

**KEESEEKOOWENIN FIRST NATION  
Consolidated Financial Statements  
Year Ended March 31, 2022**

**KEESEEKOOWENIN FIRST NATION**  
**Index to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

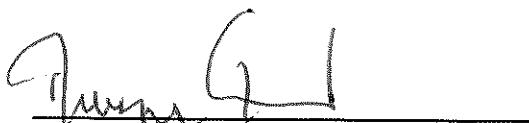
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The consolidated financial statements of Keesekoowenin First Nation have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Keesekoowenin First Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The First Nation Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the First Nation Council approves the financial statements. The Council also approves the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by Lazer Grant LLP, in accordance with Canadian generally accepted auditing standards.



Elphinstone, MB

## INDEPENDENT AUDITOR'S REPORT

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To the Members of Keesekoowenin First Nation

### *Opinion*

We have audited the consolidated financial statements of Keesekoowenin First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, changes in accumulated surplus, changes in net financial debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2022, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with 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 the consolidated financial statements in accordance with PSAS, 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 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 the First Nation or to cease operations, or has no realistic alternative but to do so.

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

*(continues)*

Independent Auditor's Report to the Members of Keesekooowenin First Nation (*continued*)

*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 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 consolidated 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 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 First Nation 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.

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



Winnipeg, MB  
September 20, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

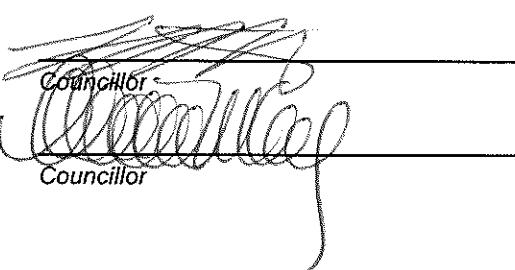
**KEESEEKOOWENIN FIRST NATION**  
**Consolidated Statement of Financial Position**  
**March 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash (Note 4)	\$ 6,482,991	\$ 2,022,489
Accounts receivable (Note 5)	279,777	646,224
Long term investments (Note 6)	1,299,544	1,294,742
Ottawa trust funds (Note 7)	14,315	14,045
Restricted cash (Note 8)	66,057	37,440
	<b>8,142,684</b>	4,014,940
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 9)	403,009	825,052
Deferred revenue (Note 10)	2,042,000	157,373
Short term debt (Note 11)	150,000	-
Long term debt (Note 12)	6,980,337	6,550,784
Obligations under capital lease (Note 13)	118,980	149,761
Construction advances (Note 15)	4,611,000	242,035
	<b>14,305,326</b>	7,925,005
<b>NET FINANCIAL DEBT</b>	<b>(6,162,642)</b>	(3,910,065)
<b>NON-FINANCIAL ASSETS</b>		
Inventory (Note 14)	29,238	22,964
Construction in progress (Note 15)	3,393,000	260,263
Tangible capital assets (Note 16)	16,361,401	16,366,290
	<b>19,783,639</b>	16,649,517
<b>ACCUMULATED SURPLUS</b>	<b>\$ 13,620,997</b>	\$ 12,739,452

CONTINGENT LIABILITY (Note 23)

APPROVED BY THE CHIEF AND COUNCIL

  
 Chief

  
 Councillor

  
 Councillor

  
 Councillor

**KEESEEKOOWENIN FIRST NATION**  
**Consolidated Statement of Operations**  
**Year Ended March 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>REVENUES</b>		
Indigenous Services Canada	\$ 11,331,620	\$ 9,602,208
Canada Mortgage and Housing Corporation	526,374	725,484
Parks Canada	317,689	195,000
First Peoples Development Inc.	319,023	212,040
Province of Manitoba	315,374	361,826
Gas bar sales	1,147,221	1,154,202
Video lottery terminals	1,061,433	1,008,763
Gaming centre sales	108,457	106,691
Daycare fees	19,734	8,219
Rental	282,288	288,158
Insurance proceeds ( <i>Note 20</i> )	162,270	-
Unconditional grant	14,561	14,599
User fees	35,950	27,378
Other ( <i>Note 21</i> )	566,014	1,052,557
Deferred from prior year ( <i>Note 10</i> )	157,373	51,177
Deferred to subsequent year ( <i>Note 10</i> )	(2,042,000)	(157,373)
	14,323,381	14,650,929
<b>EXPENSES (Schedule 1)</b>	<b>12,377,776</b>	<b>12,003,846</b>
<b>SURPLUS FROM OPERATIONS</b>	<b>1,945,605</b>	<b>2,647,083</b>
<b>OTHER EXPENSES</b>		
Amortization	1,112,437	1,047,933
<b>ANNUAL SURPLUS</b>	<b>\$ 833,168</b>	<b>\$ 1,599,150</b>

