
MATHIAS COLOMB CREE NATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

MATHIAS COLOMB CREE NATION

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MARCH 31, 2022

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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.

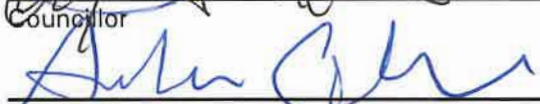
Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

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INDEPENDENT AUDITOR'S REPORT

To the Chief, Council and Membership
Mathias Colomb Cree Nation

Qualified 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, 2022, 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, except for the effects of the matters described in the Basis for Qualified Opinion section of the report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Mathias Colomb Cree Nation as at March 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified 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 qualified opinion.

We have been unable to satisfy ourselves with the completion, valuation, and allocation of construction costs due to inadequate records and inability to obtain necessary documentations from various third parties. As a result, we were not able to determine whether potentially material adjustments were required to capitalize the cost related to the work in progress during the reporting period.

We have been unable to satisfy ourselves over the occurrence, completeness, accuracy and classification of the recorded expenditures. We were not able to verify whether the transactions were recorded properly due to the lack of evidence obtained. As a result, we were not able to assess whether potential material adjustments were required.

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.

(continued.....)

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.

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

MATHIAS COLOMB CREE NATION

STATEMENT 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

2022

2021

FINANCIAL ASSETS

Cash and cash equivalents	\$ 9,042,916	\$ 9,095,453
Restricted cash (Note 3)	707,095	696,065
Accounts receivable (Note 4)	7,297,582	2,390,985
Long-term investments (Note 5)	14,665,918	11,404,166
Land Entitlement Trust	<u>1,500,033</u>	<u>1,075,814</u>
Total financial assets	<u>33,213,544</u>	<u>24,662,483</u>

LIABILITIES

Accounts payable and accrued liabilities (Note 6)	3,792,437	1,545,671
Deferred revenue and other long-term liabilities (Note 7)	19,576,484	16,364,076
Long-term debt (Note 8)	<u>13,766,031</u>	<u>10,516,535</u>
Total liabilities	<u>37,134,952</u>	<u>28,426,282</u>
Net assets (debt)	<u>(3,921,408)</u>	<u>(3,763,799)</u>

NON-FINANCIAL ASSETS

Inventory	133,672	76,172
Prepaid expenses and other current assets	25,416	255,539
Tangible capital assets (Note 9)	61,499,271	63,219,305
Construction in Progress	<u>14,754,612</u>	<u>1,443,126</u>
Total non-financial assets	<u>76,412,971</u>	<u>64,994,142</u>
Accumulated surplus	\$ <u>72,491,563</u>	\$ <u>61,230,343</u>

Approved on behalf of Council

Chief

Councillor

Councillor

Councillor

Councillor

Councillor

MATHIAS COLOMB CREE NATION

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 2	2 0 2 1
REVENUE			
Indigenous Services Canada (<i>Note 11</i>)	\$	\$ 39,340,990	\$ 31,117,324
Health Canada		6,851,448	7,366,412
Canadian Mortgage and Housing Corporation		303,895	3,096,978
Province of Manitoba		371,232	497,747
Aboriginal Skills and Employment Training		474,306	810,800
Investments income		3,701,193	1,487,034
Manitoba Keewatinowi Okimakanak Inc.		962,811	444,077
Administration fees		2,777,026	1,329,722
Construction income		480,639	1,055,521
Other income		2,949,375	7,564,953
Rental revenue		254,432	394,524
Tobacco tax rebates		402,015	414,428
Deferred revenue from prior year		16,364,076	5,183,902
Deferred revenue to following year	-	(19,576,484)	(16,364,076)
	-	<u>55,656,954</u>	<u>44,399,346</u>
EXPENDITURES			
Band programs		5,710,296	7,882,860
Education		10,989,019	8,985,983
Operations and maintenance		1,350,767	1,149,113
Capital		2,122,417	4,340,038
Social assistance		9,045,875	9,087,016
Economic development		183,667	247,006
Health authority		7,192,957	7,238,812
Other	-	<u>7,800,736</u>	<u>8,211,455</u>
	-	<u>44,395,734</u>	<u>47,142,283</u>
ANNUAL SURPLUS (DEFICIT)		11,261,220	(2,742,937)
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>61,230,343</u>	<u>61,230,343</u>	<u>63,973,280</u>
ACCUMULATED SURPLUS, <i>end of year</i>	\$ <u>61,230,343</u>	\$ <u>72,491,563</u>	\$ <u>61,230,343</u>

