
SANDY BAY OJIBWAY FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

SANDY BAY OJIBWAY FIRST NATION

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MARCH 31, 2021

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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

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

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

Chief

Councillor

Councillor

Councillor

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INDEPENDENT AUDITOR'S REPORT

To the Members
Sandy Bay Ojibway First Nation

Qualified Opinion

We have audited the accompanying consolidated financial statements of Sandy Bay Ojibway First Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, consolidated statement of changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Sandy Bay Ojibway First Nation as at March 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Sandy Bay Indigenous Skills And Employment Training Program (ISET)

As a result of incomplete accounting records and source documents we were unable to satisfy ourselves with the completeness and existence of accounts payable and deferred revenue. Therefore, we were not able to determine whether potentially material adjustments were required to accounts payable, deferred revenue, revenue and expenditures.

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 Sandy Bay Ojibway First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 Sandy Bay Ojibway First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Sandy Bay Ojibway First Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

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

Baker Tilly HMA LLP

Chartered Professional Accountants

Winnipeg, Manitoba
March 7, 2024

SANDY BAY OJIBWAY FIRST NATION

STATEMENT 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

2021

2020

FINANCIAL ASSETS

Cash and cash equivalents	\$ 17,137,886	\$ 7,998,458
Restricted cash (Note 3)	8,182,744	3,732,599
Investments (Note 4)	151,300	151,300
Term deposits (Note 5)	343,352	342,004
Accounts receivable (Note 6)	<u>1,787,971</u>	<u>1,787,160</u>
Total financial assets	<u>27,603,253</u>	<u>14,011,521</u>

LIABILITIES

Accounts payable and accrued liabilities (Note 8)	7,479,445	4,346,313
Deferred revenue (Note 9)	9,851,284	3,316,434
Deferred government assistance (Note 10)	250,000	
Long-term debt (Note 11)	<u>15,875,101</u>	<u>13,945,798</u>
Total liabilities	<u>33,455,830</u>	<u>21,608,545</u>
Net debt	<u>(5,852,577)</u>	<u>(7,597,024)</u>

NON-FINANCIAL ASSETS

Tangible capital assets (Note 12)	60,990,547	57,565,549
Inventory	17,859	20,026
Prepaid expenses & other current assets	<u>28,267</u>	<u>166,970</u>
Total non-financial assets	<u>61,036,673</u>	<u>57,752,545</u>
Accumulated surplus (Note 17)	\$ <u>55,184,096</u>	\$ <u>50,155,521</u>

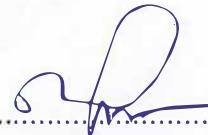
Contingencies and commitments (Note 13)

Approved on behalf of Chief and Council

Chief



Councillor



Councillor



Councillor

SANDY BAY OJIBWAY FIRST NATION

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2021	2020
REVENUE			
Indigenous Services Canada (<i>Note 12</i>)	\$ 31,882,837	\$ 42,967,309	\$ 36,489,512
Health Canada	6,933,618	9,839,728	7,059,818
Canada Mortgage and Housing Corporation	692,079	5,260,801	722,345
Assembly of Manitoba Chiefs		1,386,735	
First Peoples Development Inc		675,097	995,159
Province of Manitoba	270,839	124,193	358,839
Service Canada		81,103	
Contributions from band entities and sundry	4,062,986	7,868,021	7,014,384
Gaming Revenue		2,129,431	3,848,230
Rental Income	478,780	1,050,945	1,140,853
Deferred from prior year		3,316,434	1,997,566
Deferred to following year	<u>-</u>	(9,851,284)	<u>(3,316,434)</u>
	<u>44,321,139</u>	<u>64,848,513</u>	<u>56,310,272</u>
EXPENDITURES			
Band Government	3,055,298	2,756,757	3,062,856
Bulk Fuel		1,133,795	666,725
Community Services	3,138,693	6,035,905	5,412,674
Economic Development	26,590	388,344	7,789
Education Services	14,488,668	18,587,969	15,092,729
Emergency Measures		3,653,474	348,235
Housing Authority	69,240	7,144,612	2,410,492
Indigenous Skills and Employment Training Program		949,840	1,319,048
Major Capital	69,240	48,308	
Medical Services	7,927,920	7,626,097	6,077,511
Other Services	84,345	1,058,822	1,529,342
Smoke Shop		45,419	158,821
Social Services	7,765,979	8,201,548	8,816,837
Tobacco Tax		539,732	531,557
Video Lottery Terminal	<u>-</u>	<u>1,649,316</u>	<u>1,847,056</u>
	<u>36,625,973</u>	<u>59,819,938</u>	<u>47,281,672</u>
ANNUAL SURPLUS			
ANNUAL SURPLUS	7,695,166	5,028,575	9,028,600
ACCUMULATED SURPLUS, <i>beginning of year</i>	50,155,521	50,155,521	41,177,978
Change in net assets invested in capital assets	<u>-</u>	<u>-</u>	<u>(51,057)</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 57,850,687</u>	<u>\$ 55,184,096</u>	<u>\$ 50,155,521</u>

