

**Brokenhead Ojibway Nation**  
**Consolidated Financial Statements**

*March 31, 2022*

**Brokenhead Ojibway Nation**  
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*For the year ended March 31, 2022*

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## **Management's Responsibility**

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To the Members of Brokenhead Ojibway Nation:

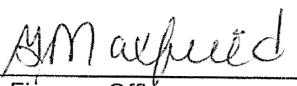
The accompanying consolidated financial statements of Brokenhead Ojibway Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and fair 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 policies 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 Brokenhead Ojibway Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council on behalf of 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 Chief and Council and management to discuss their audit findings.

  
\_\_\_\_\_  
Senior Finance Officer

## Independent Auditor's Report

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To the Members of Brokenhead Ojibway Nation:

### **Opinion**

We have audited the consolidated financial statements of Brokenhead Ojibway Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, accumulated surplus, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2022, and the results of its operations, changes in 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 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 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 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 these 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Winnipeg, Manitoba

July 29, 2022

*MNP LLP*

Chartered Professional Accountants

**MNP**  
LLP

**Brokenhead Ojibway Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2022*

|  | <b>2022</b>         | <b>2021</b>  |
|--|---------------------|--------------|
| <b>Financial assets</b>                                  |                     |              |
| Cash and cash equivalents                                | 8,462,633           | 2,961,338    |
| Accounts receivable (Note 3)                             | 1,859,434           | 1,210,927    |
| Inventory for resale (Note 4)                            | 353,365             | 350,406      |
| Investment in South Beach Group of Partnerships (Note 5) | 3,027,590           | 1,769,530    |
| Restricted cash (Note 6)                                 | 732,151             | 615,354      |
|  | <b>14,435,173</b>   | 6,907,555    |
| <b>Liabilities</b>                                       |                     |              |
| Accounts payable and accruals (Note 7)                   | 1,525,330           | 1,109,550    |
| Deferred revenue (Note 8)                                | 8,249,216           | 2,653,217    |
| Long-term debt (Note 9)                                  | 16,436,746          | 16,654,701   |
|  | <b>26,211,292</b>   | 20,417,468   |
| <b>Net debt</b>  | <b>(11,776,119)</b> | (13,509,913) |
| <b>Contingencies (Note 10)</b>                           |                     |              |
| <b>Non-financial assets</b>                              |                     |              |
| Tangible capital assets (Schedule 1)                     | 23,323,119          | 22,172,516   |
| <b>Accumulated surplus</b>                               | <b>11,547,000</b>   | 8,662,603    |

Approved on behalf of the Chief and Council

|   |  |  |   |
|---|--|--|---|
| <br><br> | <b>Chief</b><br><br><b>Councillor</b><br><br><b>Councillor</b> | <br><br> | <b>Councillor</b><br><br><b>Councillor</b><br><br><b>Councillor</b> |
|---|--|--|---|

**Brokenhead Ojibway Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2022*

|   | <i>Schedules</i> | <i>2022<br/>Budget</i> | <i>2022</i>        | <i>2021</i> |
|---|------------------|------------------------|--------------------|-------------|
| <b>Revenue</b>  |                  |                        |                    |             |
| Indigenous Services Canada (Note 11)                                    |                  | 17,932,787             | <b>17,932,787</b>  | 12,604,665  |
| Product sales   |                  | 14,000,000             | <b>14,226,864</b>  | 13,534,748  |
| Other   |                  | 10,763,996             | <b>9,605,529</b>   | 4,002,459   |
| Video Lottery Terminal revenue (net of payouts)                         |                  | 1,690,000              | <b>1,619,292</b>   | 1,255,716   |
| Canada Mortgage and Housing Corporation                                 |                  | 260,000                | <b>260,128</b>     | 246,342     |
| Revenue deferred in prior year (Note 8)                                 |                  | 2,653,217              | <b>2,653,217</b>   | 2,487,286   |
| Revenue deferred to subsequent year (Note 8)                            |                  | (8,300,000)            | <b>(8,249,216)</b> | (2,653,217) |
|   |                  | <b>39,000,000</b>      | <b>38,048,601</b>  | 31,477,999  |
| <b>Segment expenses</b>   |                  |                        |                    |             |
| Governance  | 4                | 5,600,000              | <b>5,430,848</b>   | 2,116,882   |
| Health  | 5                | 4,300,000              | <b>4,267,805</b>   | 4,088,445   |
| Economic Development  | 6                | 5,400,000              | <b>5,360,354</b>   | 2,682,525   |
| Public Works  | 7                | 2,100,000              | <b>2,057,434</b>   | 2,086,319   |
| Education   | 8                | 400,000                | <b>372,137</b>     | 121,431     |
| Social Services   | 9                | 1,200,000              | <b>1,217,547</b>   | 1,764,218   |
| COVID-19  | 10               | 1,000,000              | <b>1,029,290</b>   | 3,038,218   |
| Economic Enterprises  | 11               | 16,200,000             | <b>16,091,409</b>  | 14,674,782  |
| Subsidized Housing  | 12               | 800,000                | <b>764,068</b>     | 646,550     |
| <b>Total segment expenses (Schedule 2)</b>                              |                  | <b>37,000,000</b>      | <b>36,590,892</b>  | 31,219,370  |
| <b>Surplus before other items</b>                                       |                  | <b>2,000,000</b>       | <b>1,457,709</b>   | 258,629     |
| <b>Other items</b>  |                  |                        |                    |             |
| Gain (loss) on investment in South Beach Group of Partnerships (Note 5) |                  | -                      | <b>1,426,688</b>   | (740,692)   |
| <b>Surplus (deficit)</b>  |                  | <b>2,000,000</b>       | <b>2,884,397</b>   | (482,063)   |

