$Nil) was required to be set aside to fund this reserve. The unfunded portion at March 31, 2021 was \$9,695 (2020 - \$Nil).

In accordance with the terms of the agreements, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

	2021	2020
CMHC - replacement reserve	9,695	-

17. Segments

During 2021, the First Nation had eight reportable segments: These segments are differentiated by major activities or services they provide. The First Nation's segments are as follows:

Administration - includes administration and governance activities.

OFNLP2008 - includes the use of the funding provided by the OFNLP2008.

Economic Development - includes activities for the growth of business activity and infrastructure on First Nation property.

Education - includes the operation of education programs.

Health Authority - includes the operations of the health programs and crisis coordination.

Social Assistance - includes the operations of the social assistance programs.

Social Housing - includes operations of the First Nations social housing programs which are funded in part by Canada Mortgage and Housing Corporation.

Ottawa Trust Fund - includes the operations of funds held in a separate trust in Ottawa.

Inter-segment transfers are recorded at their exchange amount. The accounting policies are the same as those described in Note 2.

Cat Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

18. Economic dependence

Cat Lake First Nation receives a significant portion of its revenue from 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 First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

19. Government transfers

	<i>Operating</i>	<i>Capital</i>	<i>2021</i>	<i>2020</i>
Indigenous Services Canada	13,018,719	983,165	14,001,884	9,843,864
Canada Mortgage and Housing Corporation	53,003	-	53,003	17,798
Total federal transfers	13,071,722	983,165	14,054,887	9,861,662
Ministry of Children, Community and Social Services	2,767,796	-	2,767,796	1,899,456
Ministry of Indigenous Affairs	181,470	56,832	238,302	-
Ministry of Health	243,774	-	243,774	210,712
Ministry of Energy, Northern Development and Mines	277,479	-	277,479	269,395
Total provincial transfers	3,470,519	56,832	3,527,351	2,379,563
	16,542,241	1,039,997	17,582,238	12,241,225

20. Budget information

The disclosed budget information has been approved by the Chief and Council of the Cat Lake First Nation at a Council meeting held on July 8, 2020. The budget was prepared on a cash basis while Public Sector Accounting Standards required a full accrual basis. As a result, the budget figures presented in the consolidated statement of operations and changes in net financial assets were adjusted to add amortization of \$1,904,289 and inventories of \$9,311.

21. Uncertainty with respect to COVID-19

COVID-19 (coronavirus) has had a significant impact on First Nation communities through the restrictions put in place by the Canadian, Provincial and Municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, Band operations, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. The First Nation is actively monitoring the effect on its financial condition and operations.

22. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Cat Lake First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Buildings</i>	<i>Community Infrastructure</i>	<i>Equipment</i>	<i>Fuel Tanks</i>	<i>Furniture and Fixtures</i>	<i>Housing</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	28,374,794	740,000	4,030,971	391,672	652,912	10,154,761	44,345,110
Acquisition of tangible capital assets	110,800	-	160,506	-	-	844,275	1,115,581
Construction-in-progress	346,862	-	-	-	-	1,086,037	1,432,899
Balance, end of year	28,832,456	740,000	4,191,477	391,672	652,912	12,085,073	46,893,590
Accumulated amortization							
Balance, beginning of year	9,432,317	740,000	2,014,052	379,693	551,665	3,326,450	16,444,177
Annual amortization	1,043,934	-	376,752	7,985	26,851	290,745	1,746,267
Balance, end of year	10,476,251	740,000	2,390,804	387,678	578,516	3,617,195	18,190,444
Net book value of tangible capital assets	18,356,205	-	1,800,673	3,994	74,396	8,467,878	28,703,146
Net book value of tangible capital assets	2020 18,942,477	-	2,016,919	11,979	101,247	6,828,311	27,900,933

