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LITTLE GRAND RAPIDS FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2023

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# **LITTLE GRAND RAPIDS FIRST NATION**

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**MARCH 31, 2023**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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


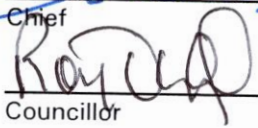
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

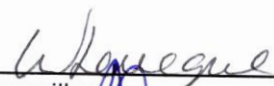
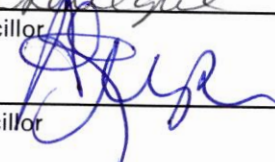
The First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

The First Nation's Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

Management reviews the First Nation's financial statements with Chief and Council and recommends their approval. The 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 annual report, the financial statements and the external auditors' report.

The consolidated financial statements have been audited by Baker Tilly HMA LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. Baker Tilly HMA LLP has full and free access to the Management and Chief and Council.

  
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Chief  
  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor  
  
\_\_\_\_\_  
Councillor

**INDEPENDENT AUDITOR'S REPORT**

To the Chief, Council and Membership  
Little Grand Rapids First Nation

**Opinion**

We have audited the accompanying consolidated financial statements of Little Grand Rapids First Nation, which comprise the consolidated statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets 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 Little Grand Rapids 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 Little Grand Rapids 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 Little Grand Rapids 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 Little Grand Rapids First Nation or to cease operations, or has no realistic alternative but to do so.

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

*(continued.....)*

### **Auditor's Responsibility 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 Little Grand Rapids 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 Little Grand Rapids 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 Little Grand Rapids 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  
January 8, 2024



# LITTLE GRAND RAPIDS FIRST NATION

STATEMENT 1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At March 31

2023

2022

### FINANCIAL ASSETS

|                              |                   |                   |
|------------------------------|-------------------|-------------------|
| Cash                         | \$ 5,972,998      | \$ 6,030,446      |
| Restricted cash (Note 4)     | 5,516,578         | 8,652,300         |
| Accounts receivable (Note 5) | 8,887,506         | 4,100,478         |
| Inventory (Note 6)           | 358,178           | 576,994           |
| Investments (Note 7)         | <u>3,399,700</u>  | <u>3,027,701</u>  |
|                              | <u>24,134,960</u> | <u>22,387,919</u> |


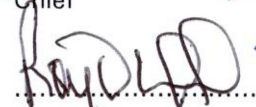
### LIABILITIES

|   |                   |                   |
|---|-------------------|-------------------|
| Accounts payable and accrued liabilities (Note 8) | 5,175,756         | 5,903,214         |
| Deferred revenue (Note 9)                         | 9,990,208         | 8,091,532         |
| Long term debt (Note 10)                          | <u>8,621,019</u>  | <u>7,995,177</u>  |
|   | <u>23,786,983</u> | <u>21,989,923</u> |
| Net assets  | <u>347,977</u>    | <u>397,996</u>    |

### NON-FINANCIAL ASSETS

|                                    |                      |                      |
|------------------------------------|----------------------|----------------------|
| Tangible capital assets (Note 11)  | 57,356,084           | 57,384,924           |
| Construction in progress (Note 12) | 36,573,916           | 32,876,214           |
| Prepaid expenses                   | <u>236,248</u>       | <u>454,074</u>       |
|                                    | <u>94,166,248</u>    | <u>90,715,212</u>    |
| Accumulated surplus                | \$ <u>94,514,225</u> | \$ <u>91,113,208</u> |

