

**Mosquito Grizzly Bears Head Lean Man First Nation  
Consolidated Financial Statements  
March 31, 2024**

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*March 31, 2024*

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# **Mosquito Grizzly Bears Head Lean Man First Nation**

## **Management's Responsibility for Financial Reporting**

*March 31, 2024*

To the Members of Mosquito Grizzly Bears Head Lean Man First Nation:

The accompanying consolidated financial statements of Mosquito Grizzly Bears Head Lean Man First Nation are the responsibility of management and have been approved by Chief and Council.

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

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

Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the consolidated financial statements. Chief and Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Chalupiak & Associates CPA Professional Corporation, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to the Members; 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.

On behalf of Mosquito Grizzly Bears Head Lean Man First Nation:

Signature on file

Mosquito Grizzly Bears Head  
Lean Man First Nation

March 8, 2025

Date



## Chalupiak & Associates CPA Professional Corporation

Chartered Professional Accountants

3261 Saskatchewan Drive

Regina, Saskatchewan S4T 6S4

Phone: 306-359-3711 Fax: 306-569-3030

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## Independent Auditors' Report

To the Members of  
**Mosquito Grizzly Bears Head Lean Man First Nation**

### ***Opinion***

We have audited the consolidated financial statements of Mosquito Grizzly Bears Head Lean Man First Nation and its subsidiaries and segments (the "Group"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (the "financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024, and the results of its consolidated operations, its consolidated statement of accumulated surplus, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

### ***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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (TCWG) are responsible for overseeing the Group's financial reporting process.

## ***Auditors' 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 auditors' 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 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group 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 Group 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.
- ◆ 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.

**Regina, Saskatchewan**  
**March 10, 2025**

*Chalupiak & Associates*  
*CPA Professional Corporation*  
**Chartered Professional Accountants**

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2024*

	2024	2023
<b>Financial Assets</b>		
Cash and cash equivalents (Note 3)	\$ 8,122,145	\$ 9,075,955
Restricted cash - capital projects (Note 3)	1,845,836	2,485,625
Restricted cash - CMHC reserves (Note 3)	983,393	380,439
Restricted cash - other (Note 3)	1,095,413	6,786,337
Trust funds held by federal government (Notes 3 and 4)	150,882	17,638
Accounts receivable (Notes 5 and 6)	4,874,976	1,413,122
Investment in government business enterprises (Notes 7 and 8)	-	410,496
Portfolio investment (Note 9)	580,000	580,000
Due from related parties (Note 10)	1,845,574	1,952,935
	<hr/> 19,498,219	<hr/> 23,102,547
<b>Liabilities</b>		
Bank indebtedness (Note 11)	83,620	21,818
Accounts payable (Note 12)	2,108,252	1,661,263
Deferred revenue (Note 13)	18,739,784	19,479,800
Due to related parties (Note 14)	284,827	133,449
Current portion of long-term debt (Note 15)	184,962	176,870
Current portion of CMHC mortgages (Note 16)	37,229	46,841
Reserves - for investment losses (Note 7)	127,133	-
Long-term debt (Note 15)	3,234,742	3,241,145
CMHC mortgages (Note 16)	428,647	230,684
	<hr/> 25,229,196	<hr/> 24,991,870
<b>Net debt</b>	<hr/> (5,730,977)	<hr/> (1,889,323)
<b>Non-financial Assets</b>		
Capital Assets (Note 17)	37,745,291	23,278,112
Prepaid expenses (Note 18)	98,727	59,929
	<hr/> 37,844,018	<hr/> 23,338,041
<b>Accumulated Surplus</b> (Note 19)	<hr/> \$ 32,113,041	<hr/> \$ 21,448,718

