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MATHIAS COLOMB CREE NATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

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# MATHIAS COLOMB CREE NATION

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MARCH 31, 2021

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Mathias Colomb Cree Nation are the responsibility of management and have been approved by Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the 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.

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

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

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

Chief

Councillor

Councillor

Councillor

Councillor

Councillor

## **INDEPENDENT AUDITOR'S REPORT**

To the Chief, Council and Membership  
Mathias Colomb Cree Nation

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### **Opinion**

We have audited the accompanying consolidated financial statements of Mathias Colomb Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, change in net (assets) debt, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Mathias Colomb Cree Nation as at March 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for 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 Mathias Colomb Cree 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 Mathias Colomb Cree 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 Mathias Colomb Cree Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Mathias Colomb Cree 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 Mathias Colomb Cree 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 Mathias Colomb Cree 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 Mathias Colomb Cree 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  
August 21, 2023

# MATHIAS COLOMB CREE NATION


STATEMENT 1


## CONSOLIDATED STATEMENT OF FINANCIAL POSITION


MARCH 31


	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 9,095,453	\$ 937,322
Restricted cash (Note 3)	696,065	542,168
Accounts receivable (Note 4)	2,390,985	4,993,063
Long-term investments (Note 5)	11,404,166	10,328,601
Land entitlement trust	1,075,814	735,099
Total financial assets	<u>24,662,483</u>	<u>17,536,253</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	1,545,674	2,674,416
Deferred revenue and other long-term liabilities (Note 7)	16,364,076	5,183,902
Long-term debt (Note 8)	<u>10,516,535</u>	<u>10,794,450</u>
Total liabilities	<u>28,426,285</u>	<u>18,652,768</u>
Net debt	( 3,763,802)	( 1,116,515)
<b>NON-FINANCIAL ASSETS</b>		
Inventory	76,172	109,372
Prepaid expenses and other current assets	255,539	87,334
Tangible capital assets (Note 9)	63,219,305	64,893,089
Construction in progress (Note 10)	<u>1,443,126</u>	-
Total non-financial assets	<u>64,994,142</u>	<u>65,089,795</u>
Accumulated surplus	\$ <u>61,230,340</u>	\$ <u>63,973,280</u>

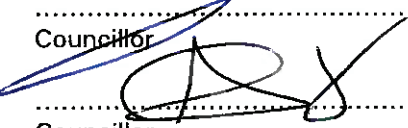
Approved on behalf of Council

  
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Chief

  
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Councillor

  
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Councillor

  
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Councillor

  
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Councillor

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Councillor

# MATHIAS COLOMB CREE NATION

STATEMENT 2

## CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 1	2 0 2 0
<b>REVENUE</b>			
Indigenous Services Canada ( <i>Note 11</i> )	\$ 32,742,022	\$ 31,117,324	\$ 25,155,187
Health Canada	6,916,770	7,366,412	5,073,822
Construction income	624,000	678,862	1,199,381
Other revenue	2,892,372	7,941,610	2,110,238
Aboriginal Skills & Employment Training	803,870	810,800	707,348
Province of Manitoba	869,398	497,747	329,074
Canadian Mortgage and Housing Corporation	259,331	3,096,978	835,254
Tobacco tax rebates	315,000	414,428	315,276
Rental revenue	443,727	394,524	204,735
Equity income on business investments		1,487,034	597,320
Manitoba Keewatinowi Okimakanak Inc.	509,830	444,077	667,446
Administration Fees	437,088	1,329,722	1,565,826
Community Bingo and Gaming Commission	39,748		35,736
Deferred revenue from prior year		5,183,902	750,983
Deferred revenue to subsequent year	-	(16,364,076)	(5,183,902)
	<u>46,853,156</u>	<u>44,399,344</u>	<u>34,363,724</u>
<b>EXPENDITURES</b>			
Band programs	2,620,371	7,823,680	4,449,797
Education	11,665,136	8,985,983	8,139,874
Operations and maintenance	1,434,070	1,148,979	1,017,604
Capital/Housing	12,145,438	4,340,146	987,768
Social assistance	3,149,551	9,087,016	7,867,681
Economic development	1,038,535	286,318	244,178
Health Authority	6,892,532	7,238,811	6,076,819
Other	-	8,231,351	5,144,471
	<u>38,945,633</u>	<u>47,142,284</u>	<u>33,928,192</u>
ANNUAL SURPLUS (DEFICIT)	7,907,523	( 2,742,940)	435,532
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>63,973,280</u>	<u>63,973,280</u>	<u>63,537,748</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 71,880,803</u>	<u>\$ 61,230,340</u>	<u>\$ 63,973,280</u>

