



**Moosomin First Nation
Consolidated Financial Statements**

March 31, 2021



Moosomin First Nation Contents

For the year ended March 31, 2021

Page

Management's Responsibility

Independent Auditor's Report

Consolidated Financial Statements

Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Changes in Net Debt.....	3
Consolidated Consolidated Statement of Cash Flows	4
Notes to the Consolidated Financial Statements.....	5

Schedules

Schedule of Consolidated Expenses by Object.....	16
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Band Government.....	17
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Band Based Capital.....	18
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - CMHC Rental Housing.....	19
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Community Infrastructure.....	20
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Education.....	21
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Health.....	22
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Major Capital.....	23
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Other.....	24
Schedule of Segment Revenues and Expenses and Surplus (Deficit) - Specific Land Claims.....	25

Management's Responsibility



To the Members of Moosomin First Nation:

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

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

Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Chief and Council are responsible for appointing the First Nation's external auditors.

MNP LLP is appointed by Chief and Council to audit the consolidated financial statements and report directly to the Members of Moosomin First Nation; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

July 21, 2021

Signed by: Kerrie Gladue

Management



Independent Auditor's Report

To the Members of Moosomin First Nation:

Opinion

We have audited the consolidated financial statements of Moosomin First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statement of operations and accumulated surplus, changes in net debt and cash flows, and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations, its consolidated changes in net debt 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 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 opinion.

Emphasis of Matter - Advances

We draw attention to Note 6 of the consolidated financial statements, which describes that significant advances have been made to an investee which the First Nation's government business entity holds a 50% interest. As addressed in the note, there is significant measurement uncertainty associated with these advances. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Chief and Council for the Consolidated Financial Statements

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

Chief and Council 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.

Independent Auditor's Report (Continued from previous page)

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 Chief and Council 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.

Saskatoon, Saskatchewan

July 21, 2021

MNP LLP

Chartered Professional Accountants

MNP



Moosomin First Nation
Consolidated Statement of Financial Position
As at March 31, 2021

	2021	2020
Financial assets		
Current		
Cash and cash equivalents	3,535,633	1,941,114
Restricted cash (Note 3)	9,775,867	9,589,044
Accounts receivable (Note 4)	2,463,642	1,534,194
Portfolio investments (Note 5)	1,028	1,011
Subtotal of current assets	15,776,170	13,065,363
Due from Western Alliance Tubulars Inc. (Note 6)	2,769,502	3,446,967
Investment in Nation business entity (Note 6)	153,418	(196,752)
Funds held in Ottawa Trust Fund (Note 7)	459,976	482,744
Total financial assets	19,159,066	16,798,322
Liabilities		
Current		
Accounts payable and accruals	1,065,830	1,077,710
Deferred revenue (Note 8)	9,265,794	8,726,556
Current portion of capital lease obligations (Note 9)	7,460	-
Current portion of long-term debt (Note 10)	1,302,926	1,599,690
Current portion of term loans subject to refinancing (Note 10)	231,068	-
Subtotal of current liabilities	11,873,078	11,403,956
Capital lease obligations (Note 9)	135,064	-
Long-term debt (Note 10)	8,402,704	9,403,476
Total financial liabilities	20,410,846	20,807,432
Net debt	(1,251,780)	(4,009,110)
Contingent liabilities (Note 15)		
Non-financial assets		
Tangible capital assets (Note 11)	50,849,356	51,495,713
Accumulated surplus (Note 12)	49,597,576	47,486,603