MATHIAS COLOMB CREE NATION

STATEMENT 3

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS (DEBT)

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 2	2 0 2 1
Annual surplus (deficit)	\$ <u> - </u>	\$ <u>11,261,220</u>	\$ <u>(2,742,937)</u>
Acquisition of tangible capital assets and construction in progress		(<u>14,421,371</u>)	(<u>2,924,017</u>)
Amortization of tangible capital assets	<u> - </u>	<u>2,829,919</u>	<u>3,154,675</u>
	<u> - </u>	(<u>11,591,452</u>)	<u>230,658</u>
Acquisition of inventory		(<u>133,672</u>)	(<u>76,172</u>)
Acquisition of prepaid expenses		(<u>25,416</u>)	(<u>255,539</u>)
Use of inventory		<u>76,172</u>	<u>109,372</u>
Use of prepaid expenses	<u> - </u>	<u>255,539</u>	<u>87,334</u>
	<u> - </u>	<u>172,623</u>	(<u>135,005</u>)
CHANGE IN NET DEBT FOR YEAR		(<u>157,609</u>)	(<u>2,647,284</u>)
NET DEBT, <i>beginning of year</i>	(<u>3,763,799</u>)	(<u>3,763,799</u>)	(<u>1,116,515</u>)
NET DEBT, <i>end of year</i>	\$ <u>(3,763,799)</u>	\$ <u>(3,921,408)</u>	\$ <u>(3,763,799)</u>

MATHIAS COLOMB CREE NATION

STATEMENT 4

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2 0 2 2	2 0 2 1
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from funding and other sources	\$ 53,538,546	\$ 56,149,089
Cash paid to suppliers and employees	(42,408,178)	(44,635,129)
Cash flow from operating activities	<u>11,130,368</u>	<u>11,513,960</u>
<i>INVESTING ACTIVITY</i>		
Purchase of tangible capital assets	(14,421,371)	(2,924,017)
Cash flow used by investing activities	(14,421,371)	(2,924,017)
<i>FINANCING ACTIVITIES</i>		
Proceeds from long-term debt		790,000
Repayment of long-term debt	<u>3,249,496</u>	(1,067,915)
Cash flow from financing activities	<u>3,249,496</u>	(277,915)
NET INCREASE (DECREASE) IN CASH DURING YEAR	(41,507)	8,312,028
CASH, <i>beginning of year</i>	<u>9,791,518</u>	<u>1,479,490</u>
CASH, <i>end of year</i>	\$ <u>9,750,011</u>	\$ <u>9,791,518</u>
CASH COMPRISED OF		
Cash and cash equivalents	\$ 9,042,916	\$ 9,095,453
Restricted cash	<u>707,095</u>	<u>696,065</u>
	\$ <u>9,750,011</u>	\$ <u>9,791,518</u>

MATHIAS COLOMB CREE NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

1. NATURE OF OPERATION

Mathias Colomb 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.
Mississippi 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, 2022

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. 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 ASSET (DEBT)

The Nation's consolidated financial statements are presented so as to highlight net assets (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, 2022**

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, 2022**

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, 2022

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, 2021 - \$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, 2022, the replacement reserve accumulated balance of \$205,810 (March 31, 2021 - \$205,629) was underfunded by \$117,711 (2021 - \$76,152) 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 2	2 0 2 1
Externally Restricted Funds		
Peace Hills Trust GIC at 2.29% held as collateral for long-term debt	\$ 473,589	\$ 462,986
Ottawa Trust Fund	27,696	27,450
CMHC Operating reserve	<u>205,810</u>	<u>205,629</u>
	<u>\$ 707,095</u>	<u>\$ 696,065</u>