# MATHIAS COLOMB CREE NATION

STATEMENT 3

## CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 1	2 0 2 0
Annual surplus (deficit)	\$ <u>7,907,523</u>	\$( <u>2,742,940</u> )	\$ <u>435,532</u>
Acquisition of tangible capital assets and construction in progress		( <u>2,924,017</u> )	-
Amortization of tangible capital assets	<u>-</u>	<u>3,154,675</u>	<u>3,185,024</u>
	<u>-</u>	<u>230,658</u>	<u>3,185,024</u>
Acquisition of inventory		( <u>76,172</u> )	( <u>109,372</u> )
Acquisition of prepaid expenses		( <u>255,539</u> )	( <u>87,334</u> )
Use of inventory		<u>109,372</u>	<u>215,092</u>
Use of prepaid expenses	<u>-</u>	<u>87,334</u>	<u>65,053</u>
	<u>-</u>	( <u>135,005</u> )	<u>83,439</u>
CHANGE IN NET DEBT FOR YEAR	7,907,523	( <u>2,647,287</u> )	3,703,995
NET DEBT, <i>beginning of year</i>	( <u>1,116,515</u> )	( <u>1,116,515</u> )	( <u>4,820,510</u> )
NET DEBT, <i>end of year</i>	\$ <u><u>6,791,008</u></u>	\$( <u><u>3,763,802</u></u> )	\$ <u><u>1,116,515</u></u>



# MATHIAS COLOMB CREE NATION

STATEMENT 4

## CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2 0 2 1	2 0 2 0
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from funding and other sources	\$ 56,149,089	\$ 35,945,225
Cash paid to suppliers and employees	( 44,635,129)	( 31,187,550)
Cash flow from operating activities	<u>11,513,960</u>	<u>4,757,675</u>
<i>INVESTING ACTIVITY</i>		
Purchase of tangible capital assets	( 2,924,017)	-
<i>FINANCING ACTIVITIES</i>		
Proceeds from long-term debt	790,000	
Repayment of long-term debt	( 1,067,915)	( 1,065,608)
Cash flow from financing activities	( 277,915)	( 1,065,608)
NET INCREASE IN CASH DURING YEAR	8,312,028	3,692,067
CASH (DEFICIENCY), <i>beginning of year</i>	<u>1,479,490</u>	( 2,212,577)
CASH (DEFICIENCY), <i>end of year</i>	<u>\$ 9,791,518</u>	<u>\$ 1,479,490</u>
CASH COMPRISED OF		
Cash and cash equivalents	\$ 9,095,453	\$ 937,322
Restricted cash	<u>696,065</u>	<u>542,168</u>
	<u>\$ 9,791,518</u>	<u>\$ 1,479,490</u>

# MATHIAS COLOMB CREE NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 1. NATURE OF OPERATION

Mathias Colomb Cree Nation ("Cree Nation") is a non-profit, non-taxable entity and is engaged in the social, cultural, and economic development of Cree Nation citizens of Mathias Colomb Cree Nation.

### 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements were prepared in accordance with Canadian public sector accounting standards.

#### *REPORTING ENTITY*

The Mathias Colomb Cree Nation reporting entity includes the Mathias Colomb Cree Nation government and all related entities which are accountable to the Cree Nation and are either owned or controlled by Mathias Colomb Cree Nation Council.

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of a government business enterprise, which are included in the Consolidated Financial Statements on a modified equity basis.

These consolidated financial statements combine the assets, liabilities and results of operations for the Cree Nation and use accounting principles that lend themselves to consolidation. All inter-entity balances have been eliminated on consolidation.

