
BLOODVEIN FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

BLOODVEIN FIRST NATION

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

INDEPENDENT AUDITOR'S REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION STATEMENT 1

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS STATEMENT 2

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT STATEMENT 3

CONSOLIDATED STATEMENT OF CASH FLOWS STATEMENT 4

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

Chief and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Baker Tilly HMA LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to the financial management of Bloodvein First Nation and meet when required.

Chief

Councillor

Councillor

Councillor

Councillor

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INDEPENDENT AUDITOR'S REPORT

To the Chief, Council and Membership
Bloodvein First Nation

Opinion

We have audited the consolidated financial statements of Bloodvein First Nation, which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations and accumulated surplus, changes 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Bloodvein First Nation as at March 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the 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 Bloodvein 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 Bloodvein First Nation or to cease operations, or has no realistic alternative but to do so.

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

(continued.....)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bloodvein 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 Bloodvein 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 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 Bloodvein First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Baker Tilly HMA LLP

Chartered Professional Accountants

Winnipeg, Manitoba
May 9, 2024

BLOODVEIN FIRST NATION**STATEMENT 1****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****MARCH 31****2023****2022****FINANCIAL ASSETS**

Cash - unrestricted	\$ 9,046,956	\$ 10,137,588
Restricted cash (Note 4)	679,184	2,288,184
Accounts receivable (Note 5)	1,222,966	2,062,532
Long term investments (Note 6)	<u>3,399,700</u>	<u>3,027,601</u>
	<u>14,348,806</u>	<u>17,515,905</u>

LIABILITIES

Accounts payable and accrued liabilities (Note 7)	803,473	3,414,117
Deferred revenue (Note 8)	10,452,948	10,825,136
Long term debt (Note 9)	<u>8,158,331</u>	<u>8,721,018</u>
	<u>19,414,752</u>	<u>22,960,271</u>
NET DEBT	(5,065,946)	(5,444,366)

NON-FINANCIAL ASSETS

Tangible capital assets (Note 10)	19,751,506	21,081,971
Construction in progress (Note 11)	30,950,948	26,548,668
Prepaid expenses	<u>60,668</u>	<u>25,241</u>
	<u>50,763,122</u>	<u>47,655,880</u>
ACCUMULATED SURPLUS (Note 12)	\$ 45,697,176	\$ 42,211,514

CONTINGENT LIABILITIES (Note 13)

Approved on behalf of Chief and Council:


Chief
Councillor
Councillor
Councillor
Councillor

BLOODVEIN FIRST NATION

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2023	2022
REVENUE			
Indigenous Services Canada (ISC) <i>(Note 14)</i>	\$ 13,468,913	\$ 15,827,130	\$ 22,551,197
Canada Mortgage and Housing Corporation (CMHC)	501,804	525,645	1,864,455
Employment and Social Development Canada	221,434	53,358	232,445
South Beach Casino Limited Partnership - net	860,000	1,437,713	1,383,200
Private funds	114,183	799,244	1,541,105
Assembly of Manitoba Chiefs		504,467	
Rental and user fees	369,040	426,770	493,962
Sales - fuel farm	350,000	394,443	455,237
Norwin Construction Ltd.		186,729	193,014
Proceeds from insurance		140,213	
Interest income		105,159	
Manitoba First Nation Education Resource Centre			70,000
Southeast Resource Development Council Corp.		82,231	167,231
Canada Post	47,000	58,321	47,998
Province of Manitoba		25,982	25,907
Equipment rental and other own source		9,200	147,270
Deferred from prior year	5,707,476	10,825,136	8,220,912
Deferred to following year	(7,918,051)	(10,452,948)	(10,825,136)
	<u>13,721,799</u>	<u>20,948,793</u>	<u>26,568,797</u>
EXPENDITURES			
Administration	691,655	1,704,910	1,433,795
Capital Projects		401,708	598,536
Economic Development	761,680	2,274,721	1,030,787
Education	46,015	317,918	325,360
Employment and Training	221,434	313,966	458,124
First Nation Programs	58,535	764,934	904,004
Health	3,189,913	4,651,159	3,772,187
Housing	877,814	1,458,269	1,136,069
Operations and Maintenance	1,258,565	1,333,153	2,198,133
Social Assistance	<u>2,796,791</u>	<u>4,242,393</u>	<u>3,030,751</u>
	<u>9,902,402</u>	<u>17,463,131</u>	<u>14,887,746</u>
ANNUAL SURPLUS	3,819,397	3,485,662	11,681,051
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>42,211,514</u>	<u>42,211,514</u>	<u>30,530,463</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 46,030,911</u>	<u>\$ 45,697,176</u>	<u>\$ 42,211,514</u>

