

**Tootinaowaziibeeng Treaty
Reserve #292
Consolidated Financial Statements**
March 31, 2021

Tootinaowaziibeeng Treaty Reserve #292

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For the year ended March 31, 2021

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Management's Responsibility

To the Members of Tootinaowaziibeeng Treaty Reserve #292:

The accompanying consolidated financial statements of Tootinaowaziibeeng Treaty Reserve #292 are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

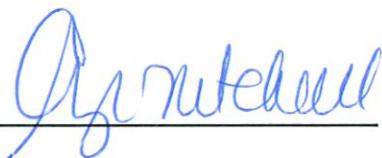
In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

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



Chief Barry McKay



Finance
Administrator

To the Chief and Council and Members of Tootinaowaziibeeng Treaty Reserve #292:

Opinion

We have audited the financial statements of Tootinaowaziibeeng Treaty Reserve #292 (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, accumulated surplus, changes in net financial 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 the First Nation as at March 31, 2021, and the results of its consolidated operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the 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.

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 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.

MNP LLP

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- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Swan River, Manitoba

May 24, 2024

MNP LLP

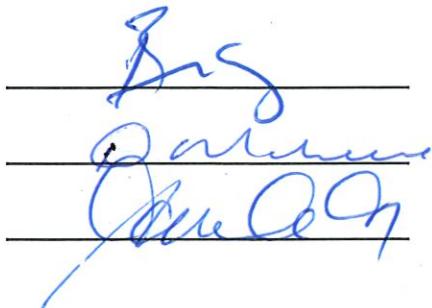
Chartered Professional Accountants

MNP
LLP

Tootinaowaziibeeng Treaty Reserve #292
Consolidated Statement of Financial Position
As at March 31, 2021

	2021	2020
Financial assets		
Cash <i>(Note 3)</i>	1,079,623	351,049
Restricted Cash <i>(Note 4)</i>	74,625	74,665
Accounts receivable <i>(Note 5)</i>	1,153,936	137,918
Inventory for resale	20,022	20,022
Investments	6,556	5,966
Funds held in trust <i>(Note 6)</i>	1,268	1,268
	2,336,030	590,888
Liabilities		
Bank indebtedness <i>(Note 7)</i>	1,392	226,512
Accounts payable and accruals <i>(Note 8)</i>	1,277,619	926,672
Deferred revenue <i>(Note 9)</i>	3,274,288	953,046
Term loans due on demand <i>(Note 10)</i>	2,003,345	2,181,542
Capital lease obligations <i>(Note 11)</i>	-	13,729
Long-term debt <i>(Note 12)</i>	5,243,384	4,643,830
	11,800,028	8,945,331
Net debt	(9,463,998)	(8,354,443)
Contingencies and commitments <i>(Note 15)</i>		
Non-financial assets		
Tangible capital assets <i>(Note 13) (Schedule 1)</i>	19,733,430	17,260,978
Prepaid expenses	947,935	635,614
	20,681,365	17,896,592
Accumulated surplus	11,217,367	9,542,149

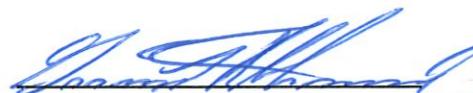
Approved on behalf of Chief and Council:



Chief

Councillor

Councillor



Councillor

Councillor

Tootinaowaziibeeng Treaty Reserve #292
Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada (Note 14), (Note 22)	4,305,178	10,593,764	7,792,631
Health Canada (Note 14), (Note 22)	3,305,429	4,231,327	3,041,656
First Peoples Development, Inc. (Note 14)	568,358	415,886	486,894
Canada Mortgage and Housing Corporation (Note 14)	227,208	408,813	429,297
Convenience Store	215,743	839,290	885,549
Video Lotto Terminals (incl. tobacco sales)	-	246,943	460,733
Other revenue	25,000	492,753	312,315
Additional government funding (Note 14)	437,400	468,755	-
Province of Manitoba (incl. tobacco & fuel tax rebates) (Note 14)	57,532	240,024	200,207
User fees	19,937	30,786	24,540
Rental income	80,400	44,133	34,583
Repayment of funding	-	(86,556)	(106,528)
Deferred revenue - prior year	-	953,046	415,219
Deferred revenue - current year	-	(3,274,288)	(953,046)
Income from TTR Legacy Trust	-	333,042	336,026
Manitoba First Nation Education Resource Centre (MFNERC)	30,000	32,654	30,984
Gain on debt forgiveness	-	10,978	6,151
	9,272,185	15,981,350	13,397,211
Program expenses			
Health Services	3,507,397	3,971,682	3,636,986
Community Development (Trust)	-	85,389	130,152
Social Services	-	2,524,578	2,245,229
Band Operations	4,183,964	6,322,093	6,609,870
Convenience Store Operations	-	960,744	1,043,568
Gaming Operations	-	433,958	470,222
	7,691,361	14,298,444	14,136,027
Surplus (deficit) before other items	1,580,824	1,682,906	(738,816)
Other income			
Loss on disposal of capital assets	-	(7,688)	-
Surplus (deficit)	1,580,824	1,675,218	(738,816)
Accumulated surplus, beginning of year	-	9,542,149	10,280,965
Accumulated surplus, end of year	-	11,217,367	9,542,149

Tootinaowaziibeeng Treaty Reserve #292
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2021

	2021 Budget	2021	2020
Annual surplus (deficit)			
Purchases of tangible capital assets	1,580,824	1,675,218	(738,816)
Amortization of tangible capital assets	-	(3,604,371)	(1,017,864)
Loss on sale of tangible capital assets	-	1,094,831	1,074,945
Proceeds of disposal of tangible capital assets	-	29,400	-
Acquisition of prepaid expenses	-	(312,321)	(516,897)
Increase in net debt	1,580,824	(1,109,555)	(1,198,632)
Net debt, beginning of year	(8,354,443)	(8,354,443)	(7,155,811)
Net debt, end of year	(6,773,619)	(9,463,998)	(8,354,443)

Tootinaowaziibeeng Treaty Reserve #292
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Surplus	1,675,218	(738,816)
Non-cash items		
Amortization	1,094,831	1,074,945
Loss on disposal of capital assets	7,688	-
Changes in working capital accounts		
Accounts receivable	(1,016,018)	297,484
Prepaid expenses	(312,321)	(516,897)
Accounts payable and accruals	350,949	(809,380)
Deferred revenue	2,321,242	537,827
Investments	(591)	(1)
Inventories for resale	-	963
Funds held in trust	-	(11)
	4,120,998	(153,886)
Financing activities		
Advances of long-term debt	1,055,200	139,554
Repayment of long-term debt	(455,646)	(455,947)
Advances of term debt due on demand	-	940,000
Repayments of term debt due on demand	(178,197)	(319,720)
Repayment of capital lease obligations	(13,730)	(59,675)
	407,627	244,212
Capital activities		
Purchases of tangible capital assets	(3,604,371)	(1,017,864)
Proceeds of disposal of tangible capital assets	29,400	-
	(3,574,971)	(1,017,864)
Increase (decrease) in cash resources	953,654	(927,538)
Cash resources, beginning of year	199,202	1,126,740
Cash resources, end of year	1,152,856	199,202
Cash resources are composed of:		
Cash	1,079,623	351,049
Restricted cash	74,625	74,665
Bank indebtedness	(1,392)	(226,512)
	1,152,856	199,202

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

1. Operations

The Tootinaowaziibeeng Treaty Reserve #292 (the "Nation") is located in the province of Manitoba, and provides various services to its members. Tootinaowaziibeeng Treaty Reserve #292 includes the First Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

2. Significant accounting policies

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

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities and partnerships.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Tootinaowaziibeeng Treaty Reserve #292
- Tootinaowaziibeeng Anishinabe Health Authority
- Tootinaowaziibeeng Housing Authority
- Tootinaowaziibeeng Indigenous Skills and Employment Training Strategy (ISETS) Program
- Anishinabe Childhood Development Inc.
- Tootinaowaziibeeng Treaty Reserve Holdings Inc.
- Tootinaowaziibeeng Convenience Store
- Tootinaowaziibeeng VLT Operations

All inter-entity balances and transactions have been eliminated on consolidation.