Approved by Chief and Council

  
 .....  
 Chief  
  
 .....  
 Councillor

  
 .....  
 Councillor  
  
 .....  
 Councillor

# LITTLE GRAND RAPIDS FIRST NATION

STATEMENT 2

## STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

|  | BUDGET<br>(UNAUDITED) | 2 0 2 3              | 2 0 2 2              |
|--|-----------------------|----------------------|----------------------|
| <b>REVENUE</b>                                       |                       |                      |                      |
| Indigenous Services Canada                           | \$ 26,968,241         | \$ 24,975,108        | \$ 24,448,984        |
| First Nations and Inuit Health                       | 3,123,067             | 3,004,326            | 3,120,693            |
| Canada Mortgage and Housing Corporation              | 310,386               | 370,583              | 1,326,607            |
| Employment and Social Development Canada             | 914,200               | 880,998              | 301,069              |
| Southeast College distributions                      | 312,269               | 250,000              | 500,000              |
| Assembly of Manitoba Chiefs                          | 268,421               | 438,525              |                      |
| Band generated revenue                               | 6,109,824             | 7,065,106            | 2,294,092            |
| South Beach Casino Partnership income                | 1,589,733             | 1,589,733            | 1,373,700            |
| Rental   | 495,330               | 546,462              | 604,371              |
| Other revenue  | 2,422,587             | 2,968,055            | 3,006,132            |
| Elimination for inter-department transactions        | -                     | ( 1,638,551)         | ( 1,157,924)         |
|  | <u>42,514,058</u>     | <u>40,450,345</u>    | <u>35,817,724</u>    |
| <b>EXPENSES</b>                                      |                       |                      |                      |
| Band Governance                                      | 11,852,417            | 10,179,078           | 4,952,752            |
| Social Assistance                                    | 8,639,880             | 7,492,950            | 5,587,405            |
| Education  | 5,537,044             | 5,416,814            | 4,290,964            |
| Community Infrastructure                             | 11,897,652            | 10,076,208           | 9,689,428            |
| Community Wellness                                   | 3,809,081             | 4,919,794            | 4,619,416            |
| Land Management                                      | 49,175                | 49,175               | 48,443               |
| Housing Authority                                    | 460,386               | 553,860              | 398,712              |
| Elimination for inter-department transactions        | -                     | ( 1,638,551)         | ( 1,157,924)         |
|  | <u>42,245,635</u>     | <u>37,049,328</u>    | <u>28,429,196</u>    |
| <b>ANNUAL SURPLUS</b>                                | 268,423               | 3,401,017            | 7,388,528            |
| <b>ACCUMULATED SURPLUS, <i>beginning of year</i></b> | <u>91,113,208</u>     | <u>91,113,208</u>    | <u>83,724,680</u>    |
| <b>ACCUMULATED SURPLUS, <i>end of year</i></b>       | <u>\$ 91,381,631</u>  | <u>\$ 94,514,225</u> | <u>\$ 91,113,208</u> |

# LITTLE GRAND RAPIDS FIRST NATION

STATEMENT 3

## STATEMENT OF CHANGE IN NET ASSETS

YEAR ENDED MARCH 31

|  | BUDGET<br>(UNAUDITED)    | 2 0 2 3                  | 2 0 2 2                  |
|--|--------------------------|--------------------------|--------------------------|
| Annual surplus   | \$ <u>268,423</u>        | \$ <u>3,401,017</u>      | \$ <u>7,388,528</u>      |
| Acquisition of tangible capital assets and construction<br>in progress |                          | ( <u>9,805,550</u> )     | ( <u>11,824,520</u> )    |
| Amortization of tangible capital assets                                |                          | <u>6,136,688</u>         | <u>5,710,419</u>         |
| Disposal of tangible capital assets                                    | <u>-</u>                 | <u>-</u>                 | <u>242,537</u>           |
|  | <u>-</u>                 | ( <u>3,668,862</u> )     | ( <u>5,871,564</u> )     |
| Acquisition of prepaid expenses  |                          | ( <u>236,248</u> )       | ( <u>454,074</u> )       |
| Use of prepaid expenses  | <u>-</u>                 | <u>454,074</u>           | <u>107,719</u>           |
|  | <u>-</u>                 | <u>217,826</u>           | ( <u>346,355</u> )       |
| CHANGE IN NET ASSETS FOR YEAR  | 268,423                  | ( <u>50,019</u> )        | 1,170,609                |
| NET ASSETS (DEBT), <i>beginning of year</i>                            | <u>397,996</u>           | <u>397,996</u>           | ( <u>772,613</u> )       |
| NET ASSETS, <i>end of year</i>   | \$ <u><u>666,419</u></u> | \$ <u><u>347,977</u></u> | \$ <u><u>397,996</u></u> |



# LITTLE GRAND RAPIDS FIRST NATION

STATEMENT 4

## STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

|   | 2023                 | 2022                 |
|---|----------------------|----------------------|
| CASH FLOW FROM  |                      |                      |
| <i>OPERATING ACTIVITIES</i>                           |                      |                      |
| Cash received from Indigenous Services Canada         | \$ 23,182,460        | \$ 22,262,833        |
| Cash receipts from funding agencies and other sources | 16,018,083           | 15,856,637           |
| Cash paid to suppliers and employees                  | ( 32,869,594)        | ( 28,598,774)        |
| Interest paid   | ( 344,411)           | ( 236,744)           |
|   | <u>5,986,538</u>     | <u>9,283,952</u>     |
| <i>CAPITAL ACTIVITIES</i>                             |                      |                      |
| Acquisition of construction in progress               | ( 3,697,702)         | ( 6,550,897)         |
| Acquisition of tangible capital assets                | ( 6,107,848)         | ( 5,273,623)         |
| Proceeds from sale of tangible capital assets         | -                    | 242,537              |
|   | <u>( 9,805,550)</u>  | <u>( 11,581,983)</u> |
| <i>FINANCING ACTIVITIES</i>                           |                      |                      |
| Proceeds from long term debt                          | 1,175,776            | 2,938,100            |
| Repayment of long term debt                           | ( 549,934)           | ( 2,891,417)         |
|   | <u>625,842</u>       | <u>46,683</u>        |
| NET DECREASE IN CASH DURING YEAR                      | ( 3,193,170)         | ( 2,251,348)         |
| CASH, <i>beginning of year</i>                        | <u>14,682,746</u>    | <u>16,934,094</u>    |
| CASH, <i>end of year</i>                              | <u>\$ 11,489,576</u> | <u>\$ 14,682,746</u> |
| CASH COMPRISED OF                                     |                      |                      |
| Cash  | \$ 5,972,998         | \$ 6,030,446         |
| Restricted cash                                       | <u>5,516,578</u>     | <u>8,652,300</u>     |
|   | <u>\$ 11,489,576</u> | <u>\$ 14,682,746</u> |