SANDY BAY OJIBWAY FIRST NATION

STATEMENT 3

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2021	2020
Annual surplus (deficit)	\$ 7,695,166	\$ 5,028,575	\$ 9,028,600
Acquisition of tangible capital assets	(13,920,147)	(7,947,656)	
Amortization of tangible capital assets	4,134,225	3,524,640	
Completion of construction in progress	9,258,733	546,989	
Acquisition of construction in progress	— -	(2,897,809)	(1,935,584)
	— -	(3,424,998)	(5,811,611)
Acquisition of supplies and inventories	(17,859)	(20,026)	
Acquisition of prepaid expenses	(28,267)	(166,970)	
Use of supplies and inventories	20,026	55,649	
Use of prepaid expenses	166,970	319,339	
	— -	140,870	187,992
CHANGE IN NET DEBT FOR YEAR	7,695,166	1,744,447	3,404,981
NET DEBT, <i>beginning of year</i>	(7,597,024)	(7,597,024)	(10,950,948)
Change in net assets invested in capital assets	— -	— -	(51,057)
NET DEBT, <i>end of year</i>	\$ 98,142	\$ (5,852,577)	\$ (7,597,024)

SANDY BAY OJIBWAY FIRST NATION

STATEMENT 4

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

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CASH FLOW FROM

OPERATING ACTIVITIES

Cash receipts from Indigenous Services Canada	\$ 42,967,309	\$ 35,079,290
Cash receipts from Health Canada	9,839,728	7,059,818
Cash received from funding and other sources	18,825,514	14,931,427
Cash paid to suppliers and employees	(52,305,180)	(45,431,190)
Interest paid	<u>(107,878)</u>	<u>(370,106)</u>
	<u>19,219,493</u>	<u>11,269,239</u>

INVESTING ACTIVITIES

Acquisition of tangible capital assets	(7,559,223)	(9,336,251)
Interest on term deposits	<u>1,348</u>	<u>1,898</u>
	<u>(7,557,875)</u>	<u>(9,334,353)</u>

FINANCING ACTIVITIES

Proceeds from long term debt	2,973,806	4,822,392
Repayment of long term debt	<u>(1,044,503)</u>	<u>(904,451)</u>
	<u>1,929,303</u>	<u>3,917,941</u>
NET INCREASE IN CASH DURING YEAR	13,590,921	5,852,827
CASH, <i>beginning of year</i>	<u>12,073,061</u>	<u>6,220,234</u>
CASH, <i>end of year</i>	<u>\$ 25,663,982</u>	<u>\$ 12,073,061</u>

CASH COMPRISED OF

Cash and cash equivalents	\$ 17,137,886	\$ 7,998,458
Restricted cash	8,182,744	3,732,599
Term deposits	<u>343,352</u>	<u>342,004</u>
	<u>\$ 25,663,982</u>	<u>\$ 12,073,061</u>

SANDY BAY OJIBWAY FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

1. NATURE OF OPERATION

Sandy Bay Ojibway First Nation (the Nation) is a non-profit, non-taxable entity and is engaged in the social, cultural and economic development of its members. Sandy Bay Ojibway First Nation financial reporting entity includes all related entities which are accountable to the Nation and are either owned or controlled by the Nation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies.

REPORTING ENTITY

The consolidated financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity. The Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Sandy Bay Ojibway First Nation Administration	100% owned
- Sandy Bay Housing Authority	100% owned
- Sandy Bay Housing Authority Inc.	100% owned
- Sandy Bay Ojibway Health Centre	100% owned
- Sandy Bay Ojibway Education (Isaac Beaulieu Memorial School)	100% owned
- Sandy Bay Ojibway First Nation VLT and Community Complex Centre	100% owned
- Sandy Bay Ojibway First Nation Tobacco Tax Rebate	100% owned
- Sandy Bay Bulk Fuel	100% owned
- Sandy Bay Indigenous Skills and Employment Training Program	100% owned
- Sandy Bay Ojibway First Nation Radio	100% owned
- Sandy Bay Ojibway Smoke Shop	100% owned
- Sandy Bay Economic Development Corporation	100% owned

All inter-entity balances have been eliminated on consolidation. However, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

BASIS OF PRESENTATION

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

CASH AND CASH EQUIVALENTS

Cash resources include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted - average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)******REPLACEMENT RESERVE***

The reserves are required by agreements with funders for the replacement of capital assets. This balance consists of a net accumulation of the levy on operations and expenditures paid for by the reserve since inception.

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, that may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, inventory and prepaid expenses.