**Approved on behalf of the Mosquito Grizzly Bears Head Lean Man First Nation:**

Signature on file \_\_\_\_\_, Chief

Signature on file \_\_\_\_\_, Councillor

The accompanying notes are an integral part of the financial statements

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada (ISC)	\$ 16,034,026	\$ 26,426,044	\$ 21,200,747
Government of Canada - settlement claim	-	-	5,606,796
Trust funds held by federal government	551,054	538,915	508,657
Canada Mortgage and Housing Corporation (CMHC)	4,137,822	4,231,291	73,361
First Nations Trust (FNT)	568,704	755,523	568,704
Federation of Sovereign Indigenous Nations (FSIN)	43,194	52,387	69,387
BATC Community Development Corporation	412,962	237,600	47,848
Saskatchewan Government	120,318	344,831	61,612
Saskatchewan Indian Training Assessment Group (SITAG)	141,671	114,932	154,453
MGBHLM Legacy Trust - annual income (net) (Note 27)	5,462,224	2,462,224	4,505,332
MGBHLM Legacy Trust - authorized loan proceeds (Note 27)	6,000,000	8,000,000	-
Gains (losses) in government business enterprises	-	(537,629)	(675,153)
Betterment Levy (FNGST)	595,785	612,161	557,174
Maurice Law contribution	682,000	682,000	282,000
CMHC rental income	-	50,635	56,097
Other revenue	1,307,889	2,376,546	864,526
Deferred revenue - prior year	1,452,151	19,479,800	8,127,284
Deferred revenue - current year	-	(18,739,784)	(19,479,800)
	37,509,800	47,087,476	22,529,025
<b>Expenses</b>			
Treaties and Indigenous Government (Schedule 1)	8,552,224	12,557,380	6,540,802
Community Infrastructure (Schedule 2)	4,891,992	3,819,345	1,562,921
Economic Development (Schedule 3)	-	4,410	-
Education (Schedule 4)	5,254,515	6,086,820	5,560,950
Indigenous Government Support (Schedule 5)	256,345	1,049,318	944,662
Land Management (Schedule 6)	294,686	200,013	167,640
Social Development (Schedule 7)	2,714,468	2,656,943	2,442,811
First Nation Child & Family Services (Schedule 8)	1,658,352	1,160,346	539,118
Registration and Membership (Schedule 9)	11,799	12,688	24,229
Health Services (Schedule 10)	2,936,895	2,628,065	2,595,355
CMHC Operations (Schedule 11)	7,137,897	146,485	112,795
Other Band Programs (Schedule 12)	3,368,671	4,122,210	2,785,904
Amortization (Schedule 13)	-	1,979,128	1,525,467
	37,077,844	36,423,151	24,802,654
<b>Current surplus (deficit)</b>	<b>\$ 431,956</b>	<b>\$ 10,664,323</b>	<b>\$ (2,273,627)</b>

The accompanying notes are an integral part of the financial statements

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2024*

	2024	2023
<b>Surplus at beginning of year</b>	\$ 21,448,718	\$ 23,722,345
<b><u>Current surplus (deficit)</u></b>	<b>10,664,323</b>	<b>(2,273,627)</b>
<b>Surplus at end of year</b>	<b>\$ 32,113,041</b>	<b>\$ 21,448,718</b>

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The accompanying notes are an integral part of the financial statements

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Current surplus (deficit)</b>	\$ 431,956	\$ 10,664,323	\$ (2,273,627)
Acquisition of capital assets	-	(16,446,307)	(3,730,660)
Amortization of capital assets	-	1,979,128	1,525,467
	-	(14,467,179)	(2,205,193)
Acquisition of prepaid asset	-	(98,727)	(59,929)
Use of prepaid asset	-	59,929	39,730
	-	(38,798)	(20,199)
Increase (decrease) in net debt	431,956	(3,841,654)	(4,499,019)
<b>Net (debt) financial assets at beginning of year</b>	<b>(1,889,323)</b>	<b>(1,889,323)</b>	<b>2,609,696</b>
<b>Net (debt) at end of year</b>	<b>\$ (1,457,367)</b>	<b>\$ (5,730,977)</b>	<b>\$ (1,889,323)</b>

The accompanying notes are an integral part of the financial statements

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2024*

	2024	2023
<b>Cash flows from</b>		
<b>Operating activities</b>		
Current surplus (deficit)	\$ 10,664,323	\$ (2,273,627)
Items not affecting cash		
Amortization	1,979,128	1,525,467
Loss from investment in business partnerships	92,794	430,305
Loss from investment in incorporated businesses	444,835	244,848
	<hr/>	<hr/>
	13,181,080	(73,007)
Change in non-cash operating working capital		
Accounts receivable	(3,461,854)	(197,858)
Prepaid expenses	(38,798)	(20,199)
Accounts payable	446,988	(330,374)
Deferred revenue	(740,016)	11,352,516
Trust funds held by federal government	(133,244)	90,524
Due from related parties	107,361	(35,118)
Due to related parties	151,378	100,304
	<hr/>	<hr/>
	9,512,895	10,886,788
<b>Capital activities</b>		
Acquisition of capital assets	(16,446,307)	(3,730,656)
<b>Financing activities</b>		
Long-term debt - proceeds	178,496	606,627
Long-term debt - repayment	(176,807)	(169,121)
CMHC mortgages - advances	235,182	-
CMHC mortgages - repayment	(46,830)	(54,210)
Restricted cash - other	5,690,924	(5,570,634)
	<hr/>	<hr/>
	5,880,965	(5,187,338)
<b>Investing activities</b>		
Restricted cash - CMHC reserves	(602,954)	(3,361)
<b>Increase in cash and cash equivalents</b>	(1,655,401)	1,965,433
<b>Cash and cash equivalents, beginning of year</b>	11,539,762	9,574,329
<b>Cash and cash equivalents, end of year</b>	<hr/>	<hr/>
	\$ 9,884,361	\$ 11,539,762
<b>Represented by</b>		
Cash	\$ 8,122,145	\$ 9,075,955
Bank indebtedness	(83,620)	(21,818)
Restricted cash - capital projects	1,845,836	2,485,625
	<hr/>	<hr/>
	\$ 9,884,361	\$ 11,539,762