BLOODVEIN FIRST NATION

STATEMENT 3

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2023	2022
Annual surplus	\$ 3,819,397	\$ 3,485,662	\$ 11,681,051
Acquisition of tangible capital assets	(640,000)	(637,953)	(746,722)
Amortization of tangible capital assets	1,950,000	1,968,418	1,863,039
Acquisition of construction in progress	(4,400,000)	(4,402,280)	(11,158,793)
	(3,090,000)	(3,071,815)	(10,042,476)
Acquisition of prepaid expenses	(50,000)	(60,668)	(25,241)
Use of prepaid expenses	30,000	25,241	32,335
	(20,000)	(35,427)	7,094
CHANGE IN NET DEBT FOR YEAR	709,397	378,420	1,645,669
NET DEBT, <i>beginning of year</i>	(5,444,366)	(5,444,366)	(7,090,035)
NET DEBT, <i>end of year</i>	\$ (4,734,969)	\$ (5,065,946)	\$ (5,444,366)

BLOODVEIN FIRST NATION**STATEMENT 4****CONSOLIDATED STATEMENT OF CASH FLOWS****YEAR ENDED MARCH 31****2 0 2 3****2 0 2 2****CASH FLOW FROM*****OPERATING ACTIVITIES***

Cash received from Indigenous Services Canada (ISC)	\$ 15,827,130	\$ 22,570,950
Cash received from other sources	5,589,130	5,022,159
Cash paid to suppliers and employees	(18,319,233)	(13,354,125)
Interest on long term debt	(193,739)	(222,271)
	<u>2,903,288</u>	<u>14,016,713</u>

INVESTING ACTIVITIES

Acquisition of tangible capital assets	(637,953)	(746,722)
Acquisition of construction in progress	(4,402,280)	(11,158,793)
	<u>(5,040,233)</u>	<u>(11,905,515)</u>

FINANCING ACTIVITIES

Proceeds of long term debt		742,101
Repayment of long term debt	(562,687)	(749,503)
	<u>(562,687)</u>	<u>(7,402)</u>

NET INCREASE (DECREASE) IN CASH DURING YEAR

CASH, <i>beginning of year</i>	<u>12,425,772</u>	<u>10,321,976</u>
CASH, <i>end of year</i>	<u>\$ 9,726,140</u>	<u>\$ 12,425,772</u>

Cash consists of the following:

Cash - unrestricted	\$ 9,046,956	\$ 10,137,588
Restricted cash	679,184	2,288,184
	<u>\$ 9,726,140</u>	<u>\$ 12,425,772</u>

BLOODVEIN FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

1. NATURE OF OPERATIONS

The Bloodvein First Nation ("the First Nation") is located in the province of Manitoba and provides various services to its members.

The Bloodvein First Nation reporting entity includes all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The Bloodvein First Nation ("the First Nation") is located in the province of Manitoba and provides various services to its members.

The Bloodvein First Nation reporting entity includes all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

REPORTING ENTITY

The consolidated financial statements report the financial activities of all entities and departments comprising the reporting entity of the First Nation.

PRINCIPLES OF CONSOLIDATION

All entities controlled by the First Nation are fully consolidated on a line-by-line basis except for the commercial enterprises that meet the definition of a government business enterprise, which are included in the consolidated financial statements using the modified equity method of accounting.

These consolidated financial statements combine the assets, liabilities, revenue and expenditures of the following entities and departments:

- Bloodvein First Nation
- Bloodvein First Nation Health Authority
- Bloodvein First Nation Housing Authority

All inter-entity balances have been eliminated on consolidation.

However, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Incorporated and unincorporated business entities which are owned and controlled by the First Nation but which are not dependent on the First Nation for their continuing operations are included in the consolidated financial statements using the modified equity method of accounting whereby only the First Nation's investment in the government business enterprise and the business enterprise's net income and other changes in equity are recorded.

The enterprise's accounting principles are not adjusted to conform to those of the First Nation.

Entities accounted for by the modified equity method include:

- South Beach Casino Limited Partnership (which includes South Beach Capital Partners Limited Partnership and South Beach Management Services Ltd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)******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 provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale.

Non-financial assets include tangible capital assets, construction in progress and prepaid expenses.

CASH - UNRESTRICTED

Cash - unrestricted includes cash on hand, balances with banks net of bank overdrafts and short-term investments having a maturity of three months or less at acquisition which are held for the purpose of meeting short term cash commitments.

RESTRICTED CASH

Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

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 liabilities less its financial assets.

Net debt is comprised of two components, non-financial assets and accumulated surplus.

NON-FINANCIAL ASSETS

The First Nation's tangible capital assets and other non-financial 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 First Nation unless they are sold.

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 losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount.

Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value.

Any impairment is included in the statement of operations and accumulated surplus for the year in which the asset becomes impaired.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)******TANGIBLE CAPITAL ASSETS***

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods or delivering services.

Tangible capital assets acquired are reported at net book value.

Residential buildings acquired under Canada Mortgage and Housing Corporation ("CMHC") sponsored programs are amortized at a rate equivalent to the annual principal reduction in the related long term debt.

Assets under construction are not amortized until the asset is available to be put into service.