NET ASSETS (NET DEBT)

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

TANGIBLE CAPITAL ASSETS

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Tangible capital assets are amortized annually using the straight line method (except where noted) at rates intended to amortize the cost of the assets over their estimated useful lives:

Roads and Light	25-40 years straight line basis
Water and Wastewater	30-40 years straight line basis
Commercial Buildings	4-40 years straight line basis
Residential Buildings	15-40 years straight line basis
Equipment	3-15 years straight line basis
Automotive	5-10 years straight line basis

In the year of acquisition, amortization is taken at one-half of the estimated useful life.

CMHC housing amortization method: amortization of the buildings purchased using mortgaged funds provided by CMHC is not calculated based on the estimated useful lives of the assets, but rather at a rate equal to the annual principal reduction of the mortgage.

EMPLOYEE FUTURE BENEFITS

The Nation's employee future benefit program consists of a defined contribution pension plan. Nation contributions to the defined contribution plan are expensed as incurred. Total contributions for the year were \$474,130 (2020 - \$464,624).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*****SEGMENTS**

The Nation conducts its business through thirteen reportable segments as identified in Note 18. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

The First Nation's segments are as follows:

Band Government - includes administration and governance activities.

Community Services - includes activities for the maintenance of the community and its infrastructure.

Education Services - includes the operations of education programs.

Economic Development - includes activities related to the economic development of the community, including its commercial operations.

Social Services - activities include delivering social programs.

Housing Authority - includes activities related to the development and sustainment of on-reserve and off-reserve housing.

Other Services – include activities related to postal, correctional and communication services.

Tobacco Tax - include activities related to the distribution of tobacco tax revenues.

Bulk Fuel and Convenience Store - include activities related to fuel and convenience services.

Video Lottery Terminals (VLT) – include activities related to gaming services.

Indigenous Skills and Employment Training Program (ISET) – activities include providing skills and employment training services.

Smoke Shop - include selling of cigarettes and tobacco products.

Medical Services - reports on the Nation's funding related to health and wellness.

Major Capital - include major capital projects.

Emergency Measures - includes assistance to community members due to Covid-19 and severe weather events.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)******REVENUErecognition***

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

Other revenue is recognized by the Nation when services are provided or goods are shipped. The Nation recognizes gaming revenues on a net win basis (the difference between gaming wins and losses), including table games and slot machines, on a daily basis. Gaming revenues are net of commissions paid to Manitoba Lotteries Corporation, and net of accruals for anticipated payout's of progressive slot machine jackpots and certain progressive table game payout's. Management believes that it is appropriate to present these commissions net of gaming revenues as these amounts are fixed as per their agreement with Manitoba Lotteries Corporation.

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

MEASUREMENT UNCERTAINTY

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after estimates as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Inventory is stated after provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

3. RESTRICTED CASH

RESTRICTED CASH - OTTAWA TRUST FUND

Funds held in trust on behalf of the Nation's members by the Government of Canada Ottawa Trust Fund are reported as restricted cash. Trust monies consist of:

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

RESTRICTED CASH - SANDY BAY OJIBWAY HEALTH CENTRE

Severance liability and moveable asset reserve

Cash and term deposits have been restricted for severance liability and moveable asset reserve (MAR)

Funds restricted for capital spending

Per letter from Health Canada - First Nations Inuit and Health Branch dated December 2, 2015, the Health Branch approved the use of surplus funds from prior years for capital spending. The accumulated (prior years) surplus for the Centre as at March 31, 2015 was \$2,830,757. Accordingly, the amount is deemed restricted for future capital spending.

REPLACEMENT RESERVE - SANDY BAY HOUSING AUTHORITY

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

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

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

SPECIAL PROJECTS - RAPID HOUSING INITIATIVE

Special projects funding provided by Indigenous Services Canada (ISC) whereby monies are held in a separate trust account is restricted for expenditures related to the rapid housing initiative project.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****3. RESTRICTED CASH (continued)**

	2 0 2 1	2 0 2 0
Restricted cash - Ottawa Trust Fund	\$ 29,034	\$ 28,319
Restricted cash - Sandy Bay Ojibway Health Centre - severance liability	273,290	250,977
Restricted cash - Sandy Bay Ojibway Health Centre - moveable asset reserve (MAR)	339,773	314,497
Restricted cash - Sandy Bay Ojibway Health Centre - funds restricted for capital spending	2,830,757	2,830,757
Replacement Reserve - Sandy Bay Housing Authority	455,122	308,049
Special Project - Rapid Housing Initiative	<u>4,254,768</u>	-
	<u>\$ 8,182,744</u>	<u>\$ 3,732,599</u>

4. INVESTMENTS

Sandy Bay Ojibway First Nation Chief and Council have committed on the development of 5 year business plan with business 7475323 MB Ltd.

5. TERM DEPOSITS

Investments consist of term deposits with interest rates ranging from 0.10% to 1.60% maturing between May 2021 and July 2023.