**KEESEEKOOWENIN FIRST NATION**  
**Consolidated Statement of Changes in Accumulated Surplus**  
**Year Ended March 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>ACCUMULATED SURPLUS - BEGINNING OF YEAR</b>	<b>\$ 12,739,453</b>	\$ 11,037,355
<b>ANNUAL SURPLUS</b>	<b>833,168</b>	<b>1,599,150</b>
	<b>13,572,621</b>	12,636,505
Replacement reserve transactions ( <i>Note 17</i> )	46,541	101,165
Moveable assets reserve transactions ( <i>Note 18</i> )	1,835	1,782
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	<b>\$ 13,620,997</b>	<b>\$ 12,739,452</b>

**KEESEEKOOWENIN FIRST NATION**  
**Consolidated Statement of Changes in Net Financial Debt**  
**Year Ended March 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>ANNUAL SURPLUS</b>	<b>\$ 833,168</b>	<b>\$ 1,599,150</b>
Amortization of tangible capital assets	1,112,437	1,047,933
Purchase of tangible capital assets	(1,107,547)	(2,930,340)
Proceeds on disposal of tangible capital assets	-	73,749
Gain on sale of tangible capital assets	-	(21,423)
Decrease (increase) in construction in progress	(3,132,738)	1,149,187
Increase in inventory	(6,274)	(22,964)
Replacement reserve transactions (Note 17)	46,542	101,165
Moveable assets reserve transactions (Note 18)	1,835	1,780
	<b>(3,085,745)</b>	<b>(600,913)</b>
Increase (decrease) in net financial assets	(2,252,577)	998,237
<b>NET FINANCIAL DEBT - BEGINNING OF YEAR</b>	<b>(3,910,065)</b>	<b>(4,908,302)</b>
<b>NET FINANCIAL DEBT - END OF YEAR</b>	<b>\$ (6,162,642)</b>	<b>\$ (3,910,065)</b>

**KEESEEKOOWENIN FIRST NATION**  
**Consolidated Statement of Cash Flows**  
**Year Ended March 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 833,168	\$ 1,599,150
Items not affecting cash:		
Amortization of tangible capital assets	1,112,437	1,047,933
Gain on sale of tangible capital assets	-	(21,423)
Replacement reserve transactions	46,541	101,165
Moveable assets reserve transactions	1,836	1,782
	<b>1,993,982</b>	2,728,607
Changes in non-cash working capital	<b>1,822,753</b>	408,129
	<b>3,816,735</b>	3,136,736
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible capital assets	(1,107,547)	(2,930,340)
Proceeds on disposal of tangible capital assets	-	73,749
Decrease (increase) in long term investments	(4,802)	593
Increase in Ottawa trust funds	(270)	(162)
Decrease in restricted funds	(28,617)	7,782
Decrease (increase) in construction in progress	(3,132,737)	1,149,187
	<b>(4,273,973)</b>	(1,699,191)
<b>FINANCING ACTIVITIES</b>		
Proceeds from (repayment of) short term debt	150,000	(150,000)
Increase in construction advances	4,368,965	242,035
Proceeds from long term financing	937,124	-
Repayment of long term debt	(507,568)	(480,167)
Repayment of obligations under capital lease	(30,781)	(29,127)
	<b>4,917,740</b>	(417,259)
<b>INCREASE IN CASH</b>	<b>4,460,502</b>	1,020,286
Cash - beginning of year	<b>2,022,489</b>	1,002,203
<b>CASH - END OF YEAR</b>	<b>\$ 6,482,991</b>	\$ 2,022,489

# KEESEEKOOWENIN FIRST NATION

## Notes to Consolidated Financial Statements

Year Ended March 31, 2022

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### 1. NATURE OF ENTITY

Keesekoojenin First Nation is located in the province of Manitoba and operates as the governing entity in providing services to its community members.

