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# CANUPAWAKPA DAKOTA NATION

## CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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# CANUPAWAKPA DAKOTA NATION

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MARCH 31, 2023

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## 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.

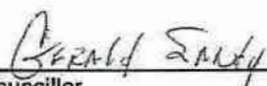
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

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## **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, 2023, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Canupawakpa Dakota Nation as at March 31, 2023, 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  
March 20, 2025

## CANUPAWAKPA DAKOTA NATION

STATEMENT 1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

2023

2022

## FINANCIAL ASSETS

Cash	\$ 4,218,421	\$ 3,222,566
Restricted cash (Note 3)	10,483	10,461
Accounts receivable (Note 4)	373,143	1,522,909
Inventory	9,258	7,171
Total financial assets	<u>4,611,305</u>	<u>4,763,107</u>

## LIABILITIES

Accounts payable and accrued liabilities (Note 5)	827,858	499,672
Deferred revenue (Note 6)	1,276,560	945,367
Long term debt (Note 7)	<u>2,184,963</u>	<u>2,387,671</u>
Total liabilities	<u>4,289,381</u>	<u>3,832,710</u>
Net assets	<u>321,924</u>	<u>930,397</u>

## NON-FINANCIAL ASSETS

Tangible capital assets (Note 8)	<u>9,590,753</u>	<u>7,847,525</u>
Accumulated surplus	<u>\$ 9,912,677</u>	<u>\$ 8,777,922</u>
Contingent liabilities (Note 9)		

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 3	2 0 2 2
<b>REVENUE</b>			
Indigenous Services Canada <i>(Note 12)</i>	\$	\$ 7,471,272	\$ 6,293,505
First Nations and Inuit Health <i>(Note 12)</i>		2,817,301	2,434,345
Canada Mortgage and Housing Corporation		164,946	714,865
Employment and Social Development Canada		305,777	117,198
Manitoba Hydro		500,000	
Administration fees		643,123	374,298
Gaming revenue		748,321	339,303
Insurance proceeds			32,421
Other revenue		545,415	1,356,728
Rental income		109,185	117,872
Royalty income		35,000	102,500
Tobacco rebate revenue		97,113	63,158
Tribal Council contribution		65,000	58,175
Eliminations		( 395,645)	( 505,207)
	-	13,106,808	11,499,161
<b>EXPENSES</b>			
Governance and administration		1,572,930	1,144,028
Economic development		27,937	406,454
Social services		1,317,594	1,263,123
Employment, training and child care		372,098	261,717
Education		2,537,800	1,733,071
Health		3,310,964	2,460,143
Community services		975,546	468,371
Housing		784,019	1,214,910
Band based capital		551,957	884,921
Band funds		916,853	644,516
Eliminations	-	( 395,645)	( 505,207)
	-	11,972,053	9,976,047
<b>ANNUAL SURPLUS</b>		1,134,755	1,523,114
<b>ACCUMULATED SURPLUS, beginning of year</b>	-	8,777,922	7,254,808
<b>ACCUMULATED SURPLUS, end of year</b>	\$ -	\$ 9,912,677	\$ 8,777,922

# CANUPAWAKPA DAKOTA NATION

STATEMENT 3

## CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

YEAR ENDED MARCH 31

	BUDGET	2 0 2 3	2 0 2 2
Annual surplus	\$ <u>-</u>	\$ <u>1,134,755</u>	\$ <u>1,523,114</u>
Acquisition of tangible capital assets		( <u>2,544,671</u> )	( <u>1,792,728</u> )
Amortization of tangible capital assets	<u>-</u>	<u>801,443</u>	<u>918,060</u>
	<u>-</u>	( <u>1,743,228</u> )	( <u>874,668</u> )
CHANGE IN NET ASSETS (DEBT) FOR YEAR		( <u>608,473</u> )	648,446
NET ASSETS, <i>beginning of year</i>	<u>-</u>	<u>930,397</u>	<u>281,951</u>
NET ASSETS, <i>end of year</i>	\$ <u><u>-</u></u>	\$ <u><u>321,924</u></u>	\$ <u><u>930,397</u></u>