Approved on behalf of Chief and Council

Signed by: Chief Bradley Swiftwolfe

Chief

Signed by: Fabian Swiftwolfe

Councillor



Moosomin First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2021

	2021 Budget (Note 13)	2021 Actual	2020 Actual
Revenues			
Indigenous Services Canada (Note 18)			
Education - grant	4,641,833	4,641,833	4,548,202
Grant	1,998,972	1,998,972	1,919,253
Flex	272,500	3,074,366	1,668,516
Fixed	1,614,071	2,626,451	1,337,503
Set - Health	-	-	332,550
Funding recovered	-	-	(46,730)
Transfer (to) from deferred revenue	(118)	(714,503)	467,640
Specific Land Claims Trust	8,527,258	11,627,119	10,226,934
Other	1,303,956	2,254,404	1,829,715
Canada Mortgage and Housing Corporation	1,896,106	1,007,389	1,097,347
Rental	18,225	653,609	641,149
Revenue trust funds (Note 7)	245,632	639,237	573,511
First Nations Trust	755,434	532,667	555,717
Earnings (loss) from investment in Nation business entity (Note 6)	430,674	430,674	591,361
Battlefords Agency Tribal Chiefs Inc.	309,822	304,716	344,663
SITAG	-	157,532	179,464
Battle River Treaty 6 Health Centre Inc.	141,745	141,745	160,406
Interest	5,137	51,775	118,194
	13,633,989	18,151,037	15,473,493
Program expenses			
Education	5,962,567	5,842,149	5,268,987
Band Government	1,021,621	3,657,181	1,183,570
Community Infrastructure	477,512	1,899,156	1,839,164
Specific Land Claims	1,430,600	1,502,603	1,841,503
CMHC Rental Housing	238,360	1,316,858	1,149,549
Other	1,362,450	976,548	1,421,754
Band Based Capital	547,603	540,667	684,979
Health	-	304,902	155,596
Major Capital	5,137	-	5,486
Total expenses	11,045,850	16,040,064	13,550,588
Surplus before other expense	2,588,139	2,110,973	1,922,905
Other expense			
Contribution to Saulteaux First Nation - Sewage Pumping Station	-	-	(1,957,031)
Annual surplus (deficit)	2,588,139	2,110,973	(34,126)
Accumulated surplus, beginning of year	47,486,603	47,486,603	47,520,729
Accumulated surplus, end of year	50,074,742	49,597,576	47,486,603

The accompanying notes are an integral part of these consolidated financial statements



Moosomin First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2021

	2021 Budget (Note 13)	2021 Actual	2020 Actual
Annual surplus (deficit)			
Purchases of tangible capital assets	2,588,139	2,110,973	(34,126)
Tangible capital assets acquired through capital lease	(487,912)	(1,329,863)	(1,908,315)
Amortization of tangible capital assets	-	(169,490)	-
Contribution to Saulteaux First Nation - Sewage Pumping Station	-	2,145,710	2,037,738
	-	-	1,957,031
Use of prepaid expenses	(487,912)	646,357	2,086,454
	-	-	36,425
Decrease in net debt	2,100,227	2,757,330	2,088,753
Net debt, beginning of year	(4,009,110)	(4,009,110)	(6,097,863)
Net debt, end of year	(1,908,883)	(1,251,780)	(4,009,110)



Moosomin First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	2,110,973	(34,126)
Non-cash items		
Amortization of tangible capital assets	2,145,710	2,037,738
Contribution to Saulteaux First Nation - Sewage Pumping Station	-	1,957,031
Loss (earnings) from investment in Nation business entity	(350,170)	844,968
	3,906,513	4,805,611
Changes in working capital accounts		
Accounts receivable	(929,448)	(1,078,001)
Prepaid expenses	-	36,425
Funds held in Ottawa Trust	22,768	(274,717)
Accounts payable and accruals	(11,880)	(905,009)
Deferred revenue	539,238	(483,995)
	3,527,191	2,100,314
Financing activities		
Advances of long-term debt	714,691	1,951,688
Repayment of long-term debt	(1,781,159)	(1,202,917)
Advances to Ki'Ya'Naw' Gas Bar Ltd.	-	72,824
Repayment of capital lease obligations	(26,966)	-
	(1,093,434)	821,595
Capital activities		
Purchases of tangible capital assets	(1,329,863)	(1,908,315)
Investing activities		
Repayments of due from Western Alliance Tubulars Inc.	677,465	559,292
Contribution to business entity	-	(144,866)
Purchase of portfolio investments	(17)	-
	677,448	414,426
Increase in cash resources	1,781,342	1,428,020
Cash resources, beginning of year	11,530,158	10,102,138
Cash resources, end of year	13,311,500	11,530,158
Cash resources are composed of:		
Cash and cash equivalents	3,535,633	1,941,114
Restricted cash	9,775,867	9,589,044
	13,311,500	11,530,158



Moosomin First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

1. Operations

The Moosomin First Nation (the "First Nation") is located in Treaty 6 Territory, Canada, and provides various services to its Members. Moosomin First Nation includes the First Nation and all entities that are controlled by the First Nation.