6. ACCOUNTS RECEIVABLE

	2 0 2 1	2 0 2 0
Indigenous Services Canada	\$ 535,907	\$ 676,093
Health Canada		138,007
Canada Mortgage and Housing Corporation	197,725	117,657
Province of Manitoba	153,083	202,826
Goods and services tax	51,211	54,137
Members receivable		232,061
Rent receivable	612,115	178,444
Receivable from Dakota Ojibway Tribal Council Housing Authority Inc.		321,114
Trade and other	<u>417,137</u>	<u>277,326</u>
Subtotal	<u>1,967,178</u>	<u>2,197,665</u>
Less: Allowance for doubtful accounts	<u>(179,207)</u>	<u>(410,505)</u>
	<u>\$ 1,787,971</u>	<u>\$ 1,787,160</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****7. CREDIT FACILITIES**

Sandy Bay Ojibway First Nation has an approved line of credit of \$500,000 from Peace Hills Trust. The line of credit bears interest at the bank's prime rate plus 3% (effective rate 6%), calculated and payable monthly. It is secured by a general security agreement covering all fixed and floating assets, including any future acquired property of the Sandy Bay Ojibway First Nation registered with the personal property registry, Manitoba. At March 31, 2021, Sandy Bay Ojibway First Nation had not withdrawn funds under this facility.

Sandy Bay Ojibway First Nation has an approved authorized loan amount of \$3,200,000 from Peace Hills Trust. The proceeds will be utilized for a multiplex project under construction. At March 31, 2021 Sandy Bay Ojibway First Nation had not withdrawn funds under this facility. Further, another amount of \$1,196,000 was approved by the First Peoples Economic Growth Fund for this project and the funds were withdrawn under this facility.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 1	2 0 2 0
Indigenous Services Canada	\$ 41,882	\$ 41,882
Health Canada		191,785
Government remittances payable	12,276	14,654
Payroll liabilities	1,329,850	1,002,411
Trade and accrued liabilities	5,689,730	3,095,581
Old debts payable	<u>405,707</u>	-
	<u>\$ 7,479,445</u>	<u>\$ 4,346,313</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

9. DEFERRED REVENUE

	2 0 2 1	2 0 2 0
Indigenous Services Canada		
Basic needs		50,000
Child and family services	543,823	
Community economic development program		268,800
Consulting and policy development	20,000	20,000
Education local services	778,210	1,476,775
Education operations and maintenance	46,660	
Fire smart	20,000	20,000
Financial management governance	183,156	378,000
First Nation school second level	244,098	201,378
Immediate needs renos	470,807	258,747
Instructional administration	26,855	
Minor capital	28,549	
New paths - Language and Culture	88,299	
PIDP - Plan/Risk Management	58,040	65,759
Pandemic basic needs	3,381,430	
Pandemic service delivery	245,026	
Pandemic special needs	77,206	
Pandemic other	572,808	
Post secondary	534,811	
School effectiveness	105,440	
Skills link	16,451	
Special education program - high cost	591,460	
Special needs	21,843	
Student transportation	127,604	
Water treatment plant	174,208	303,435
Others		
Indigenous Skill and Employment Training Strategy	203,224	207,466
Bipole III	37,765	37,765
Early Learning and Child Care - Assembly of Manitoba Chiefs	1,225,202	
CMHC burnout	28,309	28,309
	<u>\$ 9,851,284</u>	<u>\$ 3,316,434</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****10. DEFERRED GOVERNMENT ASSISTANCE****2 0 2 1****2 0 2 0**

First Peoples Economic Growth Fund	\$ <u>250,000</u>	\$ <u>—</u>
The First Nation received a non-repayable contribution from First Peoples Economic Growth Fund ("FPEGF") in May 2020, as financial assistance for capital, marketing and business support costs. The First Nation must meet certain terms within the contribution agreement over a three year term commencing upon the project completion date. Failure to meet these terms may result in the contribution becoming repayable to FPEGF. The deferred government assistance is recorded as income in the same period in which the related capital, marketing and business support expense is recognized.		

11. LONG-TERM DEBT**2 0 2 1****2 0 2 0**

Canada Mortgage and Housing Corporation - 18 unit mortgage bearing interest at 1.92% per annum, repayable at \$4,352 per month including interest. The mortgage matures on February 1, 2023, with a renewal date of May 1, 2021 and is secured by a ministerial guarantee and assignment of fire insurance.	\$ <u>98,219</u>	\$ <u>148,052</u>
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Canada Mortgage and Housing Corporation - 14 unit mortgage bearing interest at 2.50% per annum, repayable at \$5,252 per month including interest. The mortgage matures on March 1, 2033, with a renewal date of June 1, 2023 and is secured by a ministerial guarantee and assignment of fire insurance.	<u>653,209</u>	<u>699,392</u>
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Canada Mortgage and Housing Corporation - 25 unit mortgage bearing interest at 0.96% per annum, repayable at \$7,076 per month including interest. The mortgage matures on December 1, 2033, with a renewal date of March 1, 2026 and is secured by a ministerial guarantee and assignment of fire insurance.	<u>1,018,743</u>	<u>1,091,729</u>
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Canada Mortgage and Housing Corporation - 23 unit mortgage bearing interest at 0.96% per annum, repayable at \$6,005 per month including interest. The mortgage matures on December 1, 2033, with a renewal date of March 1, 2026 and is secured by a ministerial guarantee and assignment of fire insurance.	<u>864,611</u>	<u>926,555</u>
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Canada Mortgage and Housing Corporation - 8 unit mortgage bearing interest at 1.50% per annum, repayable at \$3,800 per month including interest. The mortgage matures on July 1, 2037, with a renewal date of July 1, 2022 and is secured by a ministerial guarantee and assignment of fire insurance.	<u>660,420</u>	<u>695,876</u>
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Canada Mortgage and Housing Corporation - 15 unit mortgage bearing interest at 2.68% per annum, repayable at \$6,610 per month including interest. The mortgage matures on October 1, 2038, with a renewal date of October 1, 2023 and is secured by a ministerial guarantee and assignment of fire insurance.	<u>1,112,417</u>	<u>1,161,441</u>
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****11. LONG-TERM DEBT *(continued)***