# LITTLE GRAND RAPIDS FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 1. OPERATIONS

The Little Grand Rapids First Nation (the "First Nation") is located in the Province of Manitoba and provides various services to its members. The Little Grand Rapids First Nation financial reporting entity includes all related entities which 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 consolidated financial statements report the financial activities of all entities and departments comprising the reporting entity of Little Grand Rapids First Nation.

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

- Little Grand Rapids First Nation Band Administration
- Little Grand Rapids First Nation Bulk Fuels
- Little Grand Rapids First Nation Health Authority
- Miishipaawitik Inc.
- 10123199 Manitoba Ltd.
- 10109798 Manitoba Ltd.

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.

Little Grand Rapids First Nation business entities owned or controlled by the First Nation's Chief and Council but not dependent on the First Nation for their continuing operations and government partnerships are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- South Beach Casino Limited Partnership
- 10123199 Manitoba Ltd

#### *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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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2. SIGNIFICANT ACCOUNTING POLICIES *(continued)**CASH AND CASH EQUIVALENTS*

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

*RESTRICTED CASH*

Restricted cash represents cash that is subject to external restrictions.

*INVENTORY*

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

*INVESTMENTS*

Portfolio investments are recorded at fair market value. Little Grand Rapid's investment in commercial enterprises are accounted using the modified equity method. Under the modified equity method, the cost of the investments are adjusted for Little Grand Rapid's share of the commercial enterprises' income or loss less dividends.

*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.

*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.

*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 government unless they are sold.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)**TANGIBLE CAPITAL ASSETS*

Tangible capital assets are stated at cost and recorded in the capital assets. Social housing assets acquired under Canada Mortgage and Housing Corporation sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long term debt. Amortization of tangible capital assets is recorded on a straight line basis at the following annual rates

|                 |            |
|-----------------|------------|
| Heavy equipment | 10%        |
| Equipment       | 10 - 20%   |
| Buildings       | 2.5%       |
| Infrastructure  | 2.5 - 3.3% |
| Vehicles        | 20 - 33%   |

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

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot reasonably be determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

*SEGMENTS*

The First Nation conducts its business through a number of reportable segments. 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.

*REVENUE RECOGNITION*

All revenue is recorded on the accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue.

Funding received under the terms of contribution agreements with the federal government is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted by the federal government for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)**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.

*USE OF ESTIMATES*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of financial statements and the reported amounts of certain revenue and expenses during the year. Actual results could differ from those estimates. Items requiring significant estimates include the allowance for doubtful accounts and the useful life of tangible capital assets.

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

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

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

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 3. CHANGE IN ACCOUNTING POLICY

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 re-measurement 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.

## 4. RESTRICTED CASH

*Ottawa Trust*

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 the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

*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 tangible capital assets. Under the terms of the agreements with 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. At March 31, 2023, \$2,530 (2022 - \$2,499) had been deposited into separate accounts leaving an under funded balance of \$1,048,388 (2022 - \$914,079).

*First Nations Bank - Capital Project*

Funds held by South East Resource Development Centre for the Capital Projects. These funds can only be used for eligible expenditures related to the Projects as outlined in the contribution agreement between Little Grand Rapids First Nation and Indigenous Services Canada.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

4. RESTRICTED CASH *(continued)*

At the end of the year, the restricted cash consisted of the following balances:

|   | 2023                | 2022                |
|---|---------------------|---------------------|
| Ottawa Trust                              | \$ 22,208           | \$ 20,571           |
| CMHC Replacement Reserve                  | 2,530               | 2,499               |
| First Nations Bank - LWSB Capital Project | <u>5,491,840</u>    | <u>8,629,230</u>    |
|   | <u>\$ 5,516,578</u> | <u>\$ 8,652,300</u> |