The accompanying notes are an integral part of the financial statements

# **Mosquito Grizzly Bears Head Lean Man First Nation**

## **Notes to Consolidated Financial Statements**

*March 31, 2024*

### **1. Operations**

The Mosquito Grizzly Bears Head Lean Man First Nation ("the First Nation") is located in the province of Saskatchewan, Canada and provides various services to its members. These financial statements include Mosquito Grizzly Bears Head Lean Man First Nation's government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements do not include the Mosquito Grizzly Bears Head Treaty Land Entitlement (TLE) Trust which is governed and controlled by appointed trustees or the Mosquito Grizzly Bears Head Lean Man Legacy (Mosquito Legacy) Trust which is governed by a corporate trustee.

The office of the First Nation is physically located on the following I.R's: Mosquito Band #109, Grizzly Bears Head Band #110 and Lean Man Band #111. The mailing address is P.O. Box 177, Cando, Saskatchewan, S0K 0V0, Canada.

### **2. Basis of presentation and significant accounting policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board.

#### **(a) Reporting entity**

The Mosquito Grizzly Bears Head Lean Man First Nation's reporting entity includes the Mosquito Grizzly Bears Head Lean Man First Nation's government and all related entities that are controlled by the First Nation.

#### **(b) Principles of consolidation**

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 statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation. There were no entities that were fully consolidated in these financial statements.

Under the modified equity method of accounting, only Mosquito Grizzly Bears Head Lean Man First Nation's investment in the government business enterprise and the enterprise's net income (loss) and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Mosquito Grizzly Bears Head Lean Man First Nation.

Organizations accounted for on a modified equity basis include:

- *Mosquito Grizzly Bears Head Lean Man TLE Makah Holding Corp;*
- *Mosquito Grizzly Bears Head Lean Man First Nation Economic Development Company Limited Partnership; and,*
- *Mosquito Grizzly Bears Head Lean Man First Nation Economic Development Company Ltd.*

#### **(c) Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to 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 capital assets and prepaid expenses.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2024*

**2. Basis of presentation and significant accounting policies, continued**

**(d) Net debt or net financial assets**

The financial statements are presented so as to highlight net debt or net financial assets as the measurement of financial position. The net debt or net financial assets is determined by its financial assets less liabilities. Net debt or net financial assets do not include non-financial assets.

**(e) Liability for contaminated site**

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts 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, 2024. No contaminated sites have been identified as at March 31, 2024.

**(f) Cash and cash equivalents**

Cash and cash equivalents include balances with lawyers and banks which are used to facilitate day to day operations.

**(g) Restricted cash**

Restricted cash consists of cash and cash equivalents held for specific purposes as defined by various agreements.

**(h) Trust funds held by federal government**

Funds earned and held in trust on behalf of First Nation members by the Government of Canada. Trust moneys consist of:

- Capital Trust moneys are Trust moneys that come from the sale of the First Nation's surrendered lands, from an interest in the land or from the sale of the First Nation's non-renewable resources; and,
- Revenue Trust moneys generated primarily through land leasing transactions or interest earned on deposits held in Trust.

Revenues from Trust moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are reported on by the Government of Canada.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2024

**2. Basis of presentation and significant accounting policies, continued**

**(i) Capital assets**

Capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Mosquito Grizzly Bears Head Lean Man First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives.

Buildings	15-20 years	Straight line
Automotive equipment	5-10 years	Straight line
Office equipment	3-5 years	Straight line
Machinery & equipment	3-10 years	Straight line
CMHC housing	25 years	Straight line
Housing	20-25 years	Straight line
Infrastructure	20-40 years	Straight line
Major Renovations	10 years	Straight line
Land Improvement	15-20 years	Straight line

Capital assets are written down when conditions indicate that they no longer contribute to Mosquito Grizzly Bears Head Lean Man First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as capital assets. Assets under construction are not amortized until the asset is available to be put into service.

# **Mosquito Grizzly Bears Head Lean Man First Nation**

## **Notes to Consolidated Financial Statements**

**March 31, 2024**

### **2. Basis of presentation and significant accounting policies, continued**

#### **(j) Asset retirement obligation**

Accounting standard PS 3280, *Asset Retirement Obligation*, came into effect for fiscal years beginning after April 1, 2022.

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a capital asset at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related capital asset. The First Nation continues to review the possibility of a liability until it would be settled or otherwise extinguished. Disbursements made to settle the liability would be deducted from the reported liability when they are made.

#### **(k) 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 their specific purpose.

#### **(l) Financial instruments**

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. The First Nation subsequently measures all financial instruments at cost. Transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost.