4. ACCOUNTS RECEIVABLE

	2 0 2 2	2 0 2 1
Indigenous Services Canada	\$ 5,638,770	\$ 476,041
First Nation and Inuit Health	183,556	576,095
Manitoba Keewatinowi Okimakanak	65,716	12,090
Trade and other	<u>1,409,540</u>	<u>1,326,759</u>
	<u>\$ 7,297,582</u>	<u>\$ 2,390,985</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

5. LONG-TERM INVESTMENTS

	2 0 2 2	2 0 2 1
Beaver Air Services LP o/a Missinippi Airways (100%) ownership as sole limited partner	\$ 14,343,254	\$ 10,642,061
Keewatin Railway Co. Ltd. (44% equity ownership)	322,614	762,055
Missinippi Management Ltd.	<u>50</u>	<u>50</u>
	<u>\$ 14,665,918</u>	<u>\$ 11,404,166</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 as at and for the year ended December 31 is as follows:

	2 0 2 1	2 0 2 0
Current assets	\$ 6,986,514	\$ 4,581,068
Long term assets	<u>10,498,438</u>	<u>7,143,675</u>
Total assets	<u>17,484,952</u>	<u>11,724,743</u>
Current liabilities	1,244,248	990,180
Long term liabilities	1,897,450	92,502
Equity	<u>14,343,254</u>	<u>10,642,061</u>
Total equity and liabilities	<u>17,484,952</u>	<u>11,724,743</u>
Revenues	17,757,652	14,751,889
Expenses	<u>13,756,459</u>	<u>12,849,319</u>
Net income	<u>\$ 4,001,193</u>	<u>\$ 1,902,570</u>

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

	2 0 2 1	2 0 2 0
Current assets	\$ 3,208,740	\$ 1,763,930
Long term assets	<u>1,240,316</u>	<u>1,136,177</u>
Total assets	<u>4,449,056</u>	<u>2,900,107</u>
Current liabilities	3,474,891	1,168,164
Long term liabilities	240,951	-
Equity	<u>733,214</u>	<u>1,731,943</u>
Total equity and liabilities	<u>4,449,056</u>	<u>2,900,107</u>
Revenues	6,161,076	6,000,633
Expenses	<u>7,159,805</u>	<u>6,232,866</u>
Net income	<u>\$ (998,729)</u>	<u>\$ (232,233)</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 2	2 0 2 1
Indigenous Services Canada	\$ 314,896	\$ 314,896
Trade and other	<u>3,477,541</u>	<u>1,230,775</u>
	<u>\$ 3,792,437</u>	<u>\$ 1,545,671</u>

7. DEFERRED REVENUE

	Balance, beginning of year	Funding received 2022	Revenue recognized 2022	Balance, end of year
Indigenous Services Canada				
Fire Smart Project	\$ 43,746	\$	\$ 36,960	\$ 6,786
First Nation School Formula	2,642,771	10,275,230	7,629,016	5,288,985
First Nation School Formula (Covid-19)	57,226		57,226	
Post Secondary Student Support Program	343,202	1,264,192	1,116,132	491,262
Provincial School - Accommodation	79,842	377,161	149,993	307,010
Provincial School Tuition	98,810	137,437	157,309	78,938
Skills Link	37,657		37,657	
Summer Work Experience	61,512	112,519	142,239	31,792
Safe Return to School	48,112	630,495	678,607	
Oral and Visual Teachings		34,552		34,552
Community Building		270,693	226,647	44,046
Lift Station # 5 Design	85,000			85,000
Solid Waste	11,410	79,733	91,143	
School Expansion Project # 8		5,000,002	1,498,440	3,501,562
Capital - Road Repairs	215,108		215,108	
Asset Condition and Reporting System - Repairs to Water Systems Asset Condition and Reporting System - Repairs to Water Systems	95,428		95,428	
Waste Water Systems - Repair Lift Station Overflow	98,091	175,000	61,818	211,273
Asset Condition and Reporting System - Repairs to Wastewater Systems	13,565		13,565	
Capital - Asset Condition Reporting System - Repairs to Community Buildings	93,219		93,219	
Capital - Equipment Repairs - Water Truck Repairs	-	45,647	-	45,647
Carry Forward	<u>4,024,699</u>	<u>18,402,661</u>	<u>12,300,507</u>	<u>10,126,853</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