## 5. ACCOUNTS RECEIVABLE

|  | 2023                | 2022                |
|--|---------------------|---------------------|
| Indigenous Services Canada                           | \$                  | \$                  |
| Design & Construction - Construction H&S COVID Costs |                     | 401,206             |
| Design & Construction - Construction COVID Costs     | 5,584,591           | 1,359,855           |
| Emergency Evacuation                                 | 12,500              |                     |
| Firesmart  | 163,128             | 163,128             |
| Preparedness/Mitigation                              | 11,500              | 11,500              |
| Response - 2021 July Power Outage                    | 3,273               | 20,823              |
| School Soil Remediation                              | 60,986              |                     |
| Road & Bridges                                       | 109,350             |                     |
| ISC Basic Needs funding receivable 2021/22           | 215,802             | 283,931             |
| ISC Basic Needs funding receivable 2020/21           | 260,961             |                     |
| Emergency Evacuation                                 | 216,010             |                     |
| First Nation and Inuit Health                        |                     |                     |
| Canada Mortgage and Housing Corporation              | 83,023              | 21,484              |
| Goods and services tax                               | 91,054              | 80,674              |
| Province of Manitoba                                 | 268,075             | 268,075             |
| Trade and other receivables                          | <u>1,829,747</u>    | <u>1,512,296</u>    |
| Sub-total  | 8,910,000           | 4,122,972           |
| Less: allowance for doubtful accounts                | ( 22,494)           | ( 22,494)           |
|  | <u>\$ 8,887,506</u> | <u>\$ 4,100,478</u> |

## 6. INVENTORY

|      | 2023              | 2022              |
|------|-------------------|-------------------|
| Fuel | <u>\$ 358,178</u> | <u>\$ 576,994</u> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 7. LONG TERM INVESTMENTS

The investment in South Beach Casino Limited Partnership represents one seventh ownership of the 100 units issued by this Partnership, which was formed to develop the casino and hotel on the Brokenhead Ojibway First Nation land at Scanterbury, Manitoba.

|  | 2 0 2 3             | 2 0 2 2             |
|--|---------------------|---------------------|
| South Beach Casino Limited Partnership |                     |                     |
| BALANCE, <i>beginning of year</i>      | \$ 3,027,601        | \$ 1,822,512        |
| Share of earnings                      | 1,589,733           | 1,373,700           |
| Capital distribution                   | ( 1,000,000)        |                     |
| First Nation Trust Allocation          | ( 181,362)          | ( 140,509)          |
| First Nation Trust Responsibility      | ( 36,272)           | ( 28,102)           |
| BALANCE, <i>end of year</i>            | 3,399,700           | 3,027,601           |
| 10123199 Manitoba Ltd.                 | -                   | 100                 |
|  | <u>\$ 3,399,700</u> | <u>\$ 3,027,701</u> |

## 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

|                          | 2 0 2 3             | 2 0 2 2             |
|--------------------------|---------------------|---------------------|
| Accrued interest         | \$ 17,139           | \$ 5,249            |
| Accrued liabilities      | 119,500             | 151,721             |
| Accrued wages            | 108,424             | 111,403             |
| Holdback payable         | 460,844             | 198,190             |
| Province of Manitoba     | 302,989             | 302,989             |
| School Project payables  | 2,580,912           | 3,249,190           |
| Trade payables and other | 1,585,948           | 1,884,472           |
|                          | <u>\$ 5,175,756</u> | <u>\$ 5,903,214</u> |

## 9. DEFERRED REVENUE

|   | 2 0 2 3             | 2 0 2 2             |
|---|---------------------|---------------------|
| Indigenous Services Canada                  |                     |                     |
| Housing Renovation                          |                     | 43,067              |
| Capital Major Renovation Extensions -2022   |                     | 424,567             |
| ISC 7 Unit Housing Project                  | 248,341             | 186,678             |
| ISC 6 Unit Housing Project 2023-2024        | 701,609             |                     |
| Renovation and Additions - 2023             | 366,021             |                     |
| School Project                              | 8,495,502           | 7,141,084           |
| First Nation and Inuit Health Branch        |                     |                     |
| Pre-Capital for Nursing Station Replacement | 178,735             | 125,000             |
| Medical Transportation and Support          |                     | 31,730              |
| Medical Transportation Administration       |                     | 119,120             |
| CMHC Rapid Housing Initiative               | -                   | 20,286              |
|   | <u>\$ 9,990,208</u> | <u>\$ 8,091,532</u> |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 10. LONG TERM DEBT

