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# Consolidated financial statements of Norway House Cree Nation

March 31, 2021

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# Management's Responsibility for Financial Reporting

Norway House Cree Nation's (the "Entity") management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.


The Entity's Chief and Council is composed of elected officials who are not employees of the Entity. Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. Chief and Council is also responsible for recommending the appointment of the Entity's external auditors.

Deloitte LLP, an independent firm of chartered professional accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

  
\_\_\_\_\_, Chief

Norway House, Manitoba

  
\_\_\_\_\_, Councillor

  
\_\_\_\_\_, Councillor

  
\_\_\_\_\_, Councillor

  
\_\_\_\_\_, Councillor

## Independent Auditor's Report

To Chief and Council of  
Norway House Cree Nation

### Opinion

We have audited the consolidated financial statements of Norway House Cree Nation (the "Entity"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, change in accumulated surplus, change in net debt, and cash flow 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 financial position of Norway House Cree Nation as at March 31, 2021, and its results of operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

The image shows a handwritten signature in black ink that reads "Deloitte LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants  
July 28, 2021

**Norway House Cree Nation**  
**Consolidated statement of financial position**  
As at March 31, 2021

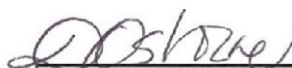
	Notes	2021 \$	2020 \$
<b>Financial assets</b>			
Cash and cash equivalents		<b>21,546,689</b>	13,678,399
Accounts receivable	3	<b>10,354,805</b>	7,238,350
Cash held in trust	4	<b>105,183</b>	26,609
		<b>32,006,677</b>	20,943,358
<b>Liabilities</b>			
Accounts payable and accrued liabilities	5	<b>16,382,569</b>	17,921,550
Long-term debt	7	<b>56,192,251</b>	60,674,296
Deferred revenue	6	<b>26,292,888</b>	22,264,789
		<b>98,867,708</b>	100,860,635
Net debt		<b>(66,861,031)</b>	(79,917,277)
<b>Non-financial assets</b>			
Tangible capital assets	8	<b>227,278,551</b>	187,625,445
Inventory	9	<b>1,173,370</b>	458,154
Deposits and prepaid expenses		<b>10,707,456</b>	8,058,962
		<b>239,159,377</b>	196,142,561
<b>Accumulated surplus</b>		<b>172,298,346</b>	116,225,284
Contingencies	12		

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

Approved on behalf of the Council:

  
\_\_\_\_\_, Chief

  
\_\_\_\_\_, Councillor

  
\_\_\_\_\_, Councillor

  
\_\_\_\_\_, Councillor

  
\_\_\_\_\_, Councillor

**Norway House Cree Nation**  
**Consolidated statement of operations**  
Year ended March 31, 2021

	Notes	2021 Budget \$	2021 Actual \$	2020 Actual \$
<b>Revenues</b>				
Indigenous Services Canada (ISC)		79,700,697	104,492,338	78,825,949
Enterprises		11,186,099	12,916,416	10,653,428
Video lottery terminal (VLT)		25,498,160	11,100,347	24,283,962
Other	10	7,172,527	6,937,137	6,830,978
Manitoba Hydro		942,153	2,785,513	897,289
Manitoba Keewatinowi Okimakanak (MKO)		2,530,598	2,499,859	2,410,093
Province of Manitoba		2,849,744	2,293,416	1,904,996
Construction		2,583,102	2,082,540	2,460,097
Assembly of Manitoba Chiefs		—	1,755,713	809,046
Education		839,361	1,577,587	799,391
Canada Mortgage and Housing Corporation (CMHC) projects/subsidy		1,973,692	1,354,695	1,879,707
Public works		455,741	366,660	434,039
Housing		255,573	319,294	243,403
Keenanow Trust Secretariat		73,147	202,470	69,664
Parks, recreation and multi-plex		2,579,809	119,148	2,456,961
Communications		58,965	93,727	56,157
		<b>138,699,368</b>	<b>150,896,860</b>	<b>135,015,160</b>
<b>Expenditures</b>				
Education	15	26,533,769	34,141,851	34,284,410
Social services		11,398,776	14,889,217	13,189,226
Health services		11,095,472	14,444,333	14,159,508
Enterprises		7,978,802	13,227,857	12,052,441
Public works		8,522,051	12,486,799	9,563,394
Band support		6,118,108	10,685,886	8,430,810
VLT operations		23,450,868	9,474,872	22,334,160
Housing		3,274,238	5,086,678	4,292,894
CMHC		571,464	4,882,937	1,513,815
Health Centre of Excellence		188,313	3,760,165	179,346
Assisted living		1,618,932	1,695,890	1,856,633
Pinaow Wachi		2,198,605	1,553,929	1,462,410
Employment and training		1,028,407	1,531,683	1,414,319
Parks, recreation and multi-plex		1,887,020	1,396,858	2,936,829
Broadband		1,000,805	1,370,461	1,035,540
Emergency services		968,381	1,327,073	1,415,516
Keenanow Trust Secretariat		591,636	580,432	563,463
Safety officer's program		649,844	527,365	592,146
Youth		189,269	304,137	381,964
Restorative justice		73,942	146,993	87,904
		<b>109,338,702</b>	<b>133,515,416</b>	<b>131,746,728</b>
Surplus before other capital contributions		29,360,666	17,381,444	3,268,432
ISC Health Centre of Excellence		25,000,000	30,385,015	11,181,910
ISC COVID domes		—	8,306,603	—
<b>Surplus</b>		<b>54,360,666</b>	<b>56,073,062</b>	<b>14,450,342</b>

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

**Norway House Cree Nation****Consolidated statement change in accumulated surplus**Year ended March 31, 2021

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	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
<b>Accumulated surplus, beginning of year</b>	<b>116,225,284</b>	101,774,942
Surplus	<b>56,073,062</b>	14,450,342
<b>Accumulated surplus, end of year</b>	<b>172,298,346</b>	116,225,284

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

**Norway House Cree Nation****Consolidated statement of change in net debt**

Year ended March 31, 2021

	<b>2021 Actual \$</b>	2020 Actual \$
<b>Surplus</b>	<b>56,073,062</b>	14,450,342
Acquisition of tangible capital assets	<b>(56,793,662)</b>	(25,956,386)
Proceeds on disposal of tangible capital assets	<b>87,140</b>	56,167
Loss (gain) on disposal of tangible capital assets	<b>206,404</b>	(56,167)
Amortization of tangible capital assets	<b>16,847,012</b>	7,765,173
	<b>16,419,956</b>	(3,740,871)
Acquisition of inventory	<b>(715,216)</b>	8,511
Change in deposits and prepaid expenses	<b>(2,648,494)</b>	(8,058,962)
	<b>(3,363,710)</b>	(8,050,451)
Decrease (increase) in net debt	<b>13,056,246</b>	(11,791,322)
Net debt, beginning of year	<b>(79,917,277)</b>	(68,125,955)
<b>Net debt, end of year</b>	<b>(66,861,031)</b>	(79,917,277)