Basis of presentation

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

Cash resources

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

Funds held in Trust

Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

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

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

2. Significant accounting policies (Continued from previous page)

Inventory for Resale

Inventory of supplies and goods available for resale are recorded at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment. Investments consist of patronage equity accounts.

Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed tangible assets are recorded at their fair value at the date of contribution.

Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on a declining balance basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Amortization

Tangible capital assets are amortized annually using the following method at rates intended to amortize the cost of the assets over their estimated useful lives (amortization is recorded at one-half the normal rate in the year of acquisition):

	Method	Rate
Buildings	declining balance	4-5 %
Furniture, Fixtures and Equipment	declining balance	20 %
Automotive Equipment	declining balance	30 %
Infrastructure	declining balance	4 %
Computer Equipment and Software	declining balance	30 %
Assets under capital lease	declining balance	30 %

Long-term debt

Long-term financing received to fund tangible capital asset purchases is recognized in the period the financing is acquired and recorded as an increase in long-term debt.

Repayments of long-term financing are recognized as a decrease in long-term debt.

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 normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

2. Significant accounting policies *(Continued from previous page)*

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in operations for the year.

Net debt

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt is comprised of two components, non-financial assets and accumulated surplus.

Revenue recognition

Government transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other revenue

Other revenues and user fees are earned from other services provided by the First Nation and are recognized at their fair value when the service has been provided.

Retail sales are recognized when the sale is made and the customer takes possession of the merchandise.

Rental income is recorded in the year it is earned.

Gaming revenue

The First Nation recognizes Video Lottery Terminals (VLT) revenue as the net win from gaming activities (the difference between gaming wins and gaming losses), consisting of slot machines, on a daily basis. Gaming revenue is gross of commissions paid to Manitoba Liquor and Lotteries which management believes is the most appropriate presentation of gaming revenue on the financial statements.

Insurance proceeds

Due to the inability to reasonably ascertain the proceeds ultimately receivable related to housing units damaged/destroyed, these proceeds are recognized only when the amounts have been confirmed through actual receipt of funds.

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 environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. A liability is 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 and is equal to a proportion of 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 post-closure 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 revenue generation, are expensed in the current year.

No liability has been recorded as of March 31, 2021 as funding from government agencies will offset any costs associated with the closure of landfill sites or the remediation of other contaminated sites.

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

2. Significant accounting policies (Continued from previous page)

Employee future benefits

The First Nation's employee future benefit programs consist of defined contribution pension plans. The First Nation's contributions to the plan are expensed as incurred.

Segments

The First Nation conducts its business through 6 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Health Services - activities include the delivery of community-based health promotion and disease prevention programs, primary home and community care services, programs to control communicable diseases and address environmental issues and non-insured health benefits.

Community Development - receives funds from the Tootinaowaziibeeng Treaty Reserve First Nation Legacy Trust in accordance with the Trust Agreement (e.g. annual distribution), and utilizes the funds for various projects that will better the First Nation community and its members.

Social Services - activities include satisfying the economic, social and health related needs of members of the community who require assistance.

Band Operations - activities include the governance function relating to decisions that define expectations, grant power or verify performance consisting of decision-making and leadership processes. Also includes activities relating to overseeing educational programming for members and the development and maintenance of the community's buildings, houses, roads and infrastructure.

Convenience Store Operations - activities include providing retail services within the community for fuel, tobacco and grocery products.

Gaming Operations - activities include providing a form of gaming entertainment for community members which generates revenue for discretionary needs of the community members.