# CANUPAWAKPA DAKOTA NATION

STATEMENT 4

## CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2 0 2 3	2 0 2 2
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from funding and other sources	\$ 14,587,767	\$ 11,264,829
Cash paid to suppliers and employees	( 10,817,062)	( 9,127,346)
Interest paid	( 27,471)	( 68,017)
	<u>3,743,234</u>	<u>2,069,466</u>
<i>CAPITAL ACTIVITIES</i>		
Acquisition of tangible capital assets and construction in progress	( 2,544,671)	( 1,792,728)
<i>FINANCING ACTIVITIES</i>		
Proceeds from long term debt	176,408	1,049,168
Repayment of long term debt	( 379,116)	( 356,613)
	<u>( 202,708)</u>	<u>692,555</u>
NET INCREASE IN CASH DURING YEAR	995,855	969,293
CASH, <i>beginning of year</i>	<u>3,222,566</u>	<u>2,253,273</u>
CASH, <i>end of year</i>	\$ <u><u>4,218,421</u></u>	\$ <u><u>3,222,566</u></u>

# CANUPAWAKPA DAKOTA NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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### 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 - Includes Jordan's Principle
- 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, 2023

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%	declining balance 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.

*ASSET RETIREMENT OBLIGATION*

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at management's best estimate at the present fair value of the estimated future cash flows required to settle the retirement obligation. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations.

*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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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

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.

*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. CHANGE IN ACCOUNTING POLICY

## ASSET RETIREMENT OBLIGATIONS

On April 1, 2022, the First Nation adopted the PSAS Section (PS 3280) "Asset Retirement Obligations". The new standard includes the requirement for the recognition, measurement, presentation and disclosure of asset retirement obligations and is effective for year beginning on or after April 1, 2022. There was no significant impact on these consolidated financial statements as a result of the adoption of this standard as no legal or constructive obligations were identified.

## FINANCIAL INSTRUMENTS

On April 1, 2022 the First Nation adopted the PSAS Section (PS3450) "Financial Instruments". The new standard establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. There was no significant impact on these consolidated financial statements as a result of the adoption of these standards.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

2. CHANGE IN ACCOUNTING POLICY *(continued)*

As part of the adoption of PSAS 3450, on April 1, 2022, the First Nation was also required to adopt PSAS Section (PS 3041) "Portfolio Investments" which has removed the distinction between temporary and portfolio investments, PSAS Section (PS 2601) "Foreign Currency Translation" which requires unrealized gains and losses to be presented on the statement of re-measurement gains and losses and PSAS Section (PS 1201) "Financial Statement Presentation" which requires a new statement of re-measurement gains and losses separate from the statement of operations. The adoption of these standards/amendments had no significant impact on the First Nation's consolidated financial statements and there are no remeasurement gains and losses, so no statement has been presented.

## 3. 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, 2023, \$9,761 (2022 - \$9,761) had been deposited into separate accounts leaving an unfunded balance of \$727,288 (2022 - \$727,288).

## 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 3	2 0 2 2
CMHC Replacement Reserve	\$ 9,761	\$ 9,761
Ottawa Trust Fund	<u>722</u>	<u>700</u>
	\$ <u>10,483</u>	\$ <u>10,461</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 4. ACCOUNTS RECEIVABLE

	2 0 2 3	2 0 2 2
Indigenous Services Canada		
FN School Formula	\$ 85,022	\$ 85,022
Preparedness/Mitigation	26,040	
Provincial Private Student Support	10,000	10,000
Provincial Schools Targeted HCSE		43,688
Provincial School Tuition	369,708	732,609
Response	11,250	
Canada Mortgage and Housing Corporation	33,188	539,493
First Peoples Development Inc.	39,467	15,245
Trade accounts receivable	94,635	69,998
Goods and Services Tax receivable	<u>73,541</u>	<u>50,589</u>
Subtotal	742,851	1,546,644
Less: Allowance for doubtful accounts	( 369,708)	( 23,735)
	<u>\$ 373,143</u>	<u>\$ 1,522,909</u>

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 3	2 0 2 2
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
Health Canada	55,712	
Accrued liabilities	131,270	116,809
Payroll liabilities	47,446	73,527
Trade accounts payables	<u>500,323</u>	<u>216,229</u>
	<u>\$ 827,858</u>	<u>\$ 499,672</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 6. DEFERRED REVENUE