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

**Norway House Cree Nation**  
**Consolidated statement of cash flows**  
Year ended March 31, 2021

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Surplus	<b>56,073,062</b>	14,450,342
Adjustments for non-cash items		
Amortization of capital assets – general account	<b>16,014,609</b>	7,127,027
Amortization of capital assets – enterprises	<b>832,403</b>	638,146
Loss (gain) on disposal of tangible assets	<b>206,404</b>	(56,167)
	<b>73,126,478</b>	22,159,348
Changes in non-cash working capital		
Accounts receivable	<b>(3,116,455)</b>	(2,223,837)
Deposits and prepaid expenses	<b>(2,648,494)</b>	(8,058,962)
Inventory	<b>(715,216)</b>	8,511
Accounts payable and accrued liabilities	<b>(4,330,063)</b>	(787,794)
Deferred revenue	<b>4,028,099</b>	14,734,459
	<b>66,344,349</b>	25,831,725
<b>Financing activities</b>		
Long-term debt proceeds	<b>2,159,491</b>	24,957,732
Long-term debt repayments	<b>(7,982,362)</b>	(29,467,044)
	<b>(5,822,871)</b>	(4,509,312)
<b>Investing activities</b>		
Acquisition of tangible capital assets	<b>(52,661,754)</b>	(23,233,124)
Proceeds on disposal of tangible capital assets	<b>87,140</b>	56,167
	<b>(52,574,614)</b>	(23,176,957)
Net increase (decrease) in cash and cash equivalents	<b>7,946,864</b>	(1,854,544)
Cash and cash equivalents, beginning of year	<b>13,705,008</b>	15,559,552
<b>Cash and cash equivalents, end of year</b>	<b>21,651,872</b>	13,705,008
<b>Cash and cash equivalents consist of:</b>		
Cash and cash equivalents	<b>21,546,689</b>	13,678,399
Cash held in trust	<b>105,183</b>	26,609
	<b>21,651,872</b>	13,705,008

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

**1. Nature of entity**

Norway House Cree Nation (the "Entity") is a non-profit and non-taxable entity and is engaged in the social, cultural, educational and economic development of the First Nation citizens of Norway House Cree Nation at Norway House, Manitoba.

**2. Summary of significant accounting policies**

*Basis of accounting*

These consolidated financial statements were prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

*Reporting entity*

The reporting entity includes the Entity's government and all related entities that are either owned or controlled by the Entity. Control is defined as the power to govern the financial and operating policies of another with expected benefits or the risk of loss to the government from the other organizations' activities. Control exists regardless of whether the government chooses to exercise its power to govern so long as it has the ability to govern. Control must exist at the financial statement date, without the need to amend agreements.

*Principles of consolidation*

*Consolidated entities*

This method combines the accounts of distinct organizations. It requires uniform accounting policies for the organizations. Inter-organizational balances and transactions are eliminated under this method. This method reports the organizations as if they were one organization. The other government organizations that were consolidated are the following:

Unincorporated departments including:

Norway House Cree Nation CMHC Housing Projects

Norway House Cree Nation Gaming Commission

Unincorporated entities including:

York Boat Inn

York Boat Diner

Keenanow Trust Secretariat

Kinosao Sipi Muchipinowin Program

Incorporated entities including:

Kinosao Sipi Business Development Corporation

4015029 Manitoba Ltd. (Molson Lake Lodge Parent Company)

NHCN Broadband Inc.

NHCN Business Centre Inc.

Jean Folster Place Inc.

NHCN Health Centre of Excellence Ltd.

NHCN Land Corporation

10058460 Manitoba Ltd. (Real Estate Holding Company)

Molson Lake Lodge 1978 Ltd.

4744757 Manitoba Ltd. (KSIW – 333 Maryland)

Pinaow Wachi Inc.

Norway House Pharmacy Ltd.

Norway House Pharmacy LP

Playgreen Development Corporation

7133805 Manitoba Ltd. (Indigus Pharmacy LP Parent Company)

## **2. Summary of significant accounting policies (continued)**

### *Principles of consolidation (continued)*

#### *Partnerships*

The Entity holds an investment in the Bison Container Homes LLP and Bison Container Homes GP Ltd. The Entity has determined that these investments meet the definition of a business partnership and has accordingly accounted for these entities using the modified equity method. Under the modified equity method, the partnerships are recognized as an investment within the consolidated statement of financial position and the Entity's proportionate share of the partnerships' net surplus/deficit is recognized in the consolidated statement of financial position.

#### *Tangible capital assets*

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods or delivering services. Certain assets which have historical or cultural value, including works of art, historical documents and historical or cultural artifacts, are not recognized as tangible capital assets.

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	20 years
Buildings	30 years
Leasehold improvements	Term of the lease
Vehicles and equipment	5 – 10 years
Computer equipment	5 years
Housing	20 years
Infrastructure	30 years

In the year of acquisition, one-half of the applicable rate is applied.

#### *Construction in progress*

Assets under construction are not amortized until the asset is available for use. At completion, the construction costs are closed out to the appropriate asset classification and amortized over its estimated useful life.

#### *Measurement uncertainty*

The preparation of consolidated financial statements in accordance with Canadian public accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures. Actual results could differ from these estimates.

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.

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Entity is responsible for.

## **2. Summary of significant accounting policies (continued)**

### *Measurement uncertainty (continued)*

On March 11, 2020 the World Health Organization characterized the outbreak of a strain of the novel coronavirus (COVID-19) as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. These public health and emergency measures resulted in an economic slowdown, restrictions on public gatherings and activities. The duration and impact of COVID-19 remains unknown.

### *Revenue recognition*

#### *Government transfer*

Government transfers (revenues from non-exchange transactions) are recognized as revenues when the transfer is authorized, any eligibility criteria are met and reasonable estimates of the amounts can be made. Transfers received where there is a stipulation that gives rise to an obligation that meets the definition of a liability are deferred and recognized as revenue as the stipulations are met. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria have been met.

#### *Non-government funding*

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

#### *Other revenue*

Other income, primarily including sales of gas, VLTs, tobacco and fees for service, are recognized upon transfer of title of the product or upon performance of the service and when collectability is reasonably assured.

### *Inventory*

Inventory is valued at the lower cost or net realizable value determined by the first-in, first-out method. Inventory consists of pharmaceuticals, aggregates, bingo paper and supplies.

### *Cash and cash equivalents*

Cash and cash equivalents include cash on hand and balances with the banks.

### *Pension plans*

The Entity maintains a defined contribution pension plan for its personnel. Expenditures for this plan are equal to the Entity's required contribution for the year.

### *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, prepaid expenses and inventory.

## **2. Summary of significant accounting policies (continued)**

### *Program surpluses*

Programs funded by government agencies may be subject to recovery by the contributing agencies in accordance with funding agreements.

### *Segments*

Norway House Cree Nation is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, and medical services, among other services.

Services are provided by departments and their activities are reported in these funds. The departments that have been separately disclosed along with the services they provide are as follows:

#### *Education*

Department that provides services to elementary and secondary students. The department also supports post-secondary students by providing funds for tuition fees, books and living allowances.

#### *Employment and Training*

Department that provides funding to support development and enhancement of essential employability skills, training for high-demand jobs, job finding, and programs for youth and people with disabilities.