These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 2 *Significant accounting policies*.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Payables to funding agencies are based on anticipated repayment requirements; however actual repayments will be determined upon the funding agencies review of financial statements. These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the operations in the periods in which they become known.

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

3. Cash

	2021	2020
Unrestricted cash in bank	1,079,623	351,049

4. Restricted cash

	2021	2020
Health - moveable assets reserve	3,498	3,567
Housing - replacement reserve	71,127	71,098

Health Reserves

The Moveable Assets Reserve is funded by an annual allocation in the Health Services Transfer agreement. These funds, along with accumulated interest, must be held in a separate bank account and are to be used only for the replacement or acquisition of physical assets. As of March 31, 2021, \$3,498 (2020 - \$3,567) has been set aside to fund this reserve. The unfunded portion at March 31, 2021 was \$50,712 (2020 - \$41,051).

CMHC Reserves

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the First Nation established the following: A replacement reserve, established by an annual allocation of \$83,640 (2020 - \$20,350), to ensure that major repairs of buildings financed by CMHC are done as necessary. At March 31, 2021, \$71,127 (2020 - \$71,098) has been set aside to fund this reserve. The underfunded portion at March 31, 2021 was \$29,453 (2020 - underfunded by \$8,162).

A subsidy surplus reserve can be established by retaining excess federal assistance payments received. Reserve funds may be used to meet future subsidy requirements of income test occupants, over and above the maximum federal assistance. At March 31, 2021, the projects had no accumulated surplus, therefore no subsidy surplus reserve balance was required.

In accordance with terms of the agreements, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

5. Accounts receivable

	2021	2020
CMHC	90,399	49,659
First Peoples Development, Inc.	234,322	39,288
Government of Canada	196,079	-
Indigenous Services Canada	478,716	-
Members	26,793	17,793
Other	82,774	53,817
Province of Manitoba	80,887	7,899
Receiver General of Canada	796	805
	1,190,766	169,261
Less: Allowance for doubtful accounts	36,830	31,343
	1,153,936	137,918

Indigenous Services Canada accounts payable consists of the following:

\$ 91,959 - Firesmart
\$386,757 - Provincial tuition
\$478,716

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

6. Funds held in trust

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

Capital Trust	2021	2020
Balance	65	65
Revenue Trust		
Balance, beginning of year	1,203	1,192
Interest	-	11
Balance, end of year	1,203	1,203
	1,268	1,268

7. Bank indebtedness

	2021	2020
Operating line of credit	-	181,659
Other bank indebtedness	1,392	44,853
	1,392	226,512

At March 31, 2021, the First Nation had an authorized line of credit of \$500,000 (2020 - \$500,000) and there was \$500,000 (2020 - \$318,341) that remained unused. In 2020, a portion of the use of the authorized line of credit relates to cheques that had been issued and were outstanding at the end of the year, which amounted to \$235,609.

The line of credit bears interest at prime plus 1% and is secured by a Band Council resolution redirecting all funds from Indigenous Services Canada to the financial institution.

8. Accounts payable and accruals

	2021	2020
Trade accounts payable	847,836	657,630
Receiver General of Canada	99,469	73,966
Group pension plan and insurance	80,134	57,195
Indigenous Services Canada	131,650	55,094
Other	2,178	1,903
Accrued liabilities	116,352	80,884
	1,277,619	926,672

Indigenous Services Canada accounts payable consists of the following:

\$15,700 - Special Needs Funding (03/04)
 \$ 9,385 - Parental Engagement Strategy (04/05)
 \$10,009 - Teacher Recruitment and Retention (04/05)
 \$10,000 - First Nation Career Promotion and Awareness (04/05)
 \$66,590 - Basic Needs (2019-20)
 \$19,566 - Special Needs (2019-20)
 \$131,650