Keesekoojenin First Nation reporting entity includes all entities which are either owned or controlled by the First Nation.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The consolidated financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS) and include the assets, liabilities, revenues and expenses of the following departments and entities:

- Keesekoojenin First Nation Band Operations
- Keesekoojenin First Nation Housing
- Keesekoojenin First Nation Education
- Keesekoojenin First Nation Gaming Centre
- Keesekoojenin First Nation Gas Bar
- Keesekoojenin First Nation Health and Wellness
- Keesekoojenin First Nation Human Resources Development
- Keesekoojenin First Nation Social Development
- Keesekoojenin First Nation Special Projects

#### Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

#### Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

#### Long term investments

Investment in the KRW Limited Partnership is recorded on a modified equity basis. Under this basis, the equity method of accounting is modified only to the extent that the partnership's accounting principles are not adjusted to conform with those of the First Nation. Keesekoojenin First Nation's investment in this entity is recorded at acquisition cost and is increased or decreased for the proportionate share of earnings or losses and distributions.

Other investments are recorded at cost.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*Inventory

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

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Land	non-amortizable
Buildings	4% declining balance method
Equipment	20% declining balance method
Housing	25 years straight-line method
Roads and infrastructure	3% declining balance method
Vehicles	20% declining balance method

The First Nation regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

Revenue from government agencies is recognized as it becomes receivable under the terms of applicable funding agreements.

Revenue from sales of goods is recognized when title passes to the customer, which generally coincides with the delivery and acceptance of goods.

Rent revenue is recognized when the tenants' rent is invoiced at the start of each month based on the details of each signed lease agreement.

Other revenues are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**KEESEEKOOWENIN FIRST NATION****Notes to Consolidated Financial Statements****Year Ended March 31, 2022****3. FINANCIAL INSTRUMENTS**

The First Nation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the First Nation's risk exposure and concentration as of March 31, 2022.

**Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The First Nation is exposed to credit risk from funders and members. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, deferred revenue, construction advances, reserves, long term debt, obligations under capital leases, and accounts payable and accrued liabilities.

**Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages exposure through its normal operating and financing activities. The First Nation is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

**4. CASH**

The First Nation has a line of credit on its operating account with Sunrise Credit Union in the amount of \$40,000 which is repayable on demand, bears interest at the Sunrise Credit Union prime rate plus 3.5% per annum, and is secured by a general security agreement and Band Council Resolution. As at March 31, 2022, \$40,000 (2021 - \$40,000) of this line of credit remained unused.

**5. ACCOUNTS RECEIVABLE**

	<b>2022</b>	<b>2021</b>
Indigenous Services Canada	\$ -	\$ 175,526
Canada Mortgage and Housing Corporation	74,167	241,043
First Peoples Development Inc.	1,213	31,756
Province of Manitoba	45,429	92,986
Other government agencies	31,224	4,511
Members	151,819	148,058
Other	42,863	19,487
 Subtotal	 346,715	 713,367
Allowance for doubtful accounts	(66,938)	(67,143)
 	 \$ 279,777	 \$ 646,224

**KEESEEKOOWENIN FIRST NATION****Notes to Consolidated Financial Statements****Year Ended March 31, 2022****6. LONG TERM INVESTMENTS**

	<b>2022</b>	<b>2021</b>
KRW Limited Partnership	\$ 1,280,411	\$ 1,275,609
Paintings	14,133	14,133
Treaty 2 Development Inc.	5,000	5,000
	<b>\$ 1,299,544</b>	<b>\$ 1,294,742</b>

The First Nation's investment in KRW Limited Partnership was established to develop, lease, manage, and operate real property for the purposes of pursuing economic development opportunities on lands acquired at 1-11-19WPM (the "Brandon Lands"). The First Nation shares interest in the partnership along with Rolling River First Nation and Waywayseecappo First Nation. The partnership had no development activity during the current year.