#### *Social services*

Department that is responsible for administering assistance payments as well as providing services directed towards members.

#### *Band support*

Department that oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance of Chief and Council.

#### *Public works*

Department is responsible for public services such as the operation and maintenance of roads, water and sanitation system and waste management. Maintenance of Norway House Cree Nation buildings and community infrastructure is also included in this segment.

#### *Housing*

Department in charge of all activities related with first nation housing construction and administration, rental units and Residential Repair Assistance Programs (RRAP).

#### *Health services*

Department provides a diverse bundle of services directed towards the well-being of members including activities such as medical transportation, home support services, prenatal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

**2. Summary of significant accounting policies (continued)**

*Segments (continued)*

*Pinaow Wachi*

Provides funding for eligible members in need of personal medical and non-medical care in a supported living environment.

*Emergency services*

Provide timely and safe response, medical assessment and treatment, and medical transport services in emergencies to the community of Norway House Cree Nation.

*Restorative justice*

To facilitate Aboriginal peoples' greater involvement in the administration of justice in the Province of Manitoba and the Government of Canada.

*Safety Officer's Program*

Department responsible for internal security and law enforcement. The main activities include handling of domestic issues, traffic accidents, finding missing persons and filling out paperwork.

*Parks and Recreation*

Department that runs different programs and activities with the purpose to improve health and quality of life of members. Activities performed include sports coordination, maintenance of public spaces, York Boat Days and other social activities for all members.

*Youth*

Perform programs and activities for youth in matters such as education, culture, health, economic development, welfare, housing and infrastructure and sports and recreation.

*VLT Operations*

Department responsible for the operations of the video lottery terminals.

*CMHC*

Division of the Norway House Cree Nation that administers housing projects which are partially funded by operating agreements with CMHC.

*Broadband*

Organization that provides high speed internet services in Norway House, Manitoba and the surrounding areas.

*Keenanow Trust Secretariat*

Organization is an unincorporated, non-profit, non-taxable entity responsible for the administration of funds received from Keenanow Trust. The trust was established to promote social welfare, civic improvement, recreation and the economic, spiritual and cultural welfare of Norway House Cree Nation and its members.

**2. Summary of significant accounting policies (continued)**

*Segments (continued)*

*Health Centre of Excellence*

Organization that provides integrated medical services to the Norway House Cree Nation community and addresses social, physical, mental and spiritual needs of community.

*Enterprises*

Includes the activities of Norway House Cree Nation related entities including:

*Kinosao Sipi Business Development Corporation*

Organization that undertakes economic development projects with the goal of generating revenues and employing members.

*4744757 Manitoba Ltd.*

Entity that operates the rental property located at 333 Maryland in Winnipeg, Manitoba.

*York Boat Diner*

Entity that provides restaurant services.

*York Boat Inn*

Motel services provided at building located in Norway House, Manitoba. Activities include front desk, janitorial and cleaning services.

*Molson Lake Lodge (1978) Ltd.*

Real estate leasing entity that holds a fly-in fishing lodge and outposts.

*Kinosao Sipi Muchipunowin Program*

Unincorporated entity that operates radio bingo events in Norway House, Manitoba.

*Norway House Pharmacy Ltd.*

General partner of Norway House Pharmacy Limited Partnership. Entity that provides for the safe supply and use of medicines by patients and members.

*Norway House Cree Nation Gaming Commission*

Department responsible for the operation of licensed gaming activities.

For each reported segment, revenue and expenditures include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information, including administrative expense transfers that have been apportioned based on 10-15% of expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in the summary of significant accounting policies.

## **2. Summary of significant accounting policies (continued)**

### *Change in accounting estimates*

In the current year, the Entity changed the method of calculating amortization for its tangible capital assets. This change in accounting estimates was accounted for prospectively as of April 1, 2020 and resulted in an increase to amortization expense of approximately \$4,539,694 for the current year ended.

### *Future accounting standards effective on or after April 1, 2022*

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. As this standard includes solid waste landfill sites active and post-closing obligations upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

### *Effective on or after April 1, 2023:*

PS 1000 Financial Statement Concepts was amended to remove the recognition prohibition relating to purchased intangibles.

PSG 8 Purchased Intangibles explains the scope of intangibles now allowed to be recognized in the financial statements.

PS 3400 Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

The extent of the impact on adoption of these future standards is not known at this time.

### 3. Accounts receivable

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Government remittances receivable	<b>237,974</b>	-
Indigenous Services Canada (ISC)	<b>3,757,054</b>	2,419,542
Keenanow Trust Secretariat receivables	<b>290,268</b>	521,635
Manitoba Hydro	<b>2,062,905</b>	281,902
Manitoba Keewatinowi Okimakanak Inc. (MKO)	<b>511,937</b>	209,503
Norway House Fisherman's Co-op Ltd.	<b>579,041</b>	299,082
Norway House Trappers Association	<b>200,000</b>	100,000
Other	<b>10,092,683</b>	12,672,260
Pharmacy benefit providers	<b>201,960</b>	275,788
Province of Manitoba	<b>712,490</b>	766,478
Allowance for doubtful accounts	<b>(8,291,507)</b>	(10,307,840)
	<b>10,354,805</b>	7,238,350

Other receivables include trade receivables and receivables due from Norway House Cree Nation members.

### 4. Cash held in trust

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
ISC - Trust funds	<b>105,183</b>	26,609

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. Accounts payable and accrued liabilities

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Accounts payable	<b>9,806,354</b>	11,475,898
Accrued liabilities	<b>3,581,858</b>	3,468,734
Payroll liabilities	<b>2,994,357</b>	2,865,934
Government remittances payable	<b>—</b>	110,984
	<b>16,382,569</b>	17,921,550

**Norway House Cree Nation**  
**Notes to the consolidated financial statements**  
March 31, 2021

**5. Accounts payable and accrued liabilities (continued)**

	Band \$	CMHC \$	Gaming Centre \$	HCE \$	KSBDC \$	KSIW \$	Keenanow Trust Secretariat \$
Accounts payable	7,410,253	20,670	5,881	434,479	3,822	95,464	724,272
Accrued liabilities	284,628	—	5,250	2,791,831	14,000	6,000	29,810
Payroll liabilities	2,939,821	—	—	—	—	—	—
Government remittances payable	—	—	—	—	—	—	—
	<b>10,634,702</b>	<b>20,670</b>	<b>11,131</b>	<b>3,226,310</b>	<b>17,822</b>	<b>101,464</b>	<b>754,082</b>

	Molson Lake Lodge \$	Muchipunowin \$	PDC \$	Pharmacy \$	Pinaow Wachi \$	York Boat Inn & Diner \$	2021 \$	2020 \$
Accounts payable	—	6,572	831,408	97,699	157,346	18,308	9,806,174	11,475,898
Accrued liabilities	5,000	420,339	—	10,000	15,000	—	3,581,858	3,468,734
Payroll liabilities	—	—	—	—	54,716	—	2,994,537	2,865,934
Government remittances payable	—	—	—	—	—	—	—	110,984
	<b>5,000</b>	<b>426,911</b>	<b>831,408</b>	<b>107,699</b>	<b>227,062</b>	<b>18,308</b>	<b>16,382,569</b>	<b>17,921,550</b>

