
CANUPAWAKPA DAKOTA NATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

CANUPAWAKPA DAKOTA NATION

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

INDEPENDENT AUDITOR'S REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONSTATEMENT 1

CONSOLIDATED STATEMENT OF OPERATIONSSTATEMENT 2

STATEMENT OF CHANGES IN NET ASSETSSTATEMENT 3

CONSOLIDATED STATEMENT OF CASH FLOWSSTATEMENT 4

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Canupawakpa Dakota Nation are the responsibility of management and have been approved by the Chief and Council.


The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants and as such include amounts that are the best estimates and judgments of management.


Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The 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.

The Chief and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditors' 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 Canupawakpa Dakota Nation and meet when required.



Chief


Councillor

Councillor

Councillor

INDEPENDENT AUDITOR'S REPORT

To the Chief, Council and Membership
Canupawakpa Dakota Nation

Opinion

We have audited the accompanying consolidated financial statements of Canupawakpa Dakota Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, consolidated statement of changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Canupawakpa Dakota Nation as at March 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing Canupawakpa Dakota 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 Canupawakpa Dakota Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Canupawakpa Dakota Nation's financial reporting process.

(continued.....)

Auditors' Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Canupawakpa Dakota 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 Canupawakpa Dakota 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 Canupawakpa Dakota 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
May 28, 2024

CANUPAWAKPA DAKOTA NATION

STATEMENT 1


CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

	2 0 2 2	2 0 2 1
FINANCIAL ASSETS		
Cash	\$ 3,222,566	\$ 2,253,273
Restricted cash (Note 2)	10,461	16,198
Accounts receivable (Note 3)	1,522,909	776,142
Inventory	<u>7,171</u>	<u>7,049</u>
Total financial assets	<u>4,763,107</u>	<u>3,052,662</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	499,672	642,663
Deferred revenue (Note 5)	945,367	432,932
Long term debt (Note 6)	<u>2,387,671</u>	<u>1,695,116</u>
Total liabilities	<u>3,832,710</u>	<u>2,770,711</u>
Net assets	<u>930,397</u>	<u>281,951</u>
NON - FINANCIAL ASSETS		
Tangible capital assets (Note 7)	<u>7,847,525</u>	<u>6,972,857</u>
Accumulated surplus	<u>\$ 8,777,922</u>	<u>\$ 7,254,808</u>
Contingent liabilities (Note 8)		

Approved on behalf of Council


Chief


Councillor

.....
Councillor

.....
Councillor

CANUPAWAKPA DAKOTA NATION

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET	2 0 2 2	2 0 2 1
REVENUE			
Indigenous Services Canada	\$	\$ 6,293,505	\$ 7,270,700
First Nations and Inuit Health		2,434,345	2,212,744
Canada Mortgage and Housing Corporation		714,865	275,515
Employment and Social Development Canada		117,198	142,874
First Nations Land Management			14,500
Administration fees		374,298	416,834
Gaming revenue		339,303	210,371
Insurance proceeds		32,421	526,691
Other revenue		1,356,728	755,346
Rental income		117,872	161,026
Royalty income		102,500	7,500
Tobacco rebate revenue		63,158	55,739
Tribal Council contribution		58,175	112,488
Eliminations	-	(505,207)	(568,175)
	-	<u>11,499,161</u>	<u>11,594,153</u>
EXPENSES			
Governance and administration		1,144,028	1,035,162
Economic development		406,454	141,915
Social services		1,263,123	1,677,382
Employment, training and child care		261,717	191,257
Education		1,733,071	1,138,300
Health		2,460,143	1,967,832
Community services		468,371	709,284
Housing		1,214,910	823,933
Band based capital		884,921	249,377
Band funds		644,516	496,484
Eliminations	-	(505,207)	(568,175)
	-	<u>9,976,047</u>	<u>7,862,751</u>
ANNUAL SURPLUS		1,523,114	3,731,402
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>7,254,808</u>	<u>7,254,808</u>	<u>3,523,406</u>
ACCUMULATED SURPLUS, <i>end of year</i>	\$ <u>7,254,808</u>	\$ <u>8,777,922</u>	\$ <u>7,254,808</u>