The following entities results of operations are included in these financial statements:

Mathias Colomb Cree Nation Government  
Pukatawagan Aboriginal Education Authority Inc.  
Mathias Colomb Cree Nation Health Authority Inc.  
Mamawehetowin Crisis Centre Inc.  
Marilyn Bravehart Day Care  
Mathias Colomb Cree Nation Housing Authority Inc.  
Missinippi Construction Co. Ltd.

Unincorporated departments  
Mathias Colomb Cree Nation Community Bingo and  
Gaming Operations -  
Mathias Colomb Cree Nation Employment and Training -

Organizations accounted for on a modified equity basis include:

Beaver Air Services Limited Partnership	100%	December 31, 2021
Keewatin Railway Company Ltd.	44%	December 31, 2021

#### *CASH AND CASH EQUIVALENTS*

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits with a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)**INVENTORIES HELD FOR USE*

Inventories held for consumption are recorded at the lower of cost and replacement cost.

*TANGIBLE CAPITAL ASSETS*

Tangible capital assets are stated at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. For capital assets related to CHMC Housing Authority, the assets are amortized using the principal payment paid by the entity for each housing loan. The remaining Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Land		non-amortizable
Buildings	20 - 40 years	straight-line method
Equipment	10 - 20 years	straight-line method
Motor vehicles	10 years	straight-line method
Infrastructure	20 - 50 years	straight-line method

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

*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, inventory, and prepaid expenses.

*NET DEBT*

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

*REVENUE RECOGNITION*

Mathias Colomb Cree Nation follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized when revenue is earned.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2021**

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**2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)******MEASUREMENT UNCERTAINTY***

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

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

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

***EMPLOYEE FUTURE BENEFITS***

The organization has a contributory defined benefit plan for its employees which is accounted for using the immediate recognition approach. Under this method, the accrued pension benefits are based on actuarial estimates used for purposes of funding the plan. The accrued benefit obligation and fair value of plan assets are reported, and actuarial gains and losses and past service costs are recognized as part of net income in the year they occur.

***RESTRICTED CASH***

Restricted cash balances represent assets segregated for use for replacement reserves with CMHC operating agreements. Restricted cash also includes trust funds held by Indigenous Services Canada.

***LIABILITY FOR CONTAMINATED SITES***

Liabilities for remediation of a contaminated site are recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Nation is either directly responsible or accepts responsibility, it is expected that the future economic benefits will be given up, and a reasonable estimate of the amount is determinable. At each financial reporting date, the Nation reviews the carrying amount of any liability.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2021**

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

Mathias Colomb Cree Nation is a diversified community that provides a wide range of services to its members. These services are categorized into segments as identified in Note 17. The following segments have been identified and separately disclosed.

Band - Contains activities that are needed to run the Mathias Colomb Cree Nation organization.

Education Services - Contains activities that provide education to band members for primary, secondary schooling and sponsorship to attend post secondary institutions.

Operations and Maintenance - Contains all activities that relate to the maintenance of buildings and land.

Capital/Housing - Contains major capital projects and activities that provide housing and repairs and maintenance to band members' housing.

Social Assistance - Contains activities that provide financial support or support by other means to band members that is aimed at developing both the individual as well as the community.

Economic Development - Contains activities that relate to the economic development of the community, including its commercial operations.

Health Services - Contains activities that provide medical services to band members.

Housing Authority - Contains activities that provide the development and sustainment of on-reserve housing.

Mississippi Construction - Contains activities that provide business services to the Mathias Colomb Cree Nation organization.

Aboriginal Skills and Employment Training Strategy (ASETS) - Contains activities that provide skills and employment training services.

Marilyn Braveheart Daycare - Contains activities that provide financial support for the daycare.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 3. RESTRICTED CASH

#### *REPLACEMENT RESERVE - CMHC*

Under the terms of the operating agreements with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve is to be credited with an annual allocation of \$41,740 (March 31, 2020 - \$41,740).

These funds, along with accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

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

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

As of March 31, 2021, the replacement reserve accumulated balance of \$207,160 (March 31, 2020 - \$247,239) was underfunded by \$81,820 (2020 - \$ 182,624) and due from operating.