7. DEFERRED REVENUE *(continued)*

	Balance, beginning of year	Funding received 2022	Revenue recognized 2022	Balance, end of year
Carry Forward	<u>4,024,699</u>	<u>18,402,661</u>	<u>12,300,507</u>	<u>10,126,853</u>
Contaminated Sites Management Working Group		235,180	153,880	81,300
Band Based Capital - Contribution Heavy Equipment Repairs		124,853	5,224	119,629
Water Treatment Plant Upgrade & Expansion	753,503		753,503	
Solid Waste (Landfill and Dozer) Band Base Capital - Repairs to Finance Building		92,600		92,600
		350,000		350,000
First Nation Water and Waste Water Action Plan - Water Treatment Plant Upgrade and Expansion (CSB72)	188,495	600,000	438,119	350,376
Operation and Maintenance Top Up	30,341		30,341	
Crow Rock Subdivision	159,221		159,221	
Income Assistance - Basic Needs		8,787,711	6,334,580	2,453,131
Income Assistance Basic Needs - COVID 19	827,583		827,583	
Income Assistance - Special Needs	44,832	219,309	167,809	96,332
Income Assistance - Service Delivery	276,090	570,137	272,015	574,212
Child and Family Services - Community Well being	350,490	595,306	774,722	171,074
Child and Family Services - Bring Our Children Home		650,000	487,000	163,000
Guiding our Youth To Prepare for Climate Change		50,000	7,360	42,640
Economic Development	77,383	196,720	274,103	
Economic Development Commercial Fishery Business Plan	4,000			4,000
Economic Development Landfill Program		493,080		493,080
Manitoba Indigenous Capacity Enhancement and Mobilization Work	<u>82,500</u>	<u>-</u>	<u>-</u>	<u>82,500</u>
Carry forward	<u>6,819,137</u>	<u>31,367,557</u>	<u>22,985,967</u>	<u>15,200,727</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

7. DEFERRED REVENUE (continued)

	Balance, beginning of year	Funding received 2022	Revenue recognized 2022	Balance, end of year
Carry Forward	<u>6,819,137</u>	<u>31,367,557</u>	<u>22,985,967</u>	<u>15,200,727</u>
Crisis Center - Emergency Shelters	323,255	1,084,225	950,311	457,169
Youth Centre Project Response - COVID-19		20,000		20,000
Indigenous Community Support Fund	215,771	1,512,836	1,676,797	51,810
Safe Restart - Band Offices - COVID-19	36,499		36,499	
Safe Restart - Fire Hall - COVID- 19	18,277		18,277	
Safe Restart - Daycare - COVID 19	1,275		1,275	
Indigenous Community Support Fund - Emergency Management Assistance Program - COVID-19	30,800		30,800	
Health Canada				
Medical Transportation - Capital - Vans	40,337	323,324	363,661	
Medical Transportation -Capital - Vans	151,285		120,857	30,428
Capital Investment -COVID 19	449,642		449,642	
Health Facility Covid-19 - Granville	3,312		3,312	
Health Facility COVID-19 - Pukatawagan	10,537		10,537	
Jordan's Principle	887,427	1,214,474	879,761	1,222,140
Other				
Growcer Container Farm	10,095		10,095	
Solid Waste Operation and Maintenance	256,778	758	257,536	
Arena Development - Youth Center Project	610,664	138	401,551	209,251
15 Unit Housing	251	488	739	
12 Unit Housing	1,713,879	18,034	986,515	745,398
Band Office Complex # 4	631,897	229,389	861,286	
Store #3	130,841	2,889,568	3,020,409	
Canadian Mortgage Housing Corporation Rapid Housing Initiative	<u>2,771,495</u>	<u>-</u>	<u>2,340,677</u>	<u>430,818</u>
Carry forward	<u>15,113,454</u>	<u>38,660,791</u>	<u>35,406,504</u>	<u>18,367,741</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