**7. OTTAWA TRUST FUNDS**

The Ottawa Trust Accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

As at the end of the year, the funds held in trust consisted of the following balances:

	<b>2022</b>	<b>2021</b>
Revenue account	\$ 3,728	\$ 3,458
Capital account	10,587	10,587
	<b>\$ 14,315</b>	<b>\$ 14,045</b>

**8. RESTRICTED CASH**

	<b>2022</b>	<b>2021</b>
CMHC replacement reserve	\$ 13,429	\$ 7,365
CMHC operating reserve	251	5,356
Moveable assets reserve	52,377	24,354
Indigenous Services Canada new housing construction	-	365
	<b>\$ 66,057</b>	<b>\$ 37,440</b>

**KEESEEKOOWENIN FIRST NATION**

**Notes to Consolidated Financial Statements**

**Year Ended March 31, 2022**

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2022</b>	<b>2021</b>
Trade and other	\$ 323,027	\$ 801,958
Wages and benefits	79,982	15,988
Source deductions	-	7,106
	<b>\$ 403,009</b>	<b>\$ 825,052</b>

**10. DEFERRED REVENUE**

As at March 31, 2023, the following Indigenous Services Canada funded programs had not yet commenced or incurred costs and have therefore been deferred to the subsequent year:

	<b>2022</b>	<b>2021</b>
Emergency Shelters (Women's Shelter)	\$ 400,000	\$ -
Planning - Housing Capacity Development	70,000	-
Construction - New Housing	1,211,000	-
Major Renovations, Extensions and Repairs	336,000	-
Capacity Enhancement - Top-Up	25,000	-
Assembly of Manitoba Chiefs	-	157,373
	<b>\$ 2,042,000</b>	<b>\$ 157,373</b>

**11. SHORT TERM DEBT**

The First Nation has a \$150,000 loan with the Sunrise Credit Union to assist with the construction of various housing projects. The loan is due on April 1, 2022, bears interest at 5.45% per annum, and is secured by equipment. The loan was repaid on April 1, 2022.

**12. LONG TERM DEBT**

	<b>2022</b>	<b>2021</b>
Sunrise Credit Union loan bearing interest at prime plus 2.75% per annum, repayable in monthly blended payments of \$12,810. The loan matures on November 1, 2023 and is secured by vehicles, Band Council Resolutions, and a general security agreement.	\$ 233,952	\$ 368,558
Canada Mortgage and Housing Corporation loan bearing interest at 1.69% per annum, repayable in monthly blended payments of \$3,279. The loan matures on August 1, 2024 and is secured by a Ministerial Guarantee.	93,108	130,543
Canada Mortgage and Housing Corporation loan bearing interest at 1.57% per annum, repayable in monthly blended payments of \$1,249. The loan matures on December 1, 2026 and is secured by a Ministerial Guarantee.	68,568	82,445