#### *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. Capital trust monies are derived from non-renewable resource transactions on the sale of lands or other First Nation tangible capital assets. Capital trust monies are expended on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Chief and Council. Revenue trust monies are generated primarily through land-leasing transactions or interest earned on deposits in the Consolidated Revenue Fund of the Government of Canada. Revenue trust monies are, in most cases, managed and expended under the provisions of Sections 63 to 69 of the Indian Act.

	2 0 2 1	2 0 2 0
<b>Externally Restricted Funds</b>		
Peace Hills Trust GIC at 2.29% held as collateral for long-term debt	\$ 462,986	\$ 452,594
Ottawa Trust Fund	27,450	26,959
CMHC Operating reserve	<u>205,629</u>	<u>62,615</u>
	<u>\$ 696,065</u>	<u>\$ 542,168</u>

### 4. ACCOUNTS RECEIVABLE

	2 0 2 1	2 0 2 0
Indigenous Services Canada	\$ 476,041	\$ 3,754,116
Health Canada	576,095	63,070
Manitoba Keewatinowi Okimakanak Inc.	12,090	198,850
Trade and other	<u>1,326,759</u>	<u>977,027</u>
	<u>\$ 2,390,985</u>	<u>\$ 4,993,063</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 5. LONG-TERM INVESTMENTS

	2 0 2 1	2 0 2 0
Beaver Air Services LP o/a Missinippi Airways (100%) ownership as sole limited partner	\$ 10,642,061	\$ 9,155,027
Missinippi Management Ltd.	50	50
Keewatin Railway Co. Ltd. (44% equity ownership)	<u>762,055</u>	<u>1,173,524</u>
	<u>\$ 11,404,166</u>	<u>\$ 10,328,601</u>

Mathias Colomb Cree Nation owns 100% of the issued capital of Missinippi Management Ltd (the general partner) and the Cree Nation members are the beneficiaries of Beaver Air Services Trust (the Limited Partner). These entities own Beaver Air Services Limited Partnership which operates as Missinippi Airways. Summarized financial information for Missinippi Airways for the year ended December 31 is as follows:

	2 0 2 0	2 0 1 9
Current assets	\$ 4,581,068	\$ 3,032,132
Long-term assets	<u>7,143,675</u>	<u>7,495,913</u>
Total assets	<u>11,724,743</u>	<u>10,528,045</u>
Current liabilities	990,180	1,213,086
Long-term liabilities	92,052	159,882
Equity	<u>10,642,061</u>	<u>9,155,077</u>
Total equity and liabilities	<u>11,724,293</u>	<u>10,528,045</u>
Revenues	14,751,889	16,078,599
Expenses	<u>12,849,319</u>	<u>15,815,756</u>
Net income	<u>1,902,570</u>	<u>262,843</u>

Summarized financial information for Keewatin Railway Co. Ltd. for the year ended December 31 is as follows:

	2 0 2 0	2 0 1 9
Current assets	\$ 1,763,930	\$ 1,943,933
Long-term assets	<u>1,136,177</u>	<u>841,640</u>
Total assets	<u>2,900,107</u>	<u>2,785,573</u>
Current liabilities	1,168,164	503,730
Long-term liabilities		317,667
Equity	<u>1,731,943</u>	<u>1,964,176</u>
Total equity and liabilities	<u>2,900,107</u>	<u>2,785,573</u>
Revenues	6,000,633	5,781,305
Expenses	<u>6,232,866</u>	<u>4,792,303</u>
Net income (loss)	<u>( 232,233)</u>	<u>989,002</u>

The following transactions occurred between its investments and the Cree Nation. These transactions are measured at the amount of consideration established and agreed to by the related parties.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 1	2 0 2 0
Indigenous Services Canada	\$ 314,896	\$ 314,896
Trade and other	<u>1,230,778</u>	<u>2,359,520</u>
	<u>\$ 1,545,674</u>	<u>\$ 2,674,416</u>