**Brokenhead Ojibway Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2022*

|   | <b>2022</b>       | <b>2021</b> |
|---|-------------------|-------------|
| <b>Accumulated surplus, beginning of year</b> | <b>8,662,603</b>  | 9,144,666   |
| <b>Surplus (deficit)</b>                      | <b>2,884,397</b>  | (482,063)   |
| <b>Accumulated surplus, end of year</b>       | <b>11,547,000</b> | 8,662,603   |

**Brokenhead Ojibway Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2022*

|   | 2022                | 2022                | 2021         |
|---|---------------------|---------------------|--------------|
| <b>Annual surplus (deficit)</b>         | 2,000,000           | <b>2,884,397</b>    | (482,063)    |
| Purchases of tangible capital assets    | (2,000,000)         | <b>(1,954,974)</b>  | (2,294,451)  |
| Amortization of tangible capital assets | -                   | <b>804,371</b>      | 1,246,748    |
| <b>Decrease (increase) in net debt</b>  | -                   | <b>1,733,794</b>    | (1,529,766)  |
| <b>Net debt, beginning of year</b>      | <b>(13,509,913)</b> | <b>(13,509,913)</b> | (11,980,147) |
| <b>Net debt, end of year</b>            | <b>(13,509,913)</b> | <b>(11,776,119)</b> | (13,509,913) |

**Brokenhead Ojibway Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2022*

|  | <b>2022</b>      | <b>2021</b> |
|--|------------------|-------------|
| <b>Cash provided by (used for) the following activities</b>    |                  |             |
| <b>Operating activities</b>                                    |                  |             |
| Surplus (deficit)  | 2,884,397        | (482,063)   |
| Non-cash items   |                  |             |
| Amortization   | 804,371          | 1,246,748   |
| Gain (loss) on investment in South Beach Group of Partnerships | (1,426,688)      | 740,692     |
|  | <b>2,262,080</b> | 1,505,377   |
| Changes in working capital accounts                            |                  |             |
| Accounts receivable  | (648,507)        | 219,623     |
| Inventory for resale   | (2,959)          | (1,499)     |
| Accounts payable and accruals                                  | 415,780          | 19,891      |
| Deferred revenue   | 5,595,999        | 165,931     |
|  | <b>7,622,393</b> | 1,909,323   |
| <b>Financing activities</b>                                    |                  |             |
| Advances of long-term debt                                     | 503,932          | 6,446,667   |
| Repayment of long-term debt                                    | (721,887)        | (2,226,579) |
|  | <b>(217,955)</b> | 4,220,088   |
| <b>Capital activities</b>                                      |                  |             |
| Purchases of tangible capital assets                           | (1,954,974)      | (2,294,451) |
| <b>Investing activities</b>                                    |                  |             |
| Withdrawal of Investment in South Beach Group of Partnerships  | 168,628          | 211,832     |
| Change in restricted cash                                      | (116,797)        | (484,773)   |
|  | <b>51,831</b>    | (272,941)   |
| <b>Increase in cash resources</b>                              | <b>5,501,295</b> | 3,562,019   |
| <b>Cash resources, beginning of year</b>                       | <b>2,961,338</b> | (600,681)   |
| <b>Cash resources, end of year</b>                             | <b>8,462,633</b> | 2,961,338   |

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**1. Operations**

Brokenhead Ojibway Nation (the "First Nation") is located in the province of Manitoba, and provides various services to its Members. Brokenhead Ojibway Nation includes the First Nation's 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 and include the following significant accounting policies:

***Reporting entity***

The Brokenhead Ojibway Nation reporting entity includes the First Nation government and all related organizations and departments that are either owned or controlled by the First Nation.

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

- B.O.N. Ltd.
- Baaskaandibewiziibii Trust
- BON Development Corporation
- BON Limited Partnership
- BON Pharmacy Ltd.
- Brokenhead Community Store Ltd.
- Brokenhead Entertainment Centre
- Brokenhead Grocery Ltd.
- Wavers of Brokenhead Ltd.
- Brokenhead Ojibway Nation Gaming Commission
- Brokenhead Ojibway Nation Housing Authority
- Brokenhead Ojibway Nation Mom's Seed Home

All inter-entity balances have been eliminated on consolidation.

The First Nation has consolidated its interest in a government business partnership known as the South Beach Group of Partnerships according to the modified equity method.

***Basis of presentation***

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes receivable and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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

***Cash and cash equivalents***

Cash and cash equivalents includes balances with banks and short-term savings accounts. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

***Inventory for resale***

Inventory for resale is valued at the lower of cost or net realizable value. Cost is determined by the weighted average cost method.

***Portfolio investments***

Portfolio investments are recorded at the lower of cost and net realizable value. The First Nation is considered a beneficial owner of 12.5% of Shawano Wapunong Investments Inc. (the "Company"). The First Nation's investment in Shawano Wapunong Investments Inc. meets the definition of a portfolio investment. When the Company was established, 100% of the common shares of the Company were purchased by the Southeast Resource Development Council Corp. to be held in trust for the beneficial owners. As a result, the First Nation's cost associated with the investment is \$nil (2021 - \$nil).