7. DEFERRED REVENUE (continued)

	Balance, beginning of year	Funding received 2022	Revenue recognized 2022	Balance, end of year
Carry forward	<u>15,113,454</u>	<u>38,660,791</u>	<u>35,406,504</u>	<u>18,367,741</u>
Canadian Mortgage Housing Corporation - Residential Rehabilitation Assistance Program	11,223		11,223	
Employment and Training Funding	143,909	197,151	277,679	63,381
Day Care	1,064,627	468,464	1,517,639	15,452
Day Care Building		788,073		788,073
Early Learning Child Care Program - Day Care		487,872	146,035	341,837
Off-Reserve Member	<u>30,863</u>	<u>-</u>	<u>30,863</u>	<u>-</u>
	<u>\$ 16,364,076</u>	<u>\$ 40,602,351</u>	<u>\$ 37,389,943</u>	<u>\$ 19,576,484</u>

8. LONG-TERM DEBT

CMHC loan bearing interest at 1.22% per annum, repayable in monthly blended payments of \$10,414. 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.

	2022	2021
	\$ 1,519,595	\$ 1,626,355

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.

744,171	784,355
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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.

611,762	644,512
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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.

919,615	989,591
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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.

3,824,175	4,270,636
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

8. LONG-TERM DEBT (continued)

	2 0 2 2	2 0 2 1
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.	875,583	928,090
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, 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
Peace Hills Trust loan bearing interest at 5.5% per annum, repayable in monthly blended payments of \$3,648. The loan matures on January 2026 and is secured by general security agreement and demand promissory note.	312,314	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 August 2025 and is secured by general security agreement and demand promissory note.	314,417	434,418
Peace Hills Trust loan bearing interest at prime plus two percent (P+2%) per annum, payable monthly in arrears. Once the construction phase is complete, the loan will be converted and will be termed out with maximum amortization of 20 years bearing interest at prime rate plus two percent (P+2%) or 5% to commence no later than 30 days after interest adjustment date.		
The loan matures on March 2023 and is secured by general security agreement and demand promissory note.	238,072	
Peace Hills Trust loan bearing interest at prime plus one percent (P+1%) per annum, payable monthly. Once the construction phase is complete, the loan will be converted to a five-year term, 25 year amortization at then posted residential mortgage rates less 25 bps to commence no later than 30 days after interest adjustment date.		
The loan matures on December 2022 and is secured by general security agreement and demand promissory note.	1,024,266	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

8. LONG-TERM DEBT *(continued)*

2022

2021

Peace Hills Trust loan bearing interest at prime plus two percent (P+2%) per annum, payable monthly in arrears. Once the construction phase is complete, the loan will be converted and will be termed out with maximum amortization of 20 years bearing interest at prime rate plus one percent (P+1%) to commence no later than 30 days after interest adjustment date.

The loan matures on November 2022 and is secured by general security agreement and demand promissory note.

2,982,061

-

13,766,03110,516,535

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, 2023	\$ 409,694
2024	420,237
2025	431,125
2026	442,372
2027	453,992
Thereafter	<u>11,608,611</u>
	<u>\$13,766,031</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

9. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2022	Total 2021
Buildings	\$ 72,914,525	\$ 449,642	\$ 73,364,167	\$ 38,882,746	\$ 1,612,672	\$ 40,495,418	\$ 32,868,749	\$ 34,031,779
Equipment	7,221,834	231,304	7,453,138	7,025,229	32,375	7,057,604	395,534	196,605
Motor vehicles	9,654,683	428,939	10,083,622	8,733,217	414,186	9,147,403	936,219	921,466
Infrastructure	<u>38,534,320</u>	<u>-</u>	<u>38,534,320</u>	<u>10,464,865</u>	<u>770,686</u>	<u>11,235,551</u>	<u>27,298,769</u>	<u>28,069,455</u>
	<u>\$ 128,325,362</u>	<u>\$ 1,109,885</u>	<u>\$ 129,435,247</u>	<u>\$ 65,106,057</u>	<u>\$ 2,829,919</u>	<u>\$ 67,935,976</u>	<u>\$ 61,499,271</u>	<u>\$ 63,219,305</u>