|   | 2 0 2 3             | 2 0 2 2             |
|---|---------------------|---------------------|
| Mortgage payable to CMHC, 3.29%, repayable in monthly installments of \$5,055 (P&I), due September 2027.  | \$ 494,742          | \$ 540,244          |
| Mortgage payable to CMHC, 2.22%, repayable in monthly installments of \$2,398 (P&I), due January 2024.  | 142,494             | 167,815             |
| Mortgage payable to CMHC, 1.86%, repayable in monthly installments of \$7,047 (P&I), due April 2024.  | 817,833             | 886,542             |
| Mortgage payable to CMHC, 0.96%, repayable in monthly installments of \$1,769 (P&I), due March 2026.  | 226,311             | 245,272             |
| Mortgage payable to CMHC, 3.12%, repayable in monthly installments of \$3,742 (P&I), due April 2028.  | 526,096             | 554,562             |
| Mortgage payable to CMHC, 3.09%, repayable in monthly installments of \$3,236 (P&I), due February 2028.   | 331,554             | 360,782             |
| Mortgage payable to CMHC, 2.14%, repayable in monthly installments of \$2,024 (P&I), due March 2024.  | 410,842             | 426,192             |
| Mortgage payable to CMHC, 3.75%, repayable in monthly installments of \$3,395 (P&I), due July 2027.   | 645,888             |                     |
| Mortgage payable to First Nations Bank of Canada, 5.29%, repayable in monthly installments of \$2,712 (P&I), due October 2023.                    | 344,138             | 358,267             |
| Mortgage payable to Royal Bank of Canada, 5.40%, repayable in monthly installments of \$3,547 (P&I), due June 2027.                               | 508,888             |                     |
| Term loan payable to First Nations Bank of Canada, 7.7%, repayable in monthly variable installments of \$6,376 plus interest, due March 2023.     | 567,050             | 643,557             |
| Term loan payable to First Nations Bank of Canada, 4.55%, repayable in monthly installments of \$5,229 (P&I), due October 2025.                   | 600,846             | 635,393             |
| Term loan payable to First Nations Bank of Canada, 4.55%, repayable in monthly variable installments of \$2,100 plus interest, due December 2024. | 346,525             | 371,726             |
| Term loan payable to First Nations Bank of Canada, repayable at prime rate plus 2.10%, due March 2023.  | 1,000,732           | 1,055,685           |
| Term loan payable to First Nations Bank of Canada, repayable at prime rate plus 1.85%, due December 2025.   | <u>1,657,080</u>    | <u>1,749,140</u>    |
|   | <u>\$ 8,621,019</u> | <u>\$ 7,995,177</u> |

Mortgages payable to Canada Mortgage and Housing Corporation are secured by the specific assets financed and a ministerial guarantee by Indigenous Services Canada.

The aggregate of payments required in each of the next five years to meet retirement provisions is estimated to be as follows:

|      |            |
|------|------------|
| 2024 | \$ 565,392 |
| 2025 | 575,109    |
| 2026 | 585,174    |
| 2027 | 595,600    |
| 2028 | 606,401    |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 11. PROPERTY, PLANT AND EQUIPMENT

|                          | 2 0 2 3            |                   |                      |                      |                     |                      |
|--------------------------|--------------------|-------------------|----------------------|----------------------|---------------------|----------------------|
| COST                     | Heavy<br>Equipment | Equipment         | Buildings            | Infrastructure       | Vehicles            | TOTAL                |
| Beginning of year        | \$ 5,536,789       | \$ 224,027        | \$ 25,811,508        | \$ 53,802,612        | \$ 4,749,491        | \$ 90,124,427        |
| Additions                | 905,032            | 176,645           | 3,874,621            | 31,704               | 1,119,846           | 6,107,848            |
| Adjustments              | <u>1,104,238</u>   | <u>-</u>          | <u>-</u>             | <u>-</u>             | <u>-</u>            | <u>1,104,238</u>     |
| End of year              | <u>7,546,059</u>   | <u>400,672</u>    | <u>29,686,129</u>    | <u>53,834,316</u>    | <u>5,869,337</u>    | <u>97,336,513</u>    |
| ACCUMULATED AMORTIZATION |                    |                   |                      |                      |                     |                      |
| Beginning of year        | 5,374,977          | 151,782           | 4,629,628            | 19,133,069           | 3,450,047           | 32,739,503           |
| Additions                | 323,006            | 40,651            | 1,097,089            | 3,990,508            | 685,434             | 6,136,688            |
| Adjustments              | <u>1,104,238</u>   | <u>-</u>          | <u>-</u>             | <u>-</u>             | <u>-</u>            | <u>1,104,238</u>     |
| End of year              | <u>6,802,221</u>   | <u>192,433</u>    | <u>5,726,717</u>     | <u>23,123,577</u>    | <u>4,135,481</u>    | <u>39,980,429</u>    |
| NET BOOK VALUE           | <u>\$ 743,838</u>  | <u>\$ 208,239</u> | <u>\$ 23,959,412</u> | <u>\$ 30,710,739</u> | <u>\$ 1,733,856</u> | <u>\$ 57,356,084</u> |