Contributions received to assist in the acquisition of tangible capital assets are reported as deferred revenue and amortized at the same rate as the related asset.

Amortization of tangible capital assets is provided for on the declining balance basis at the following annual rates:

Environmental infrastructure	2.50%
Equipment	10.00 - 33.33%
Facilities	2.50 - 5.00%
Transportation infrastructure	2.50%
Vehicles	20.00%

Amortization is computed at one-half of the annual rate in the year of acquisition.

REVENUErecognition

Revenue is recognized in the year in which the transactions or events occurred that gave rise to the revenue.

All revenue is recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when its estimation is impracticable.

Government transfer revenue which includes Indigenous Services Canada (ISC) and Canada Mortgage and Housing Corporation (CMHC) is recognized as revenue when the transfer is authorized and any eligibility criteria under the terms of the applicable funding agreement are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability.

Transfer revenue is recognized in the statement of operations and accumulated surplus as the stipulations are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service performed.

All other types of revenue are recognized by the First Nation when the services are provided or the goods are shipped.

SEGMENTS

The First Nation conducts its business through ten reportable segments as identified in Note 17.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***

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 segment separately reported, the segment revenue and expenditures 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 Basis of Presentation and Summary of Significant Accounting Policies.

ASSET RETIREMENT OBLIGATION

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at management's best estimate at the present fair value of the estimated future cash flows required to settle the retirement obligation. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations.

FINANCIAL INSTRUMENTS**Measurement**

The First Nation measures all of its financial assets and financial liabilities at cost or amortized cost, except for the following, which are measured at fair value without any adjustment for transaction costs: derivatives, marketable securities in equity instruments that are quoted in an active market and marketable securities that the Nation has elected to measure at fair value. The effective interest rate method is used to determine interest revenue or expenses for financial instruments measured at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and federal trust funds. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long term debt.

No financial assets are measured at fair value.

Transaction costs

Transaction costs attributable to financial instruments measured at fair value are recognized in the Statement of Operations in the period incurred. Transaction costs for financial instruments measured at cost or amortized cost are recognized in the original cost of the instrument.

Impairment

At the end of each reporting period, management assesses financial assets or groups of financial assets for evidence of objective impairment. An impairment loss is recognized in the Statement of Operations when there is a loss in value that is other than temporary. Future recoveries of impaired financial assets are recognized in the Statement of Operations when received.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)******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 certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of certain revenue and expenditures during the reporting year.

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

Amortization of tangible capital assets is provided for on the declining balance basis.

Asset retirement obligations are estimated based on the present value of the required cost at retirement of specific assets.

Capitalization of labour costs is based on an estimate of the proportionate share of direct labour and overhead labour.

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

3. CHANGE IN ACCOUNTING POLICY***ASSET RETIREMENT OBLIGATIONS***

On April 1, 2022, the First Nation adopted the PSAS Section (PS 3280) "Asset Retirement Obligations". The new standard includes the requirement for the recognition, measurement, presentation and disclosure of asset retirement obligations and is effective for year beginning on or after April 1, 2022. There was no significant impact on these consolidated financial statements as a result of the adoption of this standard as no legal or constructive obligations were identified.

FINANCIAL INSTRUMENTS

On April 1, 2022 the First Nation adopted the PSAS Section (PS3450) "Financial Instruments". The new standard establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. There was no significant impact on these consolidated financial statements as a result of the adoption of these standards.

As part of the adoption of PSAS 3450, on April 1, 2022, the First Nation was also required to adopt PSAS Section (PS 3041) "Portfolio Investments" which has removed the distinction between temporary and portfolio investments, PSAS Section (PS 2601) "Foreign Currency Translation" which requires unrealized gains and losses to be presented on the statement of re-measurement gains and losses and PSAS Section (PS 1201) "Financial Statement Presentation" which requires a new statement of remeasurement gains and losses separate from the statement of operations. The adoption of these standards/amendments had no significant impact on the First Nation's consolidated financial statements and there are no remeasurement gains and losses, so no statement has been presented.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****4. RESTRICTED CASH*****CAPITAL PROJECTS***

Capital projects funding provided by Indigenous Services Canada (ISC) whereby monies are held in a separate joint bank account with a contracted capital projects manager is restricted for project related expenditures as approved by ISC in accordance with the applicable agreement.

CMHC REPLACEMENT RESERVE

Under the terms of the operating agreements with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve is to be credited with an annual allocation of \$76,545 (March 31, 2022 - \$77,383).

The annual replacement reserve allocation for new CMHC housing projects during the year is pro-rated consistent with the interest adjustment date established for the corresponding mortgage.

These funds, along with accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

The funds in the account may only be used as approved by CMHC.

Expenditures are charged to accumulated interest first and then to principal.

As of March 31, 2023, the accumulated balance of \$1,050,035 (March 31, 2022 - \$627,502) in this reserve was underfunded by \$631,869 (March 31, 2022 - \$212,825) and due from operating.