10. CONSTRUCTION IN PROGRESS

	2022	2021
Arena Development	\$ 610,850	\$ 209,330
School Expansion - Project 8	1,594,393	96,133
Office Complex - Number 4	1,346,543	268,418
Store - Number 3	3,892,688	869,245
Housing - 12 Units	1,587,543	
Housing - 15 Units	39,567	
Housing - 18 Units	1,185,900	
Community Store	372,859	
Rapid Housing	2,284,703	
Road Construction	575,172	
Crisis Center Renovation	221,474	
Water Treatment Plant Upgrade	438,119	
Duplex and Triplex Project	<u>604,801</u>	<u>-</u>
	<u>\$14,754,612</u>	<u>\$ 1,443,126</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, 2022

11. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUE

	2 0 2 2	2 0 2 1
Indigenous Services Canada funding as per agreement	\$ <u>46,192,438</u>	\$ <u>38,483,736</u>
Revenue as per statement of operation (Statement 2)		
Indigenous Services Canada	39,340,990	31,117,324
Health Canada	<u>6,851,448</u>	<u>7,366,412</u>
TOTAL I.S.C. REVENUE PER FINANCIAL STATEMENTS	\$ <u>46,192,438</u>	\$ <u>38,483,736</u>

12. EXPENSES BY OBJECT

The following is a summary of expenses by object:

	2 0 2 2	2 0 2 1
Administration	\$ 2,789,006	\$ 1,344,395
Amortization	2,829,919	3,154,675
Bad debts	21,410	616,227
Bank charges and interest	42,124	29,480
Community	849,336	1,298,983
Contracts	1,227,682	968,801
Fuel	846,307	294,800
Insurance	538,435	425,862
Loan and mortgage payments	302,253	149,682
Office supplies	320,091	388,147
Other expenses	450,406	489,560
Program costs	5,990,960	10,266,473
Professional fees	954,707	832,254
Repairs and maintenance	2,365,275	2,049,067
Rent	55,928	290,151
Wages and benefit	14,237,820	12,183,341
Social	6,437,212	7,376,433
Student allowances	1,490,214	2,270,657
Telephone and internet	217,079	212,761
Travel	909,181	833,391
Training and development	166,683	19,722
Utilities	1,137,238	1,505,205
Vehicle	<u>216,468</u>	<u>142,216</u>
	\$ <u>44,395,734</u>	\$ <u>47,142,283</u>

13. BUDGET INFORMATION

Section 1202, Financial Statement Presentation, of the CPA Canada Public Sector Accounting Board Handbook requires the disclosure of the budgeted information. Mathias Colomb Cree Nation has not prepared or approved consolidated budgets. As a result, Mathias Colomb Cree Nation was unable to present budgeted information on consolidated financial statements for the year ended March 31, 2022.

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

14. ECONOMIC DEPENDENCE

Mathias Colomb Cree Nation receives the majority of its revenue from the department of Indigenous Services Canada (ISC) and Health Canada as a result of the Treaties entered into with the Government of Canada. These treaties are administered by ISC 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. SUBSEQUENT EVENT

On April 19, 2024, the Mathias Colomb Cree Nation filed a dispute transaction claim with its financial institution amounting to \$2,009,066. The matter has been referred to legal counsel for a formal investigation. As of the release date of the financial statements, the investigation is ongoing, and the amount of recovery of the unauthorized withdrawals is unknown.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