**6. Deferred revenue**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Deferred revenue consists of the following		
Assembly of Manitoba Chiefs	<b>809,046</b>	404,523
CMHC Rapid Housing Initiative	<b>3,929,615</b>	—
ISC - Band funding	<b>207,128</b>	40,000
ISC – Health Centre of Excellence capital funding	<b>20,655,555</b>	21,353,090
Keenanow Trust	<b>397,487</b>	397,487
Keewatinohk Inniniw Minoayawin	<b>233,373</b>	—
Northwest Company	<b>53,356</b>	53,356
Other	<b>7,328</b>	16,333
	<b>26,292,888</b>	22,264,789

**7. Long-term debt**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Bank of Montreal		
\$8,034 payable monthly including interest at 4.99%, maturing November 1, 2025, secured by a first charge on equipment.	<b>400,612</b>	—
\$148,426 payable monthly including interest at 6.25%, maturing March 28, 2025, secured by a first charge on equipment and property.	<b>22,215,928</b>	22,310,758
CWB National Leasing		
\$7,025 payable monthly including interest of 5.75% maturing August 1, 2022, secured by a first charge on equipment.	<b>108,174</b>	184,438
\$1,132 payable monthly including interest at 6.81%, maturing May 31, 2024, secured by a first charge on equipment.	<b>38,791</b>	—
\$3,725 payable monthly including interest at 5.44%, maturing October 1, 2022, secured by a first charge on equipment.	<b>67,763</b>	—
\$1,132 payable monthly including interest of 7.03%, maturing March 1, 2021, secured by a first charge on equipment, repaid during 2021.	—	12,021
Beatoes Productions		
\$2,868 payable monthly interest free, maturing March 31, 2021 secured by audio/visual equipment, repaid during 2021.	—	8,596
Bodkin		
\$2,193 payable monthly including interest of 6.81%, maturing November 7, 2022, secured by a first charge on equipment.	<b>40,423</b>	62,514
Daimler		
\$3,283 payable monthly including interest of 8.39%, maturing September 9, 2024, secured by a first charge on equipment.	<b>119,144</b>	147,251
Carry forward	<b>22,990,835</b>	22,725,578

**7. Long-term debt (continued)**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Balance carried forward	<b>22,990,835</b>	22,725,578
Komatsu International (Canada) Inc.		
\$4,209 payable monthly, 0% interest, maturing November 27, 2022, secured by a first charge on equipment.	<b>84,190</b>	134,703
\$8,971 payable monthly, 0% interest, maturing April 1, 2023, secured by a first charge on equipment.	<b>223,770</b>	331,420
\$9,895 payable monthly, 0% interest, maturing December 2, 2022, secured by a first charge on equipment.	<b>207,789</b>	326,525
\$3,516 payable monthly, 0% interest, maturing April 1, 2024, secured by a first charge on equipment.	<b>130,108</b>	158,240
\$3,516 payable monthly, 0% interest, maturing April 1, 2024, secured by a first charge on equipment.	<b>130,108</b>	158,240
\$4,833 payable monthly, 0% interest, maturing April 1, 2024, secured by a first charge on equipment.	<b>178,833</b>	217,500
\$5,957 payable monthly, 6.00% interest, maturing October 14, 2023, secured by a first charge on equipment.	<b>170,662</b>	—
Ford Credit		
\$1,149 payable monthly including interest at 7.48%, maturing January 13, 2024, secured by a first charge on equipment.	<b>35,096</b>	23,847
\$1,196 payable monthly including interest at 7.48%, maturing January 13, 2024, secured by a first charge on equipment.	<b>36,534</b>	25,171
\$593 payable monthly including interest at 9.08%, maturing January 18, 2024, secured by a first charge on equipment.	<b>38,641</b>	26,821
\$663 payable monthly including interest at 2.02%, maturing May 24, 2024, secured by a first charge on equipment.	<b>31,760</b>	—
\$751 payable monthly including interest at 1.01%, maturing May 24, 2024, secured by a first charge on equipment.	<b>28,078</b>	—
\$653 payable monthly including interest at 0.00%, maturing October 27, 2025, secured by a first charge on equipment.	<b>35,905</b>	—
\$653 payable monthly including interest at 0.00%, maturing November 10, 2025, secured by a first charge on equipment.	<b>36,558</b>	—
\$781 payable monthly including interest at 0.00%, maturing November 10, 2025, secured by a first charge on equipment.	<b>43,754</b>	—
\$756 payable monthly including interest at 0.00%, maturing November 18, 2025, secured by a first charge on equipment.	<b>42,354</b>	—
Carry forward	<b>24,444,975</b>	24,128,045

**7. Long-term debt (continued)**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Balance carried forward	<b>24,444,975</b>	24,128,045
Ford Credit (continued)		
Money in Motion		
\$1,661 payable monthly including interest at 6.82%, maturing February 2, 2021 secured by a first charge on equipment.	—	28,388
GE Capital		
\$1,846 payable monthly including interest at 7.07%, maturing February 1, 2021, secured by a first charge on equipment.	—	19,393
Bank of Montreal		
Demand loan non-revolving from the Bank of Montreal up to \$3,800,000 repayable in monthly payments of \$22,927 principal plus interest at the prime rate plus 1.25%. Loan is secured by a general security agreement providing a first fixed and floating charge over the assets of 4015029 Manitoba Ltd., and a registered first charge of collateral mortgage of \$5,000,000 over 333 Maryland St. property.	<b>3,326,214</b>	3,475,555
CMHC		
Forgivable loan over 15 years, in 2025, as long as the building is used for a shelter.	<b>175,000</b>	280,000
Frontier School Division		
\$150,000 payable monthly including interest at 3.75%, maturing April 30, 2021, not secured. The Entity negotiated a reduction in monthly payment to \$50,000 from May 1, 2019 to December 1, 2019.	<b>2,368,089</b>	7,303,241
NHCN Housing Projects		
Peace Hills Trust		
Construction mortgage, payable in blended monthly instalments of \$22,714 and interest rate of 3.75% renewable on November 1, 2022.	<b>3,665,040</b>	3,799,357
Royal Bank of Canada		
Demand loan payable in annual instalments of \$110,570 less interest at 3.08% payable monthly maturing April 1, 2024, secured by 35 housing units.	<b>442,281</b>	552,851
Carry forward	<b>34,421,599</b>	39,586,830