OTTAWA TRUST FUND

The Ottawa Trust Fund arises from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act.

Capital trust monies are derived from non-renewable resource transactions on the sale of lands or other First Nation tangible capital assets.

Capital trust monies are expended on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Chief and Council.

Revenue trust monies are generated primarily through land-leasing transactions or interest earned on deposits in the Consolidated Revenue Fund of the Government of Canada.

Revenue trust monies are, in most cases, managed and expended under the provisions of Sections 63 to 69 of the Indian Act.

	2 0 2 3	2 0 2 2
Capital Project - Lake Winnipeg School Bundle	\$ 234,859	\$ 1,848,266
CMHC Replacement Reserve	417,705	414,677
Ottawa Trust Fund	<u>26,620</u>	<u>25,241</u>
	<u><u>\$ 679,184</u></u>	<u><u>\$ 2,288,184</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

5. ACCOUNTS RECEIVABLE

	2 0 2 3	2 0 2 2
Indigenous Services Canada (ISC):		
Connectivity - Cell Phone Service Infrastructure	325,000	
Design - Construction	233,833	
Firesmart	27,500	27,500
Social - Basic Needs	154,000	154,000
Community Facilities O&M	- <u>12,044</u>	
	415,333	518,544
Canada Mortgage and Housing Corporation (CMHC)	42,133	431,762
Shawano Consulting		16,841
Trade and other	<u>765,500</u>	<u>1,095,385</u>
	<u><u>\$ 1,222,966</u></u>	<u><u>\$ 2,062,532</u></u>

6. LONG TERM INVESTMENTS

	2 0 2 3	2 0 2 2
South Beach Casino Limited Partnership	<u><u>\$ 3,399,700</u></u>	<u><u>\$ 3,027,601</u></u>

The First Nation's investment in South Beach Casino Limited Partnership (which includes South Beach Capital Partners Limited Partnership and South Beach Management Services Ltd.) represents a one-seventh ownership that was established for the purpose of operating a casino and hotel on the Brokenhead Ojibway Nation land at Scanterbury, Manitoba.

The investment in this partnership is accounted for in accordance with the modified equity method.

The First Nation's investment in the partnership is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and withdrawals.

Summary information for South Beach Casino Limited Partnership has not been disclosed in the notes to these consolidated financial statements due to its sensitive nature.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 3	2 0 2 2
Trade payables	\$ 136,238	\$ 106,768
Accrued interest payable	18,283	16,794
Accrued payroll and employee source deductions payable	2,500	53,840
Other accrued liabilities - capital projects	196,329	1,991,150
Other accrued liabilities - operating	<u>450,123</u>	<u>1,245,565</u>
	<u><u>\$ 803,473</u></u>	<u><u>\$ 3,414,117</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

8. DEFERRED REVENUE

	2 0 2 3	2 0 2 2
Indigenous Services Canada (ISC):		
Design Construction School	\$ 249,493	\$
Major Renovations, Extensions and Repairs	302,489	
Environmental Site Assessment No. 1	14,453	14,453
Environmental Site Assessment No. 2	54,000	54,000
Construction - Lake Winnipeg School	182,884	2,812,870
Capital - Surge Protection Nursing Station	6,300	6,300
Connectivity - Cell Phone Service Infrastructure	325,000	325,000
Economic Development - ISC	245,620	245,620
Education & Innovation	28,173	16,120
FN & Inuit - Skills Link Program	160,951	75,137
Renovation	37,572	240,000
On-Reserve Housing Planning Design & Construction	1,037,250	
Housing Capacity Innovations	57,637	25,156
Construction - New Housing	393,815	1,088,561
Fire Protection	32,462	15,031
Community Buildings	84,754	24,720
Roads and Bridges	84,048	31,173
Wastewater Systems	181,393	150,759
Community Development Infrastructure Plan	25,000	
Community Service - Community Landfill	35,193	121,545
Capacity Building (Capacity Enhancement)	94,077	49,077
Capacity Building (Covid-19)	25,000	
ICSF 4 - EMAP (Covid-19)	647,437	340,742
Firesmart	13,392	13,392
Social - Basic Needs	862,071	185,232
Social - Basic Needs (Covid-19)	7,922	759,558
Social - Special Needs	28,883	38,953
Social - Special Needs (Covid-19)	20,762	
Social - Service Delivery	299,126	79,762
Social - Service Delivery (Covid-19)	234,212	234,212
First Nations and Inuit Youth Employment Strategy (IAFNYES)	51,702	
CFS Prevention - Least Disruptive Measures	1,121,958	
CFS FN Representative Services	335,355	
Health Planning Management (HPM)	251,065	120,406
Community Health Facilities - O&M		9,902
Canada Prenatal Nutrition Program (CPNP)		7,751
Nursing Support	1,035	
Community Health Representative (CHR)	7,474	13,665
Building Healthy Communities (BHC)	13,511	15,020
Brighter Futures Initiative (BFI)	39,946	14,201
Youth Solvent Abuse Program (YSAP)	12,411	8,664
National Native Alcohol and Drug Abuse Program (NNADAP)	15,376	30,376
Aboriginal Diabetes Initiative (ADI)	13,837	26,756