### 7. DEFERRED REVENUE

	2 0 2 1	2 0 2 0
Indigenous Services Canada		
Crow Rock Subdivision	159,221	159,221
Wastewater Plant Upgrade	30,341	30,341
Capital - Road Repairs	215,108	289,037
Land Management (Soil Remediation)		36,541
Soil Remediation		5,458
Fire Protection Emergency Response		55,538
Income Assistance Service Delivery		49,535
Commercial Fishery Business Plan	4,000	4,000
CMHC - Manitoba Indigenous Capacity Enhancement and Mobilization Work Plan	82,500	12,500
Capital - First Responder Equipment Purchase		40,537
Capital - Materials to Repair Water Lines		60,000
First Nation School Kindergarten		353,154
Equipment Repairs - Sewer Truck Repairs		11,268
Equipment Repairs - Contributions		233
Asset Condition and Reporting System - Repairs to Water Systems	95,428	112,361
Asset Condition and Reporting System - Repairs to Wastewater Systems	13,565	25,969
Capital - Asset Condition Reporting System - Repairs to Community Buildings	93,219	93,219
Construction (New Housing CSH75)		833,000
Sakastew School - Restoration and Addition		53,109
Culturally Framing Aboriginal Literacy		27,513
Income Assistance - Basic Needs		219,237
Income Assistance Basic Needs - COVID 19	827,583	166,533
Child and Family Services - Community Well being	350,490	44,672
Community Buildings - Youth Centre Renovations		200,000
Provincial School Tuition	98,810	89,601
Crisis Centre - Emergency Shelter	323,255	204,122
Income Assistance - Special Needs	44,832	10,376
Lift Station # 5 Design	85,000	
Water Treatment Plant Upgrade & Expansion	753,503	
A&C Water > \$1.5M	188,495	
Provincial School - Accommodation	79,843	
Response - COVID-19 Indigenous Community Support Fund	215,771	
Skills Link	37,657	
Summer Work Experience	61,512	
Safe Return to School	48,112	
Fire Smart Project	43,746	
Safe Restart - Band Offices - COVID-19	36,499	
Safe Restart - Fire Hall - COVID-19	18,277	



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 7. DEFERRED REVENUE *(continued)*

	2 0 2 1	2 0 2 0
Income Assistance - Service Delivery	51,508	
Income Assistance - Service Delivery - COVID 19	224,582	
First Nation School Formula	2,642,771	
First Nation School Formula - COVID-19	57,226	
Post Secondary Student Support Program	343,202	
Solid Waste	11,410	
Waste Water Systems - Repair Lift Station OverFlow	98,091	
Economic Development	77,383	
Safe Restart - DayCare - COVID 19	1,275	
Indigenous Community Support Fund - Emergency Management Assistance Program - COVID-19	30,800	
Health Canada		
Medical Transportation	40,337	
Medical Transportation -Capital - Vans	151,285	
Jordan's Principle	887,427	743,485
Capital Investment -COVID 19	449,642	
Health Facility Covid-19 - Granville	3,312	
Health Facility COVID-19 - Pukatawagar	10,537	
CMHC - Rapid Housing Initiative	2,771,495	
CMHC - Residential Rehabilitation Assistance Program (RRAP)	11,223	118,773
Mississippi Construction		528,720
Employment and Training Funding	143,909	96,522
Daycare	1,064,627	157,615
Arena Development		251,086
Health Residence Retrofit	256,778	100,637
Arena Development - Youth Center Project	610,664	
Band Office Complex # 4	631,896	
Store # 3	130,841	
15 MLG#2	252	
30 MLG#1	1,713,879	
Growcer Container Farm	10,095	
Off-Reserve Members	30,862	-
	<u>\$ 16,364,076</u>	<u>\$ 5,183,913</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**MARCH 31, 2021**
**8. LONG-TERM DEBT**

CMHC loan bearing interest at 0.46% per annum, repayable in monthly blended payments of \$9,884. The loan matures on May, 2035, and is secured by an ISC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.

	2021	2020
	\$ 1,626,355	\$ 1,733,160

CMHC loan bearing interest at 1.97% per annum, repayable in monthly blended payments of \$4,601. The loan matures on November 2037, and is secured by an ISC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.

784,355	823,795
---------	---------

CMHC loan bearing interest at 0.70% per annum, repayable in monthly blended payments of \$3,096. The loan matures on September 2039, and is secured by an ISC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.

