

**LITTLE SASKATCHEWAN FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

LITTLE SASKATCHEWAN FIRST NATION

MANAGEMENT'S REPORT

FOR THE YEAR ENDED MARCH 31, 2020

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of Little Saskatchewan First Nation are the responsibility of management and have been approved by the 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 Canadian Institute of Chartered Professional Accountants 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.

The 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.

The 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, Heartland Chartered Professional Accountants LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Little Saskatchewan First Nation and meet when required.

On behalf of Little Saskatchewan First Nation:

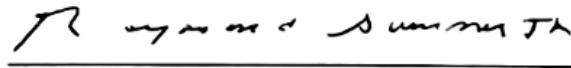


Chief

Councillor



Councillor



Councillor

Councillor

Councillor

INDEPENDENT AUDITOR'S REPORT

To the Members of Little Saskatchewan First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Little Saskatchewan First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and the notes to the financial statements.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Little Saskatchewan First Nation as at March 31, 2020 and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified 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 the 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We were unable to verify opening balances of certain assets and liabilities. Consequently, adjustments may be required to assets, liabilities, revenues and expenses.

Other Matter

The financial statements for the year ended March 31, 2019 were compiled by another accounting firm.

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

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

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

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

Auditor's Responsibilities for the Audit of the 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.

Independent Auditor's Report (*continued*)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

Winnipeg, Manitoba
October 4, 2022



CHARTERED PROFESSIONAL ACCOUNTANTS

LITTLE SASKATCHEWAN FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2020

	2020	2019
		<i>(Unaudited)</i>
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 5,356,102	6,854,145
Accounts receivable (Note 3)	796,984	3,795,915
Trust funds held by the federal government (Note 4)	7,238	6,344
	<hr/> 6,160,324	<hr/> 10,656,404
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	442,582	4,026,373
Unexpended funding (Note 8)	2,609,397	4,834,618
Long-term debt (Note 9)	1,840,974	2,021,693
	<hr/> 4,892,953	<hr/> 10,882,684
NET DEBT (ASSETS)	\$ (1,267,371)	226,280
NON-FINANCIAL ASSETS		
Construction in progress	\$ 71,993,536	59,239,992
Tangible Capital Assets (Note 5)	5,698,097	4,674,207
Prepaid expenses	60,000	60,000
	<hr/> 77,751,633	<hr/> 63,974,199
ACCUMULATED SURPLUS	\$ 79,019,004	63,747,919

APPROVED ON BEHALF OF THE FIRST NATION:



Chief

Councillor



Councillor

Raymond Summern

Councillor

Councillor

Councillor

LITTLE SASKATCHEWAN FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
		<i>(Unaudited)</i>
REVENUES		
ISC	\$ 13,728,636	27,192,396
Health Canada	2,847,555	1,776,595
Province of Manitoba	3,669,330	7,460,838
CMHC	70,388	72,560
Rent revenue	78,432	108,094
Tobacco tax rebates	140,683	169,831
VLT revenue (net of prize payouts)	1,140,578	1,019,388
Other revenue	1,451,833	766,193
Net transfer (to) from unexpended funding	<u>2,225,221</u>	<u>(732,036)</u>
	<u>25,414,519</u>	<u>37,833,859</u>
EXPENSES		
Band government	1,037,561	861,029
Community development	1,541,010	1,100,209
Economic development	-	82,368
Education	2,207,989	1,618,747
Governance	40,446	81,000
Social services	1,956,240	1,449,519
Health	2,596,755	2,030,996
Amortization	733,676	415,767
Other	<u>2,953,477</u>	<u>1,892,625</u>
	<u>13,067,154</u>	<u>9,532,260</u>
ANNUAL SURPLUS	<u>12,347,365</u>	<u>28,301,599</u>
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	63,747,919	35,446,320
Prior period adjustment (Note 15)	<u>2,923,720</u>	<u>-</u>
ACCUMULATED SURPLUS AT END OF YEAR	\$ 79,019,004	63,747,919