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****8. DEFERRED REVENUE *(continued)***

Accreditation Services	159,538	149,538
Drinking Water and Wastewater	9,099	6,434
Home and Community Care (HCC)	19,934	156,638
Medical Transportation - Client-Insured Services	257,915	169,887
Medical Transportation - Administration	97,770	53,310
Community Health Facilities - Security	37,122	30,854
Jordan's Principle - Respite Care	593,653	404,897
Jordan's Principle - Major Capital (Climate Change)	17,000	
Communicable Disease Control & Management	340,718	411,883
Other sources	1,305,922	<u>2,226,819</u>
	\$ 10,452,948	<u>\$ 10,825,136</u>

9. LONG TERM DEBT**2 0 2 3****2 0 2 2**

CMHC mortgage #19 342 070 001, repayable in monthly installments of \$3,344 including interest at the rate of 2.01%, renews July 2026, matures July 2026.

\$ 129,303 \$ 166,440

CMHC mortgage #19 342 070 002, repayable in monthly installments of \$1,724 including interest at the rate of 3.29%, renews September 2027, matures September 2032.

168,703 224,861

CMHC mortgage #19 342 070 003, repayable in monthly installments of \$3,144 including interest at the rate of 2.50%, renews June 2023, matures May 2033.

338,621 367,537

CMHC mortgage #19 342 070 004, repayable in monthly installments of \$2,482 including interest at the rate of 1.69%, renews September 2024, matures July 2034.

307,102 331,492

CMHC mortgage #19 342 070 005, repayable in monthly installments of \$3,100 including interest at the rate of 1.57%, renews December 2026, matures July 2036.

447,345 477,285

CMHC mortgage #19 342 070 006, repayable in monthly installments of \$2,587 including interest at the rate of 3.04%, renews June 2027, matures October 2036.

345,481 366,816

CMHC mortgage #19 342 070 007, repayable in monthly installments of \$4,122 including interest at the rate of 4.65%, renews July 2023, matures January 2038.

530,762 560,189

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****9. LONG TERM DEBT *(continued)***

CMHC mortgage #19 342 070 008, repayable in monthly installments of \$2,264 including interest at the rate of 1.77%, renews May 2023, matures November 2039.	391,983	412,041
CMHC mortgage #19 342 070 009, repayable in monthly installments of \$1,504 including interest at the rate of 1.13%, renews June 2026, matures November 2040.	290,279	304,969
CMHC mortgage #19 342 070 010, repayable in monthly installments of \$3,237 including interest at the rate of 1.12%, renews October 2026, matures April 2041.	635,632	667,176
CMHC mortgage #19 342 070 011, repayable in monthly installments of \$2,009 including interest at the rate of 3.12%, renews April 2028, matures April 2043.	360,177	373,975
CMHC mortgage #19 342 070 012, repayable in monthly installments of \$7,055 including interest at the rate of 1.87%, renews May 2024, matures May 2039.	1,180,961	1,242,986
CMHC mortgage #19 342 070 013, repayable in monthly installments of \$4,139 including interest at the rate of 0.98%, renews April 2025, matures April 2040.	781,114	822,921
CMHC mortgage #19 342 070 014, repayable in monthly installments of \$3,452 including interest at the rate of 1.01%, renews August 2026, matures August 2041.	695,940	730,159
First Nations Bank of Canada loan, repayable in monthly installments of \$2,810 plus interest at the rate of prime (6.70%) plus 3.20%, matures May 2037.	477,650	511,366
First Nations Bank of Canada loan, repayable in monthly installments of \$2,924 plus interest at the rate of prime (6.70%) plus 2.80%, matures December 2029.	386,514	421,601
First Nations Bank of Canada loan, repayable in monthly installments of \$1,963 including interest at the rate of 3.49%, renews September 2024, matures September 2034.	222,531	238,076
First Nations Bank of Canada loan, repayable in monthly installments of \$1,450 including interest at the rate of 3.49%, renews September 2024, matures September 2034.	164,463	175,951
First Nations Bank of Canada loan, repayable in monthly installments of \$655 plus interest at the rate of prime (6.70%) plus 3.20%, matures May 2037.	82,572	90,436
First Nations Bank of Canada loan, repayable in monthly installments of \$1,994 plus interest at the rate of 5.08%, renews July 2024, matures July 2039.	221,198	<u>234,741</u>
	\$ 8,158,331	<u>\$ 8,721,018</u>

9. LONG TERM DEBT *(continued)*

CMHC mortgages are secured by a ministerial guarantee from the Minister of Indigenous Services Canada and assignment of fire insurance and are insured by CMHC.

First Nations Bank of Canada loans are secured by a general security agreement, assignment of designated property, Band Council Resolutions authorizing the borrowing and assignment of all risks insurance.