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

9. Deferred revenue

	<i>Balance, March 31, 2020</i>	<i>Funding Received 2021</i>	<i>Revenue Recognized 2021</i>	<i>Balance, March 31, 2021</i>
ISC - Basic Needs	-	2,955,949	(2,564,508)	391,441
ISC - Bathroom Renovations	20,000	-	-	20,000
ISC - Post Secondary	238,374	609,223	(329,809)	517,788
ISC - PIDP	61,397	44,400	(93,224)	12,573
ISC - Climate Change	-	99,950	(46,190)	53,760
ISC - School Formula	295,770	1,851,692	(1,365,082)	782,380
ISC - Community Based Initiative	97,432	153,918	(150,206)	101,144
ISC - Jordan's Principle	161,073	1,244,189	(1,401,457)	3,805
ISC - Service Delivery	22,800	186,571	(174,554)	34,817
ISC - Community Readiness Program	56,200	-	(56,200)	-
ISC - Education Innovation	-	8,669	-	8,669
ISC - Economic Development	-	59,591	(59,591)	-
ISC - Firesmart	-	131,370	-	131,370
ISC - Capacity Development	-	48,000	(4,800)	43,200
ISC - Capacity Building	-	45,000	-	45,000
ISC - Water Truck repairs	-	109,705	-	109,705
ISC - Daycare Restart	-	18,277	-	18,277
ISC - Community Facilities O&M (block)	-	299,355	(146,419)	152,936
ISC - Community Facilities O&M (fixed)	-	68,330	-	68,330
ISC - Aboriginal Headstart	-	496,644	(285,186)	211,458
ISC - CDE Planning and Response	-	531,918	(234,481)	297,437
ISC - Drinking Water	-	17,900	(17,143)	757
Total ISC deferred revenue	953,046	8,980,651	(6,928,850)	3,004,847
Canadian Heritage - Indigenous Languages	-	116,500	(60,500)	56,000
Canadian Heritage - Cultural Space Fund	-	184,000	(12,630)	171,370
Government of Canada - AWB	-	63,500	(25,168)	38,332
FPDI - Daycare	-	231,917	(228,178)	3,739
Total other deferred revenue	-	595,917	(326,476)	269,441
	953,046	9,576,568	(7,255,326)	3,274,288

10. Term loans due on demand

	2021	2020
CIBC - demand loan bearing interest at prime plus 1.0%, repayable in monthly installments of \$5,833, with five mobile homes having a net book value of \$574,593 (2020 - \$604,835) and a Band Council Resolution redirecting all funds from Indigenous Services Canada to the financial institution, pledged as collateral:	379,168	449,168
CIBC - demand loan bearing interest at prime plus 1.0%, repayable in monthly installments of \$1,032, with a Band Council Resolution redirecting all funds from Indigenous Services Canada to the financial institution, pledged as collateral:	38,136	50,514
CIBC - demand loan bearing interest at prime plus 1.0%, repayable in monthly installments of \$10,861, with a Band Council Resolution redirecting all funds from Indigenous Services Canada to the financial institution, pledged as collateral, paid in full during the fiscal year:	-	32,583

Tootinaowaziibeeng Treaty Reserve #292
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

10. Term loans due on demand *(Continued from previous page)*

	2021	2020
CIBC - demand loan bearing interest at prime plus 1.0%, repayable in monthly installments of \$5,449 plus interest, with a Band Council Resolution redirecting all funds from Indigenous Services Canada to the financial institution, pledged as collateral:	1,166,041	1,229,277
CIBC - demand loan authorized up to \$835,000, bearing interest at prime plus 1.0%, repayable in monthly installments of \$3,479, with a Band Council Resolution redirecting all funds from Indigenous Services Canada to the financial institution, pledged as collateral:	420,000	420,000
	2,003,345	2,181,542

Principal repayments on term loans in each of the next five years

2022	94,629
2023	94,946
2024	101,380
2025	95,669
<u>2024 and thereafter</u>	<u>1,616,721</u>
	2,003,345

11. Capital lease obligations

	2021	2020
John Deere Financial Inc. - capital lease payable in equal monthly installments of \$6,930, including interest at 7.65%, due May 2021, secured by 2013 John Deere Grader, having a net book value of \$55,103 (2020 - \$78,719), paid in full during the fiscal year:	-	13,729