LITTLE SASKATCHEWAN FIRST NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
		<i>(Unaudited)</i>
ANNUAL SURPLUS	\$ 12,347,365	28,301,599
Acquisition of tangible capital assets	(1,757,566)	3,577
Amortization of tangible capital assets	733,676	415,767
Change in construction in progress	(12,753,544)	(33,055,127)
Change in prepaid expenses	-	3,989
CHANGE IN NET DEBT	(1,430,069)	(4,330,195)
NET DEBT AT BEGINNING OF YEAR	<u>(226,280)</u>	<u>4,103,915</u>
Prior period adjustment (Note 15)	<u>2,923,720</u>	<u>-</u>
NET (DEBT) ASSETS AT END OF YEAR	<u>\$ 1,267,371</u>	<u>(226,280)</u>

LITTLE SASKATCHEWAN FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
	<i>(Unaudited)</i>	
OPERATING TRANSACTIONS		
Annual surplus	\$ 12,347,365	28,301,599
Items not affecting cash:		
Amortization	733,676	415,767
Prior period adjustment (Note 15)	2,923,720	-
	<u>16,004,761</u>	<u>28,717,366</u>
Change in non-cash charges to operations		
Accounts receivable	2,998,931	859,174
Trust funds held by the federal government (Note 4)	(894)	(6,344)
Accounts payable and accrued liabilities	(3,583,791)	3,368,440
Unexpended funding	(2,225,221)	732,042
Prepaid expenses	-	3,989
	<u>13,193,786</u>	<u>33,674,667</u>
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(1,757,566)	3,577
Purchase of assets under construction	(12,753,544)	(33,055,127)
	<u>(14,511,110)</u>	<u>(33,051,550)</u>
FINANCING TRANSACTIONS		
Debt issuance	-	1,250,000
Repayment of long-term debt	(180,719)	(82,932)
Repayments to temporary borrowings (Note 6)	-	(1,547,142)
Cash provided by (applied to) financing transactions	<u>(180,719)</u>	<u>(380,074)</u>
(DECREASE) INCREASE IN CASH EQUIVALENTS		
	(1,498,043)	243,043
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
	<u>6,854,145</u>	<u>6,611,102</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		
	\$ 5,356,102	6,854,145
Cash and cash equivalents consist of:		
Cash and cash equivalents	\$ 5,356,102	6,854,145
Restricted cash	-	-
	\$ 5,356,102	6,854,145

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting

These consolidated financial statements have been prepared 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.

b) Reporting entity

The Little Saskatchewan First Nation reporting entity includes the Little Saskatchewan First Nation government and all related entities that are controlled by the First Nation.

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

- Little Saskatchewan First Nation Band
- Little Saskatchewan First Nation Education Authority
- Little Saskatchewan First Nation Employment and Training
- Little Saskatchewan Health Authority
- Little Saskatchewan Housing Authority
- Little Saskatchewan Multiplex Construction Project
- Little Saskatchewan First Nation Smoke Shop
- Little Saskatchewan First Nation Video Lotto
- 10027260 Manitoba Ltd.

c) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Financial Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Cash and cash equivalents

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

e) Portfolio investments

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

f) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes the overhead directly attributable to construction and development, as well as interest costs that are directly attributable to construction of the asset.

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.

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.

Amortization is provided for on a straight-line basis, over the estimated useful lives as follows:

Commercial buildings	25 years
Computer equipment	5 years
Equipment	5 years
Residential buildings	25 years
Vehicles	5 years

LITTLE SASKATCHEWAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities 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 is performed is deferred and recognized when the fee is earned or service performed.

h) Provision for site rehabilitation

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. A liability is recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used and is equal to a proportion of the estimated total expenditure required for closure and post-closure care. The estimated total expenditure represents the sum of discounted cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition cause by past operations, and which do not contribute to future revenue generation, are expensed in the current year.

No liability has been recorded as of March 31, 2020 as funding from government agencies will offset any costs associated with the closure of landfill sites.

i) Employee future benefits

The First Nation's employee future benefit programs consist of defined contribution pension plans. The First Nation's contributions to the defined contribution plans are expensed as incurred.

j) Measurement uncertainty

In preparing the consolidated financial statements for Little Saskatchewan First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include the allowance for doubtful accounts and the estimated life of tangible capital assets. Actual results could differ from these estimates.

