

McDowell Lake First Nation
Consolidated Financial Statements
For the year ended March 31, 2021

	Contents
Management's Responsibility for Financial Reporting	2
Independent Auditor's Report	3
Financial Statements	
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Changes in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Summary of Significant Accounting Policies	9
Notes to Consolidated Financial Statements	11

McDowell Lake First Nation Management's Responsibility for Financial Reporting

To the Members of
McDowell Lake First Nation

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of McDowell Lake First Nation for the year ended March 31, 2021 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 of Canada and as such include amounts that are the best estimates and judgments of management.

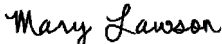


Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Chief and Council are 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 meet 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 auditor's report.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of McDowell Lake First Nation and meet when required.

On behalf of McDowell Lake First Nation:

<small>DocuSigned by:</small>  <small>55CDD28DB9B44A0...</small> <small>DocuSigned by:</small>	Chief
 <small>DF7FE00329094E0...</small>	Councillor
 <small>308F2F578DAB421...</small>	Councillor



Independent Auditor's Report

To the Members of
McDowell Lake First Nation

Qualified Opinion

We have audited the consolidated financial statements of the McDowell Lake First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, 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, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, 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 its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

We were not able to observe the counting of physical inventories at March 31, 2021 nor were we able to satisfy ourselves concerning those inventory quantities by alternative means. Since closing inventories enter into the determination of the results of operations and cash flows, we were unable to determine whether adjustments to expenses, annual surplus and cash flows from operations for the year ended March 31, 2021, inventory and accumulated surplus as at March 31, 2021 might be necessary.

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 consolidated 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.

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

Management is responsible for the preparation and fair presentation of these 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 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 consolidated 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.
- 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

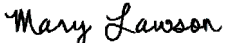
Kenora, Ontario
January 24, 2022


McDowell Lake First Nation


Consolidated Statement of Financial Position

March 31	2021	2020
Financial Assets		
Cash (Note 1)	\$ 2,177,590	\$ 2,129,975
Short term investment (Note 2)	1,627,740	1,989,296
Accounts receivable (Note 3)	523,240	325,497
Long term investments (Note 4)	950,154	900,796
Total Financial Assets	5,278,724	5,345,564
Liabilities		
Accounts payable (Note 5)	1,135,303	1,086,090
Deferred revenue (Note 6)	948,876	887,997
Total Liabilities	2,084,179	1,974,087
Net Financial Assets	3,194,545	3,371,477
Non-financial Assets		
Prepays	-	15,486
Inventory	83,352	-
Tangible capital assets (Note 7)	1,280,731	809,506
Total Non-financial Assets	1,364,083	824,992
Accumulated Surplus (Note 10)	\$ 4,558,628	\$ 4,196,469

Approved on Behalf

DocuSigned by:

 55CDD28DB9B44A0...
 Chief

DocuSigned by:

 DE7FE00323894E0...
 Councillor

DocuSigned by:

 308F2F578DAB421...
 Councillor

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements.

McDowell Lake First Nation
Consolidated Statement of Operations

For the year ended March 31	Budget	2021	2020
Revenue			
Government Transfers (Note 11)			
Federal	\$ 1,312,999	\$ 957,392	\$ 495,166
Provincial	158,031	64,942	59,878
Other Grants	166,680	156,387	122,257
Other Revenues	477,623	575,858	615,047
Net income from government business enterprise (Note 4)	-	49,687	51,172
	<u>2,115,333</u>	<u>1,804,266</u>	<u>1,343,520</u>
Expenses			
Band administration	-	320,307	178,375
Education	39,070	24,221	32,676
Community and Economic Development	1,320,340	489,012	611,641
Health	755,923	608,567	362,195
	<u>2,115,333</u>	<u>1,442,107</u>	<u>1,184,887</u>
Annual surplus	<u>\$ -</u>	362,159	158,633
Accumulated surplus, beginning of year		<u>4,196,469</u>	<u>4,037,836</u>
Accumulated surplus, end of year		<u>\$ 4,558,628</u>	<u>\$ 4,196,469</u>

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements.

McDowell Lake First Nation
Consolidated Statement of Changes in Net Financial Assets

For the year ended March 31	Budget	2021	2020
Annual surplus (deficit)	\$ -	\$ 362,159	\$ 158,633
Addition to capital assets	-	(544,346)	(105,305)
Amortization of capital assets	-	73,120	57,346
(Increase) decrease in prepaids	-	15,487	(10,486)
(Increase) decrease in inventory		(83,352)	-
Net change in net financial assets	<u>\$ -</u>	(176,932)	100,188
Net financial assets, beginning of year		<u>3,371,477</u>	<u>3,271,289</u>
Net financial assets, end of year		\$ 3,194,545	\$ 3,371,477

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements.