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of the First Nation 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 surplus. Trust moneys consist of:

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

***Investment in South Beach Group of Partnerships***

The investment in the South Beach Group of Partnerships is accounted for in accordance with the modified equity method. The First Nation's investment in South Beach Group of Partnerships is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreases by post acquisition losses and withdrawals.

***Net debt***

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

***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.

***Non-financial assets***

The First Nation's tangible capital assets are accounted for as assets because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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

***Tangible capital assets***

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

***Amortization***

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives.

|                        |          |
|------------------------|----------|
| Buildings              | 25 years |
| Equipment              | 5 years  |
| Infrastructure         | 40 years |
| Vehicles               | 5 years  |
| Subsidized Housing     | 25 years |
| Non-subsidized Housing | 25 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 value of an asset, or group of assets, may not be recoverable. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in the consolidated statement of operations for the year.

***Revenue recognition***

Government transfer revenue which includes, but is not limited to, grants from Indigenous Services Canada, 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 is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with the related department expenses in the year of their occurrence. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Video Lottery terminal revenue is recognized net of cash payouts.

Product sales revenue is recognized when goods have been provided to the customer. The First Nation generates product sales revenue through sales of pharmaceuticals, groceries, fuel and other confectionary items.

Gain (loss) on investment in South Beach Group of Partnerships is recognized in accordance with the modified equity method of accounting for the investment, and corresponds to the First Nation's proportionate share of the government business partnership's net surplus (deficit) earned during the year.

All other types of revenue are recognized by the First Nation when services are provided or the goods are shipped and collection is reasonably assured.

***Employee future benefits***

The First Nation's employee future benefit program consists of a defined contribution pension plan. The First Nation contributions to the defined contribution plan are expensed as incurred. Since employees are not entitled to a defined benefit, the First Nation does not have any liabilities with respect to employee future benefits.

***Financial instruments***

Financial instruments include cash, accounts receivable, restricted cash, investment in South Beach Group of Partnerships, accounts payable and accruals and long-term debt. Unless otherwise stated, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risk arising from the financial instruments.

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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

***Measurement uncertainty***

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 collectability and an allowance for doubtful accounts is provided where considered necessary. Inventory is recorded after consideration of any impairment or obsolescence. Amortization is based on the estimated useful lives of tangible capital assets. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue. Provisions for funding recoveries and site rehabilitation costs are recorded in accordance with management's estimates of future costs.

These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the consolidated statement of operations in the period in which they become known.

***Liability for contaminated sites***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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

**Segments**

The First Nation conducts its business through 9 reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's objectives to aid in resource allocation decisions, and to assess operational performance. These segments are differentiated by the major activities or services they provide.

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.

The First Nation's segments are as follows:

*Governance* - reports on administration and governance activities.

*Health* - reports on the First Nation's funding related to health and wellness.

*Economic Development* - reports on economic stimulus programs not funded by Indigenous Services Canada.

*Public Works* - reports on public works activities.

*Education* - reports on the operations of education programs.

*Social Services* - reports on social assistance programs.

*COVID-19* - reports on funding and expenditures pertaining to COVID-19.

*Economic Enterprises* - reports on the First Nation's businesses.

*Subsidized Housing* - reports on developing and sustaining on-reserve housing.

**3. Accounts receivable**

|   | 2022      | 2021      |
|---|-----------|-----------|
| Indigenous Services Canada  | 899,816   | 45,000    |
| Tenant rent   | 1,218,872 | 1,365,504 |
| Shawano Wapunong Investments Inc. (related to the First Nation as described Note 2) | 117,582   | 126,461   |
| Other   | 842,036   | 791,689   |
|   | <hr/>     | <hr/>     |
| Less: allowance for doubtful accounts - tenant rent                                 | 3,078,306 | 2,328,654 |
|   | <hr/>     | <hr/>     |
|   | 1,218,872 | 1,117,727 |
|   | <hr/>     | <hr/>     |
|   | 1,859,434 | 1,210,927 |
|   | <hr/>     | <hr/>     |

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**4. Inventory for resale**

|                         | <b>2022</b>    | 2021    |
|-------------------------|----------------|---------|
| Pharmaceutical products | 74,359         | 74,360  |
| Fuel                    | 48,670         | 48,669  |
| General merchandise     | <u>230,336</u> | 227,377 |
|                         | <b>353,365</b> | 350,406 |

**5. Investment in South Beach Group of Partnerships**

The investment in South Beach Group of Partnerships represents a one-seventh ownership interest in the following limited partnerships or companies:

1. South Beach Casino Limited Partnership

This limited partnership was formed to operate a casino and hotel on the Brokenhead Ojibway Nation land at Scanterbury, Manitoba. Brokenhead Ojibway Nation's investment is equal to that of 6 other First Nation limited partners.

2. South Beach Capital Partners Limited Partnership

This limited partnership was formed to purchase an intellectual property and license agreement with South Beach Casino Limited Partnership from the previous holder of the agreement. The agreement expires in May 2028. The agreement allows the South Beach Capital Partnership Limited Partnership to charge license fees to the South Beach Casino Limited Partnership. Brokenhead Ojibway Nation's investment is equal to that of 6 other First Nation limited partners.

3. SBCP Inc.

This company is owned equally by 7 First Nations, including Brokenhead Ojibway Nation. It's sole purpose is to act as the General Partner of the South Beach Capital Partners Limited Partnership.

4. South Beach Management Services Ltd.

This company is a wholly owned subsidiary company of the South Beach Capital Partners Limited Partnership. The company was established to provide management services to the South Beach Casino Limited Partnership.