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

2) CASH AND CASH EQUIVALENTS

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Little Saskatchewan First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by fund are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement Reserve Fund. Cash and cash equivalents is comprised of the following:

	2020	2019
		<i>(Unaudited)</i>
Internally restricted		
Unexpended funding	2,609,397	4,834,618
Unrestricted	<u>5,356,102</u>	<u>6,854,145</u>
Total cash and cash equivalents	\$ <u>5,356,102</u>	<u>6,854,145</u>

3) ACCOUNTS RECEIVABLE

	2020	2019
		<i>(Unaudited)</i>
Trade receivables	\$ 390,495	300,333
Interest-bearing loans	685,000	925,000
Due from government and other government organizations		
Federal government		
ISC	406,489	2,483,291
Provincial government	<u>166,605</u>	<u>1,030,465</u>
	<u>1,648,589</u>	<u>3,814,089</u>
Less: Allowance for doubtful accounts	(685,000)	(18,174)
Total Accounts Receivable	\$ <u>796,984</u>	<u>3,795,915</u>

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

4) TRUST FUNDS HELD BY THE FEDERAL GOVERNMENT

	March 31, 2019 (Unaudited)	Additions 2020	Withdrawals 2020	March 31, 2020
Revenue	\$ 6,328	488	-	6,816
Capital	<u>422</u>	<u>-</u>	<u>-</u>	<u>422</u>
	<u>\$ 6,750</u>	<u>488</u>	<u>-</u>	<u>7,238</u>

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

5) TANGIBLE CAPITAL ASSETS

	2020		2019 (Unaudited)	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Buildings - CMHC	\$ 3,009,363	2,332,242	3,009,363	2,237,670
Buildings - other	2,642,626	1,615,276	2,642,626	1,509,571
Equipment	1,404,335	768,285	806,220	601,220
Infrastructure	4,644,981	3,929,701	4,644,981	3,743,902
Land	1,439,333	-	1,439,333	-
Vehicles	<u>1,872,547</u>	<u>669,584</u>	<u>713,097</u>	<u>489,050</u>
	<u>\$ 15,013,185</u>	<u>9,315,088</u>	<u>13,255,620</u>	<u>8,581,413</u>
Net book value	<u>\$ 5,698,097</u>		<u>\$ 4,674,207</u>	

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

6) TEMPORARY BORROWINGS

The First Nation has lines of credit available to address operating requirements and to bridge capital expenditures. Interest on these borrowings range from the bank's prime lending rate plus 0.5%. All loans are unsecured, due on demand and are in the form of bankers' acceptance notes and bank overdrafts. As at March 31, 2020, the amount drawn on the operating line of credit (General) is \$Nil (2019 - \$Nil).

7) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
		<i>(Unaudited)</i>
Trade payables and accrued liabilities	\$ 329,370	3,978,183
Health Canada claw back	10,290	-
Payroll liabilities	39,792	46,335
Accrued interest	1,386	1,855
	<hr/> \$ 442,582	<hr/> 4,026,373

LITTLE SASKATCHEWAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

8) UNEXPENDED FUNDING

	Balance March 31, 2019 (Unaudited)	Funding Received 2020	Revenue Recognized 2020	Balance March 31, 2020
<u>Federal Government - ISC</u>				
Band support	\$ -	705,672	(501,531)	204,141
PIDP - Financial Management	- -	305,000	(279,196)	25,804
Consultation and policy	9,000	- -	- -	9,000
Community Based Initiatives	120,033	150,163	(57,021)	213,175
Community playground project	51,100	- -	(51,100)	- -
Economic Development	- -	58,967	(25,000)	33,967
Severe Weather	- -	150,000	(54,623)	95,377
Capacity Building	20,000	35,500	- -	55,500
Fire Protection	- -	30,240	(8,962)	21,278
Electrical	- -	8,770	(7,000)	1,770
Band office repairs	- -	24,191	(8,746)	15,445
Community Building - Church	504,363	247,486	(357,911)	393,938
Contribution - Tractor	- -	32,157	- -	32,157
Equipment contribution - grader	359,006	- -	(359,006)	- -
Water systems	- -	284,440	(266,185)	18,255
Water and Sewer	1,230,244	1,926,808	(3,157,052)	- -
Solid Waste	- -	13,360	(11,102)	2,258
Wastewater Treatment Plant	1,092,124	2,703,941	(3,796,065)	- -
Recreation	- -	992,524	(929,737)	62,787
Furnace and Duct	- -	10,894	- -	10,894
Housing Repairs	- -	19,426	(18,094)	1,332
Furnace Filters	- -	10,779	- -	10,779
Replacement Housing - Phase 2	1,329,565	- -	(1,329,565)	- -
Replacement Housing	2,750	- -	- -	2,750
Flood Response - 2017	3,615	- -	- -	3,615
Flood Mitigation - 2018	72,168	- -	- -	72,168
<u>Education</u>				
Instructional Services	- -	1,414,574	(1,334,536)	80,038
Tuition agreements	- -	319,623	(114,036)	205,587
Regional Implementation	3,595	- -	(3,595)	- -
<u>Social Services</u>				
Basic Needs	36,000	1,510,513	(1,414,660)	131,853
Special Needs	1,055	41,517	(3,892)	38,680
SUBTOTAL	<u>4,834,618</u>	<u>10,996,545</u>	<u>(14,088,615)</u>	<u>1,742,548</u>