McDowell Lake First Nation
Consolidated Statement of Cash Flows

For the year ended March 31	2021	2020
Operating Transactions		
Annual surplus	\$ 362,159	\$ 158,633
Amortization	73,120	57,346
Surplus from Government Business Enterprises	(49,687)	(51,172)
	385,592	164,807
Changes in non-cash operating balances		
Accounts receivable	(197,743)	(87,792)
Accounts payable	49,212	44,862
Deferred revenue	60,879	518,921
Prepays	15,487	(10,486)
Inventory	(83,352)	-
	230,075	630,312
Investing transactions		
(Increase) decrease in investment in Government Business Enterprises	329	(8,213)
(Increase) decrease in short term investment	361,556	(39,402)
	361,885	(47,615)
Capital transactions		
Acquisition of tangible capital assets	(544,345)	(105,305)
Increase in cash and cash equivalents during the year	47,615	477,392
Cash, beginning of year	2,129,975	1,652,583
Cash, end of year	\$ 2,177,590	\$ 2,129,975

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements.

McDowell Lake First Nation

Summary of Significant Accounting Policies

March 31, 2021

General	McDowell Lake First Nation (the "First Nation") is a local government whose primary objective is to provide a variety of services to its members.
Basis of Preparation	The consolidated financial statements of the First Nation are the representations of management. They have been prepared in accordance with generally accepted accounting principles for local governments as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as recommended by Indigenous Services Canada.
Reporting Entity	<p>The reporting entity includes the First Nation and all entities that are controlled by the First Nation. All controlled entities are consolidated according to the First Nation's percentage ownership except for entities that meet the definition of a government business enterprise or a government business partnership, which are included in the consolidated financial statements on a modified equity basis.</p> <p>Under the modified equity method of accounting, only the First Nation's investment in the entity and the First Nation's portion of the entity's net income and other changes in equity are recorded. No adjustment is made for inter-organizational balances and transactions are not eliminated.</p> <p>Magnus James Enterprises LP and Magnus James Enterprises Inc. are the only government business enterprises reflected in the consolidated financial statements.</p>
Portfolio Investments	Portfolio investments are investments that do not form part of the government reporting entity and are recorded at cost. When there is a loss in value that is other than temporary, the investment is written down to recognize the loss.
Short Term Investments	Temporary investments are recorded at cost, unless the market value has declined below cost, in which case they are written down to market value. Investment income earned is reported as revenue in the period earned.

McDowell Lake First Nation

Summary of Significant Accounting Policies

March 31, 2021

Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installment costs, design and engineering 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. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Asset	Basis	Rate
Buildings	Straight-line	40 years
Equipment	Straight-line	5 and 25 years
Docks	Straight-line	15 years
Boats and motors	Straight-line	15 years
Leaseholds	Straight-line	10 years

When a capital asset no longer contributes to the First Nation's ability to provide services, its carrying amount is written-down to its residual value.

Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purposes.

Use of Estimates

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

Pension Plan

The First Nation maintains a defined contribution pension plan for its personnel. Expenses for this plan are equal to the First Nations required contribution for the year.

McDowell Lake First Nation
Notes to Consolidated Financial Statements

March 31, 2021

1. Cash

Included in cash are bank accounts at CIBC of \$224,229 (2020 - \$305,579) and Scotia Bank of \$1,952,260 (2020 - \$1,795,212). The cash held at CIBC is designated for OFNLP programming.

2. Short-Term Investment

The short-term investment designated for OFNLP programming is comprised of a guaranteed investment certificate with an interest rate of 0.25%, maturing December 13, 2021.

3. Accounts Receivable

	2021	2020
Indigenous Services Canada	\$ 59,290	\$ 125,329
HST	106,142	81,016
Other	357,808	119,152
	<u>\$ 523,240</u>	<u>\$ 325,497</u>

McDowell Lake First Nation
Notes to Consolidated Financial Statements

March 31, 2021

4. Long Term Investments

	2021	2020
<u>Portfolio Investments</u>		
Investment in K-Net LP - 165 of 1990 Common Units	\$ 23,675	\$ 23,675
Investment in First Nation LP - 100 of 2001 Common Units	1	1
Investment in NCC Development LP - 165 of 1000 Common Units	1	1
<u>Investment in Government Business Enterprise</u>		
Investment in Magnus James Enterprises Inc.		
- 100 of 100 Common shares	(32)	(32)
Investment in Magnus James Enterprises LP		
- 99 of 100 Common Units	926,509	877,151
	<u>\$ 950,154</u>	<u>\$ 900,796</u>

The Magnus James Enterprise LP is owned and controlled by McDowell Lake First Nation. The following information provides condensed supplementary information for the enterprise for the year ended March 31, 2021.