Cat Lake First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Radio Station</i>	<i>Street Lights</i>	<i>Vehicles</i>	<i>2021</i>	<i>2020</i>
Cost						
Balance, beginning of year	44,345,110	10,227	42,774	2,111,288	46,509,399	45,077,955
Acquisition of tangible capital assets	1,115,581	-	-	340,058	1,455,639	249,668
Construction-in-progress	1,432,899	-	-	-	1,432,899	1,181,776
Balance, end of year	46,893,590	10,227	42,774	2,451,346	49,397,937	46,509,399
Accumulated amortization						
Balance, beginning of year	16,444,177	10,227	24,898	1,163,088	17,642,390	15,880,343
Annual amortization	1,746,267	-	3,250	165,979	1,915,496	1,762,047
Balance, end of year	18,190,444	10,227	28,148	1,329,067	19,557,886	17,642,390
Net book value of tangible capital assets	28,703,146	-	14,626	1,122,279	29,840,051	28,867,009
Net book value of tangible capital assets	27,900,933	-	17,876	948,200	28,867,009	

Cat Lake First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2021

	2021	2020
Consolidated expenses by object		
Administration	2,042,349	1,730,169
Amortization	1,915,496	1,762,047
Bad debts	-	26,732
Bank charges and interest	68,046	62,152
Co-management fees	240,000	240,000
Community donations	316,994	432,941
Contingency	1,190	-
Contracted services	-	15,750
Equipment rental and supplies	4,500	4,537
Food	165,885	194,110
Fuel	315,844	505,445
Funeral	32,571	14,556
Honourarium	868,100	363,425
Insurance	174,383	162,723
Interest on long-term debt	71,661	169,320
Materials	406,195	93,093
Miscellaneous	20,972	56,279
Office supplies	80,767	105,647
Courier and freight	76,345	17,524
Professional fees	1,120,558	1,439,463
Rent	142,039	56,769
Repairs and maintenance	67,088	78,850
Salaries and benefits	5,688,231	5,372,324
Social assistance	3,129,721	2,111,137
Student expenses	-	6,955
Supplies	572,796	400,791
Telephone	85,234	56,326
Training	151,953	113,588
Travel	300,467	678,924
Utilities	255,519	353,361
Vehicle	653	1,884
	18,315,557	16,626,822

Cat Lake First Nation
Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2021

	ISC Revenue	Other Revenue (Deferrals and Recoveries)	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Operating Surplus (Deficit)
Administration						
Band Support	706,100	1,725,577	2,431,677	1,599,680	(27,355)	804,642
Other Administration	-	1,658,783	1,658,783	754,400	-	904,383
Housing and Capital	224,867	7,050	231,917	427,770	-	(195,853)
Minor Capital	620,330	-	620,330	128,076	-	492,254
Heavy Equipment	-	-	-	15,999	-	(15,999)
Registry Events - Set Contribution	6,157	-	6,157	6,157	-	-
Capacity Development	75,000	(75,000)	-	-	-	-
Winter Road - ISC	267,848	-	267,848	267,848	-	-
Winter Road - MNM	-	277,479	277,479	277,479	-	-
Operations and Maintenance	846,336	10,465	856,801	721,034	-	135,767
Preventative/Least Disruptive Measures	381,030	-	381,030	381,030	-	-
COVID-19	1,050,665	(57,468)	993,197	858,911	-	134,286
Band Rep Services	1,233,950	-	1,233,950	944,831	-	289,119
Land Claim	-	-	-	80,258	-	(80,258)
Firesmart	79,225	(59,380)	19,845	19,845	-	-
Community Comprehensive Plan	75,000	(75,000)	-	-	-	-
Capacity - Innovation	24,985	-	24,985	24,985	-	-
Communicable Disease Planning and Response - COVID-19	137,438	-	137,438	137,438	-	-
Immunization Planning and Reporting (COVID-19)	24,648	-	24,648	24,648	-	-
Infection Prevention and Control	70,728	-	70,728	70,728	-	-
Healthy Child Development - Public Health Nurses and CHRS (COVID-19)	60,510	-	60,510	60,510	-	-
Emerging Technologies (COVID-19)	6,387	-	6,387	887	-	5,500
Perimeter Security (COVID-19)	417,674	-	417,674	417,674	-	-
Off Reserve Assistance (COVID-19)	25,000	-	25,000	25,000	-	-
Band Offices and Buildings (COVID-19)	18,392	-	18,392	18,392	-	-
Fire Halls (COVID-19)	18,420	-	18,420	18,420	-	-
Springpole Mine Development	-	53,903	53,903	57,861	-	(3,958)
	6,370,690	3,466,409	9,837,099	7,339,861	(27,355)	2,469,883
Economic Development						
Economic Development	61,300	34,776	96,076	934,027	-	(837,951)
Lands and Economic Development Services Program (COVID-19)	91,144	-	91,144	20,069	-	71,075
	152,444	34,776	187,220	954,096	-	(766,876)
Education						
Education Facilities	169,573	-	169,573	170,540	-	(967)
Tuition Agreements	301,887	-	301,887	301,887	-	-
Education Programs	3,483,069	(1,028,543)	2,454,526	3,380,370	-	(925,844)
FN School Second Level (New Paths)	87,443	-	87,443	87,443	-	-