COVID-19 (coronavirus) Impact on operations

In early March 2020 the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The First Nation's operations were impacted by COVID-19 due to increased pandemic expenditures, decreased Battlefords Agency Tribal Chiefs CDC funding due to casino closures, and decreased First Nations Trust funding.

The impact of COVID-19 has been partially offset by increased Indigenous Services Canada COVID-19 funding that was received.

2. Significant accounting policies

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

Reporting entity

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

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

- Moosomin First Nation
- Moosomin First Nation Education Council Inc.
- Moosomin First Nation C.M.H.C. Housing Projects
- Moosomin First Nation Health Authority Inc.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in the segment schedules in order to present the results of operations for each specific segment.

Moosomin 1909 Surrender Trust has not been included in these consolidated financial statements as Chief and Council do not control the Trust.

Moosomin First Nation's business entities, owned or controlled by the First Nation but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Moosomin First Nation Economic Development Company Limited Partnership

Basis of presentation

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

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for general operations is included in restricted cash. Restricted cash consists of CMHC Operating Reserve, CMHC Replacement Reserve, and capital project accounts.

Portfolio investments

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

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

The First Nation's original reserve land is not recognized in the consolidated financial statements.

Amortization

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Arena	declining balance	5 %
Equipment	declining balance	25 %
Housing	declining balance	5 %
Housing (CMHC)	straight-line	15-25 years
Infrastructure	declining balance	5 %

Land and assets under construction are not amortized.

Funds held in trust

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

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2021.

There are no known liabilities at March 31, 2021.

Net debt

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



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Government Transfers

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

Contributed tangible capital assets

Contributions of tangible capital assets are recognized at fair value at the date of contribution. Fair value is estimated using market or appraisal values.

Other revenues

Rental and lease revenue is recognized over the rental term. Other revenue is recognized as it becomes receivable or when it is earned. Revenues from Specific Land Claims Trust are recognized when they become receivable based on the terms of the Trust Agreement.

Use of estimates

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Due from Western Alliance Tubulars Inc.

The First Nation has made significant advances to an entity in which a Nation business entity holds a 50% interest. The valuation of these advances is subject to measurement uncertainty. See Note 6.

Segments

The First Nation conducts its business through 9 reportable segments (Note 17). These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, 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.

Other economic interests

The First Nation is a member of several other entities. The First Nation does not share in the profit or loss of these entities. As a result these entities have not been included in these consolidated financial statements.

Long-lived assets

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



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the service potential of the asset. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in surplus (deficit) for the year.

3. Restricted cash

	2021	2020
New school term deposit	6,528,664	6,500,000
New school project	1,834,447	1,816,591
CMHC operating reserve	485,023	484,552
CMHC replacement reserve	481,485	591,771
Water Well Study	250,000	-
Lagoon upgrade project	164,472	164,373
Sewage pump project	31,776	31,757
	9,775,867	9,589,044

4. Accounts receivable

	2021	2020
Moosomin 1909 Surrender Trust	1,944,523	1,219,705
Husky - Community Investment Fund	200,000	-
Land leases	102,790	128,299
Other	78,272	62,381
Battlefords Agency Tribal Chiefs Inc.	76,240	30,695
Members	68,531	65,258
Canada Mortgage and Housing Corporation	54,019	65,553
Indigenous and Northern Affairs Canada	16,848	16,848
Health Canada	-	23,330
	2,541,223	1,612,069
Less: Allowance for doubtful accounts	77,581	77,875
	2,463,642	1,534,194

The Members of Moosomin First Nation are the beneficiaries of Moosomin 1909 Surrender Trust. The First Nation is a member of Battlefords Agency Tribal Chiefs Inc.