644,512	675,294
---------	---------

CMHC loan bearing interest at 2.50% per annum, repayable in monthly blended payments of \$7,817. The loan matures on June 2033, and is secured by an ISC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.

989,591	1,057,950
---------	-----------

Peace Hills Trust loan bearing interest at 3.50% per annum capitalized semi-annually, repayable in monthly principal repayments of \$16,042, along with lump sum payment as desired by The Cree Nation. The loan matures on March, 2023 and is secured by an ISC Ministerial Guarantee.

4,270,636	4,702,211
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Peace Hills Trust loan bearing interest at 3.80% per annum, repayable in monthly blended payments of \$7,049. The loan matures on December, 2024 and is secured by an ISC Ministerial Guarantee, supported by the CMHC insurance and loan agreement and assignment of fire insurance.

928,090	978,615
---------	---------

Peace Hills Trust loan bearing interest at 4.50% per annum, repayable in monthly blended payments of \$2,300. The loan matures on December, 2024 and is secured by guaranteed investment certificate of \$400,000, general security agreement and demand promissory note.

400,000	400,000
---------	---------

Peace Hills Trust loan bearing interest at 5.50% per annum payable monthly, along with lump sum payment as desired by The Cree Nation. The loan matures on May, 2022 and is secured by general security agreement, demand promissory note and assignment of tobacco tax rebates.

	231,000
--	---------

Peace Hills Trust loan bearing interest at 5.50% per annum, repayable in monthly blended payments of \$8,485. The loan matures on March, 2022 and is secured by general security agreement and demand promissory note.

98,852	192,425
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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

8. LONG-TERM DEBT *(continued)*

Peace Hills Trust loan bearing interest at 5.50% per annum, repayable in monthly blended payments of \$3,648. The loan matures on March, 2022 and is secured by general security agreement and demand promissory note.

339,726

Peace Hills Trust loan bearing interest at 5.50% per annum, repayable in monthly blended payments of \$1,832. The loan matures on March, 2022 and is secured by general security agreement and demand promissory note.

434,418

-

10,516,53510,794,450

The estimated annual principal payments required in each of the next five years to meet retirement provisions is estimated to be as follows:

March 31, 2022	\$ 628,875
2023	538,683
2024	547,625
2025	412,061
2026	421,612
Thereafter	<u>7,967,679</u>
	<u>\$ 10,516,535</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 9. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2021	Total 2020
Buildings	\$ 72,698,147	\$ 216,378	\$ 72,914,525	\$ 37,469,588	\$ 1,413,158	\$ 38,882,746	\$ 34,031,779	\$ 35,228,559
Equipment	7,003,384	218,450	7,221,834	7,003,384	21,845	7,025,229	196,605	
Motor vehicles	9,107,750	546,933	9,654,683	7,784,232	948,985	8,733,217	921,466	1,323,518
Infrastructure	38,035,190	499,130	38,534,320	9,694,178	770,687	10,464,865	28,069,455	28,341,012
	<u>\$ 126,844,471</u>	<u>\$ 1,480,891</u>	<u>\$ 128,325,362</u>	<u>\$ 61,951,382</u>	<u>\$ 3,154,675</u>	<u>\$ 65,106,057</u>	<u>\$ 63,219,305</u>	<u>\$ 64,893,089</u>

### 10. CONSTRUCTION IN PROGRESS

	2021	2020
Arena Development	\$ 209,330	\$
School Expansion - Project 8	96,333	
Office Complex - Number 4	268,418	
Store - Number 3	869,245	
	<u>\$ 1,443,326</u>	<u>\$ -</u>

Construction in progress will be transferred to tangible capital assets upon completion and will be amortized accordingly.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 11. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUE

	2 0 2 1	2 0 2 0
Indigenous Services Canada funding as per agreement	\$ <u>38,483,736</u>	\$ <u>30,229,009</u>
Revenue as per statement of operation (Statement 2)		
Indigenous Services Canada	31,117,324	25,155,187
Health Canada	<u>7,366,412</u>	<u>5,073,822</u>
TOTAL I.S.C. REVENUE PER FINANCIAL STATEMENTS	\$ <u>38,483,736</u>	\$ <u>30,229,009</u>