5. South Beach Casino Inc.

This company is owned equally by 7 First Nations, including Brokenhead Ojibway Nation. It's sole purpose is to act as the General Partner of the South Beach Limited Partnership.

These transactions with these related entities were conducted in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

|                            | <b>2022</b>      | 2021      |
|----------------------------|------------------|-----------|
| Balance, beginning of year | 1,769,530        | 2,722,054 |
| Surplus (deficit)          | 1,426,688        | (740,692) |
| Draws                      | <u>(168,628)</u> | (211,832) |
| Balance, end of year       | <b>3,027,590</b> | 1,769,530 |

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**6. Restricted cash**

|   | <b>2022</b>    | <b>2021</b>    |
|---|----------------|----------------|
| CMHC - Replacement Reserve                        | 456,041        | 339,336        |
| First Nations Finance Authority debt reserve fund | 250,229        | 250,229        |
| First Nations Finance Authority - cash account    | 23,429         | 23,337         |
| Ottawa Trust fund                                 | 2,452          | 2,452          |
|   | <b>732,151</b> | <b>615,354</b> |

*CMHC replacement reserve*

As required as part of the First Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreements of CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

As at March 31, 2022 the amount required in the replacement reserve bank account was \$651,480 (2021 - \$611,806) and the replacement reserve bank account was underfunded by \$195,439 (2021 - \$272,470) .

*Ottawa Trust Fund*

The Ottawa Trust fund accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned, when it is measurable and collection is reasonably assured. Capital and revenue trust monies are transferred to the First Nation on authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council. Interest revenue earned in the Band Revenue account amounted to \$0 (2021 - \$28).

*First Nations Finance Authority debt reserve fund*

Pursuant to the financing arrangement that the First Nation has entered into with First Nations Finance Authority, amounts are held in trust by the First Nations Finance Authority to cover any unexpected defaults in the required monthly loan payments. During the year, the First Nation earned interest of \$0 (2021 - \$1,549) on the cash held in this debt reserve fund.

*First Nations Finance Authority - cash account*

The First Nation's cash account held with the First Nations Finance Authority represents the remaining amount of payments that the First Nation has made that have yet to be applied to principal or interest. During the year, the First Nation earned interest of \$92 (2021 - \$0) on the cash held in this debt reserve fund.

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**7. Accounts payable and accruals**

|  | <b>2022</b>      | 2021      |
|--|------------------|-----------|
| Indigenous Services Canada             | 177,440          | 177,440   |
| Government remittances payable         | 39,393           | 247,495   |
| Trade payables and accrued liabilities | <u>1,308,497</u> | 684,615   |
|  | <b>1,525,330</b> | 1,109,550 |

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**8. Deferred revenue**

Deferred revenue consists of government transfer revenue from Indigenous Services Canada and other funding sources which is restricted for particular purposes. The revenue is deferred and recognized when the eligible expenses have been incurred.

|  | <b>2022</b>      | 2021      |
|--|------------------|-----------|
| Assembly of Manitoba Chiefs Secretariat Inc. | 990,778          | -         |
| Indigenous Services Canada                   | <u>7,258,438</u> | 2,653,217 |
|  | <b>8,249,216</b> | 2,653,217 |

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**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**9. Long-term debt**

|   | <b>2022</b> | <b>2021</b> |
|---|-------------|-------------|
| BMO Building Loan - Repayable at \$19,849 monthly including interest at 3.86%, compounded semi-annually, maturity date April 2022.  | 1,890,964   | 2,052,868   |
| CMHC Mortgage Phase 2 - payments of \$4,984 per month including interest at 0.82%, maturity date of June 2024, secured by a Ministerial guarantee and assignment of fire insurance.                                     | 133,303     | 191,821     |
| CMHC Mortgage Phase 3 - payments of \$2,409 per month including interest at 1.67%, renewal date of July 2024, maturity date of October 2028, secured by a Ministerial guarantee and assignment of fire insurance.       | 180,107     | 205,780     |
| CMHC Mortgage Phase 4 - payments of \$2,501 per month including interest at 1.86%, renewal date of April 2024, maturity date of March 2029, secured by a Ministerial guarantee and assignment of fire insurance.        | 196,933     | 223,039     |
| CMHC Mortgage Phase 5 - payments of \$1,920 per month including interest 0.76%, renewal date of December 2025, maturity date of June 2030, secured by a Ministerial guarantee and assignment of fire insurance.         | 184,263     | 205,824     |
| CMHC Mortgage Phase 7 - payments of \$2,002 per month including interest at 2.39%, renewal date of March 2023, maturity date of March 2033, secured by a Ministerial guarantee and assignment of fire insurance.        | 232,355     | 250,618     |
| CMHC Mortgage Phase 8 - payments of \$2,410 per month including interest at 2.14%, renewal date of March 2024, maturity date of March 2034, secured by a Ministerial guarantee and assignment of fire insurance.        | 305,995     | 328,138     |
| CMHC Mortgage Phase 9 - payments of \$2,151 per month including interest at 0.71%, renewal date of November 2025, maturity date of February 2035, secured by a Ministerial guarantee and assignment of fire insurance.  | 318,615     | 342,087     |
| CMHC Mortgage Phase 11 - payments of \$2,620 per month including interest at 1.67%, renewal date of July 2024, maturity date of January 2039, secured by a Ministerial guarantee and assignment of fire insurance.      | 461,438     | 484,994     |
| CMHC Mortgage Phase 12 - payments of \$1,702 per month including interest at 0.70%, renewal date of September 2025, maturity date of March 2040, secured by a Ministerial guarantee and assignment of fire insurance.   | 345,422     | 363,369     |
| CMHC Mortgage Phase 13 - payments of \$1,507 per month including interest at 0.74%, renewal date of February 2026, maturity date of February 2046, secured by a Ministerial guarantee and assignment of fire insurance. | 396,403     | 411,702     |
| BMO Housing Loan - Repayable at \$10,168 monthly including interest at prime at 5.2%, maturity date December 2024.  | 1,015,353   | 1,082,033   |
| BMO Consolidation Loan - Repayable at \$37,609 monthly including interest at 3.29%, compounded semi-annually, maturity date June 2022.  | 3,122,045   | 3,545,451   |