	2023	2022
Indigenous Services Canada		
Basic Admin - Capacity Development	\$ 63,643	\$ 49,206
CFS Prevention	363,233	
Closing Infrastructure Gap	25,000	
COVID 19 LEDSP - Lands and Economic Development	164,835	145,785
Economic Development		29,237
HR Management - Capacity Development	192,880	272,187
Preparedness/Mitigation	11,250	
Recovery Response	25,416	
Speech Language	73,022	-
	<u>919,279</u>	<u>496,415</u>
First Nations and Inuit Health		
Aboriginal Headstart	6,636	31,596
CDE Response (COVID-19)	195,996	178,933
Drinking Water	2,488	6,400
Community Health Liason	69,470	
Home and Community Care	28,977	112,782
Medical Transportation	28,129	
Medical Transportation Admin	11,654	
Mental Health	13,931	
Jordan's Principle	-	70,055
	<u>357,281</u>	<u>399,766</u>
Other Programs		
Southern Chief's Organization	-	49,186
	<u>\$ 1,276,560</u>	<u>\$ 945,367</u>

## 7. LONG TERM DEBT

	2023	2022
C.M.H.C. mortgage, repayable in monthly installments of \$3,373 including interest at 3.77%, due February 2027, secured by Ministerial Guarantee and assignment of all risks insurance.	\$ 147,274	\$ 182,797
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	90,967	103,786
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.	110,280	123,156
C.M.H.C. mortgage, repayable in monthly installments of \$1,421 including interest at 3.55%, due July 2032, secured by Ministerial Guarantee and assignment of all risks insurance.	135,406	148,003

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

7. LONG TERM DEBT *(continued)*

	2 0 2 3	2 0 2 2
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.	136,513	147,633
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.	75,723	82,005
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.	350,951	365,396
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.	562,633	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.	3,522	67,352
Peace Hills Trust loan. Repaid during the current year.		53,735
Peace Hills Trust loan. Repaid during the current year.		4,549
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.	42,000	92,000
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.	398,139	415,657
Peace Hills Trust loan, repayable in quarterly installments of \$70,800 including interest at 8.25%, due October 2023, secured by Ministerial Guarantee and assignment of all risks insurance.	<u>131,555</u>	<u>2,387,671</u>
	2,184,963	
Less current portion	( 448,923)	( 335,271)
	<u>\$ 1,736,040</u>	<u>\$ 2,052,400</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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7. LONG TERM DEBT *(continued)*

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

March 31, 2024	\$ 448,923
2025	276,490
2026	281,013
2027	219,085
2028	180,947
Thereafter	<u>778,505</u>
	<u>\$ 2,184,963</u>

The interest expense for the year recognized arising from these long-term debt amounted to \$46,787 (2022 - \$68,017).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 8. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Disposals, Write-offs & Adjustments	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2023	Total 2022
Buildings	\$ 17,629,085	\$ 2,205,000	\$	\$ 19,834,085	\$ 11,974,872	\$ 401,997	\$ 12,376,869	\$ 7,457,216	\$ 5,654,213
Construction in Progress	225,000	50,000	(225,000)	50,000				50,000	225,000
Computers	160,962			160,962	146,657	14,305	160,962		14,305
Equipment	1,268,409	316,439		1,584,848	1,012,412	203,886	1,216,298	368,550	255,997
Land	225,586			225,586				225,586	225,586
Land improvements	1,642,062			1,642,062	525,223	39,289	564,512	1,077,550	1,116,839
Roads	98,845			98,845	88,422	2,471	90,893	7,952	10,423
Vehicles	1,759,160	198,232		1,957,392	1,413,998	139,495	1,553,493	403,899	345,162
	<u>\$ 23,009,109</u>	<u>\$ 2,769,671</u>	<u>\$ (225,000)</u>	<u>\$ 25,553,780</u>	<u>\$ 15,161,584</u>	<u>\$ 801,443</u>	<u>\$ 15,963,027</u>	<u>\$ 9,590,753</u>	<u>\$ 7,847,525</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 9. 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.