5. Portfolio investments

	2021	2020
BATC Investments Ltd. - 10 Class A common shares - 20% ownership	10	10
BATC Investments Limited Partnership - 1,000 units - 20% ownership	1,000	1,000
BATC Land Holdings Ltd. - 25 common shares - 16.67% ownership	1	1
BATC Land Holdings Limited Partnership - 16.67 units - 16.67% ownership	17	-
	1,028	1,011



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

6. Investment in Nation business entity

The First Nation has an investment in the following entity:

	2020	Share of earnings	2021
Moosomin First Nation Economic Development Company Limited Partnership	(196,752)	350,170	153,418

Summary financial information for the First Nation business entity, accounted for using the modified equity method, for its December 31, 2020 year-end is as follows:

	<i>As at December 31, 2020</i>
Assets	
Current	167,342
Investment in WAT	(211,772)
Dividends receivable from WAT	200,000
Property, plant and equipment	5,399
Total assets	160,969
Liabilities	
Current	7,551
Total liabilities	7,551
Net assets	153,418
Total revenue	1,638,562
Total expenses	1,288,392
Net income	350,170

Due from Western Alliance Tubulars Inc.

In previous years Moosomin First Nation contributed funds to its business entity. These contributions were financed through a revolving loan (see Note 10).

The business entity advanced the majority of these contributions to Western Alliance Tubulars Inc. (the "Company"), an investee in which it holds a 50% interest. The advances were to assist the Company to finance its accounts receivables and inventory. The advances are unsecured, with no fixed terms for repayment.

At March 31, 2021 the amount due from the Company was \$2,769,502 (2020 - \$3,446,967). Since year-end the First Nation received \$372,882 from the Company on the outstanding balance.

The Company supplies and manufactures products for the oil and gas industry and has a 25% interest in a medical mask business. The assessment of the collectability of the advances to the Company requires management to make a number of significant estimates and assumptions, taking into consideration the information available about the Company's collections of outstanding receivables and insurance claims and its expected future sales. These estimates and assumptions include expected future economic performance and its effect on demand, foreign exchange rates, and collectability accounts receivables; the potential for tariffs to affect sources of supply and markets for finished products; timing of settlement of insurance claim; demand changes and uncertainty in the oil industry due to fluctuations in oil prices.

The Company also has an outstanding insurance claim relating to salt water damage that occurred during a shipment of inventory from Asia. However, due to uncertainty regarding the amount of the claim and timing of the settlement the insurance claim will not be recorded and recognized in income until the claim is settled.

If it is determined that the First Nation is unlikely to recover the full amount of advances made, an appropriate allowance for uncollectable amounts will be recorded. At March 31, 2021 no allowance has been made.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

7. Funds held in Ottawa Trust Fund

Revenue Trust monies are transferred to the First Nation on the authorization of Chief and Council, with the consent of the Minister of Indigenous Services Canada.

	2021	2020
Revenue Trust		
Balance, beginning of year	482,744	208,027
Interest	3,194	4,389
Land leases	529,473	551,328
	1,015,411	763,744
Less: Transfers to Nation	555,435	281,000
Balance, end of year	459,976	482,744

Disbursements from the trust have been utilized as follows:

Date	Purpose of disbursement	Costs recorded	Amount disbursed
2020-04-09	Band support	Specific Land Claims - various	339,432
2020-09-21	Band support	Specific Land Claims and Other - various	216,003
			555,435

8. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Beginning balance</i>	<i>Contributions received (transfers to other projects)</i>	<i>Contributions utilized (repaid)</i>	<i>Ending balance</i>
ISC - New school	8,316,591	-	5,137	8,311,454
ISC - Water Well	-	250,000	-	250,000
ISC - Water - One Time Payments	-	317,835	109,071	208,764
ISC - Moosomin Saulteaux Lagoon	164,373	-	-	164,373
ISC - Perimeter Security	-	317,292	248,243	69,049
ISC - Business Assistance	-	105,024	46,690	58,334
ISC - Community Navigator (Admin)	-	127,500	39,448	88,052
Specific Claims - minors	195,610	-	157,040	38,570
ISC - Sewage Pumping Station	31,757	-	-	31,757
ISC - Communicable Disease 3	-	47,264	18,600	28,664
ISC - Firehall (Safe Reopening)	-	18,277	1,500	16,777
CMHC Youth Intern	18,225	-	18,225	-
	8,726,556	1,183,192	643,954	9,265,794

ISC - Community Navigator (Admin) incurred expenses of \$60,109, but only recognized deferred revenue of \$39,448 due to a difference between the funders unexpended funding and deferred revenue.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

9. Capital lease obligations

	2021	2020
Enmax Generation Portfolio Inc. capital lease, repayable in monthly instalments of \$1,144 including interest at 4.50%, due March 2035	142,524	-
Less: current portion	7,460	-
	135,064	-