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**9. Long-term debt** *(Continued from previous page)*

|   | <b>2022</b>       | 2021       |
|---|-------------------|------------|
| RBC Loan - Repayable at any point, no fixed terms, interest accruing at prime + 0.25%, compounded semi-annually.  | 1,098,188         | 961,732    |
| RBC Loan - Repayable at any point, no fixed terms, interest accruing at prime + 0.25%, compounded semi-annually.  | 959,810           | 832,218    |
| Vehicle loan, repayable in monthly instalments of \$1,136, maturing June 2025   | 43,164            | -          |
| CMHC Loan - Payments of \$2,272 per month including interest at 2.39%, maturity date of March 2033, secured by a Ministerial guarantee and assignment of fire insurance.  | 263,668           | 284,392    |
| CMHC construction loan for Phase 14, which will be converted to a long-term mortgage upon completion of the construction phase  | 503,932           | -          |
| First Nations Finance Authority loan, with payments of \$166,753 due every 6 months, including interest at 2.15%, maturing April 2050, with a scheduled renewal date of June 2030, secured by a first charge against particular non-government transfer revenue earned by the First Nation. | <b>4,784,788</b>  | 4,888,635  |
|   | <b>16,436,746</b> | 16,654,701 |

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

|      |         |
|------|---------|
| 2022 | 400,000 |
| 2023 | 430,000 |
| 2024 | 470,000 |
| 2025 | 520,000 |
| 2026 | 580,000 |

**10. Contingencies**

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. At year end it was not yet determined to what extent any funding amounts relating to the year ending March 31, 2022 might be recovered.

**Brokenhead Ojibway Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2022*

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**11. Indigenous Services Canada**

Indigenous Services Canada revenue recorded on the consolidated financial statements in the year ended March 31, 2022 and in the year ended March 31, 2022 agrees to the amounts stated on the year-end Indigenous Services Canada confirmation.

**12. Economic dependence**

Brokenhead Ojibway Nation receives a significant portion of its revenue from 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.

**13. Pension liabilities**

The First Nation remits its pension liabilities on a monthly basis and remittances were current at year end. Pension liabilities are not maintained in a separate bank account.

**14. Compliance with laws and regulations**

*The Manitoba Environmental Protection Act*

The Manitoba Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive lagoon and landfill sites. Under environmental law, there is a requirement for closure and post closure care of solid waste lagoon and landfill sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance.

As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discounted future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the First Nation is bound by environmental laws of the Manitoba Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

**15. Contingent assets**

Brokenhead Ojibway Nation has initiated certain legal claims against other parties. Settlement proceeds were not received prior to March 31, 2022 and such proceeds will be recognized as revenue in the year received.

**Brokenhead Ojibway Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2022*

|  | <i>Buildings</i> | <i>Equipment</i> | <i>Land</i>      | <i>Infrastructure</i> | <i>Vehicles</i> | <i>Subsidized<br/>Housing</i> | <i>Subtotal</i>   |
|--|------------------|------------------|------------------|-----------------------|-----------------|-------------------------------|-------------------|
| <b>Cost</b>                                      |                  |                  |                  |                       |                 |                               |                   |
| Balance, beginning of year                       | 9,685,912        | 2,207,042        | 5,414,700        | 9,657,771             | 1,382,360       | 6,659,836                     | 35,007,621        |
| Acquisition of tangible capital assets           | 786,200          | 3,458            | -                | 275,000               | 81,948          | 114,316                       | 1,260,922         |
| Balance, end of year                             | 10,472,112       | 2,210,500        | 5,414,700        | 9,932,771             | 1,464,308       | 6,774,152                     | 36,268,543        |
| <b>Accumulated amortization</b>                  |                  |                  |                  |                       |                 |                               |                   |
| Balance, beginning of year                       | 5,333,657        | 1,782,602        | -                | 6,472,063             | 1,192,548       | 3,652,466                     | 18,433,336        |
| Annual amortization                              | 189,814          | 85,234           | -                | 99,696                | 69,236          | 122,581                       | 566,561           |
| Balance, end of year                             | 5,523,471        | 1,867,836        | -                | 6,571,759             | 1,261,784       | 3,775,047                     | 18,999,897        |
| <b>Net book value of tangible capital assets</b> | <b>4,948,641</b> | <b>342,664</b>   | <b>5,414,700</b> | <b>3,361,012</b>      | <b>202,524</b>  | <b>2,999,105</b>              | <b>17,268,646</b> |
| 2021 Net book value of tangible capital assets   | 4,352,255        | 424,440          | 5,414,700        | 3,185,708             | 189,812         | 3,007,370                     | 16,574,285        |