	2 0 2 1	2 0 2 0
Canada Mortgage and Housing Corporation - 10 unit mortgage bearing interest at 0.96% per annum, repayable at \$5,689 per month including interest. The mortgage matures on March 1, 2041 with a renewal date of March 1, 2026 and is secured by a ministerial guarantee and assignment of fire insurance.	1,220,300	1,274,950
Canada Mortgage and Housing Corporation - 15 unit mortgage bearing interest at 2.22% per annum, repayable at \$10,068 per month including interest. The mortgage matures on January 1, 2039 with a renewal date of January 1, 2024 and is secured by a ministerial guarantee and assignment of fire insurance.	1,779,206	1,859,825
Canada Mortgage and Housing Corporation - 10 unit mortgage bearing interest at 1.72% per annum, repayable at \$11,096 per month including interest. The mortgage matures on March 1, 2040, with a renewal date of March 1, 2025 and is secured by a ministerial guarantee.	2,157,827	2,253,186
Canada Mortgage and Housing Corporation - 9 unit mortgage bearing interest at 1.73% per annum, repayable at \$6,114 per month including interest. The mortgage matures on August 1, 2044, with a renewal date of August 1, 2024 and is secured by a ministerial guarantee.	1,412,679	1,462,025
Canada Mortgage and Housing Corporation - 4 unit mortgage bearing interest at 0.79% per annum, repayable at \$5,824 per month including interest. The mortgage matures on January 1, 2041, with a renewal date of January 1, 2026 and is secured by a ministerial guarantee.	1,282,792	
Canada Mortgage and Housing Corporation - 2 unit mortgage bearing interest at 0.74% per annum, repayable at \$1,937 per month including interest. The mortgage matures on February 1, 2041, with a renewal date of February 1, 2026 and is secured by a ministerial guarantee.	430,308	
Peace Hills Trust Loan bearing interest at 5.50% per annum, repayable at \$6,970 per month including interest. The loan will mature on March 1, 2023 and is secured by a first charge blanket mortgage over off reserve homes, an assignment of Sandy Bay Housing Authority rent and leases, a first ranking general security agreement over all fixed and floating assets of Sandy Bay Housing Authority, a general security agreement over all fixed and floating assets of Sandy Bay Ojibway First Nation, a demand promissory note for \$1,151,500 and an assignment of fire, all risks and perils insurance.	931,084	963,502

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****11. LONG-TERM DEBT *(continued)***

Peace Hills Trust Loan bearing interest at 5.50% per annum. The loan will mature on June 1, 2022 and was secured by a continuing security agreement over present and future acquired property of Sandy Bay Ojibway First Nation, assignment of monies, and an assignment of fire, all risks and perils insurance.

2 0 2 1**2 0 2 0****160,688**

330,132

Peace Hills Trust Loan bearing interest at 5.50% per annum. The loan will mature on April 1, 2023 and was secured by a continuing security agreement over present and future acquired property of Sandy Bay Ojibway First Nation, assignment of monies, and an assignment of fire, all risks and perils insurance.

920,000

1,079,133

First People Economic Growth Fund term loan payable, non-interest bearing, repayable in monthly principal installments of \$2,083, commencing December 1, 2020 ending November 1, 2032.

291,667

First People Economic Growth Fund demand loan payable bearing interest at 7%, repayable in monthly installments of \$7,160, commencing December 1, 2020 ending November 1, 2032.

683,499

John Deere capital lease payable, interest at 3.5%, repayable in monthly installments of \$7,615 including interest. Due June 9, 2023.