**Norway House Cree Nation**  
**Notes to the consolidated financial statements**  
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**7. Long-term debt (continued)**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Balance carried forward	<b>34,421,599</b>	39,586,830
NHCN Housing Projects (continued)		
Royal Bank of Canada (continued)		
Demand loan payable in monthly instalments of \$15,310, less interest at 2.40% payable monthly, maturing April 1, 2025, secured by 36 housing units.	<b>715,492</b>	880,001
Demand loan payable in monthly instalments of \$12,817 including interest at 3.36%, maturing June 1, 2023, secured by a Band Council Resolution supporting the apartment building construction loan in the original amount of \$2,400,000 and acknowledgement from ISC as to loan funding, terms and conditions.	<b>985,268</b>	1,103,876
Demand loan, repayable in monthly instalments of \$4,915 including interest at 2.96%, maturing February 1, 2025, secured by a Band Council Resolution committing to a loan for the purchase of trailers.	<b>461,097</b>	509,496
Demand loan, repayable in monthly instalments of \$13,755 plus interest at 2.63%, maturing December 1, 2025, secured by a Band Council Resolution supporting a loan facility of \$2,652,000 to fund the construction of the 33-unit CMHC project.	<b>1,421,038</b>	1,515,731
Demand loan payable in monthly instalments of \$13,670 including interest at 2.26%, maturing November 1, 2021 secured by 33 trailer units.	<b>1,552,837</b>	1,680,300
Demand loan payable in monthly instalments of \$10,927 including interest at 2.60%, maturing February 1, 2026, secured by teacherage units.	<b>1,153,522</b>	1,244,912
CMHC Housing Projects		
Canada Mortgage and Housing Corporation		
Mortgage payable, 1.82%, repayable in monthly instalments of \$5,789 due June 1, 2023.	<b>152,996</b>	219,048
Mortgage payable, 1.35%, repayable in monthly instalments of \$4,472, due July 1, 2026.	<b>276,006</b>	325,595
Mortgage payable, 1.97%, repayable in monthly instalments of \$3,559, due October 1, 2027.	<b>263,505</b>	300,652
Mortgage payable, 1.97%, repayable in monthly instalments of \$3,107, due September 1, 2027.	<b>227,318</b>	259,802
Mortgage payable, 1.97%, repayable in monthly instalments of \$2,075, due September 1, 2027.	<b>151,816</b>	173,511
Mortgage payable, 2.39%, repayable in monthly instalments of \$4,585, due March 1, 2028.	<b>354,484</b>	400,497
Mortgage payable, 1.86%, repayable in monthly instalments of \$1,440, due January 1, 2029.	<b>125,955</b>	140,765
Mortgage payable, 1.83%, repayable in monthly instalments of \$1,888, due November 1, 2024.	<b>80,287</b>	101,272
Mortgage payable, 7.45%, repayable in monthly instalments of \$259, due July 31, 2021.	<b>27,044</b>	—
Mortgage payable, 7.45%, repayable in monthly instalments of \$437, due October 9, 2021.	<b>52,251</b>	—
Carry forward	<b>42,422,515</b>	48,442,288

**7. Long-term debt (continued)**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Balance carried forward	<b>42,422,515</b>	48,442,288
CMHC Housing Projects (continued)		
Canada Mortgage and Housing Corporation (continued)		
Mortgage payable, 1.08%, repayable in monthly instalments of \$4,422, due August 1, 2025.	<b>228,531</b>	279,104
Mortgage payable, 2.39%, repayable in monthly instalments of \$6,882, due February 1, 2032.	<b>793,350</b>	856,293
Mortgage payable, 1.12%, repayable in monthly instalments of \$10,324, due February 1, 2035.	<b>1,594,965</b>	1,701,429
Mortgage payable, 1.19%, repayable in monthly instalments of \$5,066, due July 1, 2035.	<b>800,304</b>	851,874
Mortgage payable, 2.68%, repayable in monthly instalments of \$15,959, due September 1, 2033.	<b>2,033,915</b>	2,169,372
Mortgage payable, 2.21%, repayable in monthly instalments of \$10,591, due February 1, 2034.	<b>1,427,627</b>	1,522,249
Mortgage payable, 2.61% repayable in monthly instalments of \$13,856, due December 1, 2043	<b>2,854,010</b>	2,922,908
Mortgage payable, 0.73% repayable in monthly instalments of \$7,662, due July 1, 2025	<b>2,049,730</b>	1,295,808
Mortgage payable, terms to be determined upon completion of project	<b>1,592,447</b>	632,971
Mortgage payable, terms to be determined upon completion of project	<b>394,857</b>	—
Total long-term debt	<b>56,192,251</b>	60,674,296

Long-term debt for CMHC projects financed by the Canada Mortgage and Housing Corporation, the Royal Bank and the Toronto-Dominion Bank are secured by a CMHC undertaking to insure the properties, a commitment letter, lender's loan agreement, ministerial guarantee and an assignment of fire insurance.

The majority of the long-term debt held by the Entity is for the purpose of financing housing projects and mortgages. The remaining long-term debt balance relates to equipment, building and education loans as presented below:

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Housing	<b>26,052,873</b>	25,719,674
Equipment	<b>24,444,975</b>	24,175,826
Building	<b>3,326,214</b>	3,475,555
Education	<b>2,368,089</b>	7,303,241
	<b>56,192,151</b>	60,674,296

Subsequent to year end the Education loan of \$2,368,089 was repaid to Frontier School Division.

**7. Long-term debt (continued)**

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

	\$
2022	2,351,025
2023	2,300,704
2024	2,046,227
2025	1,752,629
2026	1,570,066
Thereafter	46,171,600
	<u>56,192,251</u>

**8. Tangible capital assets**

	General capital assets				
	Land and land improvements \$	Buildings and leasehold improvements \$	Vehicles and equipment \$	Computer hardware and software \$	Housing \$
Cost					
Opening costs	<b>396,682</b>	<b>105,343,759</b>	<b>27,974,843</b>	<b>326,070</b>	<b>88,382,780</b>
Additions during the year	—	<b>793,887</b>	<b>13,683,944</b>	<b>109,262</b>	<b>4,991,595</b>
Transfers out of construction in progress	—	—	—	—	<b>1,764,124</b>
Disposals and write downs	—	—	<b>(362,212)</b>	—	<b>(159,868)</b>
Closing costs	<b>396,682</b>	<b>106,137,646</b>	<b>41,296,575</b>	<b>435,332</b>	<b>94,978,631</b>
Accumulated amortization					
Opening accumulated amortization	<b>7,429</b>	<b>38,911,862</b>	<b>19,540,593</b>	<b>258,367</b>	<b>34,229,770</b>
Amortization	<b>784</b>	<b>7,300,550</b>	<b>3,608,274</b>	<b>67,711</b>	<b>4,060,253</b>
Disposals and write downs	—	—	<b>(68,668)</b>	—	<b>(159,868)</b>
Closing accumulated amortization	<b>8,213</b>	<b>46,212,412</b>	<b>23,080,199</b>	<b>326,078</b>	<b>38,130,155</b>
Net book value of tangible capital assets	<b>388,469</b>	<b>59,925,234</b>	<b>18,216,376</b>	<b>109,254</b>	<b>56,848,476</b>