**Brokenhead Ojibway Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2022*

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|   | <i>Subtotal</i>   | <i>Non-<br/>subsidized<br/>Housing</i> | 2022              | 2021              |
|---|-------------------|--|-------------------|-------------------|
| <b>Cost</b>   |                   |  |                   |                   |
| Balance, beginning of year                            | 35,007,621        | 11,464,521                             | 46,472,142        | 44,177,691        |
| Acquisition of tangible capital assets                | 1,260,922         | 694,052                                | 1,954,974         | 2,294,451         |
| <b>Balance, end of year</b>                           | <b>36,268,543</b> | <b>12,158,573</b>                      | <b>48,427,116</b> | <b>46,472,142</b> |
| <b>Accumulated amortization</b>                       |                   |  |                   |                   |
| Balance, beginning of year                            | 18,433,336        | 5,866,290                              | 24,299,626        | 23,052,878        |
| Annual amortization                                   | 566,561           | 237,810                                | 804,371           | 1,246,748         |
| <b>Balance, end of year</b>                           | <b>18,999,897</b> | <b>6,104,100</b>                       | <b>25,103,997</b> | <b>24,299,626</b> |
| <b>Net book value of tangible capital assets</b>      | <b>17,268,646</b> | <b>6,054,473</b>                       | <b>23,323,119</b> | <b>22,172,516</b> |
| <b>2021 Net book value of tangible capital assets</b> | <b>16,574,285</b> | <b>5,598,231</b>                       | <b>22,172,516</b> |                   |

**Brokenhead Ojibway Nation**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2022*

|  | <b>2022</b>       | <b>2021</b>       |
|--|-------------------|-------------------|
| <b>Consolidated expenses by object</b> |                   |                   |
| Amortization                           | 804,371           | 1,246,748         |
| Bank charges and interest              | 1,218,073         | 572,284           |
| COVID-19 relief transfer payments      | 84,850            | 1,452,568         |
| Community donations                    | 47,387            | 322,469           |
| Cost of sales                          | 11,285,770        | 11,398,656        |
| Income assistance                      | 527,863           | 1,322,564         |
| Professional fees                      | 2,200,891         | 2,082,179         |
| Purchased goods and services           | 6,525,341         | 2,702,424         |
| Repairs and maintenance                | 958,344           | 540,064           |
| Salaries and benefits                  | 7,383,087         | 7,187,070         |
| South Beach Casino - COVID-19          | 3,449,407         | -                 |
| South Beach Casino - IT project        | 92,377            | 1,067,807         |
| Telephone and Internet                 | 208,461           | 207,090           |
| Training and travel                    | 1,399,910         | 618,258           |
| Utilities                              | 404,760           | 499,189           |
|  | <b>36,590,892</b> | <b>31,219,370</b> |

**Brokenhead Ojibway Nation**  
**Schedule 3 - Consolidated Summary Schedule of Operations by Segment**  
*For the year ended March 31, 2022*

|                      | <i>Schedule #</i> | <i>Revenue and other items</i> | <i>Expenses</i> | <i>2022 Surplus (Deficit)</i> | <i>2021 Surplus (Deficit)</i> |
|----------------------|-------------------|--------------------------------|-----------------|-------------------------------|-------------------------------|
| <b>Segment</b>       |                   |                                |                 |                               |                               |
| Governance           | 4                 | 3,734,430                      | 5,430,848       | (1,696,418)                   | 197,685                       |
| Health               | 5                 | 4,251,557                      | 4,267,805       | (16,248)                      | (58,831)                      |
| Economic Development | 6                 | 6,150,646                      | 5,360,354       | 790,292                       | (1,821,598)                   |
| Public Works         | 7                 | 2,461,669                      | 2,057,434       | 404,235                       | 1,126,002                     |
| Education            | 8                 | 344,014                        | 372,137         | (28,123)                      | -                             |
| Social Services      | 9                 | 2,635,952                      | 1,217,547       | 1,418,405                     | (2,622)                       |
| COVID-19             | 10                | 1,029,172                      | 1,029,290       | (118)                         | (22,228)                      |
| Economic Enterprises | 11                | 18,169,868                     | 16,091,409      | 2,078,459                     | 276,948                       |
| Subsidized Housing   | 12                | 697,981                        | 764,068         | (66,087)                      | (177,419)                     |
|                      |                   | 39,475,289                     | 36,590,892      | 2,884,397                     | (482,063)                     |

**Brokenhead Ojibway Nation**  
**Governance**  
**Schedule 4 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|   | <b>2022</b>        | <b>2021</b> |
|---|--------------------|-------------|
| <b>Revenue</b>                            |                    |             |
| Other revenue                             | 2,803,707          | 2,276,565   |
| Indigenous Services Canada                | 2,636,660          | 651,000     |
| Revenue deferred in prior year            | 714,503            | 101,505     |
| Revenue deferred to subsequent year       | (2,785,022)        | (714,503)   |
|   | <b>3,369,848</b>   | 2,314,567   |
| <b>Expenses</b>                           |                    |             |
| Bank charges and interest                 | 918,039            | 468,476     |
| Professional fees                         | 262,835            | 129,594     |
| Purchased goods and services              | 1,122,621          | 366,378     |
| Repairs and maintenance                   | 53,799             | 154,573     |
| Salaries and benefits                     | 2,116,759          | 692,656     |
| Telephone and Internet                    | 41,106             | 34,547      |
| Training and travel                       | 915,689            | 259,835     |
| Utilities                                 | -                  | 10,823      |
|   | <b>5,430,848</b>   | 2,116,882   |
| <b>Surplus (deficit) before transfers</b> | <b>(2,061,000)</b> | 197,685     |
| <b>Transfers between segments</b>         | <b>364,582</b>     | -           |
| <b>Surplus (deficit)</b>                  | <b>(1,696,418)</b> | 197,685     |