CANUPAWAKPA DAKOTA NATION

STATEMENT 3

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

YEAR ENDED MARCH 31

	BUDGET	2 0 2 2	2 0 2 1
Annual surplus	\$ -	\$ 1,523,114	\$ 3,731,402
Acquisition of tangible capital assets		(1,792,728)	(2,007,662)
Amortization of tangible capital assets	-	918,060	841,300
	-	(874,668)	(1,166,362)
CHANGE IN NET ASSETS (DEBT) FOR YEAR		648,446	2,565,040
NET ASSETS (DEBT), <i>beginning of year</i>	281,951	281,951	(2,283,089)
NET ASSETS, <i>end of year</i>	\$ 281,951	\$ 930,397	\$ 281,951

CANUPAWAKPA DAKOTA NATION

STATEMENT 4

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2 0 2 2	2 0 2 1
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from funding and other sources	\$ 11,264,829	\$ 11,048,890
Cash paid to suppliers and employees	(9,127,346)	(7,366,216)
Interest paid	(68,017)	(53,712)
	<u>2,069,466</u>	<u>3,628,962</u>
<i>CAPITAL ACTIVITIES</i>		
Acquisition of tangible capital assets and construction in progress	(1,792,728)	(2,007,662)
<i>FINANCING ACTIVITIES</i>		
Proceeds from long term debt	1,049,168	263,329
Repayment of long term debt	(356,613)	(344,168)
	<u>692,555</u>	<u>(80,839)</u>
NET INCREASE IN CASH DURING YEAR	969,293	1,540,461
CASH, <i>beginning of year</i>	<u>2,253,273</u>	<u>712,812</u>
CASH, <i>end of year</i>	\$ <u><u>3,222,566</u></u>	\$ <u><u>2,253,273</u></u>

CANUPAWAKPA DAKOTA NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

REPORTING ENTITY

The Canupawakpa Dakota Nation reporting entity includes the Canupawakpa Dakota Nation (the "Nation") government and all related entities which are accountable to the Nation and are either owned or controlled by the Nation.

These consolidated financial statements combine the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to combination:

- Canupawakpa Dakota Nation Government
- Canupawakpa Dakota Nation CMHC Housing Authority
- Canupawakpa Dakota Nation Health Services
- Canupawakpa Dakota Nation Gaming
- Canupawakpa Dakota Nation Employment and Training
- Canupawakpa Housing Authority Inc.

ASSET CLASSIFICATION

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, construction in progress and prepaid expenses.

CASH AND CASH EQUIVALENTS

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

INVENTORY

Inventory consists of tobacco products and confectionary items sold by the Gaming program. Inventory is valued at the lower of cost or net realizable value using the first in, first out method.

NET ASSETS (DEBT)

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)**TANGIBLE CAPITAL ASSETS*

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

Buildings	4%	straight-line method
Vehicles	20%	straight-line method
Equipment	6.67%	straight-line method
Housing	4%	straight-line method
Land Improvements	2.5-4%	straight-line method
Roads	2.5%	straight-line method

Amortization is computed at one-half of the annual amortization in the year of acquisition.

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

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

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

SEGMENTS

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

REVENUE RECOGNITION

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

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

FINANCIAL INSTRUMENTS

Financial instruments include cash, accounts receivable, accounts payable and accrued liabilities and long term debt. Unless otherwise stated, it is management's opinion that the Nation is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise stated, the carrying value of the Nation's financial assets and liabilities approximates their fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)**FAIR VALUE*

Due to the short term nature of all financial instruments other than long term debt and long term investments, the carrying value as presented in financial statements are reasonable estimates of fair value. Management has estimated fair value by reference to established financial markets. As is true for all estimates, actual fair value could differ from this estimate, and if so any difference would be accounted for in the period in which it becomes known. For long term investments and long term debt it is not practicable within constraints of timeliness or cost to determine the fair value with sufficient reliability because the instruments are not traded in an organized financial market.

USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of financial statements and the reported amounts of certain revenue and expenses during the year. Actual results could differ from those estimates.

2. RESTRICTED CASH

CMHC Replacement Reserve

As required as part of the Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to tangible capital assets. Under the terms of the agreements with CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At March 31, 2022, \$9,761 (2021 - \$15,512) had been deposited into separate accounts leaving an unfunded balance of \$727,288 (2021 - \$314,085).

Ottawa Trust Fund

The Ottawa Trust Fund arises from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned when it is measurable and collection is reasonably assured. Capital and revenue trust monies are transferred to the Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the Nation's Council.

	2 0 2 2	2 0 2 1
CMHC Replacement Reserve	\$ 9,761	\$ 15,512
Ottawa Trust Fund	<u>700</u>	<u>686</u>
	<u>\$ 10,461</u>	<u>\$ 16,198</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

3. ACCOUNTS RECEIVABLE

	2 0 2 2	2 0 2 1
Indigenous Services Canada		
Covid 19 ICSF3- Perimeter Security	\$	\$ 23,850
FN School Formula	85,022	85,022
Provincial Private Student Support	10,000	10,000
Provincial Schools Targeted HCSE	43,688	43,688
Provincial School Tuition	732,609	362,901
Canada Mortgage and Housing Corporation	539,493	145,373
First Peoples Development Inc.	15,245	54,858
Rent receivable		165,069
Trade accounts receivable	69,998	62,240
Goods and Services Tax receivable	<u>50,589</u>	<u>21,802</u>
Subtotal	1,546,644	974,803
Less: Allowance for doubtful accounts	(23,735)	(198,661)
	<u>\$ 1,522,909</u>	<u>\$ 776,142</u>

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 2	2 0 2 1
Indigenous Services Canada		
Band employee benefits plan	\$ 6,643	\$ 6,643
Basic needs	2,249	2,249
Capacity development	9,600	9,600
Innovations	74,615	74,615
Accrued liabilities	116,809	70,833
Payroll liabilities	73,527	99,942
Trade accounts payables	<u>216,229</u>	<u>378,781</u>
	<u>\$ 499,672</u>	<u>\$ 642,663</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

5. DEFERRED REVENUE

	2 0 2 2	2 0 2 1
Indigenous Services Canada		
Basic Admin - Capacity Development	\$ 49,206	\$ 1,282
COVID 19 LEDSP - Lands and Economic Development	145,785	
Economic Development	29,237	
Financial Management - Capacity Development		98,369
HR Management - Capacity Development	<u>272,188</u>	<u>20,000</u>
	<u>496,416</u>	<u>119,651</u>
First Nations and Inuit Health		
Aboriginal Headstart	31,596	
CDE Response (COVID-19)	178,933	228,110
Drinking Water	6,400	5,272
Home and Community Care	112,783	
Jordan's Principle	<u>70,053</u>	<u>33,933</u>
	<u>399,765</u>	<u>267,315</u>
Other Programs		
Assembly of Manitoba Chiefs		3,604
Employment and Social Development Canada		42,362
Southern Chief's Organization	<u>49,186</u>	<u>45,966</u>
	<u>49,186</u>	<u>45,966</u>
	<u>\$ 945,367</u>	<u>\$ 432,932</u>

6. LONG TERM DEBT

	2 0 2 2	2 0 2 1
Peace Hills Trust mortgage, repayable in monthly installments of \$5,367 including interest at 3.75%, due April 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	\$	\$ 5,392
C.M.H.C. mortgage, repayable in monthly installments of \$3,200 including interest at 1.30%, due February 2027, secured by Ministerial Guarantee and assignment of all risks insurance.	182,797	218,433
C.M.H.C. mortgage, repayable in monthly installments of \$1,146 including interest at 0.96%, due January 2030, secured by Ministerial Guarantee and assignment of all risks insurance	103,786	116,484
C.M.H.C. mortgage, repayable in monthly installments of \$1,220 including interest at 1.51%, due March 2031, secured by Ministerial Guarantee and assignment of all risks insurance.	123,156	136,266
C.M.H.C. mortgage, repayable in monthly installments of \$1,330 including interest at 2.13%, due July 2032, secured by Ministerial Guarantee and assignment of all risks insurance.	148,003	160,680