<u>Financial Position</u>		
Current assets	\$ 316,977	\$ 250,099
Non-current assets	624,234	647,319
Total Assets	<u>\$ 941,211</u>	<u>\$ 897,418</u>
Liabilities	\$ 6,973	\$ 19,782
Net Assets	<u>934,238</u>	<u>877,636</u>
	<u>\$ 941,211</u>	<u>\$ 897,418</u>
Revenue	\$ 133,160	\$ 131,975
Expenses	82,971	80,286

5. Accounts Payable

	2021	2020
Trade and other	\$ 123,438	\$ 219,849
Contributions repayable	1,011,865	866,241
	<u>\$ 1,135,303</u>	<u>\$ 1,086,090</u>

McDowell Lake First Nation
Notes to Consolidated Financial Statements

March 31, 2021

6. Deferred Revenue

Deferred contributions related to expenses of future periods represent unspent funding.

	2021	2020
	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 887,997	\$ 369,076
Add: Amount received during the year	1,113,886	887,997
Less: Amount recognized as revenue in the year	(957,392)	(369,076)
Less: Amount of contributions repayable	(95,615)	-
	<u>948,876</u>	<u>887,997</u>
Balance, end of year	\$ 948,876	\$ 887,997
The balance at year end is made up of the following:		
Indigenous Services Canada	\$ 948,876	\$ 887,997
	<u>948,876</u>	<u>887,997</u>

McDowell Lake First Nation
Notes to Consolidated Financial Statements

March 31, 2021

7. Tangible Capital Assets

2021

	Buildings	Equipment	Docks	Leaseholds	Boats/Motors	Total
Cost, Beginning of Year	\$ 563,102	\$ 350,080	\$ 15,000	\$ 93,328	\$ 11,600	\$1,033,110
Additions	141,775	402,569	-	-	-	544,344
Cost, End of Year	704,877	752,649	15,000	93,328	11,600	1,577,454
Accumulated Amortization, Beginning of Year	27,113	151,328	9,000	36,163	-	223,604
Amortization	23,959	36,507	1,000	9,333	2,320	73,119
Accumulated Amortization, End of Year	51,072	187,835	10,000	45,496	2,320	296,723
Net Carrying Amount, End of Year	\$ 653,805	\$ 564,814	\$ 5,000	\$ 47,832	\$ 9,280	\$1,280,731

2020

	Buildings	Equipment	Docks	Leaseholds	Boats/Motors	Total
Cost, Beginning of Year	\$ 489,087	\$ 330,390	\$ 15,000	\$ 93,328	\$ -	\$ 927,805
Additions	74,015	19,690	-	-	11,600	105,305
Transfers	-	-	-	-	-	-
Cost, End of Year	563,102	350,080	15,000	93,328	11,600	1,033,110
Accumulated Amortization, Beginning of Year	22,542	108,885	8,000	26,831	-	166,258
Amortization	4,571	42,443	1,000	9,332	-	57,346
Accumulated Amortization, End of Year	27,113	151,328	9,000	36,163	-	223,604
Net Carrying Amount, End of Year	\$ 535,989	\$ 198,752	\$ 6,000	\$ 57,165	\$ 11,600	\$ 809,506

McDowell Lake First Nation
Notes to Consolidated Financial Statements

March 31, 2021

8. Segmented Information

For the year ended March 31, 2021

	Administration	Education	Community & Economic Development	Health	Total
Revenue					
Grants	\$ 308,965	\$ 20,020	\$ 452,154	\$ 397,582	\$ 1,178,721
Other	60,985	-	514,873	-	575,858
Net income from government business enterprise	49,687	-	-	-	49,687
	<u>419,637</u>	<u>20,020</u>	<u>967,027</u>	<u>397,582</u>	<u>1,804,266</u>
Expenses					
Administration, office and other	18,745	-	101,220	4,059	124,024
Supplies and program expenses	199,016	-	(11,274)	238,608	426,350
Rent and utilities	20,565	-	4,924	101,117	126,606
Travel and training	4,246	-	20,627	59,834	84,707
Salaries and benefits	4,615	24,221	373,515	204,949	607,300
Amortization	73,120	-	-	-	73,120
	<u>320,307</u>	<u>24,221</u>	<u>489,012</u>	<u>608,567</u>	<u>1,442,107</u>
Annual surplus	\$ 99,330	\$ (4,201)	\$ 478,015	\$ (210,985)	\$ 362,159