The aggregate of principal payments required within the next five years to meet retirement provisions, assuming long term debt subject to refinancing is renewed, is estimated as follows:

March 31, 2024	\$ 521,776
2025	531,480
2026	541,453
2027	524,815
2028	521,195

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

10. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions, Adjustments and Disposals	Closing Balance	Opening Balance	Amortization	Closing Balance	Total	Total
							2023	2022
CMHC housing	\$ 10,331,510	\$	\$ 10,331,510	\$ 2,856,135	\$ 406,561	\$ 3,262,696	\$ 7,068,814	\$ 7,475,375
Environmental infrastructure	5,671,501		5,671,501	4,528,514	109,439	4,637,953	1,033,548	1,142,987
Equipment	1,135,700	49,774	1,185,474	603,676	84,339	688,015	497,459	532,024
Facilities	46,157,788		46,157,788	36,615,979	967,516	37,583,495	8,574,293	9,541,809
Land	1,716,192		1,716,192	809,123	106,972	916,095	800,097	907,069
Transportation infrastructure	2,417,273		2,417,273	1,496,331	42,270	1,538,601	878,672	920,942
Vehicles	<u>3,742,522</u>	<u>588,179</u>	<u>4,330,701</u>	<u>3,180,757</u>	<u>251,321</u>	<u>3,432,078</u>	<u>898,623</u>	<u>561,765</u>
	<u>\$ 71,172,486</u>	<u>\$ 637,953</u>	<u>\$ 71,810,439</u>	<u>\$ 50,090,515</u>	<u>\$ 1,968,418</u>	<u>\$ 52,058,933</u>	<u>\$ 19,751,506</u>	<u>\$ 21,081,971</u>

11. CONSTRUCTION IN PROGRESS

2023

Lake Winnipeg School bundle \$ 30,950,948 \$ 26,548,668

The costs of construction in progress for these projects will be transferred to tangible capital assets upon completion and subsequently amortized accordingly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****12. ACCUMULATED SURPLUS**

	2 0 2 3	2 0 2 2
Accumulated surplus from operations	\$ 2,103,018	\$ 2,284,391
Equity in tangible capital assets and construction in progress	42,544,123	38,909,621
Replacement reserve	<u>1,050,035</u>	<u>1,017,502</u>
	<u><u>\$ 45,697,176</u></u>	<u><u>\$ 42,211,514</u></u>

13. CONTINGENT LIABILITIES

The First Nation receives funding from various government agencies based on specified program needs and budgets and allocates certain expenses to the various programs.

In many cases the funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their funding agreements.

At this time, it was not yet determined to what extent any funding amounts related to the fiscal year ended March 31, 2023 might be recovered.

For accounting purposes, any amounts assessed or claims paid will be accounted for in the year of determination.

14. RECONCILIATION OF INDIGENOUS SERVICES CANADA (ISC) REVENUE

	2 0 2 3	2 0 2 2
ISC funding per agreement #2122-MB-000005 (MANITOBA)	<u>\$ 15,827,130</u>	<u>\$ 22,551,197</u>
Total ISC revenue per financial statements	<u><u>\$ 15,827,130</u></u>	<u><u>\$ 22,551,197</u></u>

15. ECONOMIC DEPENDENCE

Bloodvein First Nation receives a majority of its revenue from Indigenous Services Canada (ISC) pursuant to funding arrangements with the Government of Canada.

The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by the funding arrangements.

16. RELATED PARTY TRANSACTIONS

In the normal course of operations, the First Nation enters into transactions with related parties.

Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Due to the significant volume of transactions between the First Nation and its related parties, aggregate revenue and expenditures derived from related party transactions is not determinable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

17. SEGMENTS

The First Nation has ten reportable segments.

These segments are differentiated by the major activities or services they provide.

The First Nation's segments are as follows:

Administration - activities include the governance function relating to decisions that define expectations, grant power or verify performance consisting of decision-making and leadership processes.

Capital projects - activities include the planning, managing and delivery of large scale infrastructure and capital projects to the community.

Economic Development - benefits include better access to more and larger businesses and business opportunities both within and beyond the community and a better economic environment.

Education - activities include overseeing many aspects of educational opportunities for community members at all levels of learning both within the community and externally.

Employment and Training - activities include the delivery of culturally sensitive employment services to assist community members in identifying and overcoming potential barriers to employment and to find and maintain meaningful employment.

First Nation Programs - activities include the management and expenditure of revenue generated within the community.

Health - activities include the delivery of programs to promote community health and to address environmental issues and non-insured health benefits.

Housing - activities include the provision of residential housing opportunities for community members.

Operations and Maintenance - activities include the development and maintenance of the community's infrastructure, buildings, roads, bridges and related equipment and the provision of other more specialized community services.

Social Assistance - activities include satisfying the economic, social or health related needs of community members who require assistance.

18. BUDGET INFORMATION

The disclosed budget information has been approved by Chief and Council of Bloodvein First Nation.