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

6. LONG TERM DEBT (continued)

C.M.H.C. mortgage, repayable in monthly installments of \$1,243 including interest at 2.68%, due September 2033, secured by Ministerial Guarantee and assignment of all risks insurance.	147,633	158,460
C.M.H.C. mortgage, repayable in monthly installments of \$669 including interest at 2.22%, due October 2033, secured by Ministerial Guarantee and assignment of all risks insurance.	82,005	88,150
C.M.H.C. mortgage, repayable in monthly installments of \$1,407 including interest at 0.68%, due August 2045, secured by Ministerial Guarantee and assignment of all risks insurance.	365,396	379,745
C.M.H.C. mortgage, repayable in monthly installments of \$3,738 including interest at 1.01%, due August 2036, secured by Ministerial Guarantee and assignment of all risks insurance.	601,602	
Peace Hills Trust loan, repayable in monthly installments of \$5,576 including interest at 8.00%, due April 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	67,352	126,291
Peace Hills Trust loan, repayable in annual installments of \$54,000 plus monthly interest payments at 5.50%, due April 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	53,735	107,735
Peace Hills Trust loan, repayable in monthly installments of \$4,393 including interest at 5.50%, due April 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	4,549	55,480
Peace Hills Trust loan, repayable in annual installments of \$50,000 plus monthly interest payments at 8.00%, due May 2023, secured by Ministerial Guarantee and assignment of all risks insurance..	92,000	142,000
Peace Hills Trust loan, repayable in monthly installments of \$2,530 including interest at 3.15%, due September 2026, secured by Ministerial Guarantee and assignment of all risks insurance..	415,657	-
	<u>\$ 2,387,671</u>	<u>\$ 1,695,116</u>

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

March 31, 2023	\$ 335,271
2024	211,245
2025	168,340
2026	171,009
2027	170,533

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

7. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2 0 2 2	Total 2 0 2 1
Buildings	\$ 16,190,511	\$ 1,663,574	\$ 17,854,085	\$ 11,460,212	\$ 514,660	\$ 11,974,872	\$ 5,879,213	\$ 4,730,299
Computers	160,962		160,962	132,352	14,305	146,657	14,305	28,610
Equipment	1,229,816	38,593	1,268,409	775,234	237,178	1,012,412	255,997	454,582
Land	225,586		225,586				225,586	225,586
Land improvements	1,642,062		1,642,062	485,934	39,289	525,223	1,116,839	1,156,128
Roads	98,845		98,845	85,951	2,471	88,422	10,423	12,894
Vehicles	1,668,599	90,561	1,759,160	1,303,841	110,157	1,413,998	345,162	364,758
	<u>\$ 21,216,381</u>	<u>\$ 1,792,728</u>	<u>\$ 23,009,109</u>	<u>\$ 14,243,524</u>	<u>\$ 918,060</u>	<u>\$ 15,161,584</u>	<u>\$ 7,847,525</u>	<u>\$ 6,972,857</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2022**

8. CONTINGENT LIABILITIES

The Nation receives funding from various government agencies based on specified program needs and budgets and allocates certain expenses to the various programs. In many cases the funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their agreements. At this time no estimate of the requirements, if any, to reimburse the agencies can be made. If any amounts become repayable, they will be accounted for in the year of determination.

9. PROVISION FOR SITE REHABILITATION

The Manitoba Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under this environmental law, there is a requirement for closure and post-closure care of solid waste sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance.

As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discounted future cash flows associated with closure and postclosure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the Nation is bound by environmental laws of The Manitoba Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

10. ECONOMIC DEPENDENCE

The Nation receives a major portion of its revenues pursuant to a funding arrangement with Indigenous Services Canada.