Financial instruments includes cash and cash equivalents, restricted cash, accounts receivable, portfolio investments, accounts payable and accrued liabilities.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2024*

**2. Basis of presentation and significant accounting policies, continued**

**(m) Internal charges and transfers**

The administration office provides services to other program areas. To recognize the cost of these services, some funding agreements allow for a percentage of revenue to be allocated to cover these expenses. At the discretion of the First Nation, a corresponding revenue and expense may be recorded and referred to as "Administration fees - internal allocation."

**(n) Use of estimates**

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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

**(o) Segment accounting**

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

For each reported segment, revenues and expenses represent both amounts that are directly attributed 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.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2024*

**3. Cash and cash equivalents**

Cash and cash equivalents is comprised of the following:

**Unrestricted cash:** Bank accounts used to facilitate day to day normal operations.

**Restricted cash:** Bank accounts that are restricted to a specific purpose as per the terms of an existing agreement. In some cases, these accounts are controlled by a project manager or held in a lawyers' trust account.

**Restricted cash - CMHC:** Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement Reserve Fund and the Operating Reserve Fund.

**Trust funds held by federal government:** Revenues generated from land leases and/or head leases of reserve land are held in trust by the federal government for the benefit of the First Nation.

	2024	2023
Unrestricted cash		
General operations	\$ 4,710,606	\$ 6,278,767
CMHC operations	1,918,721	716,045
Daycare operations	22,139	65,848
Annuity accounts	194,247	161,200
Revenue Trust	1,266,667	1,844,330
Lawyers' Trust account	9,765	9,765
	<hr/> 8,122,145	<hr/> 9,075,955
Restricted cash - capital projects		
Solid waste transfer station	1,845,809	2,385,654
Lagoon & SPS assessment	-	99,944
Other	27	27
	<hr/> 1,845,836	<hr/> 2,485,625
Restricted cash - CMHC reserves		
Replacement reserve	929,137	327,763
Replacement reserve term deposits	54,256	52,676
	<hr/> 983,393	<hr/> 380,439

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**3. Cash and cash equivalents, continued**

	2024	2023
Restricted cash - other		
Lawyers' Trust - Maurice Law - settlement claims	95,413	5,786,337
Innovation CU - term deposit - 4.50% - matures Jan 8/29	1,000,000	1,000,000
	<hr/> 1,095,413	<hr/> 6,786,337
Trust funds held by federal government		
Revenue funds	150,882	17,638
<b>Total cash</b>	<b>\$ 12,197,669</b>	<b>\$ 18,745,994</b>

**4. Trust funds held by federal government**

The Trust funds held by federal government arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada. The management of these funds are primarily governed by Sections 63 to 69 of the Indian Act.

	2024	2024	2024	2023
	Revenue	Capital	Total	Total
Surplus, beginning of year	\$ 17,638	\$ -	\$ 17,638	\$ 108,162
Withdrawals	(405,671)	-	(405,671)	(599,181)
Lease revenue	531,283	-	531,283	502,823
Interest earnings	7,632	-	7,632	5,834
<b>Surplus, end of year</b>	<b>\$ 150,882</b>	<b>\$ -</b>	<b>\$ 150,882</b>	<b>\$ 17,638</b>

**Mosquito Grizzly Bears Head Lean Man First Nation**  
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**5. Accounts receivable**

	2024	2023
<b>Due from members</b>		
Advances - band	\$ 50,672	\$ 29,890
Advances - health	9,275	9,275
Advances - social development	39,002	35,232
	<hr/> 98,949	<hr/> 74,397
<b>Due from others</b>		
First Nations Trust	614,610	233,398
Federation of Sovereign Indigenous Nations (FSIN)	26,194	-
BATC Community Development Corporation	153,000	-
GST receivable	560,430	279,850
Maurice Law	550,000	-
Other receivables	96,606	106,241
	<hr/> 2,000,840	<hr/> 619,489
<b>Due from government and other government organizations</b>		
Indigenous Services Canada (ISC)	2,601,597	758,046
Canada Mortgage and Housing Corporation (CMHC)	238,227	3,470
	<hr/> 2,839,824	<hr/> 761,092
Allowance for doubtful accounts	4,939,613 (64,637)	1,454,978 (41,856)
<b>Total accounts receivable</b>	<b>\$ 4,874,976</b>	<b>\$ 1,413,122</b>

**6. Indigenous Services Canada (ISC) receivable**

	2024	2023
Law making Gov Cap Dev - custom election code ratification	\$ 51,154	\$ 51,154
Plan/risk mgt - community development	21,250	21,250
Community Building - 8Plex Site Security	150,000	-
FNCFS On-reserve O&M Housing	439,757	-
Aboriginal Headstart	7,908	-
IELCC Major Projects	7,599	-
Reno/Additions - School	1,500,000	-
Construction - Budget 2022 Immediate Needs	423,929	379,115
Construction - Immediate needs year 2	-	306,527
	<hr/> \$ 2,601,597	<hr/> \$ 758,046

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**7. Investment in government business enterprises**

Commercial enterprises are those organizations that meet the definition of government business enterprise (GBE) as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation's government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

For presentation purposes we have abbreviated the names of the business enterprises as follows:

- Mosquito Grizzly Bears Head Lean Man TLE Makah Holding Corp (*MGBHLM TLE Makah Holding Corp*);
- Mosquito Grizzly Bears Head Lean Man First Nation Economic Development Company Limited Partnership (*MGBHLMFN Ec Dev LP*); and,
- Mosquito Grizzly Bears Head Lean Man First Nation Economic Development Company Ltd. (*MGBHLMFN Ec Dev Ltd.*).