Minimum lease payments related to the obligation under capital lease are as follows:

2022	13,723
2023	13,723
2024	13,723
2025	13,723
2026	13,723
	68,615
Thereafter, to 2035	<u>123,508</u>
	192,123
Less: imputed interest	<u>49,599</u>
	Balance of obligation
	142,524

10. Long-term debt

The following loans are secured by government guarantees, and relate to the construction of on reserve housing. The First Nation receives a subsidy from Canada Mortgage and Housing Corporation to assist with the payment of principal and interest on the following loans:

Phase	<i>Monthly payment including interest</i>	<i>Interest rate</i>	<i>Renewal date</i>	2021	2020
I	1,841	0.96%	1-Dec-2025	102,563	123,653
II	1,477	1.67%	1-Jul-2024	130,064	145,486
III	3,893	1.31%	1-Dec-2021	258,613	301,650
IV	2,589	0.79%	1-Jan-2026	248,069	276,738
V	6,033	1.14%	1-Jun-2021	694,706	758,820
VI	8,420	1.13%	1-Jul-2021	985,056	1,074,464
VII	3,442	1.86%	1-Aug-2022	424,671	457,787
VIII	7,021	1.97%	1-Dec-2022	883,416	949,664
IX	8,916	2.22%	1-Jan-2024	1,194,499	1,274,198
X	7,791	1.73%	1-Aug-2024	1,211,268	1,283,254
XI	2,135	0.68%	1-Oct-2025	355,621	-
				6,488,546	6,645,714

Innovation Credit Union revolving loan (up to \$4,000,000 authorized), repayable in quarterly instalments of \$136,470 including interest at 4.95% (Innovation Credit Union Prime plus 2.5%), maturing December 2028, secured by general security agreement, assignment of gaming revenue, funding agreement advances and Ottawa Revenue Trust land revenue

2,637,298 3,621,628



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Innovation Credit Union loan, repayable in quarterly instalments of \$55,913 including interest at 3.95%, due November 2022, secured by general security agreement	476,198	497,013
CMHC Phase 12 advances - subject to refinancing	231,068	-
Catholic Diocese unsecured loan, repayable in yearly payments of \$39,800 including interest at 3%, maturing June 2021	42,201	77,094
Ford Finance loan, repayable in monthly instalments of \$1,388 including interest at 6.40%, maturing October 2022, secured by a school van with a net book value of \$33,333	24,977	39,524
Ford Finance loan, repayable in monthly instalments of \$830 including interest at 7.50%, maturing November 2022, secured by a school van with net book value of \$32,348	15,509	23,959
Ford Finance loan, repayable in monthly instalments of \$944 including interest at 6.25%, maturing June 2022, secured by a garbage truck with net book value of \$17,890	13,587	23,715
Innovation Credit Union Western Alliance loan, repayable in quarterly instalments of \$14,151 including interest at 5.15% (Innovation Credit Union Prime plus 2.7%), due April 2021, secured by property and assignment of specified revenues	7,314	74,519
	9,936,698	11,003,166
Less: term loans subject to refinancing	231,068	-
Less: current portion	1,302,926	1,599,690
	8,402,704	9,403,476

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

2022	1,302,926
2023	1,227,389
2024	1,076,824
2025	1,110,365
2026	1,145,092



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

11. Tangible capital assets

For the year ended March 31, 2021

	Cost			Accumulated Amortization				2021	
	Opening balance	Additions	Disposals and Transfers	Ending balance	Opening balance	Current amortization	Disposals	Ending balance	
Arena	2,655,571	-	-	2,655,571	1,899,557	37,801	-	1,937,358	718,213
Equipment	3,446,074	473,529	-	3,919,603	2,586,408	274,107	-	2,860,515	1,059,088
Equipment under capital lease	-	169,490	-	169,490	-	21,186	-	21,186	148,304
Housing	18,790,205	451,197	-	19,241,402	7,107,344	930,503	-	8,037,847	11,203,555
Infrastructure	27,234,127	-	-	27,234,127	9,591,873	882,113	-	10,473,986	16,760,141
Assets under construction	3,535,069	405,137	-	3,940,206	-	-	-	-	3,940,206
Purchased land	17,019,849	-	-	17,019,849	-	-	-	-	17,019,849
	72,680,895	1,499,353	-	74,180,248	21,185,182	2,145,710	-	23,330,892	50,849,356