*(continues)*

KEESEEKOOWENIN FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2022

12. LONG TERM DEBT (*continued*)

	2022	2021
Canada Mortgage and Housing Corporation loan bearing interest at 0.69% per annum, repayable in monthly blended payments of \$1,292. The loan matures on May 1, 2030 and is secured by a Ministerial Guarantee.	123,112	137,717
Canada Mortgage and Housing Corporation loan bearing interest at 1.84% per annum, repayable in monthly blended payments of \$2,270. The loan matures on September 1, 2032 and is secured by a Ministerial Guarantee.	260,015	282,270
Canada Mortgage and Housing Corporation loan bearing interest at 0.71% per annum, repayable in monthly blended payments of \$3,240. The loan matures on November 1, 2034 and is secured by a Ministerial Guarantee.	470,784	506,244
Canada Mortgage and Housing Corporation loan bearing interest at 0.96% per annum, repayable in monthly blended payments of \$1,766. The loan matures on November 1, 2034 and is secured by a Ministerial Guarantee.	252,647	271,318
Canada Mortgage and Housing Corporation loan bearing interest at 1.13% per annum, repayable in monthly blended payments of \$1,598. The loan matures on November 1, 2035 and is secured by a Ministerial Guarantee.	242,731	259,282
Canada Mortgage and Housing Corporation loan bearing interest at 1.13% per annum, repayable in monthly blended payments of \$1,700. The loan matures on December 1, 2040 and is secured by a Ministerial Guarantee.	344,704	361,417
Canada Mortgage and Housing Corporation loan bearing interest at 0.71% per annum, repayable in monthly blended payments of \$2,726. The loan matures on November 1, 2040 and is secured by a Ministerial Guarantee.	571,717	600,263
Canada Mortgage and Housing Corporation loan bearing interest at 1.88% per annum, repayable in monthly blended payments of \$7,379. The loan matures on February 1, 2037 and is secured by a Ministerial Guarantee.	1,151,411	1,219,978
Canada Mortgage and Housing Corporation loan bearing interest at 1.97% per annum, repayable in monthly blended payments of \$2,333. The loan matures on December 1, 2042 and is secured by a Ministerial Guarantee.	476,825	495,267
Canada Mortgage and Housing Corporation loan bearing interest at 1.97% per annum, repayable in monthly blended payments of \$4,944. The loan matures on December 1, 2042 and is secured by a Ministerial Guarantee.	1,010,463	1,049,542
Canada Mortgage and Housing Corporation loan bearing interest at 1.86% per annum, repayable in monthly blended payments of \$1,653. The loan matures on January 4, 2044 and is secured by a Ministerial Guarantee.	359,210	372,255

(continues)

**KEESEEKOOWENIN FIRST NATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**12. LONG TERM DEBT (continued)**

	<b>2022</b>	<b>2021</b>
Canada Mortgage and Housing Corporation loan bearing interest at 1.72% per annum, repayable in monthly blended payments of \$2,127. The loan matures on March 1, 2040 and is secured by a Ministerial Guarantee.	395,105	413,685
Canada Mortgage and Housing Corporation loan bearing interest at 1.12% per annum, repayable in monthly blended payments of \$2,626. The loan matures on October 1, 2036 and is secured by a Ministerial Guarantee.	423,861	-
Canada Mortgage and Housing Corporation loan bearing interest at 2.02% per annum, repayable in monthly blended payments of \$2,131. The loan matures on March 1, 2047 and is secured by a Ministerial Guarantee.	502,124	-
	<b>\$ 6,980,337</b>	<b>\$ 6,550,784</b>

Principal repayment terms are approximately:

2023	\$ 548,687
2024	504,493
2025	395,710
2026	384,964
2027	386,867
Thereafter	<u>4,759,616</u>
	<b><u>\$ 6,980,337</u></b>

**13. OBLIGATIONS UNDER CAPITAL LEASE**

	<b>2022</b>	<b>2021</b>
CWB National Leasing lease bearing interest at 5.535% per annum, repayable in monthly blended payments of \$3,191. The lease matures on August 1, 2025 and is secured by a 2006 Case backhoe and a 2008 Volvo grader which have a combined carrying value of \$66,936.	<b>\$ 118,980</b>	<b>\$ 149,761</b>

Future minimum capital lease payments are approximately:

2023	\$ 38,298
2024	38,298
2025	38,298
2026	<u>15,968</u>
Total minimum payments	130,862
Less interest	<u>(11,882)</u>
	<b><u>\$ 118,980</u></b>

**KEESEEKOOWENIN FIRST NATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**14. INVENTORY**

	<b>2022</b>	<b>2021</b>
Supplies - Keeseekoowenin Gaming Centre	\$ 6,902	\$ -
Supplies - Keeseekoowenin Gas Bar	22,336	22,964
	<b>\$ 29,238</b>	<b>\$ 22,964</b>

Included in fuel and supplies expense is a net increase in inventory of \$6,274 (2021 - \$22,964)

**15. CONSTRUCTION IN PROGRESS**

During the year, the First Nation commenced construction of multiple new CMHC projects. As at March 31, 2022, the following costs have been incurred:

	<b>2022</b>	<b>2021</b>
15 Unit Rapid housing project	\$ 2,230,000	\$ -
4 Unit housing project	1,026,000	-
2 Unit housing project	137,000	-
6 Unit Rehabilitation housing project	-	260,263
	<b>\$ 3,393,000</b>	<b>\$ 260,263</b>

The 15 Unit Rapid housing project, 4 Unit housing project, and the 2 Unit housing project are expected to be completed in the following year. All 2021 projects were completed in 2022.