	2024	2023
MGBHLM TLE Makah Holding Corp. - 100%	\$ (5,296)	\$ (1,304)
MGBHLMFN Ec Dev LP - 99.00%	1,035,395	1,128,189
MGBHLMFN Ec Dev Ltd. - 100%	<u>(1,157,232)</u>	<u>(716,389)</u>
	<u><u>\$ (127,133)</u></u>	<u><u>\$ 410,496</u></u>

	Investment, beginning of year	Undistributed earnings (loss)	Investment, end of year
MGBHLM TLE Makah Holding Corp	(1,304)	\$ (3,992)	\$ (5,296)
MGBHLMFN Ec Dev LP	1,128,189	(92,794)	1,035,395
MGBHLMFN Ec Dev Ltd.	<u>(716,389)</u>	<u>(440,843)</u>	<u>(1,157,232)</u>
	<u><u>410,496</u></u>	<u><u>\$ (537,629)</u></u>	<u><u>\$ (127,133)</u></u>

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**8. Investment in government business enterprises - financial summary**

The financial summary of the activities of the investments is as follows:

	MGBHLM	TLE Makah	MGBHLMFN
	MGBHLMFN	Ec Dev Ltd.	Holding Corp
	December 31,	December 31,	December 31,
	2023	2023	2023
Cash	\$ -	\$ 1,348	\$ -
Accounts receivable	283,508	-	-
Prepaid expenses	75,634	-	-
Property, plant and equipment	2,259,872	-	-
Due from related parties	1,072,878	55,633	-
Investments	335,391	-	1,376,476
<b>Total assets</b>	<b>\$ 4,027,283</b>	<b>\$ 56,981</b>	<b>\$ 1,376,476</b>
Bank indebtedness	\$ 157,743	\$ -	\$ -
Accounts payable & accrued liabilities	514,811	42,075	20,001
Deferred revenue	389,341	-	-
Loan payable	1,423,134	-	-
Due to related parties	2,699,486	20,202	99
<b>Total liabilities</b>	<b>5,184,515</b>	<b>62,277</b>	<b>20,100</b>
<b>Equity</b>	<b>(1,157,232)</b>	<b>(5,296)</b>	<b>1,356,376</b>
<b>Total equity</b>	<b>(1,157,232)</b>	<b>(5,296)</b>	<b>1,356,376</b>
<b>Total liabilities and equity</b>	<b>\$ 4,027,283</b>	<b>\$ 56,981</b>	<b>\$ 1,376,476</b>

	MGBHLM	TLE Makah	MGBHLMFN
	MGBHLMFN	Ec Dev Ltd.	Holding Corp
	December 31,	December 31,	December 31,
	2023	2023	2023
Revenue	\$ 2,241,432	\$ 3,600	\$ (83,731)
Expenses	\$ 2,682,275	\$ 7,592	\$ 10,000
Net loss	\$ (440,843)	\$ (3,992)	\$ (93,731)

The above information is derived from the latest available financial statements for each entity. The value of the First Nation's investments is reported at the value of its share of equity reported on the latest available financial statements.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**9. Portfolio investments**

	2024	2023
Avord Towers	\$ 50,000	\$ 50,000
North Battleford Hospitality Limited - 12.08%	<u>530,000</u>	<u>530,000</u>
	<u><u>\$ 580,000</u></u>	<u><u>\$ 580,000</u></u>

The investment in Avord Towers is held through Battleford Tribal Council. We have not been able to verify the existence or value of this investment; no adjustment has been made.

**10. Due from related parties**

Transactions with related parties, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

Amounts due from related parties are unsecured, non-interest bearing and have no fixed repayment schedules.

	2024	2023
MGBHLMFN Economic Development Company Ltd.	\$ 1,812,772	\$ 1,912,199
MGBH Treaty Land Entitlement Trust	12,600	20,534
<u>MGBHLM TLE Makah Holding Corp</u>	<u>20,202</u>	<u>20,202</u>
	<u><u>\$ 1,845,574</u></u>	<u><u>\$ 1,952,935</u></u>

**11. Bank indebtedness**

The First Nation has an approved overdraft of \$150,000 on the general and \$100,000 on the education account held with Innovation Credit Union (ICU). The overdraft on the general account bears interest at 9.45% and the overdraft on the education account bears interest at 9.45%; the unauthorized overdraft interest rate on all accounts is 19.80%. On March 31, 2024 the Education account was overdrawn \$75,458 had issued cheques in excess of deposits totaling \$83,620 (2023 - \$nil).