For the year ended March 31, 2020

	Cost			Accumulated Amortization				2020	
	Opening balance	Additions	Disposals and Transfers	Ending balance	Opening balance	Current amortization	Disposals	Ending balance	
Arena	2,655,571	-	-	2,655,571	1,859,767	39,790	-	1,899,557	756,014
Equipment	2,815,088	630,986	-	3,446,074	2,405,019	181,389	-	2,586,408	859,666
Housing	16,515,889	949,661	1,324,655	18,790,205	6,217,473	889,871	-	7,107,344	11,682,861
Infrastructure	21,293,523	70,371	5,870,233	27,234,127	8,665,185	926,688	-	9,591,873	17,642,254
Assets under construction	12,429,691	257,297	(9,151,919)	3,535,069	-	-	-	-	3,535,069
Purchased land	17,019,849	-	-	17,019,849	-	-	-	-	17,019,849
	72,729,611	1,908,315	(1,957,031)	72,680,895	19,147,444	2,037,738	-	21,185,182	51,495,713



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

12. Accumulated surplus

Accumulated surplus consists of the following:

	2021	2020
Operating	4,690,581	2,205,427
Capital assets	43,414,746	44,183,582
Commercial	(28,528)	(445,932)
CMHC operating reserve	412,831	408,151
CMHC replacement reserve	647,970	652,631
Ottawa Trust Fund	459,976	482,744
	49,597,576	47,486,603

At March 31, 2021 the CMHC replacement reserve is underfunded by \$55,728 (2020 - \$60,860) and the CMHC operating reserve is underfunded by \$38,564 (2020 - overfunded by \$76,401). The possible effect of this violation of the CMHC funding agreements has not yet been determined.

13. Budget information

The disclosed budget information was approved by Chief and Council in July 2020. The First Nation did not budget for CMHC. The approved budget included principal payments of long-term debt payments as expenses of \$42,042. Capital purchases of \$487,912 were also included in the approved budget. These payments have been adjusted to conform to presentation under Canadian public sector accounting standards. As a result the consolidated budgeted annual surplus changed from \$2,058,185 to \$2,588,139.

14. Funds and reserves

The Moosomin First Nation maintains the following funds and reserves as part of its operations:

- Operating Fund reports on the general activities of the First Nation's administration.
- Capital Asset Fund reports on the capital assets and projects of the First Nation.
- Commercial Fund reports on commercial business operations owned by the First Nation.
- CMHC Operating Reserve is required as part of the First Nation's CMHC Housing Program, which receives funds pursuant to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under the Program.
- CMHC Replacement Reserve is required as part of the First Nation's CMHC Housing Program. It has been established for replacement of capital equipment and for major repairs to the houses.
- Ottawa Trust Fund reports on trust monies owned by the First Nation and held by the Government of Canada.

15. Contingent liabilities

- a) The First Nation has obtained legal counsel to represent them in various claims against the Government of Canada. Fees relating to these claims have not been invoiced. It is expected that any fees relating to these claims will be invoiced when the claim is resolved and will be paid from settlement proceeds.
- b) These consolidated financial statements are subject to review by the First Nation's funders. It is possible that adjustments could be made based on the results of their reviews.
- c) A government business enterprise owned by the First Nation, has been named as a defendant in a lawsuit from a former contractor seeking to recover damages allegedly sustained. The lawsuit remains at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of the lawsuits.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

16. Scope of operations

Moosomin First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of Treaties entered into with Her Majesty the Queen. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

17. Segments

The First Nation has 9 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

- Band Government - includes administration and governance activities.
- Band Based Capital - reports on repairs and maintenance of infrastructure.
- Major Capital - reports on major capital projects.
- Community Infrastructure - includes operations for the maintenance of the Nation's buildings and infrastructure.
- Education - includes the operations of education programs.
- Health - includes the operations of health programs.
- Other - reports on operations of other programs.
- CMHC Rental Housing - reports on Canada Mortgage and Housing Corporation rental housing.
- Specific Land Claims - provides for the management of a specific land claims trust and the annual income allocation to the First Nation.