The First Nation received advances of \$146,000 and \$4,465,000 (2021 - \$242,035) from Canada Mortgage and Housing Corporation to assist with the construction of the 2 Unit housing project and 15 Unit Rapid housing project respectively.

KEESEEKOOWENIN FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2022

16. TANGIBLE CAPITAL ASSETS

Cost	2021 Balance	Additions	Disposals	2022 Balance
Land	\$ 170,000	\$ -	\$ -	\$ 170,000
Buildings	7,918,832	-	-	7,918,832
Equipment	913,198	-	25,802	887,396
Equipment under capital lease	195,150	-	-	195,150
Housing	15,892,257	914,447	-	16,806,704
Lagoon	2,888,682	-	-	2,888,682
Roads	2,129,877	-	-	2,129,877
Vehicles	2,258,370	193,100	-	2,451,470
	<b>\$ 32,366,366</b>	<b>\$ 1,107,547</b>	<b>\$ 25,802</b>	<b>\$ 33,448,111</b>

Accumulated Amortization	2021 Balance	Amortization	Accumulated Amortization on Disposals	2022 Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	4,262,296	146,261	-	4,408,557
Equipment	757,235	31,192	25,802	762,625
Equipment under capital lease	99,527	28,687	-	128,214
Housing	6,280,962	643,708	-	6,924,670
Lagoon	912,223	59,294	-	971,517
Roads	1,914,009	-	-	1,914,009
Vehicles	1,773,824	203,294	-	1,977,118
	<b>\$ 16,000,076</b>	<b>\$ 1,112,436</b>	<b>\$ 25,802</b>	<b>\$ 17,086,710</b>

Net book value	2022	2021
Land	\$ 170,000	\$ 170,000
Buildings	3,510,275	3,656,536
Equipment	124,771	155,963
Equipment under capital lease	66,936	95,623
Housing	9,882,034	9,611,295
Lagoon	1,917,165	1,976,459
Roads	215,868	215,868
Vehicles	474,352	484,546
	<b>\$ 16,361,401</b>	<b>\$ 16,366,290</b>

KEESEEKOOWENIN FIRST NATION

Notes to Consolidated Financial Statements

Year Ended March 31, 2022

**17. REPLACEMENT RESERVES**

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve account is to be credited with an amount of \$71,776 (2021 - \$68,309) annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC. Withdrawals are credited to interest first and then principal.

As at March 31, 2022 the Replacement Reserve bank accounts had a balance of \$13,428 (2021 - \$7,365) and was underfunded by \$616,913 (2021 - \$576,434).

Surplus revenue from Post 1996 projects is to be retained by the organization within an operating reserve fund and interest earned must accrue to and be maintained in the operating reserve fund. Funds may be withdrawn to cover current operating deficits.

As at March 31, 2022 the Operating Reserve bank account had a balance of \$251 (2021 - \$5,356) and was underfunded by \$667,691 (2021 - \$662,586).

During the year, net replacement reserve transactions totaling \$46,542 (2021 - \$101,165) were charged to the reserve. These transactions include the annual allocation, surplus allocation, supplemental assistance and any expenses charged directly to the reserve.

Replacement reserves expenses have been made in accordance with Schedule "D" of the operating agreement with CMHC.