The First Nation also has an approved overdraft of \$50,000 with the Royal Bank of Canada (RBC) bearing interest at prime + 5.0%. In the prior year the health account was overdrawn \$21,818.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**12. Accounts payable**

	2024	2023
<b>Due to members</b>		
Accrued payroll	\$ -	\$ 943
Accrued vacation	48,209	41,882
	<hr/> 48,209	<hr/> 42,825
<b>Due to others</b>		
Trade payables & accrued liabilities	1,472,691	1,205,250
Trade payables & accrued liabilities - CMHC	7,960	16,077
London Life - pension payable	40,252	15,420
Accrued interest - CMHC mortgages	24,187	15,545
Accrued interest - long-term debt	41,264	16,392
Maurice Law	418,392	335,515
	<hr/> 2,004,746	<hr/> 1,604,199
<b>Due to government and other government organizations</b>		
Canada Revenue Agency (CRA)	55,297	14,239
	<hr/> \$ 2,108,252	<hr/> \$ 1,661,263

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**13. Deferred revenue**

Funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue" on the financial statements.

	March 31, 2023	Funding received, 2024	Revenue recognized, 2024	March 31, 2024
<b>ISC</b>				
Core area drainage	\$ 200,000	\$ -	\$ -	\$ 200,000
LPW upgrades project	696,706	110,000	(721,520)	85,186
Solid waste transfer station	923,171	-	(32,900)	890,271
Lagoon & SPS assessment project	2,780,103	3,241,000	(1,373,565)	4,647,538
School renovations project	1,852,962	1,830,000	(984,419)	2,698,543
Drainage improvements	478,179	-	-	478,179
Core area subdivision	-	500,000	(253,766)	246,234
Capital fire protection	600,000	585,000	(663,420)	521,580
O&M solid waste transfer station	74,121	118,851	(192,972)	-
O&M asset management plan	40,000	-	-	40,000
Capital - immediate needs housing	205,958	308,379	(514,337)	-
Climate change adaptation - flood potential	132,000	-	(132,000)	-
JP - major capital CHRT41 (feasibility study & needs)	35,000	-	-	35,000
Elementary / secondary education	69,206	4,532,834	(4,602,040)	-
FN school second level	370,488	-	(370,488)	-
Adult education	22,989	45,210	(11,430)	56,769
Skills link	153,622	-	(129,632)	23,990
IAFNIYES	106,998	-	(25,355)	81,643
Special education	33,432	-	(33,432)	-
New fiscal relationship (NEDP)	-	1,000	-	1,000
Land management - contaminated sites reserve	-	90,000	-	90,000
Basic needs	2,262,658	3,398,641	(2,588,918)	3,072,381
Institutional care	170,219	130,265	(68,025)	232,459
FN CFS - prevention	758,985	1,417,263	(966,983)	1,209,265
FN representative	171,544	278,173	(121,137)	328,580
FN CFS - emergency	-	14,937	-	14,937
FN CFS - poverty	-	58,049	(54,000)	4,049
FN CFS - on-reserve O&M	-	439,757	(67,349)	372,408
IELCC 2021 minor projects (needs assessment)	3,000	7,599	-	10,599
Medical transportation	7,014	43,500	(50,514)	-
Medical taxi - vans	163,125	104,800	(108,371)	159,554
CDCM	21,636	219,694	(241,330)	-
CDE planning & response	-	16,349	(2,185)	14,164
Jordan's Principle - co-ordination	50,574	269,700	(165,216)	155,058
Dental treatment	7,567	-	-	7,567
Community oral health	108,078	50,644	(6,866)	151,856

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**13. Deferred revenue, continued**

	March 31, 2023	Funding received, 2024	Revenue recognized, 2024	March 31, 2024
Dental CA admin	27,875	18,606	(5,939)	40,542
Mental wellness	56,116	316,229	(294,127)	78,218
Jordan's Principle - home modifications	43,103	-	(43,103)	-
Healthy living	136,756	144,253	(100,120)	180,889
Healthy child development	124,661	187,540	(181,430)	130,771
Headstart - IELCC	448,082	486,260	(192,569)	741,773
Children's oral health initiative (COHI)	9,000	-	-	9,000
Home & community care (H&CC)	101,154	294,432	(313,438)	82,148
Environmental public health	30,013	16,445	(12,401)	34,057
Telehealth	47,487	12,060	(4,703)	54,844
 <b>Other</b>	 13,523,582	 19,287,470	 (15,630,000)	 17,181,052
Treaty annuity claim	5,606,796	-	(5,606,796)	-
New housing insurance replacement	233,254	464,840	(698,094)	-
CMHC rapid housing	-	6,990,600	(5,486,004)	1,504,596
CMHC RRAP	-	54,136	-	54,136
FSIN	42,500	-	(42,500)	-
Daycare	55,587	61,203	(116,790)	-
Labour force dev - LFD (SITAG)	18,081	114,932	(133,013)	-
 <b></b>	 5,956,218	 7,685,711	 (12,083,197)	 1,558,732
 <b></b>	 <b>\$ 19,479,800</b>	 <b>\$ 26,973,181</b>	 <b>\$ (27,713,197)</b>	 <b>\$ 18,739,784</b>

**14. Due to related parties**

Transactions with related parties, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

Amounts due to related parties are unsecured, non-interest bearing and have no fixed repayment schedules.