11. RELATED PARTY TRANSACTIONS

In the normal course of business the Nation enters into transactions with related parties. Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

12. RECONCILIATION OF I.S.C. AND F.N.I.H. REVENUE

	2 0 2 2	2 0 2 1
Arrangement: I.S.C. #1617-MB-000010	\$ 6,670,269	\$ 6,412,372
F.N.I.H. #1920-MB-000030	2,566,796	2,437,061
Plus: I.S.C. revenue deferred from previous years	119,651	977,979
F.N.I.H. revenue deferred from previous years	267,315	42,998
Less: I.S.C. revenue deferred to subsequent year	(496,415)	(119,651)
F.N.I.H. revenue deferred to subsequent year	(399,766)	(267,315)
TOTAL I.S.C. AND F.N.I.H REVENUE PER FINANCIAL STATEMENTS	\$ <u>8,727,850</u>	\$ <u>9,483,444</u>

REVENUE PER STATEMENT OF OPERATIONS (Statement 2)

Indigenous Services Canada	\$ 6,293,505	\$ 7,270,700
First Nations and Inuit Health	<u>2,434,345</u>	<u>2,212,744</u>
	\$ <u>8,727,850</u>	\$ <u>9,483,444</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

13. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2 0 2 2	2 0 2 1
Administration	\$ 596,606	\$ 430,122
Amortization of capital assets	918,060	841,300
Bad debts (recovery)	(19,600)	45,577
Community initiatives and contributions	399,233	767,481
Construction	24,767	
Enbridge expenses	3,375	8,711
Equipment		23,333
Insurance	229,933	192,671
Interest	68,017	53,712
Office	214,236	135,134
Fuel and oil	127,205	74,271
Other	495,402	514,201
Professional fees	306,624	373,149
Program costs	385,845	28,065
Rent	977	1,440
Repairs and maintenance	1,295,611	549,360
Salaries and benefits	2,552,588	2,347,598
Social assistance	891,935	848,270
Student support	939,395	417,950
Supplies	342,783	271,622
Telephone	82,846	87,205
Training	107,447	57,778
Travel	232,275	133,316
Utilities	299,694	228,660
Eliminations	(505,207)	(568,175)
	<u>\$ 9,990,047</u>	<u>\$ 7,862,751</u>
Note Variance	<u>\$ 14,000</u>	<u>\$ -</u>

14. BUDGET INFORMATION

Section 1201, Financial Statement Presentation, of the CPA Canada Public Sector Accounting Board Handbook requires the disclosure of budgeted information. The First Nation has not prepared or approved consolidated budgets. As a result, the First Nation was unable to present budgeted information on the consolidated financial statements for the year ended March 31, 2022.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

15. SEGMENT DISCLOSURE

Canupawakpa Dakota Nation provides a range of services to its members. For management reporting purposes, operations and activities are reported by department. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the year are as follows:

	Governance and Administration		Economic Development		Social Services		Employment, Training and Child Care	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues								
Federal Government								
ISC	\$ 600,558	\$ 528,527	\$ 406,454	\$ 141,915	\$ 1,522,875	\$ 1,776,430	\$ 14,156	\$ 28,647
CMHC								
ESDC							117,198	142,874
Other	-	-	-	-	-	-	-	-
Subtotal	600,558	528,527	406,454	141,915	1,522,875	1,776,430	131,354	171,521
Other revenue	<u>438,282</u>	<u>489,134</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,834</u>	<u>70,648</u>	<u>-</u>
Total revenue	<u>1,038,840</u>	<u>1,017,661</u>	<u>406,454</u>	<u>141,915</u>	<u>1,522,875</u>	<u>1,821,264</u>	<u>202,002</u>	<u>171,521</u>
Expenses								
Amortization	225,111	358,588						
Debt servicing	5,837	10,081						
Other	455,816	339,925	397,689	102,162	1,200,393	1,503,372	196,860	79,220
Salaries and benefits	<u>443,264</u>	<u>326,568</u>	<u>8,765</u>	<u>39,753</u>	<u>62,730</u>	<u>174,010</u>	<u>64,857</u>	<u>112,037</u>
Total expenses	<u>1,130,028</u>	<u>1,035,162</u>	<u>406,454</u>	<u>141,915</u>	<u>1,263,123</u>	<u>1,677,382</u>	<u>261,717</u>	<u>191,257</u>
Surplus (Deficit)	<u>\$ (91,188)</u>	<u>\$ (17,501)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,752</u>	<u>\$ 143,882</u>	<u>\$ (59,715)</u>	<u>\$ (19,736)</u>