	Pre-1997	Post-1996	Operating	2022	2021
Balance, beginning of year	\$ -	\$ 583,799	\$ 667,942	\$ 1,251,741	\$ 1,150,576
Annual allocation	-	71,776	-	71,776	68,309
Interest	-	4	-	4	13
Surplus allocation	-	-	-	-	79,091
Expenses	-	(25,238)	-	(25,238)	(46,248)
	-	630,341	667,942	1,298,283	1,251,741
Maturing units adjustment	-	-	-	-	-
	-	630,341	667,942	1,298,283	1,251,741
	\$ -	\$ 630,341	\$ 667,942	\$ 1,298,283	\$ 1,251,741

**KEESEEKOOWENIN FIRST NATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**18. MOVEABLE ASSETS RESERVE**

Under the terms of the Health Services Block Funding Agreement the initial lump sum, interest, and annual amounts are to be placed in a reserve for the replacement of assets. Expenses for the replacement are to be charged to the reserve during the year.

As at March 31, 2022, the moveable assets reserve bank account had a balance of \$52,377 (2021 - \$24,354) and was underfunded by \$1,479 (2021 - \$27,667).

	<b>2022</b>	<b>2021</b>
Balance beginning of year	\$ 52,021	\$ 50,239
Amount provided in agreement for MAR	1,835	1,782
Subtotal	53,856	52,021
Revenues generated	-	-
Expenses (acquisitions and replacements)	-	-
	<b>\$ 53,856</b>	<b>\$ 52,021</b>

**19. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUES**

	<b>2022</b>	<b>2021</b>
Indigenous Services Canada per financial statements	\$ 11,331,620	\$ 9,602,208
Indigenous Services Canada per confirmation	\$ 11,331,620	\$ 9,602,208

**20. INSURANCE PROCEEDS**

A claim for damages to the building and contents of one home were submitted to the insurance providers. The First Nation received \$162,270 to cover the repair costs.

**21. OTHER INCOME**

	<b>2022</b>	<b>2021</b>
Assembly of Manitoba Chiefs	\$ -	\$ 343,051
Heritage Canada	-	64,754
Manitoba First Nations Education Resources Centre	51,000	30,000
Southeast Resource Development Council	27,650	-
Southern Chiefs' Organization	61,948	15,816
West Region Child and Family Services	35,500	-
Keeseekoowenin First Nation Trust	60,000	22,800
Donations and community support	308,856	411,793
Trade and other	21,060	164,343
	<b>\$ 566,014</b>	<b>\$ 1,052,557</b>

**KEESEEKOOWENIN FIRST NATION**

**Notes to Consolidated Financial Statements**

**Year Ended March 31, 2022**

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**22. PENSION PLAN**

The First Nation has an employee registered defined contribution pension plan. The organization matches the employees' contributions. During the year expenses totaling \$91,403 (2021 - \$84,374) were made to the pension plan.

**23. CONTINGENT LIABILITY**

The First Nation is contingently liable for loans from Canada Mortgage and Housing Corporation under the Residential Rehabilitation Assistance Program (RRAP). Since each loan is forgiven (usually over a 4 or 5 year period) no liability has been recorded in the these statements for these loans.

The consolidated financial statements are subject to review by the First Nation's funding agents. It is possible adjustments could be made based on their review, resulting in repayment or recovery of funding.

**24. ECONOMIC DEPENDENCE**

The organization receives substantially all of its revenues from government sources.

**25. COMPARATIVE FIGURES**

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

**KEESEEKOOWENIN FIRST NATION**  
**Consolidated Expenses (Schedule 1)**

**Year Ended March 31, 2022**

	<b>2022</b>	<b>2021</b>
Administration	\$ 37,887	\$ 33,779
Bad debts	-	8,984
Band projects	55,939	61,447
Community support	425,949	855,305
Equipment rentals	3,300	3,300
Fuel (Note 14)	144,938	102,807
Funerals	42,692	59,281
Graduations	39,502	16,644
Homemakers	115,730	34,458
Honoraria	292,500	244,232
Income support	1,503,821	1,733,374
Insurance	419,382	344,137
Interest and bank charges	23,941	17,676
Interest on long term debt	108,435	122,958
Interest on obligations under capital lease	7,517	9,171
Manitoba Lotteries Commission share	23,128	21,120
Medical transportation	30,331	15,367
Moveable assets reserve allocation (Note 18)	1,835	1,782
Non-treaty assistance	57,983	22,024
Office and miscellaneous	131,599	66,035
Professional fees	203,494	197,277
Programs and special activities	392,410	305,299
Rent	85,052	84,468
Repairs and maintenance	518,140	557,627
Replacement reserve allocations (Note 17)	71,776	147,400
Special needs	-	54,623
Student allowances	450,524	532,605
Sub-contracts	1,125,898	872,753
Supplies (Note 14)	1,522,133	1,610,883
Telephone	59,549	57,640
Training	108,754	45,272
Travel	292,969	196,755
Tuition	225,884	182,210
Utilities	141,042	121,104
Video lottery terminal payouts	842,861	805,099
Wages and employee benefits (Note 22)	2,870,881	2,458,950
	<b>\$ 12,377,776</b>	<b>\$ 12,003,846</b>