|                          | 2 0 2 2            |                  |                      |                      |                     |                      |
|--------------------------|--------------------|------------------|----------------------|----------------------|---------------------|----------------------|
| COST                     | Heavy<br>Equipment | Equipment        | Buildings            | Infrastructure       | Vehicles            | TOTAL                |
| Beginning of year        | \$ 5,371,549       | \$ 139,202       | \$ 22,050,308        | \$ 53,404,133        | \$ 4,134,368        | \$ 85,099,560        |
| Additions                | 165,240            | 84,825           | 3,761,200            | 398,479              | 863,879             | 5,273,623            |
| Disposals                | <u>-</u>           | <u>-</u>         | <u>-</u>             | <u>-</u>             | <u>(248,756)</u>    | <u>(248,756)</u>     |
| End of year              | <u>5,536,789</u>   | <u>224,027</u>   | <u>25,811,508</u>    | <u>53,802,612</u>    | <u>4,749,491</u>    | <u>90,124,427</u>    |
| ACCUMULATED AMORTIZATION |                    |                  |                      |                      |                     |                      |
| Beginning of year        | 4,987,403          | 139,202          | 3,704,676            | 15,223,509           | 2,980,513           | 27,035,303           |
| Additions                | 387,574            | 12,580           | 924,952              | 3,909,560            | 475,753             | 5,710,419            |
| Disposals                | <u>-</u>           | <u>-</u>         | <u>-</u>             | <u>-</u>             | <u>(6,219)</u>      | <u>(6,219)</u>       |
| End of year              | <u>5,374,977</u>   | <u>151,782</u>   | <u>4,629,628</u>     | <u>19,133,069</u>    | <u>3,450,047</u>    | <u>32,739,503</u>    |
| NET BOOK VALUE           | <u>\$ 161,812</u>  | <u>\$ 72,245</u> | <u>\$ 21,181,880</u> | <u>\$ 34,669,543</u> | <u>\$ 1,299,444</u> | <u>\$ 57,384,924</u> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 12. CONSTRUCTION IN PROGRESS

|   | 2 0 2 3              | 2 0 2 2              |
|---|----------------------|----------------------|
| ISC 6 Units Project 23/24 - CSK00           | \$ 174,451           | \$ 350,581           |
| Housing - CMHC Rapid Housing 6 Plex project |                      | 752,382              |
| Housing - ISC 7 Unit project                | 1,316,759            | 976,815              |
| CMHC Housing                                |                      |                      |
| CFS Office Building                         | 249,800              |                      |
| Housing - CMHC Rapid Housing 9 unit project |                      | 708,804              |
| Health JP Building                          | 170,174              | 94,221               |
| JP - 6 Bedroom Residence                    | 250,550              |                      |
| School project                              | <u>34,412,182</u>    | <u>29,993,411</u>    |
|   | <u>\$ 36,573,916</u> | <u>\$ 32,876,214</u> |

Construction in progress will be transferred to tangible capital assets upon completion and will be amortized accordingly.

## 13. EXPENSES BY OBJECT

The following is a summary of expenses by object:

|   | 2 0 2 3              | 2 0 2 2              |
|---|----------------------|----------------------|
| Administration fees                           | \$ 1,255,955         | \$ 964,457           |
| Amortization of capital assets                | 6,136,688            | 5,710,419            |
| Bank charges                                  | 34,881               | 31,060               |
| Community events and assistance               | 2,628,431            | 1,784,242            |
| Construction costs                            | 2,515,050            |                      |
| Equipment                                     | 478,342              | 405,164              |
| Freight                                       | 4,526                | 77,689               |
| Fuel and oil                                  | 1,395,633            | 749,948              |
| Gravel crushing                               |                      | 622,278              |
| Insurance                                     | 344,411              | 236,744              |
| Interest on long term debt                    | 383,916              | 283,984              |
| Office and general                            | 110,847              | 88,048               |
| Other   | 533,160              | 645,342              |
| Professional development                      | 38,487               |                      |
| Professional fees                             | 1,675,325            | 981,936              |
| Rent  | 159,915              | 118,236              |
| Repairs and maintenance                       | 1,406,906            | 835,968              |
| Salaries and benefits                         | 10,348,708           | 8,746,215            |
| Social assistance                             | 5,199,557            | 4,880,266            |
| Supplies                                      | 2,417,193            | 1,120,435            |
| Telephone                                     | 75,732               | 77,439               |
| Travel  | 1,094,136            | 697,519              |
| Utilities                                     | 417,416              | 466,191              |
| Vehicle operation and maintenance             | 32,664               | 63,540               |
| Elimination for inter-department transactions | <u>( 1,638,551)</u>  | <u>( 1,157,924)</u>  |
|   | <u>\$ 37,049,328</u> | <u>\$ 28,429,196</u> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 14. CONTINGENCIES

- a) 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 agreements. At this time no estimate of the requirements, if any, to reimburse the agencies can be made. For accounting purposes any amounts assessed or claims paid will be accounted for in the year of determination.
- b) The Province of Manitoba has claimed against Little Grand Rapids First Nation and a related corporate entity for \$302,989. Little Grand Rapids First Nation has counter-claimed in the amount of \$1,856,547. The outcome of the claim was not certain as at March 31, 2023.