### 12. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2 0 2 1	2 0 2 0
Administration	\$ 1,344,396	\$ 1,569,800
Amortization of capital assets	3,154,675	3,185,024
Bad debts	616,227	
Bank charges and interest	29,480	32,315
Community events and program activities	1,298,983	652,368
Contracts	968,801	801,363
Fuel	294,800	479,342
Insurance	383,127	446,418
Loan and mortgage payments	149,682	343,643
Office supplies	388,147	254,210
Program costs	10,265,148	1,997,016
Other	489,560	9,853
Professional fees	832,254	770,320
Rent	290,151	35,818
Repairs and maintenance	2,150,759	1,213,049
Student allowances	2,270,657	1,393,115
Social	7,376,433	6,161,908
Training and development	19,722	323,032
Travel	833,391	1,030,170
Telephone and internet	212,761	169,203
Utilities	1,505,205	1,397,625
Vehicle	302,002	129,643
Wages and benefits	<u>11,965,923</u>	<u>11,532,957</u>
	\$ <u>47,142,284</u>	\$ <u>33,928,192</u>

### 13. BUDGET INFORMATION

The disclosed budget information has been provided by the administration of Cree Nation. The budget figures have not been audited, reviewed or otherwise verified and consequently we do not express an opinion on them.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

## 14. ECONOMIC DEPENDENCE

Mathias Colomb Cree Nation receives the majority of its revenue from the department of Indigenous Services Canada (I.S.C.) and Health Canada as a result of the Treaties entered into with the Government of Canada. These treaties are administered by I.S.C. and Health Canada under the terms and conditions of the Indian Act. The ability of the Nation to continue its operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

## 15. COMPARATIVE FIGURES

Certain prior year comparative figures have been reclassified where necessary to conform to the presentation adopted for the current year's presentation.

## 16. RELATED PARTY TRANSACTIONS

The following are significant related party transactions recorded in the operating fund:

	2 0 2 1	2 0 2 0
Administration fee revenue;		
Amos Okemow Memorial Education Authority Inc.	\$ <u>-</u>	\$ <u>100,000</u>
Other expenses:		
Grant to Manto Sipi Cree Nation Housing Authority	\$ <u>-</u>	\$ <u>24,537</u>

The bank accounts of Cree Nation are consolidated with the bank accounts of various band programs and unincorporated enterprises for purposes of calculating net bank interest monthly. The net interest income or expense is recognized in the financial statements of the Cree Nation.

# MATHIAS COLOMB CREE NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 17. SEGMENT DISCLOSURE

The Cree Nation provides a range of services to its members. For management reporting purposes, operations and activities are reported by department. For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 2. The segment results for the year are as follows:

	BAND		EDUCATION		O&M		CAPITAL	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues								
Federal Government								
ISC	\$ 1,125,709	\$ 976,945	\$ 11,614,124	\$ 11,528,188	\$ 1,339,315	\$ 597,388	\$ 2,922,068	\$ 2,628,009
Health Canada								
CMHC								241,191
Deferred from prior year			470,268	101,786			2,357,549	338,657
Deferred to following year	( 43,746)	-	( 3,379,228)	( 470,268)	( 96,410)	-	( 4,991,280)	( 2,357,549)
Subtotal	1,081,963	976,945	8,705,164	11,159,706	1,242,905	597,388	288,337	850,308
Other revenue	<u>4,245,712</u>	<u>3,098,200</u>	<u>352,897</u>	<u>178,054</u>	<u>69,444</u>	<u>78,883</u>	<u>4,456,497</u>	<u>351,829</u>
Total revenue	<u>5,327,675</u>	<u>4,075,145</u>	<u>9,058,061</u>	<u>11,337,760</u>	<u>1,312,349</u>	<u>676,271</u>	<u>4,744,834</u>	<u>1,202,137</u>
Expenditures								
Amortization	1,967,351	1,846,773	606,194	637,110				
Debt servicing	86,003	266,275						
Other	4,798,906	1,498,636	4,465,967	3,468,613	519,675	397,868	4,340,146	938,498
Wages and benefits	<u>971,420</u>	<u>838,113</u>	<u>3,913,822</u>	<u>4,034,151</u>	<u>629,304</u>	<u>619,736</u>	<u>-</u>	<u>49,270</u>
Total expenses	<u>7,823,680</u>	<u>4,449,797</u>	<u>8,985,983</u>	<u>8,139,874</u>	<u>1,148,979</u>	<u>1,017,604</u>	<u>4,340,146</u>	<u>987,768</u>
Surplus (Deficit)	<u>\$( 2,496,005)</u>	<u>\$( 374,652)</u>	<u>\$ 72,078</u>	<u>\$ 3,197,886</u>	<u>\$ 163,370</u>	<u>\$( 341,333)</u>	<u>\$ 404,688</u>	<u>\$ 214,369</u>