**8. Tangible capital assets (continued)**

	Infrastructure				2021 \$	2020 \$
	Roads and sidewalks \$	Water and sewer \$	Telecom \$	Construction In progress \$		
Cost						
Opening costs	<b>16,118,145</b>	<b>25,526,317</b>	<b>12,662,429</b>	<b>25,715,685</b>	<b>302,446,710</b>	276,490,324
Additions during the year	<b>501,410</b>	<b>121,066</b>	<b>670,778</b>	<b>35,921,720</b>	<b>56,793,662</b>	25,956,386
Transfers out of construction in progress	—	—	—	<b>(1,764,124)</b>	—	—
Disposals and write downs	—	—	—	—	<b>(522,080)</b>	—
Closing costs	<b>16,619,555</b>	<b>25,647,383</b>	<b>13,333,207</b>	<b>59,873,281</b>	<b>358,718,292</b>	302,446,710
Accumulated amortization						
Opening accumulated amortization	<b>9,427,934</b>	<b>9,267,544</b>	<b>3,177,766</b>	—	<b>114,821,265</b>	107,056,092
Amortization	<b>545,392</b>	<b>832,954</b>	<b>431,094</b>	—	<b>16,847,012</b>	7,765,173
Disposals and write downs	—	—	—	—	<b>(228,536)</b>	—
Closing accumulated amortization	<b>9,973,326</b>	<b>10,100,498</b>	<b>3,608,860</b>	—	<b>131,439,741</b>	114,821,265
Net book value of tangible capital assets	<b>6,646,229</b>	<b>15,546,885</b>	<b>9,724,347</b>	<b>59,873,281</b>	<b>227,278,551</b>	187,625,445

**8. Tangible capital assets (continued)**

	<b>Band</b>	<b>CMHC</b>	<b>HCE</b>	<b>KSBDC</b>	<b>KSIW</b>	<b>Molson Lake Lodge</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cost						
Opening costs	<b>227,803,110</b>	<b>29,490,134</b>	<b>20,188,173</b>	<b>6,820,402</b>	<b>6,457,976</b>	<b>2,755,593</b>
Additions during the year	<b>15,760,397</b>	<b>2,572,494</b>	<b>37,843,139</b>	—	<b>366,287</b>	<b>21,806</b>
Transfers	—	—	—	—	—	<b>(865,034)</b>
Disposals and write downs	<b>(353,661)</b>	—	<b>(168,419)</b>	—	—	—
Closing costs	<b>243,209,846</b>	<b>32,062,628</b>	<b>57,862,893</b>	<b>6,820,402</b>	<b>6,824,263</b>	<b>1,912,365</b>
Accumulated amortization						
Opening accumulated amortization	<b>93,882,760</b>	<b>8,781,448</b>	—	<b>3,716,526</b>	<b>2,274,022</b>	<b>1,716,406</b>
Amortization	<b>10,753,110</b>	<b>4,703,029</b>	<b>415,134</b>	<b>249,768</b>	<b>240,445</b>	<b>58,720</b>
Disposals and write downs	<b>(228,536)</b>	—	—	—	—	—
Closing accumulated amortization	<b>104,407,334</b>	<b>13,484,477</b>	<b>415,134</b>	<b>3,966,294</b>	<b>2,514,467</b>	<b>1,775,126</b>
Net book value of tangible capital assets	<b>138,802,512</b>	<b>18,578,151</b>	<b>57,447,759</b>	<b>2,854,108</b>	<b>4,309,796</b>	<b>137,239</b>

**8. Tangible capital assets (continued)**

	<b>Muchipunowin</b>	<b>Other</b>	<b>Pharmacy</b>	<b>Pinaow Wachi</b>	<b>York Boat Inn &amp; Diner</b>	<b>2021</b>	<b>2020</b>
	\$	\$	\$	\$	\$	\$	\$
Cost							
Opening costs	<b>173,619</b>	<b>1,234,760</b>	<b>694,823</b>	<b>4,291,688</b>	<b>2,536,432</b>	<b>302,446,710</b>	276,490,324
Additions during the year	<b>92,186</b>	<b>53,852</b>	<b>36,927</b>	<b>26,642</b>	<b>19,932</b>	<b>56,793,662</b>	25,956,386
Transfers	—	<b>865,034</b>	—	—	—	—	—
Disposals and write downs	—	—	—	—	—	<b>(522,080)</b>	—
Closing costs	<b>265,805</b>	<b>2,153,646</b>	<b>731,750</b>	<b>4,318,330</b>	<b>2,556,364</b>	<b>358,718,292</b>	302,446,710
Accumulated amortization							
Opening accumulated amortization	<b>56,027</b>	<b>743,808</b>	<b>389,409</b>	<b>2,116,604</b>	<b>1,144,255</b>	<b>114,821,265</b>	107,056,092
Amortization	<b>33,481</b>	<b>17,629</b>	<b>110,113</b>	<b>131,140</b>	<b>134,443</b>	<b>16,847,012</b>	7,765,173
Disposals and write downs	—	—	—	—	—	<b>(228,536)</b>	—
Closing accumulated amortization	<b>89,508</b>	<b>761,437</b>	<b>499,522</b>	<b>2,247,744</b>	<b>1,278,698</b>	<b>131,439,741</b>	114,821,265
Net book value of tangible capital assets	<b>176,297</b>	<b>1,392,209</b>	<b>232,228</b>	<b>2,070,586</b>	<b>1,277,666</b>	<b>227,278,551</b>	187,625,445

**9. Inventory**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Playgreen Development Corporation	<b>729,000</b>	59,217
Norway House Pharmacy	<b>411,601</b>	381,959
Norway House Cree Nation Gaming Commission	<b>22,769</b>	12,978
Kinosao Sipi Business Development Corporation	<b>6,000</b>	—
York Boat Inn	<b>4,000</b>	4,000
	<b>1,173,370</b>	458,154

**10. Other revenue**

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Other	<b>2,002,080</b>	2,329,547
JNR revenue	<b>1,563,627</b>	1,932,788
Broadband - other	<b>1,523,225</b>	806,506
Pinaow Wachi - other	<b>948,972</b>	1,020,583
Whiskey Jack rental revenue	<b>480,000</b>	480,000
Band Support - interest	<b>419,233</b>	251,654
Emergency medical services	<b>—</b>	9,900
	<b>6,937,137</b>	6,830,978

**11. Economic dependence**

Norway House Cree Nation receives a major portion of its revenues pursuant to funding arrangements with Indigenous Services Canada.

**12. Contingencies**

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

**13. Pension plan**

Norway House Cree Nation provides a defined contribution pension plan to its employees. The net expense for the period is \$313,709 (2020 - \$328,673).

Employees contribute 3% of their earnings to the entity's pension plan. The entity matches these employee contributions.