## 15. ECONOMIC DEPENDENCE

Little Grand Rapids First Nation receives a major portion of its revenues pursuant to a funding arrangement with Indigenous Services Canada.

## 16. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUE

|   | 2 0 2 3                     | 2 0 2 2                     |
|---|-----------------------------|-----------------------------|
| Agreement No. 2021-MB-000028                                      | \$ 29,480,967               | \$ 30,442,077               |
| Plus: Revenue deferred from previous years                        | 8,071,246                   | 4,453,669                   |
| Prior year Basic Needs top-up funding                             | 8,587                       | 67,406                      |
| Current year Basic Needs top-up funding                           | 260,961                     | 283,931                     |
| Emergency management on flood claim                               | 216,010                     |                             |
| I.S.C. Capital Project funding directly to Shawano Consulting     |                             | 398,479                     |
| Less: Revenue deferred to following year                          | ( 9,990,208)                | ( 8,071,246)                |
| I.S.C. Recoveries   |                             | ( 4,639)                    |
| Basic Needs top-up funding  | ( 68,129)                   | -                           |
| <b>TOTAL I.S.C. AND F.N.I.H. REVENUE PER FINANCIAL STATEMENTS</b> | <b>\$ <u>27,979,434</u></b> | <b>\$ <u>27,569,677</u></b> |
| <b>REVENUE PER STATEMENT OF OPERATIONS (Statement 2)</b>          |                             |                             |
| Indigenous Services Canada  | \$ 24,975,108               | \$ 24,448,984               |
| First Nations and Inuit Health                                    | <u>3,004,326</u>            | <u>3,120,693</u>            |
|   | <b>\$ <u>27,979,434</u></b> | <b>\$ <u>27,569,677</u></b> |

## 17. FINANCIAL INSTRUMENTS

The First Nation, as part of its operations, carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant liquidity, interest, foreign currency, equity price or credit risks arising from these financial instruments, except as otherwise disclosed.

## 18. COMPARATIVE FIGURES

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

# LITTLE GRAND RAPIDS FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 19. SEGMENTED DISCLOSURE

Little Grand Rapids First Nation provides a range of services to its 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 summary of Significant Accounting Policies as described in Note 2. The segment results for the year are as follows:

|                       | BAND GOVERNANCE     |                     | SOCIAL ASSISTANCE   |                   | EDUCATION         |                     | COMMUNITY INFRASTRUCTURE |                     |
|-----------------------|---------------------|---------------------|---------------------|-------------------|-------------------|---------------------|--------------------------|---------------------|
|                       | <u>2023</u>         | <u>2022</u>         | <u>2023</u>         | <u>2022</u>       | <u>2023</u>       | <u>2022</u>         | <u>2023</u>              | <u>2022</u>         |
| Revenues              |                     |                     |                     |                   |                   |                     |                          |                     |
| Federal Government    |                     |                     |                     |                   |                   |                     |                          |                     |
| ISC                   | \$ 1,181,202        | \$ 2,314,928        | \$ 8,887,653        | \$ 5,851,495      | \$ 5,809,382      | \$ 6,580,514        | \$ 8,787,701             | \$ 8,991,645        |
| FNIH                  |                     |                     |                     |                   |                   |                     |                          |                     |
| CMHC                  |                     |                     |                     |                   |                   |                     | 20,286                   |                     |
| ESDC                  | 880,998             | 301,069             |                     |                   |                   |                     |                          |                     |
| Canadian Heritage     | -                   | -                   | -                   | -                 | -                 | -                   | -                        | -                   |
| Subtotal              | 2,062,200           | 2,615,997           | 8,887,653           | 5,851,495         | 5,809,382         | 6,580,514           | 8,807,987                | 8,991,645           |
| Other                 | <u>10,906,849</u>   | <u>4,594,729</u>    | <u>-</u>            | <u>-</u>          | <u>-</u>          | <u>-</u>            | <u>1,341,028</u>         | <u>2,650,810</u>    |
| Total revenue         | <u>12,969,049</u>   | <u>7,210,726</u>    | <u>8,887,653</u>    | <u>5,851,495</u>  | <u>5,809,382</u>  | <u>6,580,514</u>    | <u>10,149,015</u>        | <u>11,642,455</u>   |
| Expenses              |                     |                     |                     |                   |                   |                     |                          |                     |
| Amortization          | 57,362              |                     |                     |                   |                   |                     | 5,700,063                | 5,443,597           |
| Debt servicing        | 203,740             | 141,091             |                     |                   |                   |                     | 92,489                   | 79,028              |
| Other                 | 7,742,308           | 3,549,537           | 6,847,273           | 5,190,076         | 1,924,063         | 972,645             | 3,240,144                | 3,304,652           |
| Salaries and benefits | <u>2,175,668</u>    | <u>1,262,124</u>    | <u>645,677</u>      | <u>397,329</u>    | <u>3,492,751</u>  | <u>3,318,319</u>    | <u>1,043,512</u>         | <u>862,151</u>      |
| Total expenses        | <u>10,179,078</u>   | <u>4,952,752</u>    | <u>7,492,950</u>    | <u>5,587,405</u>  | <u>5,416,814</u>  | <u>4,290,964</u>    | <u>10,076,208</u>        | <u>9,689,428</u>    |
| Surplus (Deficit)     | <u>\$ 2,789,971</u> | <u>\$ 2,257,974</u> | <u>\$ 1,394,703</u> | <u>\$ 264,090</u> | <u>\$ 392,568</u> | <u>\$ 2,289,550</u> | <u>\$ 72,807</u>         | <u>\$ 1,953,027</u> |