12. Long-term debt

	2021	2020
Bank of Montreal - loan repayable in monthly installments of \$3,663 plus interest at 6.99%, due February 2021, secured by a 2018 International Water Truck having a net book value of \$39,969 (2020 - \$57,099), paid in full during the fiscal year:	-	38,925
Bank of Montreal - loan repayable in monthly installments of \$923 plus interest at 7.55%, secured by school bus having a net book value of \$8,895 (2020 - \$12,707), paid in full during the fiscal year:	-	6,301
Bank of Montreal - loan repayable in monthly installments of \$3,406 plus interest at 7.99%, due February 2023, secured by 2019 International Water Truck having a net book value of \$57,916 (2020 - \$82,737):	72,418	106,034
Canada Mortgage and Housing Corporation - mortgage repayable in blended monthly installments of \$3,241 with interest at 0.74%, due August 2030 with a renewal date of February 2026, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	353,710	389,798
Canada Mortgage and Housing Corporation - mortgage repayable in blended monthly installments of \$884 with interest at 0.46%, due February 2025 with a renewal date of May 2021, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	41,185	51,471

Tootinaowaziibeeng Treaty Reserve #292
Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

12. Long-term debt *(Continued from previous page)*

	2021	2020
Canada Mortgage and Housing Corporation - mortgage authorized to \$713,500, repayable in blended monthly installments of \$2,692 with interest at 1.01%, due August 2046, with a renewal date of August 2026, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	178,375	-
Canada Mortgage and Housing Corporation - mortgage repayable in blended monthly installments of \$3,418 with interest at 1.05%, due August 2031 with a renewal date of August 2021, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	404,543	441,119
Canada Mortgage and Housing Corporation - mortgage repayable in blended monthly installments of \$3,243 with interest at 1.3%, due June 2032 with a renewal date of June 2022, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	407,160	440,573
Canada Mortgage and Housing Corporation - mortgage repayable in blended monthly installments of \$3,996 with interest at 2.52%, due September 2033 with a renewal date of September 2023, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	514,042	548,661
Canada Mortgage and Housing Corporation - mortgage repayable in blended monthly installments of \$5,715 with interest at 0.74%, due February 2036 with a renewal date of February 2026, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	876,825	-
Canada Mortgage and Housing Corporation - mortgage repayable in blended monthly installments of \$12,024 with interest at 2.14%, due March 2034 with a renewal date of March 2024, secured by a Ministerial Guarantee, a CMHC undertaking to insure and an assignment of fire insurance:	1,637,150	1,745,380
Manitoba Lotteries Corporation - loan repayable in weekly installments of \$334 with interest at 2.35% included in therein, due September 2021, secured by six video lotto terminals having a net book value of \$48,398 (2020 - \$53,665):	2,003	7,318
Manitoba Lotteries Corporation - loan repayable in weekly installments of \$334 with interest at 2.35% included therein, due July 2022, secured by six video lotto terminals having a net book value of \$62,940 (2020 - \$69,934):	34,599	39,679
Tootinaowaziibeeng Treaty Reserve First Nation Legacy Trust - loan repayable in annual installments of \$114,228 (to be deducted from annual income distribution from the Trust), with interest at 2.7% included therein, due August 2026:	721,374	828,571
	5,243,384	4,643,830

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2022	465,791
2023	475,261
2024	434,705
2025	437,069
<u>2024 and thereafter</u>	<u>3,430,558</u>
	<u>5,243,384</u>

During the year, interest paid was \$148,914 (2020 - \$207,110).

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

13. Tangible capital assets

Please see Schedule 1 for further information on tangible capital assets.