CANUPAWAKPA DAKOTA NATION

PAGE 12

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

15. SEGMENT DISCLOSURE *(continued)*

	Education		Health		Community Services		Housing	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues								
Federal Government								
ISC	\$ 2,178,005	\$ 2,328,071	\$	\$	\$ 649,407	\$ 562,946	\$	\$
FNIH			2,434,345	2,212,744				
CMHC							714,865	275,515
ESDC								
Other	-	-	-	-	-	14,500	-	-
Subtotal	2,178,005	2,328,071	2,434,345	2,212,744	649,407	577,446	714,865	275,515
Other revenue	1,988	5,082	104,429	186,809	70,480	41,922	329,508	207,790
Total revenue	<u>2,179,993</u>	<u>2,333,153</u>	<u>2,538,774</u>	<u>2,399,553</u>	<u>719,887</u>	<u>619,368</u>	<u>1,044,373</u>	<u>483,305</u>
Expenses								
Amortization			121,219	89,542			571,025	392,465
Debt servicing	1,788	6,901			11,950	18,007	48,442	18,723
Other	1,349,234	857,765	1,332,230	963,538	277,169	484,885	477,484	361,898
Salaries and benefits	382,049	273,634	1,006,694	914,752	193,252	206,392	117,959	50,847
Total expenses	<u>1,733,071</u>	<u>1,138,300</u>	<u>2,460,143</u>	<u>1,967,832</u>	<u>482,371</u>	<u>709,284</u>	<u>1,214,910</u>	<u>823,933</u>
Surplus (Deficit)	\$ <u>446,922</u>	\$ <u>1,194,853</u>	\$ <u>78,631</u>	\$ <u>431,721</u>	\$ <u>237,516</u>	\$ <u>(89,916)</u>	\$ <u>(170,537)</u>	\$ <u>(340,628)</u>

CANUPAWAKPA DAKOTA NATION

PAGE 13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

15. SEGMENT DISCLOSURE *(continued)*

	Band Based Capital		Band Funds		Elimination		TOTAL	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues								
Federal Government								
ISC	\$ 922,050	\$ 1,904,164	\$	\$	\$	\$	\$ 6,293,505	\$ 7,270,700
FNIH							2,434,345	2,212,744
CMHC							714,865	275,515
ESDC							117,198	142,874
Other	-	-	-	-	-	-	-	14,500
Subtotal	922,050	1,904,164					9,559,913	9,916,333
Other revenue	-	-	1,429,120	1,270,424	(505,207)	(568,175)	1,939,248	1,677,820
Total revenue	<u>922,050</u>	<u>1,904,164</u>	<u>1,429,120</u>	<u>1,270,424</u>	<u>(505,207)</u>	<u>(568,175)</u>	<u>11,499,161</u>	<u>11,594,153</u>
Expenses								
Amortization			705	705			918,060	841,300
Debt servicing							68,017	53,712
Other	884,921	231,906	370,793	263,645	(505,207)	(568,175)	6,437,382	4,620,141
Salaries and benefits	<u>884,921</u>	<u>17,471</u>	<u>273,018</u>	<u>232,134</u>	<u>-</u>	<u>-</u>	<u>2,552,588</u>	<u>2,347,598</u>
Total expenses	<u>884,921</u>	<u>249,377</u>	<u>644,516</u>	<u>496,484</u>	<u>(505,207)</u>	<u>(568,175)</u>	<u>9,976,047</u>	<u>7,862,751</u>
Surplus (Deficit)	\$ <u>37,129</u>	\$ <u>1,654,787</u>	\$ <u>784,604</u>	\$ <u>773,940</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,523,114</u>	\$ <u>3,731,402</u>