**Brokenhead Ojibway Nation**  
**Health**  
**Schedule 5 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|                                     | <b>2022</b>      | <b>2021</b> |
|-------------------------------------|------------------|-------------|
| <b>Revenue</b>                      |                  |             |
| Indigenous Services Canada          | 4,039,075        | 3,955,665   |
| Other revenue                       | 298,055          | 75,107      |
| Revenue deferred in prior year      | 527,772          | 526,614     |
| Revenue deferred to subsequent year | (613,345)        | (527,772)   |
|                                     | <b>4,251,557</b> | 4,029,614   |
| <b>Expenses</b>                     |                  |             |
| Professional fees                   | 161,880          | 188,723     |
| Purchased goods and services        | 987,034          | 946,796     |
| Repairs and maintenance             | 166,569          | 151,204     |
| Salaries and benefits               | 2,504,786        | 2,512,209   |
| Telephone and Internet              | 83,050           | 70,339      |
| Training and travel                 | 342,530          | 99,264      |
| Utilities                           | 21,956           | 119,910     |
|                                     | <b>4,267,805</b> | 4,088,445   |
| <b>Deficit</b>                      | <b>(16,248)</b>  | (58,831)    |

**Brokenhead Ojibway Nation**  
**Economic Development**  
**Schedule 6 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|  | <b>2022</b>      | <b>2021</b> |
|--|------------------|-------------|
| <b>Revenue</b>   |                  |             |
| Indigenous Services Canada                                     | 4,237,415        | 1,920,957   |
| Other revenue  | 1,125,008        | 38,749      |
| Revenue deferred in prior year                                 | 571,911          | 213,824     |
| Revenue deferred to subsequent year                            | (845,794)        | (571,911)   |
|  | <b>5,088,540</b> | 1,601,619   |
| <b>Expenses</b>  |                  |             |
| Bank charges and interest                                      | 112              | 15,798      |
| Professional fees  | 1,456,201        | 1,377,456   |
| Purchased goods and services                                   | 324,353          | 71,972      |
| Repairs and maintenance  | -                | 4,042       |
| Salaries and benefits  | 113,989          | 125,862     |
| South Beach Casino - COVID-19                                  | 3,449,407        | -           |
| South Beach Casino - IT project                                | -                | 1,067,807   |
| Telephone and Internet   | 3,727            | -           |
| Training and travel  | 12,565           | 14,755      |
| Utilities  | -                | 4,833       |
|  | <b>5,360,354</b> | 2,682,525   |
| <b>Deficit before other items</b>                              | <b>(271,814)</b> | (1,080,906) |
| <b>Other items</b>   |                  |             |
| Gain (loss) on investment in South Beach Group of Partnerships | 1,426,688        | (740,692)   |
| Transfers between segments                                     | (364,582)        | -           |
|  | <b>1,062,106</b> | (740,692)   |
| <b>Surplus (deficit)</b>                                       | <b>790,292</b>   | (1,821,598) |

**Brokenhead Ojibway Nation**  
**Public Works**  
**Schedule 7 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|                                     | <b>2022</b>      | <b>2021</b> |
|-------------------------------------|------------------|-------------|
| <b>Revenue</b>                      |                  |             |
| Indigenous Services Canada          | 2,998,362        | 1,171,965   |
| Other revenue                       | 2,153,292        | 902,220     |
| Revenue deferred in prior year      | 463,428          | 1,601,564   |
| Revenue deferred to subsequent year | (3,153,413)      | (463,428)   |
|                                     | <b>2,461,669</b> | 3,212,321   |
| <b>Expenses</b>                     |                  |             |
| Amortization                        | 383,750          | 795,404     |
| Professional fees                   | 28,261           | 104,347     |
| Purchased goods and services        | 779,586          | 20,262      |
| Repairs and maintenance             | 467,215          | -           |
| Salaries and benefits               | 163,559          | 726,305     |
| Telephone and Internet              | 9,260            | 21,714      |
| Training and travel                 | 26,212           | 184,384     |
| Utilities                           | 199,591          | 233,903     |
|                                     | <b>2,057,434</b> | 2,086,319   |
| <b>Surplus</b>                      | <b>404,235</b>   | 1,126,002   |

**Brokenhead Ojibway Nation**  
**Education**  
**Schedule 8 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|                                     | <b>2022</b>     | <b>2021</b> |
|-------------------------------------|-----------------|-------------|
| <b>Revenue</b>                      |                 |             |
| Other revenue                       | 327,250         | 17,142      |
| Indigenous Services Canada          | 20,029          | 104,289     |
| Revenue deferred to subsequent year | (3,265)         | -           |
|                                     | <b>344,014</b>  | 121,431     |
| <b>Expenses</b>                     |                 |             |
| Professional fees                   | 7,383           | 45,715      |
| Purchased goods and services        | 204,794         | 19,810      |
| Repairs and maintenance             | 525             | 5,328       |
| Salaries and benefits               | 142,570         | 47,707      |
| Telephone and Internet              | 9,805           | 666         |
| Training and travel                 | 1,197           | 2,205       |
| Utilities                           | 5,863           | -           |
|                                     | <b>372,137</b>  | 121,431     |
| <b>Surplus (deficit)</b>            | <b>(28,123)</b> | -           |