**14. Segment disclosure**

	<b>Band support</b>		<b>Broadband</b>		<b>CMHC</b>	
	<b>2021</b>	2020	<b>2021</b>	2020	<b>2021</b>	2020
	<b>\$</b>	\$	<b>\$</b>	\$	<b>\$</b>	\$
<b>Revenue</b>						
Federal government	<b>4,421,168</b>	8,929,565	—	—	<b>2,922,853</b>	1,551,253
Provincial government	<b>1,699,642</b>	1,845,425	—	—	—	—
Economic activities	<b>2,293,298</b>	2,307,940	<b>1,523,225</b>	806,506	<b>71,232</b>	328,454
Other revenue	<b>624,759</b>	5,738,537	—	—	—	—
Total revenue	<b>9,038,867</b>	18,821,467	<b>1,523,225</b>	806,506	<b>2,994,085</b>	1,879,707
<b>Expenditures</b>						
Salaries and benefits	<b>2,554,529</b>	2,114,761	<b>169,787</b>	198,393	<b>194,571</b>	—
Amortization	—	—	<b>372,797</b>	—	<b>4,703,031</b>	861,366
Debt servicing	<b>1,708,393</b>	2,399,887	<b>7,469</b>	38,463	<b>743</b>	271,988
Transfer						
Interdepartmental	<b>(194,224)</b>	(176,658)	—	—	—	—
Other expenses	<b>6,617,188</b>	8,167,462	<b>820,408</b>	798,684	<b>605,156</b>	380,461
Total expenditures	<b>10,685,886</b>	12,505,452	<b>1,370,461</b>	1,035,540	<b>5,503,501</b>	1,513,815
<b>Annual surplus (deficit)</b>	<b>(1,647,019)</b>	6,316,015	<b>152,764</b>	(229,034)	<b>(2,509,416)</b>	365,892

**14. Segment disclosure (continued)**

	<b>Education</b>		<b>Emergency Services</b>		<b>Employment and Training</b>	
	<b>2021</b>	2020	<b>2021</b>	2020	<b>2021</b>	2020
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
Federal government	<b>40,056,163</b>	31,767,558	—	20,000	—	334,342
Provincial government	<b>2,470,719</b>	1,717,461	<b>593,774</b>	605,472	<b>1,666,835</b>	1,654,149
Economic activities	<b>55,058</b>	—	—	—	—	—
Other revenue	<b>1,611,941</b>	799,391	—	9,900	—	64,027
Total revenue	<b>44,193,881</b>	34,284,410	<b>593,774</b>	635,372	<b>1,666,835</b>	2,052,518
<b>Expenditures</b>						
Salaries and benefits	<b>1,113,725</b>	1,331,223	<b>1,163,010</b>	876,438	<b>287,957</b>	391,972
Amortization	<b>3,358,290</b>	1,991,710	<b>38,437</b>	22,260	—	—
Debt servicing	<b>185,806</b>	456,288	—	—	—	—
Transfer						
Interdepartmental	<b>(3,912)</b>	3,912	—	—	—	—
Other expenses	<b>29,487,942</b>	30,501,277	<b>125,626</b>	516,818	<b>1,243,726</b>	1,022,347
Total expenditures	<b>34,141,851</b>	34,284,410	<b>1,327,073</b>	1,415,516	<b>1,531,683</b>	1,414,319
<b>Annual surplus (deficit)</b>	<b>10,052,030</b>	—	<b>(733,299)</b>	(780,144)	<b>135,152</b>	638,199

**14. Segment disclosure (continued)**

	<b>Enterprises</b>		<b>Health Centre of Excellence</b>		<b>Health Services</b>	
	<b>2021</b>	2020	<b>2021</b>	2020	<b>2021</b>	2020
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
Federal government	<b>446,083</b>	—	<b>42,075,486</b>	11,181,910	<b>33,585,516</b>	13,070,601
Provincial government	<b>—</b>	—	<b>—</b>	—	<b>148,688</b>	101,515
Economic activities	<b>14,114,690</b>	12,871,437	<b>52,593</b>	193,508	<b>7,220</b>	27,751
Other revenue	<b>—</b>	—	<b>1,846</b>	812,497	<b>30,399</b>	120,093
Total revenue	<b>14,560,773</b>	12,871,437	<b>42,129,925</b>	12,187,915	<b>33,771,823</b>	13,319,960
<b>Expenditures</b>						
Salaries and benefits	<b>3,005,503</b>	4,454,612	<b>68,612</b>	—	<b>6,684,829</b>	6,458,734
Amortization	<b>832,403</b>	641,184	<b>415,134</b>	—	<b>2,457,935</b>	1,457,734
Debt servicing	<b>168,308</b>	192,552	<b>—</b>	—	<b>—</b>	—
Transfer						
Interdepartmental	<b>—</b>	—	<b>—</b>	—	<b>—</b>	—
Other expenses	<b>9,221,643</b>	6,764,093	<b>3,276,419</b>	179,346	<b>7,495,786</b>	6,243,040
Total expenditures	<b>13,227,857</b>	12,052,441	<b>3,760,165</b>	179,346	<b>16,638,550</b>	14,159,508
<b>Annual surplus (deficit)</b>	<b>1,332,916</b>	818,996	<b>38,369,760</b>	12,008,569	<b>17,133,273</b>	(839,548)

**14. Segment disclosure (continued)**

	<b>Housing</b>		<b>Keenanow Trust Secretariat</b>		<b>Parks, Recreation, and Multi-Plex</b>	
	<b>2021</b>	2020	<b>2021</b>	2020	<b>2021</b>	2020
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
Federal government	<b>970,000</b>	1,941,000	—	—	—	—
Provincial government	<b>84,746</b>	—	—	—	—	—
Economic activities	<b>478,865</b>	243,403	<b>202,260</b>	69,664	<b>119,148</b>	249,251
Other revenue	<b>86,725</b>	207,500	<b>210</b>	—	<b>60,782</b>	2,207,710
Total revenue	<b>1,620,336</b>	2,391,903	<b>202,470</b>	69,664	<b>179,930</b>	2,456,961
<b>Expenditures</b>						
Salaries and benefits	<b>530,962</b>	775,667	<b>214,632</b>	—	<b>549,401</b>	1,113,957
Amortization	<b>3,594,223</b>	2,131,635	—	—	<b>449,463</b>	266,564
Debt servicing	—	—	—	—	—	—
Transfer						
Interdepartmental	—	—	—	—	<b>2,650</b>	—
Other expenses	<b>961,493</b>	1,385,592	<b>365,800</b>	563,463	<b>395,344</b>	1,556,308
Total expenditures	<b>5,086,678</b>	4,292,894	<b>580,432</b>	563,463	<b>1,396,858</b>	2,936,829
<b>Annual surplus (deficit)</b>	<b>(3,466,342)</b>	(1,900,991)	<b>(377,962)</b>	(493,799)	<b>(1,216,928)</b>	(479,868)

**14. Segment disclosure (continued)**

	<b>Pinaow Wachi</b>		<b>Public Works</b>		<b>Restorative Justice</b>	
	<b>2021</b>		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
Federal government	<b>1,351,271</b>	1,256,191	<b>8,130,230</b>	6,969,727	<b>116,888</b>	—
Provincial government	—	—	—	—	—	80,000
Economic activities	<b>18,958</b>	40,684	<b>5,159,713</b>	1,279,323	—	—
Other revenue	<b>943,290</b>	979,899	<b>51,581</b>	550	—	—
Total revenue	<b>2,313,519</b>	2,276,774	<b>13,341,524</b>	8,249,600	<b>116,888</b>	80,000
<b>Expenditures</b>						
Salaries and benefits	<b>2,105,149</b>	1,904,946	<b>3,684,010</b>	2,114,402	<b>72,747</b>	58,869
Amortization	<b>134,443</b>	101,607	<b>490,856</b>	291,113	—	—
Debt servicing	—	—	<b>56,588</b>	—	—	—
Transfer						
Interdepartmental	—	—	<b>(437,715)</b>	(46,581)	—	—
Other expenses	<b>665,608</b>	712,048	<b>8,693,060</b>	7,204,460	<b>74,246</b>	29,035
Total expenditures	<b>2,905,200</b>	2,718,601	<b>12,486,799</b>	9,563,394	<b>146,993</b>	87,904
<b>Annual surplus (deficit)</b>	<b>(591,681)</b>	(441,827)	<b>854,725</b>	(1,313,794)	<b>(30,105)</b>	(7,904)