	2024	2023
MGBHLM Home Builders & Construction Company LP	\$ 98,819	\$ 111,953
MGBHLMFN Petroleum Company Limited Partnership	18,417	21,496
<b>MGBHLM Security Company Limited Partnership</b>	<b>167,591</b>	-
 <b></b>	 <b>\$ 284,827</b>	 <b>\$ 133,449</b>

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**15. Long-term debt**

As of March 31, 2024, the Canadian Imperial Bank of Commerce (CIBC) had a prime lending rate of 7.20% (2023 - 6.70%).

	2024	2023
<b>Innovation Credit Union - Christmas PCD</b> Term Loan - bearing interest at 4.50% per annum, quarterly blended payments of \$51,454 maturing December 31, 2026, secured by BCR, personal property security agreement, term deposit, other security as Innovation may reasonably require at any time pending repayment of all monies due under the loan.	\$ 532,163	\$ 708,970
<b>CIBC - Treaty 6 Benefits Claim - Cows &amp; Ploughs</b> Term loan - bearing interest at prime plus 0.5%. Interest payments paid quarterly and total principal due on September 21, 2026, secured by a general security agreement, BCR and first ranking assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$1,867,600 and drawdowns will coincide with settlement expenses incurred.	899,049	844,459
<b>CIBC - Treaty 6 Benefits Claim - Cypress Hills</b> Term loan - bearing interest at prime plus 0.5%. Interest payments paid quarterly and total principal due on November 18, 2027, secured by a general security agreement, BCR and first ranking assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$2,988,160 and drawdowns will coincide with settlement expenses incurred.	446,787	416,495
<b>CIBC - Misadministration of Trust</b> Term loan - bearing interest at prime plus 0.5%. Interest payments paid quarterly and total principal due on September 21, 2026, secured by a general security agreement, BCR and first ranking assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$3,735,200 and drawdowns will coincide with settlement expenses incurred.	<u>1,541,705</u>	<u>1,448,091</u>
<b>Current portion</b>	<u>3,419,704</u>	<u>3,418,015</u>
	<u>184,962</u>	<u>176,870</u>
	<u><u>\$ 3,234,742</u></u>	<u><u>\$ 3,241,145</u></u>

**Mosquito Grizzly Bears Head Lean Man First Nation**  
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**15. Long-term debt, continued**

Expected principal repayments of long-term debt due within the next five years:

2025	\$ 184,962
2026	193,427
2027	2,594,528
2028	446,787
<hr/>	
	<hr/> \$ 3,419,704

	2024	2023
Interest expense for the year on long-term debt	<hr/> \$ 229,189	<hr/> \$ 170,737

**16. CMHC mortgages**

	Phase number	Renewal date	Interest rate	Monthly payment	2024	2023
Royal Bank	3	4/1/2024	3.12 %	\$ 764	\$ 696	\$ 9,690
Royal Bank	4	1/1/2025	2.87 %	1,519	15,097	32,613
Innovation Credit Union	6	2/1/2025	5.33 %	1,840	21,807	42,127
CMHC advance	7			-	317,306	82,124
CMHC advance	8			-	66,546	66,546
CMHC advance	9			-	44,424	44,425
<hr/>					<hr/> 465,876	<hr/> 277,525
Less: Current portion					37,229	46,841
<hr/>					<hr/> \$ 428,647	<hr/> \$ 230,684

Expected principal repayments of CMHC mortgages due within the next five years:

2025	\$ 37,229
2026	372
2027	-
2028	-
2029 and thereafter	<hr/> 428,275
<hr/>	
	<hr/> \$ 465,876

	2024	2023
Interest expense for the year on CMHC mortgages	<hr/> 9,542	<hr/> 19,622

**Mosquito Grizzly Bears Head Lean Man First Nation**  
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**17. Capital assets**