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>2 0 2 2</u>	<u>2 0 2 1</u>	<u>2 0 2 2</u>	<u>2 0 2 1</u>	<u>2 0 2 2</u>	<u>2 0 2 1</u>	<u>2 0 2 2</u>	<u>2 0 2 1</u>
Revenues								
Federal Government								
ISC	\$ 1,169,566	\$ 1,125,710	\$ 13,321,726	\$ 11,614,124	\$ 1,684,965	\$ 1,339,314	\$ 8,551,585	\$ 2,922,068
Health Canada								
CMHC	-	-	-	-	-	-	-	-
Subtotal	1,169,566	1,125,710	13,321,726	11,614,124	1,684,965	1,339,314	8,551,585	2,922,068
Other revenue	<u>8,079,428</u>	<u>4,201,835</u>	<u>(2,661,223)</u>	<u>(2,556,063)</u>	<u>253,539</u>	<u>(26,966)</u>	<u>(953,039)</u>	<u>1,822,893</u>
Total revenue	<u>9,248,994</u>	<u>5,327,545</u>	<u>10,660,503</u>	<u>9,058,061</u>	<u>1,938,504</u>	<u>1,312,348</u>	<u>7,598,546</u>	<u>4,744,961</u>
Expenditures								
Amortization	1,668,245	1,967,351	537,291	606,194	-	-	-	-
Debt servicing	20,295	6,461	3,962	3,154	-	-	624	398
Other	2,729,826	4,937,628	5,600,914	4,462,814	690,121	519,810	2,051,793	4,339,640
Wages and benefits	<u>1,291,930</u>	<u>971,420</u>	<u>4,846,852</u>	<u>3,913,821</u>	<u>660,646</u>	<u>629,303</u>	<u>70,000</u>	-
Total expenses	<u>5,710,296</u>	<u>7,882,860</u>	<u>10,989,019</u>	<u>8,985,983</u>	<u>1,350,767</u>	<u>1,149,113</u>	<u>2,122,417</u>	<u>4,340,038</u>
Surplus (Deficit)	<u>\$ 3,538,698</u>	<u>\$ (2,555,315)</u>	<u>\$ (328,516)</u>	<u>\$ 72,078</u>	<u>\$ 587,737</u>	<u>\$ 163,235</u>	<u>\$ 5,476,129</u>	<u>\$ 404,923</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

17. SEGMENT DISCLOSURE (continued)

	SOCIAL		ECONOMIC DEVELOPMENT		HEALTH		OTHER	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues								
Federal Government								
ISC	\$ 11,127,462	\$ 9,953,591	\$ 868,781	\$ 363,701	\$	\$	\$ 2,616,905	\$ 3,798,816
Health Canada					6,851,448	7,366,412		
CMHC	-	-	-	-	-	-	303,895	3,096,978
Subtotal	11,127,462	9,953,591	868,781	363,701	6,851,448	7,366,412	2,920,800	6,895,794
Other revenue	(2,001,394)	(1,008,641)	(415,696)	(77,383)	903,871	(387,856)	5,955,135	850,811
Total revenue	<u>9,126,068</u>	<u>8,944,950</u>	<u>453,085</u>	<u>286,318</u>	<u>7,755,319</u>	<u>6,978,556</u>	<u>8,875,935</u>	<u>7,746,605</u>
Expenses								
Amortization					274,401	251,544	349,982	329,586
Debt servicing					7,231	7,555	26,802	11,912
Other	8,683,369	8,759,955	23,840	133,465	2,695,736	3,287,225	4,793,482	5,334,250
Wages and benefits	<u>362,506</u>	<u>327,061</u>	<u>159,827</u>	<u>113,541</u>	<u>4,215,589</u>	<u>3,692,488</u>	<u>2,630,470</u>	<u>2,535,707</u>
Total expenses	<u>9,045,875</u>	<u>9,087,016</u>	<u>183,667</u>	<u>247,006</u>	<u>7,192,957</u>	<u>7,238,812</u>	<u>7,800,736</u>	<u>8,211,455</u>
Surplus (Deficit)	\$ <u>80,193</u>	\$ <u>(142,066)</u>	\$ <u>269,418</u>	\$ <u>39,312</u>	\$ <u>562,362</u>	\$ <u>(260,256)</u>	\$ <u>1,075,199</u>	\$ <u>(464,850)</u>

MATHIAS COLOMB CREE NATION

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2022

17. SEGMENT DISCLOSURE *(continued)*

	TOTAL	
	2022	2021
Revenues		
Federal Government		
ISC	\$ 39,340,990	\$ 31,117,324
Health Canada	6,851,448	7,366,412
CMHC	<u>303,895</u>	<u>3,096,978</u>
Subtotal	46,496,333	41,580,714
Other revenue	<u>9,160,621</u>	<u>2,818,632</u>
Total revenue	<u>55,656,954</u>	<u>44,399,346</u>
Expenses		
Amortization	2,829,919	3,154,675
Debt servicing	58,914	29,480
Other	27,269,081	31,774,787
Wages and benefits	<u>14,237,820</u>	<u>12,183,341</u>
Total expenses	<u>44,395,734</u>	<u>47,142,283</u>
Surplus (Deficit)	\$ <u>11,261,220</u>	\$ (<u>2,742,937</u>)