The budget figures have not been audited, reviewed or otherwise verified and consequently we do not express an opinion on those figures.

19. COMPARATIVE FIGURES

Certain prior year comparative figures have been reclassified where necessary to conform to the financial statement presentation adopted for the current year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

20. FINANCIAL INSTRUMENTS

Management of risks arising from financial instruments

Bloodvein First Nation's principal financial liabilities comprise of trade and other payables, loans and borrowings. The main purpose of these financial liabilities to finance and support Bloodvein's operations. Bloodvein has trade and other receivables, cash, and restricted cash that are derived directly from its operations. It also holds deposits and investments in government business partnerships as part of its investing activities.

Bloodvein's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest risk) and fair value risk. Bloodvein's overall management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on Bloodvein's financial performance. Risk management is the responsibility of the financial management team who have the appropriate skills, experience, and supervision. The financial management team identify, evaluate, and, where appropriate, mitigate financial risks. Material risks are monitored and are discussed regularly with Chief and Council.

The risks associated with Bloodvein's financial instruments are as follows:

CREDIT RISK

Credit risk arises from the potential that a counter party will fail to perform its obligations.

Bloodvein is exposed to credit risk from the possibility that parties may default on their financial obligations, or if the government fails to meet its obligations in accordance with agreed terms. Bloodvein considers a financial asset in default when internal or external information indicates that it is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Cash and cash equivalents, restricted cash, and portfolio investments are subject to credit risk however it is substantially reduced from these assets being held by low-risk institutions such as governments, and high-credit quality financial institutions that have been graded by third party agencies.

The credit risk associated with balances outstanding is minimized as the larger part of the balances would be from Provincial and Federal government funding, Bloodvein partners, and parties that sustain a good relationship with the organization. Security arrangements to secure funding are also arranged through multi year agreements between the government and Bloodvein. Additionally, accounts receivable is measured at amortized cost and analyzed by means of aging analysis. The maximum exposure to credit risk is represented by the carrying value of financial assets in the balance sheet.

LIQUIDITY RISK

Liquidity risk is the risk that Bloodvein will not be able to provide sufficient cash and cash equivalents to meet its financial obligations when they come due. Bloodvein meets its liquidity requirements by preparing cash flows from operations, anticipating investing and financing activities, and holding assets that can be readily converted into cash. As of year-end March 31, 2023, Bloodvein does not have sufficient assets from cash and cash equivalents and accounts receivable to cover the total outstanding accounts payable, deferred revenue, and demand loan payable, respectively. Bloodvein has investments that are not readily convertible into cash, as well as no credit facilities available to meet temporary fluctuations in cash requirements. To address the potential liquidity risk, management is actively working with evaluating new economic development initiatives.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****20. FINANCIAL INSTRUMENTS *(continued)******MARKET RISK***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is composed of currency risk, interest rate risk, and equity price risk.

FOREIGN CURRENCY RISK

Foreign currency risk refers to the changes in cash flows or fair values as a result of fluctuations in the value of various foreign currencies and exposure. The functional currency of Bloodvein is the Canadian Dollar. Bloodvein First Nation does not engage in significant foreign currency transactions, nor does it hold any foreign investments; therefore, foreign currency risk is minimal and Bloodvein has not entered into any foreign exchange hedging contracts.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Bloodvein's exposure to rate risk primarily stems from holdings of debt instruments with a variable rate component.

EQUITY RISK

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market price of equity instruments. Bloodvein has investments in government business partnerships that are accounted for using the equity method however, equity price risk is minimal as these are privately held entities.

FAIR VALUE

The First Nation accounts for its portfolio investments at fair value. Financial instruments reported at fair value are then categorized under a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The three levels of the fair value hierarchy are as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that management has the ability to access at the measurement date
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 - Inputs that are not observable. There is little if any market activity. Inputs into the determination of fair value require significant judgement or estimation.

All financial instruments accounted for at fair value on the statement of financial position are Level 1.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2023****21. EXPENDITURES BY OBJECT**

	2 0 2 3	2 0 2 2
Amortization	\$ 1,968,418	\$ 1,863,039
Contract services	614,767	
Insurance	286,490	413,660
Interest and bank charges	193,739	222,271
Hydro	743,736	536,429
Professional fees	331,442	274,551
Purchased goods and services	2,325,335	2,570,681
Repairs and maintenance	1,367,795	1,217,587
Salaries, wages, and benefits	3,866,378	3,888,608
Social assistance	3,751,200	2,522,941
Supplies	1,020,598	714,598
Training and workshops	318,419	483,338
Travel	<u>674,814</u>	<u>180,043</u>
	<u><u>\$ 17,463,131</u></u>	<u><u>\$ 14,887,746</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

22. SEGMENT DISCLOSURE

Bloodvein First Nation provides a range of services to its community members. For management reporting purposes, operations and activities are reported by department. For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the Basis of Presentation and Summary of Significant Accounting Policies as described in Note 2. The segment results for the year are as follows:

	ESCD		9		Economic Development		Education		Employment and Training	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue:										
Federal Government										
ISC	\$ 832,932	\$ 902,413	\$ 884,853	\$ 10,167,184	\$	\$	\$ 26,547	\$ 24,393	\$ 149,329	\$ 124,842
CMHC	-	-	-	-	-	-	-	-	53,358	232,445
ESDC										
Subtotal	832,932	902,413	884,853	10,167,184	-	-	26,547	24,393	202,687	357,287
Other revenue	442,180	225,514	88,515	74,763	1,809,443	2,333,435	504,467	37,600		75,000
Deferred from prior year			3,212,623	4,520,405	363,038	245,620	685,690	686,294	75,137	97,491
Deferred to following year	-	-	(1,134,618)	(3,212,623)	(256,105)	(363,038)	(1,202,211)	(685,690)	(160,950)	(75,137)
Total revenue	1,275,112	1,127,927	3,051,373	11,549,729	1,916,376	2,216,017	14,493	62,597	116,874	454,641
Expenditures:										
Amortization	677,265	630,285	64,051	64,051	378,677	367,897	253,431	247,258		
Interest on long term debt	11,978	11,312				7,912	6,973	6,308		
Salaries, wages, and benefits	362,925	234,733		79,360	139,812	116,761			281,369	413,674
Other	652,742	557,465	337,657	455,125	1,756,232	538,217	57,514	71,794	32,597	44,450
Total expenditures	1,704,910	1,433,795	401,708	598,536	2,274,721	1,030,787	317,918	325,360	313,966	458,124
Annual Surplus (Deficit)	\$(429,798)	\$(305,868)	\$ 2,649,665	\$ 10,951,193	\$(358,345)	\$ 1,185,230	\$(303,425)	\$(262,763)	\$(197,092)	\$(3,483)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

22. SEGMENT DISCLOSURE *(continued)*

	First Nation Programs		Health		Housing		Operations and Maintenance	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue:								
Federal Government								
ISC	\$ 78,429	\$ 5,236,999	\$ 4,013,713	\$ 1,107,250	\$ 1,410,000	\$ 1,808,412	\$ 2,197,689	
CMHC				525,645	1,864,455			
ESDC	—	—	—	—	—	—	—	—
Subtotal	—	78,429	5,236,999	4,013,713	1,632,895	3,274,455	1,808,412	2,197,689
Other revenue	644,116	941,634	204,418	379,710	436,897	324,218	40,436	73,049
Deferred from prior year			1,690,980	1,108,722	2,732,750	329,787	746,440	575,137
Deferred to following year	—	—	(2,008,807)	(1,690,980)	(1,526,274)	(2,732,750)	(1,222,756)	(746,439)
Total revenue	644,116	1,020,063	5,123,590	3,811,165	3,276,268	1,195,710	1,372,532	2,099,436
Expenditures:								
Amortization			133,893	103,912	406,561	395,096	54,540	54,540
Interest on long term debt	57,911	46,026			116,877	126,728		23,985
Salaries, wages, and benefits	112,350	146,341	2,053,606	1,991,749	231,129	93,486	396,900	504,023
Other	594,673	711,637	2,463,660	1,676,526	703,702	520,759	881,713	1,615,585
Total expenditures	764,934	904,004	4,651,159	3,772,187	1,458,269	1,136,069	1,333,153	2,198,133
Annual Surplus (Deficit)	\$(120,818)	\$ 116,059	\$ 472,431	\$ 38,978	\$ 1,817,999	\$ 59,641	\$ 39,379	\$ (98,697)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023**22. SEGMENT DISCLOSURE (continued)**

	9		TOTAL	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue:				
Federal Government				
ISC	\$ 5,780,808	\$ 3,632,534	\$ 15,827,130	\$ 22,551,197
CMHC			525,645	1,864,455
ESDC	—	—	53,358	232,445
Subtotal	5,780,808	3,632,534	16,406,133	24,648,097
Other revenue		60,000	4,170,472	4,524,924
Deferred from prior year	1,318,478	657,457	10,825,136	8,220,912
Deferred to following year	(2,941,227)	(1,318,479)	(10,452,948)	(10,825,136)
Total revenue	<u>4,158,059</u>	<u>3,031,512</u>	<u>20,948,793</u>	<u>26,568,797</u>
Expenditures:				
Amortization			1,968,418	1,863,039
Interest on long term debt			193,739	222,271
Salaries, wages, and benefits	288,287	308,481	3,866,378	3,888,608
Other	3,954,106	2,722,270	11,434,596	8,913,828
Total expenditures	<u>4,242,393</u>	<u>3,030,751</u>	<u>17,463,131</u>	<u>14,887,746</u>
Annual Surplus (Deficit)	<u>\$ (84,334)</u>	<u>\$ 761</u>	<u>\$ 3,485,662</u>	<u>\$ 11,681,051</u>