Cat Lake First Nation
Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2021

	ISC Revenue	Other Revenue (Deferrals and Recoveries)	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Operating Surplus (Deficit)
Education Safe Restart (COVID-19)	317,368	-	317,368	-	-	317,368
School Reopening (COVID-19)	24,747	-	24,747	24,747	-	-
School Emergencies	86,050	-	86,050	5,116	-	80,934
	4,470,137	(1,028,543)	3,441,594	3,970,103	-	(528,509)
Health Authority						
Crisis Co-ordination	-	59,301	59,301	59,301	-	-
Right to Play	-	34,362	34,362	34,362	-	-
Health Services	-	11,370	11,370	-	-	11,370
Health Programs - Healthy Communities	221,796	-	221,796	222,551	-	(755)
Health Management and Support	80,282	293,638	373,920	373,166	-	754
Non-Insured Health Benefits	108,341	-	108,341	108,341	-	-
Health Security	232,501	-	232,501	232,501	-	-
Child Nutrition - FASD	-	16,090	16,090	16,090	-	-
Healthy Babies Healthy Communities	-	42,585	42,585	42,585	-	-
Aboriginal Headstart	137,216	-	137,216	137,216	-	-
Maternal Child Health	21,125	(16,900)	4,225	4,225	-	-
Health Facilities - Operations and Maintenance	138,474	-	138,474	138,474	-	-
Aboriginal Diabetes Initiatives	49,539	(14,631)	34,908	34,908	-	-
Community Health Promotion	195,546	(156,437)	39,109	39,109	-	-
Prescription Drug Abuse	541,185	(198,037)	343,148	232,348	-	110,800
Healthy Child Development	187,370	(149,896)	37,474	37,474	-	-
Family Well Being	-	23,216	23,216	106,941	-	(83,725)
Health Capital Investments	111,225	(111,225)	-	-	-	-
Nutrition North	32,950	-	32,950	32,950	-	-
Communicable Disease Management - Public Health Nurses	210,720	-	210,720	210,720	-	-
Health Facilities (COVID-19)	48,260	-	48,260	-	-	48,260
	2,316,530	(166,564)	2,149,966	2,063,262	-	86,704
Social Assistance						
Basic Needs - Set Contribution	152,100	-	152,100	152,100	-	-
Social Services - Home Support - Set Contribution	19,200	-	19,200	19,200	-	-
Social Services - Home Support - Ministry of Health	-	243,774	243,774	243,774	-	-
Social Services - Basic Needs	-	2,243,385	2,243,385	2,339,258	-	(95,873)
Social Services - Service Delivery	325,700	443,517	769,217	769,217	-	-
Basic Needs - COVID-19 Supports	195,083	-	195,083	117,736	-	77,347
	692,083	2,930,676	3,622,759	3,641,285	-	(18,526)

Cat Lake First Nation
Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2021

	<i>ISC Revenue</i>	<i>Other Revenue (Deferrals and Recoveries)</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Operating Surplus (Deficit)</i>
OFNLP2008	-	1,276,721	1,276,721	213,716	-	1,063,005
Ottawa Trust Fund	-	9,580	9,580	-	-	9,580
Social Housing						
CMHC 7 Unit Project #22752778001	-	53,003	53,003	133,234	27,355	(52,876)
	14,001,884	6,576,058	20,577,942	18,315,557	-	2,262,385