197,432**\$ 15,875,101** **\$ 13,945,798**

The scheduled principal amounts payable within the next five years to meet retirement provisions are estimated to be as follows:

March 31, 2022	\$ 1,090,830
2023	950,401
2024	927,532
2025	953,095
2026	734,797

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

12. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated Amortization				Net Book Value		
	Opening Balance	Additions	Disposals,	Write-offs &	Opening Balance	Amortization	Disposals,	Write-offs &	Closing Balance	Total 2021	Total 2020
			Transfers	Closing Balance			Adjustments	Closing Balance		2021	2020
Construction in Progress	\$ 10,168,432	\$ 2,897,809	\$ (9,258,733)	\$ 3,807,508	\$	\$	\$	\$	\$ 3,807,508	\$ 10,168,432	
Land	33,884			33,884					33,884	33,884	
Road and Lights	36,324,875	67,730	3,261,393	39,653,998	26,107,617	1,167,247		27,274,864	12,379,134	10,217,258	
Water and Wastewater	2,986,242		5,997,340	8,983,582	1,752,380	282,622		2,035,002	6,948,580	1,233,862	
Commercial Buildings	9,238,193	1,003,000		10,241,193	5,401,874	266,396		5,668,270	4,572,923	3,836,319	
Residential Buildings	40,525,871	1,729,000		42,254,871	13,233,515	1,503,196		14,736,711	27,518,160	27,292,356	
Equipment	5,269,277	1,444,556		6,713,833	3,690,198	386,992		4,077,190	2,636,643	1,579,079	
Automotive	6,440,793	417,128	-	6,857,921	3,236,434	527,772	-	3,764,206	3,093,715	3,204,359	
	<u>\$ 110,987,567</u>	<u>\$ 7,559,223</u>	<u>\$ -</u>	<u>\$ 118,546,790</u>	<u>\$ 53,422,018</u>	<u>\$ 4,134,225</u>	<u>\$ -</u>	<u>\$ 57,556,243</u>	<u>\$ 60,990,547</u>	<u>\$ 57,565,549</u>	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****13. CONTINGENCIES AND COMMITMENTS**

- Sandy Bay First Nation is a sole shareholder of Sandy Bay Economic Development Corporation. Sandy Bay Economic Development Corporation executed a loan agreement with First Peoples Economic Growth Fund Inc. wherein the First Nation is a guarantor.
- The Organization receives funding from various government agencies based on specified program needs and budgets and allocates certain expenses to the various programs. In many cases the funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their agreements. At this time no estimate of the requirements, if any, to reimburse the agencies can be made.
- A claim for \$343,876 for the management services has been filed at the Manitoba Court of Queen's Bench against the Nation by the former contractor of the Smoke Shop. The First Nation is counter suing the claim for the contractual obligations as they were not fulfilled by the contractor. The eventual outcome of the matter is uncertain, and the Nation believes that the matter will eventually be settled in their favour. No liability for \$343,876 has been accrued for this claim.
- A grievance application was filed with Manitoba Government and General Employee's Union regarding four day work week implemented in the past. As per the letter received from the legal counsel, the maximum potential liability in this matter is \$250,000. The matter has currently been referred to the arbitration and the management is hopeful to get a favourable outcome from the decision, hence no liability has been recorded in these consolidated financial statements.
- A national accounting firm has conducted an audit of funding agreements between Indigenous Services Canada and the Nation for the years 2013/14 and 2014/15. There may be a potential recovery by Indigenous Services Canada for between \$350,000. The likelihood of loss is uncertain at this point of time, pending the outcome of the report, thus, no liability has been accrued to reflect this potential recovery of funds.

14. RECONCILIATION OF INDIGENOUS SERVICES CANADA

	2 0 2 1	2 0 2 0
Indigenous Services Canada funding as per agreement #2021-MB-000038	<u>\$ 42,967,309</u>	<u>\$ 36,489,512</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****15. ECONOMIC DEPENDENCE**

Sandy Bay Ojibway First Nation receives the majority of its revenue from the department of Indigenous Services Canada (I.S.C.) and Health Canada as a result of Treaties entered into with the Government of Canada. These treaties are administered by I.S.C. and Health Canada under the terms and conditions of the Indian Act. The ability of the Nation to continue its operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties. Simultaneously the Nation is also attempting to develop alternate sources of revenue in order to become self-sufficient.

16. REPLACEMENT RESERVES***SANDY BAY HOUSING AUTHORITY***

Under the terms of the operating agreements with CMHC, the Replacement Reserve is to be credited with an annual allocation of \$160,197 (2020 - 153,613). These funds along with accumulated interest must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

The annual charge is accounted for as an operating expenditure. Interest on these reserve funds is credited directly to the reserve and not recognized as revenue. Expenditures funded by the reserve are charged directly to the reserve and not recognized as operating expenditures.

SANDY BAY OJIBWAY HEALTH CENTRE - moveable capital replacement reserve

Health Canada allows for an annual allocation to moveable capital asset replacement reserve which is recorded as a disbursement in the year allocated. Assets purchased from the reserve are recorded as a reduction to the reserve and not as an expenditure during the year incurred.

SANDY BAY OJIBWAY HOUSING AUTHORITY INC.