During the year the First Nation reorganized its internal structure as part of activities relating to assuming all health programming effective April 1, 2021 (Note 20). As a result a Health segment has been created and includes revenues and expenses for the year ending March 31, 2020 which had previously been reported in the Other segment.

18. Indigenous Services Canada Reconciliation

ISC funding per confirmation	12,341,622
Add: Deferred revenue, beginning	8,512,721
Deduct: Deferred revenue, ending	(9,227,224)
<hr/>	
11,627,119	

19. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

20. Subsequent event

Subsequent to year, the First Nation withdrew from membership of Battle River Treaty 6 Health Centre Inc. effective April 1, 2021. Moosomin First Nation Health Authority Inc., a non-profit corporation in which the First Nation is the only member, was established to administer health funding for the First Nation.



Moosomin First Nation
Schedule of Consolidated Expenses by Object
For the year ended March 31, 2021

	2021	2020
Salaries and benefits	4,068,160	3,817,836
COVID	2,945,738	-
Amortization of tangible capital assets	2,145,710	2,037,738
Student	1,617,070	1,653,263
Repairs and maintenance	1,039,447	943,426
Contracted services	997,120	1,134,122
Travel, meetings and honoraria	652,601	625,056
Professional fees	463,114	501,467
Supplies	457,556	514,623
Interest on long-term debt	281,104	381,010
Member assistance	254,915	801,364
Utilities	223,326	233,088
Band contribution for CMHC	189,866	139,540
Workshops and training	188,115	223,419
Insurance	179,013	155,871
Other	117,642	196,993
Cultural	116,560	62,605
Economic	61,200	-
Bank charges and interest	26,798	28,250
Administration	15,009	100,917
	16,040,064	13,550,588



Moosomin First Nation
Band Government
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	3,394,716	1,433,111
Other	-	100,806
	3,394,716	1,533,917
 Expenses		
COVID	2,648,661	-
Salaries and benefits	538,038	495,276
Professional fees	151,852	266,236
Contracted services	136,542	48,128
Supplies	77,188	60,376
Student	70,468	177,344
Travel, meetings and honoraria	51,050	77,996
Repairs and maintenance	42,942	1,870
Utilities	13,854	15,495
Bank charges and interest	5,985	8,872
Insurance	2,000	-
Workshops and training	350	31,977
Administration	(81,749)	-
	3,657,181	1,183,570
 Annual surplus (deficit)	(262,465)	350,347



Moosomin First Nation
Band Based Capital
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	361,395	1,663,021
Other	70,000	-
	431,395	1,663,021
Expenses		
Repairs and maintenance	441,973	565,049
Insurance	54,724	40,030
Salaries and benefits	36,000	36,000
Travel, meetings and honoraria	7,970	3,900
Administration	-	40,000
	540,667	684,979
Annual surplus (deficit)	(109,272)	978,042



Moosomin First Nation
CMHC Rental Housing
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenues		
Canada Mortgage and Housing Corporation	653,609	641,149
Rental	294,960	281,960
Other	51,900	49,300
	1,000,469	972,409
Expenses		
Amortization of tangible capital assets	693,543	666,710
Band contribution for CMHC	189,866	139,540
Repairs and maintenance	179,749	56,405
Interest on long-term debt	107,471	112,639
Insurance	54,000	54,649
Administration	51,900	49,300
Salaries and benefits	27,683	50,655
Professional fees	10,710	13,483
Other	1,036	-
Utilities	900	900
Travel, meetings and honoraria	-	5,268
	1,316,858	1,149,549
Deficit before transfers	(316,389)	(177,140)
Transfers between programs	(218,636)	-
Annual deficit	(535,025)	(177,140)



Moosomin First Nation
Community Infrastructure
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	649,982	429,387
Battlefords Agency Tribal Chiefs Inc.	16,394	-
Other	3,297	2,350
	669,673	431,737
 Expenses		
Amortization of tangible capital assets	1,416,894	1,364,679
Repairs and maintenance	151,975	122,800
Contracted services	138,091	153,738
Utilities	105,875	97,496
Salaries and benefits	77,803	82,724
COVID	4,283	-
Insurance	1,610	-
Supplies	1,339	13,698
Travel, meetings and honoraria	1,286	4,029
	1,899,156	1,839,164
 Annual deficit	(1,229,483)	(1,407,427)