**14. Segment disclosure (continued)**

	Safety Officer's Program		Social Services		VLT	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
Federal government	—	—	<b>12,443,951</b>	12,651,370	—	—
Provincial government	—	17,402	—	—	—	—
Economic activities	—	—	—	—	<b>11,100,347</b>	24,283,962
Other revenue	—	—	—	—	—	—
Total revenue	—	17,402	<b>12,443,951</b>	12,651,370	<b>11,100,347</b>	24,283,962
<b>Expenditures</b>						
Salaries and benefits	<b>436,448</b>	505,765	<b>456,293</b>	531,346	<b>413,906</b>	547,176
Amortization	—	—	—	—	—	—
Debt servicing	—	—	—	—	—	—
Transfer						
Interdepartmental	—	—	—	—	—	—
Other expenses	<b>90,917</b>	86,381	<b>14,432,924</b>	12,657,880	<b>9,060,966</b>	21,786,984
Total expenditures	<b>527,365</b>	592,146	<b>14,889,217</b>	13,189,226	<b>9,474,872</b>	22,334,160
<b>Annual surplus (deficit)</b>	<b>(527,365)</b>	(574,744)	<b>(2,445,266)</b>	(537,856)	<b>1,625,475</b>	1,949,802

**14. Segment disclosure (continued)**

	<b>Youth</b>		<b>Elimination</b>		<b>Total</b>	
	<b>2021</b>	2020	<b>2021</b>	2020	<b>2021</b>	2020
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
Federal government	<b>266,487</b>	334,342	—	—	<b>146,786,096</b>	90,007,859
Provincial government	—	—	—	—	<b>6,664,404</b>	6,021,424
Economic activities	—	—	<b>(498,327)</b>	(2,218,009)	<b>34,698,280</b>	40,483,874
Other revenue	—	—	<b>(1,971,835)</b>	(1,256,191)	<b>1,439,698</b>	9,683,913
Total revenue	<b>266,487</b>	334,342	<b>(2,470,162)</b>	(3,474,200)	<b>189,588,478</b>	146,197,070
<b>Expenditures</b>						
Salaries and benefits	<b>304,137</b>	381,964	—	—	<b>24,010,208</b>	23,760,225
Amortization	—	—	—	—	<b>16,847,012</b>	7,765,173
Debt servicing	—	—	—	—	<b>2,127,307</b>	3,359,178
Transfer						
Interdepartmental	—	—	—	—	<b>(633,201)</b>	(219,327)
Other expenses	—	—	<b>(2,470,162)</b>	(3,474,200)	<b>91,164,090</b>	97,081,479
Total expenditures	<b>304,137</b>	381,964	<b>(2,470,162)</b>	(3,474,200)	<b>133,515,416</b>	131,746,728
<b>Annual surplus (deficit)</b>	<b>(37,650)</b>	(47,622)	—	—	<b>56,073,062</b>	14,450,342

## 15. Expense by object

The following is a summary of expenses by object:

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Administration	<b>1,723,909</b>	1,894,058
Amortization	<b>16,847,012</b>	7,765,173
Bad debt	<b>168,928</b>	655,216
Cost of Good Sold	<b>2,565,676</b>	2,613,568
Event expense	<b>8,831,253</b>	21,414,046
Fees and services	<b>47,658,970</b>	46,904,665
Insurance	<b>905,317</b>	784,466
Interest and bank charges	<b>2,382,921</b>	3,359,178
Meals and Entertainment	<b>1,363,533</b>	718,968
Miscellaneous	<b>1,522,948</b>	2,547,330
Professional fees	<b>11,555,612</b>	5,801,135
Rent	<b>415,173</b>	726,896
Repairs and maintenance	<b>2,027,957</b>	1,997,324
Salaries and benefits	<b>24,010,208</b>	23,760,225
Supplies	<b>5,553,861</b>	2,148,715
Tax expense	<b>81,252</b>	86,281
Training	<b>68,692</b>	182,024
Travel	<b>6,038,240</b>	6,913,644
Utilities	<b>1,454,313</b>	1,473,816
	<b>135,175,775</b>	131,746,728

## 16. Government transfers

	<b>Operations</b>	<b>Capital</b>	<b>2021 Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Federal Government Transfers			
Indigenous Services Canada	<b>104,492,338</b>	<b>38,691,618</b>	<b>143,183,956</b>
Canada Mortgage and Housing Corporation	<b>975,614</b>	—	<b>975,614</b>
Manitoba Keewatinowi Okimakanak	<b>2,499,859</b>	—	<b>2,499,859</b>
Assembly of Manitoba Chiefs	<b>1,755,713</b>	—	<b>1,755,713</b>
	<b>109,723,524</b>	<b>38,691,618</b>	<b>148,415,142</b>
	Operations	Capital	2020 Total
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Federal Government Transfers			
Indigenous Services Canada	78,825,949	11,181,910	90,007,859
Canada Mortgage and Housing Corporation	916,128	—	916,128
Manitoba Keewatinowi Okimakanak	2,410,093	—	2,410,093
Assembly of Manitoba Chiefs	809,046		
	<b>82,961,216</b>	<b>11,181,910</b>	<b>93,334,080</b>

**17. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2021</b>	2020
	\$	\$
Unrestricted operating surplus		
Balance, beginning of year	<b>(10,227,202)</b>	(4,443,706)
Transfer to invested in capital assets	<b>(41,550,473)</b>	(19,977,263)
Transfer to externally restricted reserves	<b>(240,985)</b>	(256,575)
Current year surplus	<b>56,073,062</b>	14,450,342
	<b>4,054,402</b>	(10,227,202)
Externally restricted reserves (CMHC)		
Balance, beginning of year	<b>2,224,599</b>	1,968,024
Allocations to reserves/income earned	<b>240,985</b>	256,575
Withdrawals from reserves/expenses	-	-
	<b>2,465,584</b>	2,224,599
Invested in capital assets		
Balance, beginning of year	<b>124,227,887</b>	104,250,624
Amortization	<b>(16,847,012)</b>	(7,765,173)
Purchases	<b>52,661,754</b>	23,233,124
Disposals	<b>(87,140)</b>	-
Loan advances	<b>(2,159,491)</b>	(24,957,732)
Loan repayments	<b>7,982,362</b>	29,467,044
	<b>165,778,360</b>	124,227,887
	<b>172,298,346</b>	116,225,284

**18. Budget**

Budget information is presented on a basis consistent with that used for actual results.  
The budget was approved by Chief and Council on March 31, 2020.

**19. Comparative figures**

Certain of the prior year's figures have been reclassified to conform to the current year's presentation.