KEESEEKOOWENIN FIRST NATION  
**Consolidated Segment Disclosure (Schedule 2)**  
**Year Ended March 31, 2022**

Segmented information presents the revenues generated and expenses incurred by major revenue type and main object of expense for the organization's distinguishable programs or activities.

The segment results for the period are as follows:

	Governance & Operations		Education		Health		Housing		Social Services		Business Enterprises		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Revenues</b>														
Federal government	\$ 3,444,616	\$ 2,600,890	\$ 932,868	\$ 952,243	\$ 3,760,545	\$ 3,394,774	\$ 2,254,024	\$ 1,758,084	\$ 2,102,653	\$ 2,028,741	\$ -	\$ -	\$ 12,494,706	\$ 10,734,732
Provincial government	270,995	303,619	-	-	-	-	-	-	44,379	58,207	-	-	315,374	361,826
Economic activities	-	-	-	-	-	-	-	-	-	-	2,317,111	2,269,656	2,317,111	2,269,656
Other revenue	454,555	715,156	-	35,424	38,881	173,940	377,286	222,542	21,400	-	188,695	243,849	1,080,817	1,390,911
Deferred revenue	(242,627)	(106,196)	-	-	-	-	(1,642,000)	-	-	-	-	-	(1,884,627)	(106,196)
<b>Total Revenue</b>	<b>3,927,539</b>	<b>3,513,469</b>	<b>932,868</b>	<b>987,667</b>	<b>3,799,426</b>	<b>3,568,714</b>	<b>989,310</b>	<b>1,980,626</b>	<b>2,168,432</b>	<b>2,086,948</b>	<b>2,505,806</b>	<b>2,513,505</b>	<b>14,323,381</b>	<b>14,650,929</b>
<b>Expenses</b>														
Wages and benefits	836,724	516,070	72,019	52,695	1,652,009	1,549,077	40,299	36,872	51,619	44,759	218,211	259,477	2,870,881	2,458,950
Amortization	333,397	340,133	53,385	57,253	77,410	57,431	643,708	587,445	-	-	4,537	5,671	1,112,437	1,047,933
Debt servicing	34,112	42,261	5,874	5,153	2,103	1,070	89,930	96,282	1,531	474	6,343	4,565	139,893	149,805
Other expenses	2,362,401	2,524,374	860,702	876,308	1,206,988	875,710	897,366	942,638	1,753,212	1,926,491	2,286,333	2,249,570	9,367,002	9,395,091
<b>Total Expenses</b>	<b>3,566,634</b>	<b>3,422,838</b>	<b>991,980</b>	<b>991,409</b>	<b>2,938,510</b>	<b>2,483,288</b>	<b>1,671,303</b>	<b>1,663,237</b>	<b>1,806,362</b>	<b>1,971,724</b>	<b>2,515,424</b>	<b>2,519,283</b>	<b>13,490,213</b>	<b>13,051,779</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ 360,905</b>	<b>\$ 90,631</b>	<b>\$ (59,112)</b>	<b>\$ (3,742)</b>	<b>\$ 860,916</b>	<b>\$ 1,085,426</b>	<b>\$ (681,993)</b>	<b>\$ 317,389</b>	<b>\$ 362,070</b>	<b>\$ 115,224</b>	<b>\$ (9,618)</b>	<b>\$ (5,778)</b>	<b>\$ 833,168</b>	<b>\$ 1,599,150</b>