For the year ended March 31, 2020

	Administration	Education	Community & Economic Development	Health	Total
Revenue					
Grants	\$ 43,735	\$ 33,139	\$ 248,876	\$ 351,551	\$ 677,301
Other	42,494	-	572,553	-	615,047
Net loss from government business enterprise	51,172	-	-	-	51,172
	<u>137,401</u>	<u>33,139</u>	<u>821,429</u>	<u>351,551</u>	<u>1,343,520</u>
Expenses					
Administration, office and other	14,776	-	9,711	2,376	26,863
Supplies and program expenses	39,024	3,826	119,604	187,247	349,701
Rent and utilities	65,661	-	8,410	57,680	131,751
Travel and training	3,080	1,267	76,485	33,919	114,751
Salaries and benefits	(1,512)	27,583	397,431	80,973	504,475
Amortization	57,346	-	-	-	57,346
	<u>178,375</u>	<u>32,676</u>	<u>611,641</u>	<u>362,195</u>	<u>1,184,887</u>
Annual Surplus	\$ (40,974)	\$ 463	\$ 209,788	\$ (10,644)	\$ 158,633

McDowell Lake First Nation

Notes to Consolidated Financial Statements

March 31, 2021

8. Segmented Information - continued

McDowell Lake First Nation is a diversified local government that provides a wide range of services to its citizens and members, including administration, education, community and economic development and health services.

For each reported segment, revenues 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. Operations and maintenance fee allocations have been made to each building based on a percentage of overall maintenance costs. Administrative fees, based on a percentage of revenues, have been allocated to programs where permitted by the funder.

Administration

Administration is comprised of the administration and finance department. This department performs a management and administrative role by holding Council Meetings to administer the delivery of programs and services and to help develop a strategy for the future.

Education

Education includes the activities of the Sioux Lookout Area Aboriginal Management Board ("SLAAMB") program and other educational activities that enhance the educational development of community members.

Community and Economic Development

Community and economic development includes governance activities, land use planning initiatives and environmental planning to improve the economic and social well-being of community members.

Health

The First Nation health programs provide health awareness and prevention and assistance programs for community members.

9. Budget

The program budgets approved by Chief and Council were not prepared on a basis consistent with that used to report actual financial statement results (Public Sector Accounting Standards). The budgets were prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgets expensed all capital expenditures rather than including amortization expense. As well, the budget approved by Chief and Council was not prepared on a consolidated basis and does not include all of the activities of the First Nation. As a result, budget figures are only presented where available.

McDowell Lake First Nation
Notes to Consolidated Financial Statements

March 31, 2021

10. Accumulated Surplus

The First Nation segregates its accumulated surplus into the following categories:

	2021	2020
Current funds	\$ 499,439	\$ 221,054
Investment in capital assets	1,280,731	809,506
Ontario First Nations Limited Partnership	1,851,949	2,289,473
Magnus James	926,509	876,436
	<u>\$ 4,558,628</u>	<u>\$ 4,196,469</u>

The investment in capital assets represents amounts already spent and invested in capital assets.

Current funds represent the general activities of the First Nation.

11. Government Transfers

	2021		
	Operating	Capital	Total
Government Transfers			
Federal government transfers			
Indigenous Services Canada	\$ 957,392	\$ -	\$ 957,392
Provincial government transfers			
Ministry of Health and Long Term Care	52,350	-	52,350
Ministry of Indigenous Affairs	12,592	-	12,592
	<u>64,942</u>	<u>-</u>	<u>64,942</u>
Total revenue	<u>\$ 1,022,334</u>	<u>\$ -</u>	<u>\$ 1,022,334</u>

	2020		
	Operating	Capital	Total
Government Transfers			
Federal government transfers			
Indigenous Services Canada	\$ 495,166	\$ -	\$ 495,166
Provincial government transfers			
Ministry of Natural Resources	37,999	-	37,999
Ministry of Health and Long Term Care	21,879	-	21,879
	<u>59,878</u>	<u>-</u>	<u>59,878</u>
Total revenue	<u>\$ 555,044</u>	<u>\$ -</u>	<u>\$ 555,044</u>

McDowell Lake First Nation
Notes to Consolidated Financial Statements

March 31, 2021

12. Commitments

The First Nation is committed to a three year lease with a related party for premises at \$4,600 a month expiring January 2024.

The First Nation is committed to a two year lease for premises at \$2,200 a month plus HST expiring April 2022.

13. Defined Contribution Pension Plan

The expense for the First Nation's pension plan for the year was \$12,771 (2020 - \$6,654). The plan is funded equally by the organization and the First Nation's employees at rates of 5% of the employee's salary.

14. COVID-19

During the year, the impact of COVID-19 in Canada and on the global economy increased significantly.

The restrictions put in place by Canadian, provincial, municipal and First Nation communities regarding travel and social distancing has impacted the delivery of programs administered by the organization most of which are considered essential services. Indigenous Services Canada has approved the carry-forward of unexpended funding from March 31, 2020 for fixed, flex and set funding. One time funding has also been approved to assist with the additional costs associated with PPE for the safety of its employees and patrons.

The situation continues to be dynamic and the ultimate duration and magnitude of these events, as well as their financial impact on the First Nation's 2021/2022 operations is not fully known at this time.