## 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.

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

		2 0 2 3	2 0 2 2
Arrangement:	I.S.C. #1617-MB-000010	\$ 8,659,458	\$ 6,670,269
	F.N.I.H. #1920-MB-000030	2,774,816	2,566,796
Plus:	I.S.C. revenue deferred from previous years	496,415	119,651
	F.N.I.H. revenue deferred from previous years	399,766	267,315
Less:	I.S.C. revenue deferred to subsequent year	( 919,279)	( 496,415)
	F.N.I.H. revenue deferred to subsequent year	( 357,281)	( 399,766)
	Recovery of I.S.C. - Prov Tuition	( 765,322)	-
TOTAL I.S.C. AND F.N.I.H REVENUE PER FINANCIAL STATEMENTS		\$ <u>10,288,573</u>	\$ <u>8,727,850</u>

## REVENUE PER STATEMENT OF OPERATIONS (Statement 2)

Indigenous Services Canada	\$ 7,471,272	\$ 6,293,505
First Nations and Inuit Health	<u>2,817,301</u>	<u>2,434,345</u>
	\$ <u>10,288,573</u>	\$ <u>8,727,850</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 13. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2 0 2 3	2 0 2 2
Administration	\$ 650,539	\$ 596,606
Amortization of capital assets	801,443	918,060
Bad debts (recovery)	38,769	( 19,600)
Community initiatives and contributions	1,353,355	399,233
Construction		24,767
Enbridge expenses		3,375
Flood	10,562	
Insurance	279,907	229,933
Interest	27,471	68,017
Office	267,187	214,236
Fuel and oil	170,984	127,205
Other	681,235	495,402
Professional fees	331,064	306,624
Program costs	86,843	385,845
Rent	1,994	977
Repairs and maintenance	1,046,708	1,295,611
Salaries and benefits	3,058,333	2,552,588
Social assistance	979,592	891,935
Student support	1,554,540	939,395
Supplies	167,294	328,783
Telephone	106,906	82,846
Training	68,910	107,447
Travel	404,473	232,275
Utilities	279,589	299,694
Eliminations	( 395,645)	( 505,207)
	<u>\$ 11,972,053</u>	<u>\$ 9,976,047</u>

## 14. BUDGET INFORMATION

The financial statements do not include completed budgeted financial information. The exclusion of such information is a departure from the Canadian public sector accounting standards as the comparison of budgeted to actual results is a significant measurement of performance.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

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## 15. ACCOUNTING STANDARD UPDATES

*PS 3400 Revenue from Exchange Transactions*

This standard differentiates between revenue from transactions with performance obligations (exchange transactions) and those without (non-exchange transactions). Revenue from exchange transactions is recognized when the performance obligation is satisfied, while non-exchange transaction revenue is recognized when the entity has the authority to claim or retain an inflow of economic resources. Measurement of revenue depends on the type of transaction, and entities must disclose information about the nature, amount, timing, and uncertainty of revenue and cash flows from contracts with customers. Management is currently evaluating the requirements of PS 3400 to ensure compliance.

PS 3400 applies to fiscal years beginning on or after April 1, 2023, and will be relevant for public sector entities with fiscal years ending on March 31, 2024, or December 31, 2024, with earlier adoption permitted.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

## 16. 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues								
Federal Government								
ISC	\$ 859,460	\$ 600,558	\$ 10,186	\$ 406,454	\$ 1,528,140	\$ 1,522,875	\$	\$ 14,156
CMHC								
ESDC							305,777	117,198
Other	-	-	-	-	-	-	-	-
Subtotal	859,460	600,558	10,186	406,454	1,528,140	1,522,875	305,777	131,354
Other revenue	<u>672,219</u>	<u>438,282</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,795</u>	<u>70,648</u>
Total revenue	<u>1,531,679</u>	<u>1,038,840</u>	<u>10,186</u>	<u>406,454</u>	<u>1,528,140</u>	<u>1,522,875</u>	<u>341,572</u>	<u>202,002</u>
Expenses								
Amortization	302,937	225,112					2,885	
Debt servicing	4,509	5,837						
Other	795,690	455,815	27,937	397,689	1,233,077	1,200,394	183,224	196,860
Salaries and benefits	<u>469,794</u>	<u>443,264</u>	<u>-</u>	<u>8,765</u>	<u>84,517</u>	<u>62,730</u>	<u>185,989</u>	<u>64,857</u>
Total expenses	<u>1,572,930</u>	<u>1,130,028</u>	<u>27,937</u>	<u>406,454</u>	<u>1,317,594</u>	<u>1,263,123</u>	<u>372,098</u>	<u>261,717</u>
Surplus (Deficit)	<u>\$ ( 41,251)</u>	<u>\$ ( 91,188)</u>	<u>\$ ( 17,751)</u>	<u>\$ -</u>	<u>\$ 210,546</u>	<u>\$ 259,752</u>	<u>\$ ( 30,526)</u>	<u>\$ ( 59,715)</u>