Moosomin First Nation
Education
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	6,760,108	6,171,851
Other	118,920	-
	6,879,028	6,171,851
Expenses		
Salaries and benefits	2,659,538	2,520,173
Student	1,491,952	1,417,476
Contracted services	556,990	530,800
COVID	278,800	-
Supplies	259,313	352,266
Travel, meetings and honoraria	133,804	80,780
Cultural	116,560	62,605
Professional fees	80,469	124,285
Repairs and maintenance	79,547	43,973
Utilities	63,759	79,529
Workshops and training	38,887	44,229
Amortization of tangible capital assets	35,273	6,349
Administration	32,906	-
Bank charges and interest	6,399	4,325
Insurance	5,917	1,026
Interest on long-term debt	2,035	1,171
	5,842,149	5,268,987
Annual surplus	1,036,879	902,864



Moosomin First Nation
Health
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020 <i>(Restated - Note 17)</i>
Revenue		
Indigenous Services Canada		
Fixed	455,781	-
Set - Health	-	332,550
	455,781	332,550
Expenses		
Salaries and benefits	157,319	117,429
Professional fees	73,948	-
Travel, meetings and honoraria	17,517	2,404
Repairs and maintenance	15,581	21,241
COVID	13,994	-
Workshops and training	10,068	-
Supplies	6,475	3,590
Utilities	5,175	3,600
Insurance	4,825	3,758
Contracted services	-	3,574
	304,902	155,596
Annual surplus	150,879	176,954



Moosomin First Nation
Major Capital
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	5,137	197,014
Interest	51,775	118,194
Other	-	39,331
	56,912	354,539
 Expenses		
Repairs and maintenance	-	3,540
Travel, meetings and honoraria	-	1,946
	-	5,486
 Surplus before other expense	56,912	349,053
Other expense		
Contribution to Saulteaux First Nation - sewage pumping station (Note 11)	-	(1,957,031)
 Annual surplus (deficit)	56,912	(1,607,978)



Moosomin First Nation
Other
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020 (Restated - Note 17)
Revenues		
Other	596,311	633,789
Revenue trust funds	532,667	555,717
First Nations Trust	430,674	591,361
Earnings (loss) from investment in Nation business entity	350,170	(844,968)
Rental	344,277	291,551
Battlefords Agency Tribal Chiefs Inc.	288,322	336,463
SITAG	157,532	179,464
Battle River Treaty 6 Health Centre Inc.	141,745	159,906
	2,841,698	1,903,283
Expenses		
Interest on long-term debt	171,598	264,251
Workshops and training	138,810	146,602
Contracted services	136,825	346,919
Supplies	104,108	49,320
Other	103,207	196,902
Economic	61,200	-
Salaries and benefits	59,601	61,189
Member assistance	43,116	220,640
Professional fees	41,429	8,136
Repairs and maintenance	40,259	40,402
Travel, meetings and honoraria	32,136	44,747
Insurance	24,000	24,000
Administration	13,452	11,617
Utilities	6,296	6,353
Bank charges and interest	511	676
	976,548	1,421,754
Annual surplus before transfers	1,865,150	481,529
Transfers between programs	(272,359)	(630,110)
Annual surplus (deficit)	1,592,791	(148,581)



Moosomin First Nation
Specific Land Claims
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenues		
Specific Land Claims Trust	2,254,404	1,829,715
Other	166,961	271,771
Battlefords Agency Tribal Chiefs Inc.	-	8,200
Battle River Treaty 6 Health Centre Inc.	-	500
	2,421,365	2,110,186
Expenses		
Salaries and benefits	512,178	454,390
Travel, meetings and honoraria	408,838	403,986
Member assistance	211,799	580,724
Professional fees	104,706	89,327
Repairs and maintenance	87,421	88,146
Student	54,650	58,443
Insurance	31,937	32,408
Contracted services	28,672	50,963
Utilities	27,467	29,715
Bank charges and interest	13,903	14,377
Other	13,399	91
Supplies	9,133	35,373
Workshops and training	-	611
Interest on long-term debt	-	2,949
Administration	(1,500)	-
	1,502,603	1,841,503
Annual deficit before transfers	918,762	268,683
Transfers between programs	490,995	630,110
Annual surplus	1,409,757	898,793