**Brokenhead Ojibway Nation**  
**Social Services**  
**Schedule 9 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|                                     | <b>2022</b>      | <b>2021</b>      |
|-------------------------------------|------------------|------------------|
| <b>Revenue</b>                      |                  |                  |
| Indigenous Services Canada          | 2,601,331        | 1,828,578        |
| Other revenue                       | 25,000           | 308,621          |
| Revenue deferred in prior year      | 375,603          | -                |
| Revenue deferred to subsequent year | (365,982)        | (375,603)        |
|                                     | <b>2,635,952</b> | <b>1,761,596</b> |
| <b>Expenses</b>                     |                  |                  |
| Bank charges and interest           | 815              | 1,904            |
| Income assistance                   | 318,714          | 1,322,564        |
| Professional fees                   | 17,885           | 24,572           |
| Purchased goods and services        | 741,042          | 153,092          |
| Repairs and maintenance             | -                | 167              |
| Salaries and benefits               | 133,776          | 218,060          |
| Telephone and Internet              | 1,476            | 7,472            |
| Training and travel                 | 3,692            | 18,253           |
| Utilities                           | 147              | 18,134           |
|                                     | <b>1,217,547</b> | <b>1,764,218</b> |
| <b>Surplus (deficit)</b>            | <b>1,418,405</b> | <b>(2,622)</b>   |

**Brokenhead Ojibway Nation**  
**COVID-19**  
**Schedule 10 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|                                     | <b>2022</b>      | <b>2021</b> |
|-------------------------------------|------------------|-------------|
| <b>Revenue</b>                      |                  |             |
| Indigenous Services Canada          | 1,399,915        | 2,972,211   |
| Other revenue                       | 111,652          | -           |
| Revenue deferred in prior year      | -                | 43,779      |
| Revenue deferred to subsequent year | (482,395)        | -           |
|                                     | <b>1,029,172</b> | 3,015,990   |
| <b>Expenses</b>                     |                  |             |
| COVID-19 relief transfer payments   | -                | 1,452,568   |
| Professional fees                   | 1,617            | 32,093      |
| Purchased goods and services        | 638,815          | 295,991     |
| Repairs and maintenance             | 22,460           | 31,984      |
| Salaries and benefits               | 179,659          | 1,134,295   |
| Telephone and Internet              | 43,406           | 36,459      |
| Training and travel                 | 62,486           | 28,901      |
| Utilities                           | 80,847           | 25,927      |
|                                     | <b>1,029,290</b> | 3,038,218   |
| <b>Deficit</b>                      | <b>(118)</b>     | (22,228)    |

**Brokenhead Ojibway Nation**  
**Economic Enterprises**  
**Schedule 11 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|   | <b>2022</b>       | <b>2021</b> |
|---|-------------------|-------------|
| <b>Revenue</b>                                  |                   |             |
| Product sales                                   | 14,211,823        | 13,534,748  |
| Video Lottery Terminal revenue (net of payouts) | 1,619,292         | 1,255,716   |
| Other revenue                                   | 2,338,753         | 161,266     |
|   | <b>18,169,868</b> | 14,951,730  |
| <b>Expenses</b>                                 |                   |             |
| Amortization                                    | 168,083           | 217,745     |
| Bank charges and interest                       | 261,386           | 42,952      |
| COVID-19 relief transfer payments               | 84,850            | -           |
| Community donations                             | 47,387            | 322,469     |
| Cost of sales                                   | 11,285,770        | 11,398,656  |
| Income assistance                               | 209,149           | -           |
| Professional fees                               | 207,819           | 149,172     |
| Purchased goods and services                    | 1,680,814         | 757,310     |
| Repairs and maintenance                         | 117,667           | 96,753      |
| Salaries and benefits                           | 1,799,777         | 1,566,365   |
| South Beach Casino - IT project                 | 92,377            | -           |
| Telephone and Internet                          | 12,501            | 35,367      |
| Training and travel                             | 29,237            | 5,170       |
| Utilities                                       | 94,592            | 82,823      |
|   | <b>16,091,409</b> | 14,674,782  |
| <b>Surplus</b>                                  | <b>2,078,459</b>  | 276,948     |

**Brokenhead Ojibway Nation**  
**Subsidized Housing**  
**Schedule 12 - Consolidated Schedule of Segment Operations**  
*For the year ended March 31, 2022*

|   | <b>2022</b>     | <b>2021</b> |
|---|-----------------|-------------|
| <b>Revenue</b>                          |                 |             |
| CMHC subsidies and tenant rent          | 422,813         | 222,789     |
| Canada Mortgage and Housing Corporation | 260,128         | 246,342     |
| Product sales                           | 15,040          | -           |
|   | <b>697,981</b>  | 469,131     |
| <b>Expenses</b>                         |                 |             |
| Amortization                            | 252,538         | 233,599     |
| Bank charges and interest               | 37,720          | 43,154      |
| Professional fees                       | 57,010          | 30,507      |
| Purchased goods and services            | 46,282          | 70,813      |
| Repairs and maintenance                 | 130,108         | 96,013      |
| Salaries and benefits                   | 228,212         | 163,611     |
| Telephone and Internet                  | 4,131           | 526         |
| Training and travel                     | 6,302           | 5,491       |
| Utilities                               | 1,765           | 2,836       |
|   | <b>764,068</b>  | 646,550     |
| <b>Deficit</b>                          | <b>(66,087)</b> | (177,419)   |