# MATHIAS COLOMB CREE NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

### 17. SEGMENT DISCLOSURE (continued)

	SOCIAL		ECONOMIC DEVELOPMENT		HEALTH		OTHER	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenues								
Federal Government								
ISC	\$ 9,953,591	\$ 8,289,920	\$ 363,701	\$ 233,720	\$	\$	\$ 3,798,816	\$ 901,017
Health Canada					7,366,412	5,073,822		
CMHC							3,096,978	594,063
Deferred from prior year	490,330		4,000		743,484	310,540	1,118,271	
Deferred to following year	( 1,498,995)	( 490,330)	( 81,383)	( 4,000)	( 1,542,540)	( 743,484)	( 4,730,494)	( 1,118,271)
Subtotal	8,944,926	7,799,590	286,318	229,720	6,567,356	4,640,878	3,283,571	376,809
Other revenue	24	-	-	-	411,198	467,111	4,463,032	3,558,303
Total revenue	<u>8,944,950</u>	<u>7,799,590</u>	<u>286,318</u>	<u>229,720</u>	<u>6,978,554</u>	<u>5,107,989</u>	<u>7,746,603</u>	<u>3,935,112</u>
Expenses								
Amortization					251,544	292,712	329,586	408,429
Debt servicing							63,679	77,368
Other	8,759,956	7,435,058	172,777	181,825	3,294,780	2,393,160	5,519,797	2,552,910
Wages and benefits	<u>327,060</u>	<u>432,623</u>	<u>113,541</u>	<u>62,353</u>	<u>3,692,487</u>	<u>3,390,947</u>	<u>2,318,289</u>	<u>2,105,764</u>
Total expenses	<u>9,087,016</u>	<u>7,867,681</u>	<u>286,318</u>	<u>244,178</u>	<u>7,238,811</u>	<u>6,076,819</u>	<u>8,231,351</u>	<u>5,144,471</u>
Surplus (Deficit)	<u>\$ ( 142,066)</u>	<u>\$ ( 68,091)</u>	<u>\$ -</u>	<u>\$ ( 14,458)</u>	<u>\$ ( 260,257)</u>	<u>\$ ( 968,830)</u>	<u>\$ ( 484,748)</u>	<u>\$ ( 1,209,359)</u>



# MATHIAS COLOMB CREE NATION

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021

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

	TOTAL	
	<u>2021</u>	<u>2020</u>
Revenues		
Federal Government		
ISC	\$ 31,117,324	\$ 25,155,187
Health Canada	7,366,412	5,073,822
CMHC	3,096,978	835,254
Deferred from prior year	5,183,902	750,983
Deferred to following year	<u>(16,364,076)</u>	<u>( 5,183,902)</u>
Subtotal	30,400,540	26,631,344
Other revenue	<u>13,998,804</u>	<u>7,732,380</u>
Total revenue	<u>44,399,344</u>	<u>34,363,724</u>
Expenses		
Amortization	3,154,675	3,185,024
Debt servicing	149,682	343,643
Other	31,872,004	18,866,568
Wages and benefits	<u>11,965,923</u>	<u>11,532,957</u>
Total expenses	<u>47,142,284</u>	<u>33,928,192</u>
Surplus (Deficit)	<u>\$ ( 2,742,940)</u>	<u>\$ 435,532</u>