14. Government Transfers

	<i>Operating</i>	<i>Capital & Repairs</i>	<i>2021 Total</i>	<i>2020 Total</i>
Indigenous Services Canada	9,032,559	1,561,205	10,593,764	7,792,631
Health Canada	4,231,327	-	4,231,327	3,041,656
Canada Mortgage and Housing Corporation	370,184	38,629	408,813	429,297
First Peoples Development Inc.	415,886	-	415,886	486,894
Government of Canada	468,755	-	468,755	-
Province of Manitoba	240,024	-	240,024	200,207
	14,758,735	1,599,834	16,358,569	11,950,685

15. Contingencies and commitments

A portion of the balance included as surpluses (deficits) is from funds contributed by government agencies. Such surpluses (deficits) may be subject to repayment or recovery by the contributing agencies, depending on the terms and conditions of the relevant agreements. Any such repayment or recovery, where not otherwise ascertainable, will be recorded in the fiscal period in which such determination is made.

The First Nation received forgivable loans totalling \$38,629 (2020 - \$80,242) from CMHC's Residential Rehabilitation Assistance Program (RRAP) which were included in income for the year ended March 31, 2021. Provided the First Nation continues to own and occupy the subject houses for four years, the principle amount plus interest will be forgiven. If the homes are not occupied by eligible band members for the required time period, the unearned portion of the loans plus interest will become due and payable.

16. Pension Plan

The Tootinaowaziibeeng Treaty Reserve #292 has a defined contribution pension plan whereby employees' contributions to the plan are fully matched by the First Nation. The contribution amount varies depending on which entity the individual is employed by and ranges from 2% to 8%. The pension plan is administered and managed by London Life.

The expense recognized in the consolidated statement of operations and accumulated surplus with respect to this plan was \$134,671 (2020 - \$147,506). There were no significant changes to the pension plan in 2020.

17. Economic dependence

Tootinaowaziibeeng Treaty Reserve #292 receives substantially all of its revenue from the Government of Canada as a result of treaties entered into with the Government of Canada. These treaties are administered by Indigenous Services Canada (ISC) under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

18. Budget information

Canadian public sector accounting standards require the disclosure of budget information for comparison to the First Nation's actual revenues and expenses. The First Nation's Social Services program, Gaming operations and Convenience Store operations budgeted revenue and expenses and deficit have not been reported in these financial statements.

Tootinaowaziibeeng Treaty Reserve #292

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

19. Trusts administered by the First Nation

Trust funds administered by the First Nation, amounting \$28,744 (2020 - \$12,710) have not been included on the statement of financial position, nor have their operations been included on the statement of operations. The trust funds relate to monies that were to be paid to members of the First Nation upon receipt of the settlement proceeds from the Government of Canada in April 2017 for the 1905 Railway Expropriation Specific Claim. The remaining funds are owed to members that could not be located or have not yet turned 18 years of age. The trust fund balances at March 31 were as follows:

	2021	2020
Minor distribution fund (restricted cash)	28,744	12,710

20. Corresponding Figures

Prior year's corresponding figures have been reclassified where necessary to conform to the current year's presentation.

21. Significant event

During the year, the global outbreak of COVID-19 (coronavirus) continued, which has had a significant impact on the operations through restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

22. ISC funding reconciliation

ISC funding as per the statement of operations and accumulated surplus is as follows:

	2021	2020
ISC funding per the financial statements	10,593,764	7,792,631
Health Canada funding per financial statements	4,231,327	3,041,656
Provincial School tuition funding shortfall	26,973	-
Balance per ISC funding confirmation	14,852,064	10,834,287