The Authority has a policy of allocating an amount equivalent to 5% of the gross rent to a replacement reserve account. A separate bank account has not been established, thus it is not properly funded nor is interest being earned on the balance.

	CMHC	Health Canada	SBHAI	2 0 2 1	2 0 2 0
Balance, beginning of the year	\$ 1,443,932	\$ 314,497	\$ 113,978	\$ 1,872,407	\$ 1,830,184
Allocation for the year	160,197	25,276	16,320	201,793	178,153
Adjustment for maturing units	<u>171,000</u>	<u>-</u>	<u>-</u>	<u>171,000</u>	<u>(249,908)</u>
	<u>\$ 1,775,129</u>	<u>\$ 339,773</u>	<u>\$ 130,298</u>	<u>\$ 2,245,200</u>	<u>\$ 1,758,429</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

17. ACCUMULATED SURPLUS

	2 0 2 1	2 0 2 0
Accumulated surplus from operations	\$ 7,672,150	\$ 4,626,041
Equity in long term investments	151,300	151,300
Equity in tangible capital assets and construction in progress	45,115,446	43,619,751
Replacement reserve	<u>2,245,200</u>	<u>1,758,429</u>
	<u>\$ 55,184,096</u>	<u>\$ 50,155,521</u>

18. RELATED PARTY TRANSACTIONS

These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length equivalent value for sales of products.

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

19. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2 0 2 1	2 0 2 0
Amortization	\$ 4,134,225	\$ 3,524,640
Bank and interest charges	107,878	71,864
Contract services	1,023,119	1,176,724
Cost of sales	2,096,487	2,084,130
Donation	88,527	171,930
Fuel	440,315	443,540
Insurance	734,910	555,871
Interest on long-term debt	345,104	298,242
Material and supplies	8,471,628	1,904,850
Other	9,296,175	5,025,404
Professional fees	1,064,597	1,538,688
Repair and maintenance	1,244,742	1,000,398
Salaries and benefits	18,657,315	17,333,456
Social assistance	6,611,684	6,313,581
Telecommunication	333,397	145,732
Training and workshop	2,812,797	2,812,533
Travel	363,001	943,269
Utilities	<u>1,994,037</u>	<u>1,936,820</u>
	<u>\$ 59,819,938</u>	<u>\$ 47,281,672</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2021****20. BUDGET INFORMATION**

Unaudited budget figures have been provided for comparison purposes which have been derived from the estimates prepared by the Nation.

21. COVID-19

The safety measures to combat COVID-19 and the government response continue to evolve and change quickly. It is management's opinion that the Nation has adequately adapted to the impact of this pandemic and will continue to maintain operations for the foreseeable future. While management will continue to monitor and evaluate the implications of the pandemic, it is difficult to predict the extent and duration this pandemic could have on the future finances and operations of the Nation.

22. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

23. SEGMENT DISCLOSURE

The presentation by segment is based on the same accounting policies as described in the Summary of Significant Accounting Policies as described in Note 2 to the financial statements. The segment results for the year are as follows:

	Band Government		Community Services		Education Services		Economic Development		Social Services	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue										
Federal Government										
I.S.C.	\$ 1,609,469	\$ 1,948,493	\$ 3,329,417	\$ 4,964,636	\$ 21,075,234	\$ 18,216,580	\$ 491,365	\$ 276,589	\$ 7,070,732	\$ 8,412,263
FNIHB										
CMHC										
First Peoples Development Inc.	—	—	—	—	—	—	—	—	—	—
Subtotal	1,609,469	1,948,493	3,329,417	4,964,636	21,075,234	18,216,580	491,365	276,589	7,070,732	8,412,263
Other revenue	<u>3,318,199</u>	<u>3,124,606</u>	<u>1,065,776</u>	<u>810,289</u>	<u>(536,161)</u>	<u>(1,306,104)</u>	<u>67,399</u>	<u>(268,800)</u>	<u>(509,238)</u>	<u>480,439</u>
Total revenue	<u>4,927,668</u>	<u>5,073,099</u>	<u>4,395,193</u>	<u>5,774,925</u>	<u>20,539,073</u>	<u>16,910,476</u>	<u>558,764</u>	<u>7,789</u>	<u>6,561,494</u>	<u>8,892,702</u>
Expenses										
Amortization	12,891	12,891	1,890,327	1,554,424	374,084	265,709				
Debt servicing	72,810	61,361					20,423			
Salaries and benefits	1,100,684	1,392,666	1,806,591	1,580,837	8,765,876	8,496,202			281,628	513,831
Other	<u>1,550,371</u>	<u>1,595,938</u>	<u>2,338,988</u>	<u>2,277,413</u>	<u>9,468,010</u>	<u>6,330,818</u>	<u>367,921</u>	<u>7,789</u>	<u>7,919,917</u>	<u>8,303,006</u>
Total expenses	<u>2,736,756</u>	<u>3,062,856</u>	<u>6,035,906</u>	<u>5,412,674</u>	<u>18,607,970</u>	<u>15,092,729</u>	<u>388,344</u>	<u>7,789</u>	<u>8,201,545</u>	<u>8,816,837</u>
Surplus (Deficit)	\$ <u>2,190,912</u>	\$ <u>2,010,243</u>	\$ <u>(1,640,713)</u>	\$ <u>362,251</u>	\$ <u>1,931,103</u>	\$ <u>1,817,747</u>	\$ <u>170,420</u>	\$ <u>—</u>	\$ <u>(1,640,051)</u>	\$ <u>75,865</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