# LITTLE GRAND RAPIDS FIRST NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 19. SEGMENTED DISCLOSURE (continued)

|                       | COMMUNITY<br>WELLNESS |                      | LAND<br>MANAGEMENT |               | HOUSING AUTHORITY |                     | ELIMINATIONS       |                    | TOTAL               |                     |
|-----------------------|-----------------------|----------------------|--------------------|---------------|-------------------|---------------------|--------------------|--------------------|---------------------|---------------------|
|                       | <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>         |
| Revenues              |                       |                      |                    |               |                   |                     |                    |                    |                     |                     |
| Federal Government    |                       |                      |                    |               |                   |                     |                    |                    |                     |                     |
| ISC                   | \$ 309,170            | \$ 710,402           | \$                 | \$            | \$                | \$                  | \$                 | \$                 | \$ 24,975,108       | \$ 24,448,984       |
| FNIH                  | 3,004,326             | 3,120,693            |                    |               |                   |                     |                    |                    | 3,004,326           | 3,120,693           |
| CMHC                  |                       |                      |                    |               | 350,297           | 1,326,607           |                    |                    | 370,583             | 1,326,607           |
| ESDC                  |                       |                      |                    |               |                   |                     |                    |                    | 880,998             | 301,069             |
| Subtotal              | <u>3,313,496</u>      | <u>3,831,095</u>     | <u>-</u>           | <u>-</u>      | <u>350,297</u>    | <u>1,326,607</u>    | <u>-</u>           | <u>-</u>           | <u>29,231,015</u>   | <u>29,197,353</u>   |
| Other                 | <u>198,904</u>        | <u>265,985</u>       | <u>49,175</u>      | <u>48,443</u> | <u>361,925</u>    | <u>218,328</u>      | <u>(1,638,551)</u> | <u>(1,157,924)</u> | <u>11,219,330</u>   | <u>6,620,371</u>    |
| Total revenue         | <u>3,512,400</u>      | <u>4,097,080</u>     | <u>49,175</u>      | <u>48,443</u> | <u>712,222</u>    | <u>1,544,935</u>    | <u>(1,638,551)</u> | <u>(1,157,924)</u> | <u>40,450,345</u>   | <u>35,817,724</u>   |
| Expenses              |                       |                      |                    |               |                   |                     |                    |                    |                     |                     |
| Amortization          | 136,722               | 36,228               |                    |               | 242,541           | 230,594             |                    |                    | 6,136,688           | 5,710,419           |
| Debt servicing        |                       |                      |                    |               | 87,687            | 63,865              |                    |                    | 383,916             | 283,984             |
| Other                 | 1,838,352             | 1,723,192            | 2,795              | 2,148         | 223,632           | 104,253             | (1,638,551)        | (1,157,924)        | 20,180,016          | 13,688,579          |
| Salaries and benefits | <u>2,944,720</u>      | <u>2,859,996</u>     | <u>46,380</u>      | <u>46,295</u> | <u>-</u>          | <u>-</u>            | <u>-</u>           | <u>-</u>           | <u>10,348,708</u>   | <u>8,746,214</u>    |
| Total expenses        | <u>4,919,794</u>      | <u>4,619,416</u>     | <u>49,175</u>      | <u>48,443</u> | <u>553,860</u>    | <u>398,712</u>      | <u>(1,638,551)</u> | <u>(1,157,924)</u> | <u>37,049,328</u>   | <u>28,429,196</u>   |
| Surplus (Deficit)     | <u>\$ (1,407,394)</u> | <u>\$ ( 522,336)</u> | <u>\$ -</u>        | <u>\$ -</u>   | <u>\$ 158,362</u> | <u>\$ 1,146,223</u> | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 3,401,017</u> | <u>\$ 7,388,528</u> |