Tootinaowaziibeeng Treaty Reserve #292
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Land</i>	<i>Buildings</i>	<i>Furniture, Fixtures and Equipment</i>	<i>Automotive Equipment</i>	<i>Infrastructure</i>	<i>Computer Equipment and Software</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	355,972	17,326,040	979,661	2,250,439	5,611,657	235,297	26,759,066
Acquisition of tangible capital assets	-	2,956,870	211,235	412,739	-	23,530	3,604,374
Disposal of tangible capital assets	-	-	-	(70,019)	-	-	(70,019)
Asset transfers	-	-	-	270,000	-	-	270,000
Balance, end of year	355,972	20,282,910	1,190,896	2,863,159	5,611,657	258,827	30,563,421
Accumulated amortization							
Balance, beginning of year	-	5,679,748	701,289	1,639,072	1,330,212	226,488	9,576,809
Annual amortization	-	601,710	64,439	253,483	164,708	10,491	1,094,831
Accumulated amortization on disposals	-	-	-	(32,931)	-	-	(32,931)
Accumulated amortization on asset transfers	-	-	-	191,282	-	-	191,282
Balance, end of year	-	6,281,458	765,728	2,050,906	1,494,920	236,979	10,829,991
Net book value of tangible capital assets	355,972	14,001,452	425,168	812,253	4,116,737	21,848	19,733,430
Net book value of tangible capital assets 2020	355,972	11,646,293	278,374	611,297	4,281,516	8,809	17,182,261

Tootinaowaziibeeng Treaty Reserve #292
Schedule 1 - Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Capital Asset Under Lease</i>	2021	2020
Cost				
Balance, beginning of year	26,759,066	270,000	27,029,066	26,058,866
Acquisition of tangible capital assets	3,604,374	-	3,604,374	1,017,864
Disposal of tangible capital assets	(70,019)	-	(70,019)	-
Asset transfers	270,000	(270,000)	-	-
Balance, end of year	30,563,421	-	30,563,421	27,076,730
Accumulated amortization				
Balance, beginning of year	9,576,809	191,282	9,768,091	8,740,807
Annual amortization	1,094,831	-	1,094,831	1,074,945
Accumulated amortization on disposals	(32,931)	-	(32,931)	-
Accumulated amortization on asset transfers	191,282	(191,282)	-	-
Balance, end of year	10,829,991	-	10,829,991	9,815,752
Net book value of tangible capital assets	19,733,430	-	19,733,430	17,260,978
Net book value of tangible capital assets 2020	17,182,261	78,717	17,260,978	

Tootinaowaziibeeng Treaty Reserve #292
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2021

	2021	2020
Consolidated expenses by object		
Advertising	-	1,070
Amortization	1,094,831	1,074,945
Automotive	149,554	205,992
Bad debts	(474)	2,210
Bank charges and interest	12,325	57,813
Cash (over) short	47,125	11,849
Community donations and member assistance	236,515	330,327
Consulting	194,283	117,132
Cost of goods sold	936,105	1,047,310
Elders fees	7,744	-
Food and beverage	68,874	96,233
Funeral	19,748	-
Honouraria	189,800	198,800
Insurance	340,069	273,831
Interest on long-term debt	148,631	207,110
Meeting	-	7,622
Miscellaneous	-	960
Office equipment lease	5,003	16,599
Office supplies	46,500	61,656
Professional development	-	15,548
Professional fees	321,349	318,265
Program expense	789,263	681,877
Property tax	2,553	3,168
Rent	-	7,122
Repairs and maintenance	509,765	963,321
Salaries and benefits	4,487,262	3,815,510
Social assistance	1,422,456	1,742,965
Supplies	1,319,338	676,231
Telephone	105,250	112,182
Training	246,687	311,534
Travel	585,087	719,370
Utilities	481,731	396,970
Tuition	500,283	626,075
User fees	30,787	34,430
	14,298,444	14,136,027

Tootinaowaziibeeng Treaty Reserve #292
Schedule 3 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2021

	<i>ISC Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Current Surplus (Deficit)</i>	<i>Prior Year Surplus (Deficit)</i>
Health Services	-	4,225,482	3,971,682	253,800	(254,654)
Community Development (Trust)	-	333,042	85,389	247,653	205,874
Social Services	3,044,943	2,566,946	2,524,578	42,368	(1,407)
Band Operations	7,548,821	7,589,757	6,350,168	1,239,589	(721,768)
Convenience Store Operations	-	997,083	960,744	36,339	(8,130)
Gaming Operations	-	289,427	433,958	(144,531)	41,269
Total	10,593,764	16,001,737	14,326,519	1,675,218	(738,816)