23. SEGMENT DISCLOSURE *(continued)*

	Housing Authority		Other Services		Tobacco Tax		Bulk Fuel		VLT	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue										
Federal Government										
I.S.C.	\$ 115,000	\$ 25,000	\$	\$	\$	\$	\$	\$	\$	\$
FNIHB										
CMHC	5,260,801	722,345								
First Peoples Development Inc.	-	-	-	-	-	-	-	-	-	-
Subtotal	5,375,801	747,345								
Other revenue	980,649	942,674	1,129,814	1,535,644	950,301	819,310	1,224,923	639,941	1,079,157	2,472,799
Total revenue	6,356,450	1,690,019	1,129,814	1,535,644	950,301	819,310	1,224,923	639,941	1,079,157	2,472,799
Expenses										
Amortization	1,503,195	1,361,477						34,712	34,712	25,523
Debt servicing	251,871	236,881								27,054
Salaries and benefits	152,889	118,410	306,130	298,608	8,100					594,296
Other	5,236,657	693,725	752,694	1,230,734	531,632	531,557	1,099,083	632,013	1,029,497	625,160
Total expenses	7,144,612	2,410,493	1,058,824	1,529,342	539,732	531,557	1,133,795	666,725	1,649,316	1,194,842
Surplus (Deficit)	<u>\$ (788,162)</u>	<u>\$ (720,474)</u>	<u>\$ 70,990</u>	<u>\$ 6,302</u>	<u>\$ 410,569</u>	<u>\$ 287,753</u>	<u>\$ 91,128</u>	<u>\$ (26,784)</u>	<u>\$ (570,159)</u>	<u>\$ 625,743</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

23. SEGMENT DISCLOSURE *(continued)*

	ISET		Smoke Shop		Medical services		Major Capital		Emergency Measures	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue										
Federal Government										
I.S.C.	\$	\$	\$	\$	\$	251,847	\$ 251,847	\$ 1,351,625	\$ 1,788,978	\$ 7,672,620
FNIHB						9,839,728		7,059,818		
CMHC										
First Peoples Development Inc.	675,097	995,159	-	-	-					
Subtotal	675,097	995,159				10,091,575	7,311,665	1,351,625	1,788,978	7,672,620
Other revenue	117,006	210,067	25,794	160,167	826,240	860,433	129,227	462,015	(3,763,508)	142,290
Total revenue	792,103	1,205,226	25,794	160,167	10,917,815	8,172,098	1,480,852	2,250,993	3,909,112	747,416
Expenses										
Amortization	49,640	53,921	3,443	4,071	240,410	210,381				
Debt servicing										
Salaries and benefits	74,838	507,331		42,469	4,156,219	3,729,564			1,410,064	28,378
Other	825,362	757,794	41,976	112,281	3,229,468	2,137,567	48,308	-	2,243,410	319,857
Total expenses	949,840	1,319,046	45,419	158,821	7,626,097	6,077,512	48,308	-	3,653,474	348,235
Surplus (Deficit)	<u><u>\$(157,737)</u></u>	<u><u>\$(113,820)</u></u>	<u><u>\$(19,625)</u></u>	<u><u>\$ 1,346</u></u>	<u><u>\$ 3,291,718</u></u>	<u><u>\$ 2,094,586</u></u>	<u><u>\$ 1,432,544</u></u>	<u><u>\$ 2,250,993</u></u>	<u><u>\$ 255,638</u></u>	<u><u>\$ 399,181</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

23. SEGMENT DISCLOSURE *(continued)*

	TOTAL	
	<u>2021</u>	<u>2020</u>
Revenue		
Federal Government		
I.S.C.	\$ 42,967,309	\$ 36,489,512
FNIHB	9,839,728	7,059,818
CMHC	5,260,801	722,345
First Peoples Development Inc.	<u>675,097</u>	<u>995,159</u>
Subtotal	<u>58,742,935</u>	45,266,834
Other revenue	<u>6,105,578</u>	<u>13,448,819</u>
Total revenue	<u>64,848,513</u>	<u>56,310,272</u>
Expenses		
Amortization	4,134,225	3,524,640
Debt servicing	345,104	298,242
Salaries and benefits	18,657,315	17,333,456
Other	<u>36,683,294</u>	<u>26,125,334</u>
Total expenses	<u>59,819,938</u>	47,281,672
Surplus (Deficit)	\$ <u>5,028,575</u>	\$ <u>9,028,600</u>