# CANUPAWAKPA DAKOTA NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 16. SEGMENT DISCLOSURE (continued)

	Education		Health		Community Services		Housing	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues								
Federal Government								
ISC	\$ 1,747,101	\$ 2,178,006	\$	\$	\$ 747,970	\$ 649,407	\$ 1,880,000	\$
FNIH			3,000,756	2,434,345				
CMHC							164,946	714,865
ESDC								
Other	-	-	-	-	-	-	-	-
Subtotal	1,747,101	2,178,006	3,000,756	2,434,345	747,970	649,407	2,044,946	714,865
Other revenue	26,987	1,988	76,312	104,429	44,028	70,480	161,219	329,508
Total revenue	<u>1,774,088</u>	<u>2,179,994</u>	<u>3,077,068</u>	<u>2,538,774</u>	<u>791,998</u>	<u>719,887</u>	<u>2,206,165</u>	<u>1,044,373</u>
Expenses								
Amortization			132,137	121,219			362,778	571,025
Debt servicing	21	1,788			4,984	11,950	17,958	48,442
Other	1,991,914	1,349,235	2,013,379	1,332,230	718,916	277,168	282,717	477,484
Salaries and benefits	<u>545,865</u>	<u>382,048</u>	<u>1,165,448</u>	<u>1,006,694</u>	<u>251,645</u>	<u>193,252</u>	<u>120,566</u>	<u>117,959</u>
Total expenses	<u>2,537,800</u>	<u>1,733,071</u>	<u>3,310,964</u>	<u>2,460,143</u>	<u>975,545</u>	<u>482,371</u>	<u>784,019</u>	<u>1,214,910</u>
Surplus (Deficit)	<u>\$ ( 763,712)</u>	<u>\$ 446,923</u>	<u>\$ ( 233,896)</u>	<u>\$ 78,631</u>	<u>\$ ( 183,547)</u>	<u>\$ 237,516</u>	<u>\$ 1,422,146</u>	<u>\$ ( 170,537)</u>

# CANUPAWAKPA DAKOTA NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

### 16. SEGMENT DISCLOSURE *(continued)*

	Band Based Capital		Band Funds		Elimination		TOTAL	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2021</u>	<u>2022</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues								
Federal Government								
ISC	\$ 700,000	\$ 922,050	\$	\$	\$	\$	\$ 7,472,857	\$ 6,293,506
FNIH							3,000,756	2,434,345
CMHC							164,946	714,865
ESDC							305,777	117,198
Other	-	-	-	-	-	-	-	-
Subtotal	700,000	922,050					10,944,336	9,559,914
Other revenue	-	-	1,541,557	1,429,118	( 395,645)	( 505,207)	2,162,472	1,939,246
Total revenue	<u>700,000</u>	<u>922,050</u>	<u>1,541,557</u>	<u>1,429,118</u>	<u>( 395,645)</u>	<u>( 505,207)</u>	<u>13,106,808</u>	<u>11,499,160</u>
Expenses								
Amortization			705	705			801,442	918,061
Debt servicing							27,472	68,017
Other	550,839	884,921	604,108	370,792	( 395,645)	( 505,207)	8,006,156	6,437,381
Salaries and benefits	1,118		312,041	273,018	-	-	3,136,983	2,552,587
Total expenses	<u>551,957</u>	<u>884,921</u>	<u>916,854</u>	<u>644,515</u>	<u>( 395,645)</u>	<u>( 505,207)</u>	<u>11,972,053</u>	<u>9,976,046</u>
Surplus (Deficit)	<u>\$ 148,043</u>	<u>\$ 37,129</u>	<u>\$ 624,703</u>	<u>\$ 784,603</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,134,755</u>	<u>\$ 1,523,114</u>