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

8) UNEXPENDED FUNDING (continued)

	Balance March 31, 2019 <i>(Unaudited)</i>	Funding Received 2020	Revenue Recognized 2020	Balance March 31, 2020
<u>Other Deferred Revenue</u>				
Church	-	568,851	-	568,851
Health Canada				
Brighter Futures	-	77,180	(72,447)	4,733
Building Healthy Communities	-	65,028	(61,394)	3,634
Planning and Response	-	4,761	-	4,761
Accreditation	-	39,800	(38,388)	1,412
NNADP and Solvent Abuse	-	67,526	(66,975)	551
Diabetes	-	55,715	(45,990)	9,725
Drinking Water Safety	-	13,975	(12,015)	1,960
Health Administration	-	355,560	(285,253)	70,307
Jordan's Principle	-	1,421,868	(1,236,218)	185,650
Weegeewaywin - Education	-	181,350	(166,085)	15,265
SUBTOTAL - OTHER	<hr/>	2,851,614	(1,984,765)	866,849
Previous page	4,834,618	10,996,545	(14,088,615)	1,742,548
\$	<u>4,834,618</u>	<u>13,848,159</u>	<u>(16,073,380)</u>	<u>2,609,397</u>

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

9) LONG-TERM DEBT

	2020	2019
		<i>(Unaudited)</i>
First Peoples Economic Growth Fund Inc., Repayable in monthly instalments of \$5,000 including interest at the rate of 0.0% per annum, matures June 1, 2025	\$ 265,000	300,000
First Peoples Economic Growth Fund Inc., Repayable in monthly instalments of \$10,230 including interest at the rate of 6.0% per annum, matures September 1, 2027	648,853	700,000
First Peoples Economic Growth Fund Inc. Forgivable loan	250,000	250,000
SUB-TOTAL	<u>1,163,853</u>	<u>1,250,000</u>

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

9) LONG-TERM DEBT (continued)

	2020	2019
	<i>(Unaudited)</i>	
CANADA MORTGAGE AND HOUSING CORPORATION (CMHC):		
Phase 1: Repayable at \$3,597 monthly including interest at 2.04% per annum, compounded semi-annually, matures September 1, 2027, renewal date January 1, 2023.	\$ 300,042	336,692
Phase 2: Repayable at \$902 monthly including interest at 2.49% per annum, compounded semi-annually, matures March 1, 2028, renewal date May 1, 2023.	78,464	87,219
Phase 3: Repayable at \$1,871 monthly including interest at 1.83% per annum, compounded semi-annually, matures October 1, 2023, renewal date April 1, 2021.	198,788	217,427
Phase 3: Repayable at \$2,519 monthly including interest at 4.79% per annum, compounded semi-annually, matures April 1, 2021, renewal at October 1, 2023.	99,827	130,355
SUB-TOTAL - CMHC	677,121	771,693
Previous page	<u>1,163,853</u>	<u>1,250,000</u>
Total Long-term debt	1,840,974	2,021,693
Less: current portion	423,260	-
	\$ 1,417,714	<u>2,021,693</u>

Anticipated annual principal payments over the next five years are as follows:

2021	\$ 423,260
2022	276,501
2023	394,052
2024	216,518
2025	136,270

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

10) EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2020	2019
		<i>(Unaudited)</i>
Amortization	\$ 733,676	467,766
Insurance	66,542	81,534
Fees and contract services	88,577	141,537
Interest	15,611	19,963
Professional services	381,598	350,871
Rental expenditures	129,400	120,000
Salaries, wages and benefits	3,823,804	3,522,728
Honorariums	102,793	82,695
Staff development	138,807	105,868
Supplies and services	7,101,170	4,148,757
Travel	485,176	490,541
	\$ 13,067,154	9,532,260

11) CONTINGENT LIABILITY - EDUCATION FUNDING

ISC has identified the following funding recoveries totaling \$1,326 related to the Teacher Recruitment and Retention program from the 2018 - 2019 fiscal year.

Until such time as the terms of repayment have been established and a mutual agreement is reached, the First Nation is disclosing these recoveries as contingent liabilities.

12) CONTINGENT LIABILITY

The First Nation has been named as a defendant in several lawsuits. As the results are undetermined at the date of the completion of the financial statements, no liability has been recorded.

13) COMMITMENTS

The First Nation has entered into agreements with Manitoba Liquor and Lotteries with respect to the Video Lotto Terminals (VLT) in use at Little Saskatchewan Video Lotto. The First Nation is committed to weekly payments of \$937 (\$48,724 annually) for the use of the VLTs.

14) COMPARATIVE FIGURES

Comparative figures have been provided where practicable in the Schedules of Revenue and Expenditures. The prior year comparative figures were compiled by another firm of public accountants. Certain comparative figures have been reclassified to conform to the current year's method of presentation.

LITTLE SASKATCHEWAN FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

15) PRIOR PERIOD ADJUSTMENT

An adjustment was required to opening surplus to record certain assets and liabilities not recorded in the prior-year financial statements.

LITTLE SASKATCHEWAN FIRST NATION

SUMMARY OF ISC AND OTHER FUNDING

FOR THE YEAR ENDED MARCH 31, 2020

(Unaudited)

	REVENUE						EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE		
	PAGE			UNEXPENDED FUNDING BEGINNING OF YEAR		EXPENDITURE			
		ISC	OTHER	TOTAL					
Band Support	20	\$ 705,672	-	-	705,672	501,531	204,141	-	
Band Employee Benefits									
Non status	21	2,657	-	-	2,657	2,657	-	-	
Status	21	4,712	-	-	4,712	4,712	-	-	
Registration and membership	22	9,809	1,497	-	11,306	11,306	-	-	
PIDP - Law Making	23	44,400	-	-	44,400	49,121	-	(4,721)	
PIDP - Financial management	23	305,000	-	-	305,000	279,196	25,804	-	
PIDP - Governance	24	-	-	9,000	9,000	-	9,000	-	
Governance Capacity Dev	24	-	-	-	-	-	-	-	
Community Based Initiatives	25	150,163	-	120,033	270,196	57,021	213,175	-	
Community Playground Project	25	-	-	51,100	51,100	51,100	-	-	
Family Violence Prevention	26	14,000	-	-	14,000	14,000	-	-	
COVID-19 - Response	27	23,268	-	-	23,268	23,268	-	-	
COVID 19 - Cleaning Supplies	27	25,000	-	-	25,000	25,000	-	-	
Economic Development	28	58,967	-	-	58,967	25,000	33,967	-	
Flood response - 2019	29	131,346	-	-	131,346	131,346	-	-	
Severe weather	29	150,000	-	-	150,000	54,623	95,377	-	
Capacity building	29	35,500	-	20,000	55,500	-	55,500	-	
Education	30	3,484,254	-	3,595	3,487,849	3,202,224	285,625	-	
Social Services	42	1,718,980	-	37,055	1,756,035	1,613,795	170,533	(28,293)	
Capital and O&M	47	6,864,910	3,886,677	4,593,835	15,345,422	14,540,433	1,218,277	(413,288)	
Health Canada	62	-	2,866,520	-	2,866,520	2,609,866	297,998	(41,344)	
Capitalized expenditures	-	-	-	-	(14,511,110)	-	14,511,110		
Other programs	-	-	2,705,970	-	2,705,970	4,382,065	-	(1,676,099)	
	\$ 13,728,638	9,460,664	4,834,618	28,023,920	13,067,154	2,609,397	12,347,365		