	Cost				Accumulated amortization				2024 Net book value
	Balance, beginning of year	Additions	Transfers/ Disposals	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2024 Net book value	
Land	\$ 6,502,846	\$ -	\$ -	\$ 6,502,846	\$ -	\$ -	\$ -	\$ 6,502,846	
Buildings	10,465,053	443,442	-	10,908,495	7,656,964	245,443	7,902,407	3,006,088	
Automotive equipment	1,116,744	451,159	-	1,567,903	664,349	267,407	931,756	636,147	
Office equipment	345,561	73,025	-	418,586	271,506	68,074	339,580	79,006	
Machinery & equipment	1,910,027	1,455,081	-	3,365,108	951,078	513,904	1,464,982	1,900,126	
CMHC housing	4,147,141	-	-	4,147,141	2,777,093	261,975	3,039,068	1,108,073	
Housing	6,284,885	204,852	-	6,489,737	2,235,044	246,665	2,481,709	4,008,028	
Infrastructure	8,449,669	-	-	8,449,669	4,939,470	101,125	5,040,595	3,409,074	
Major Renovations	-	802,726	85,234	887,960	-	88,796	88,796	799,164	
Land Improvement	526,163	923,023	441,275	1,890,461	32,063	185,739	217,802	1,672,659	
Assets under construction	3,057,590	12,092,999	(526,509)	14,624,080	-	-	-	14,624,080	
	\$ 42,805,679	\$ 16,446,307	\$ -	\$ 59,251,986	\$ 19,527,567	\$ 1,979,128	\$ 21,506,695	\$ 37,745,291	

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**17. Capital assets, continued**

	Cost			Accumulated amortization			2023 Net book value
	Balance, beginning of year	Additions	Transfers/ Disposals	Balance, end of year	Balance, beginning of year	Amortization	
Land	\$ 6,502,846	\$ -	\$ -	\$ 6,502,846	\$ -	\$ -	\$ 6,502,846
Buildings	10,157,306	307,747	-	10,465,053	7,441,085	215,879	7,656,964
Automotive equipment	864,631	252,113	-	1,116,744	478,245	186,104	664,349
Office equipment	256,019	89,542	-	345,561	189,390	82,116	271,506
Machinery & equipment	1,685,683	224,344	-	1,910,027	631,431	319,647	958,949
CMHC housing	3,435,094	712,047	-	4,147,141	2,515,117	261,976	2,777,093
Housing	5,800,260	484,625	-	6,284,885	1,940,236	294,808	2,235,044
Infrastructure	8,449,669	-	-	8,449,669	4,801,444	138,026	4,939,470
Land Improvement	19,318	244,124	262,721	526,163	5,152	26,911	32,063
Assets under construction	1,904,195	1,416,116	(262,721)	3,057,590	-	-	3,057,590
	\$ 39,075,021	\$ 3,730,658	\$ -	\$ 42,805,679	\$ 18,002,100	\$ 1,525,467	\$ 19,527,567
							\$ 23,278,112

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**18. Prepaid expenses**

	2024	2023
Insurance	\$ 30,960	\$ -
Post Secondary - living allowance	43,700	46,400
Social assistance	24,067	13,529
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	\$ 98,727	\$ 59,929

**19. Accumulated surplus**

	2024	2023
<u>Restricted</u>		
Capital assets	\$ 37,279,415	\$ 23,000,587
Trust funds held by federal government	150,882	17,638
Portfolio investments	580,000	580,000
Investment in government business enterprises	(127,133)	410,496
CMHC replacement reserve	878,441	901,393
	<hr/>	<hr/>
	38,761,605	24,910,114
<u>Unrestricted</u>		
Settlement claims deficit	(2,887,541)	(2,709,045)
Operating (deficit)	(3,761,023)	(752,351)
	<hr/>	<hr/>
	(6,648,564)	(3,461,396)
	<hr/>	<hr/>
	\$ 32,113,041	\$ 21,448,718

Capital assets represent the net book value of capital assets less any long-term debt taken out to acquire the capital assets that will be used to provide future services.

Trust funds held by federal government are monies held by the federal government for use by the First Nation for specific purposes.

Portfolio investments represent other commercial business operations owned by the First Nation.

Investments in government business enterprises represent amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

CMHC replacement reserve is the amount required to be funded for future major repairs, as per agreements with CMHC.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**20. ISC contributions**

On April 1, 2020 the First Nation entered into an NFR (New Fiscal Relationship) transfer agreement with Indigenous Services Canada. The NFR provides ten years of guaranteed funding.

	2024	2023
<u>ISC confirmation</u>	<u>\$ 26,426,044</u>	<u>\$ 21,200,747</u>

**21. Economic dependence**

Mosquito Grizzly Bears Head Lean Man First Nation receives a substantial amount of its funding from Indigenous Services Canada (ISC). The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments.

**22. CMHC funding of reserves**

It is a requirement of the CMHC operating agreement that operating and replacement reserves be established and monies be set aside in separate bank accounts. On March 31, 2024, the reserve accounts were funded as follows:

	2024		
	Reserve amount	Funded amount	Over (Under) funded
Replacement reserve	\$ 878,442	\$ 878,442	\$ -
<u>Operating reserve</u>	<u>113,812</u>	<u>104,951</u>	<u>(8,861)</u>
	<u><u>\$ 992,254</u></u>	<u><u>\$ 983,393</u></u>	<u><u>\$ (8,861)</u></u>

	2023			
	Reserve amount	Funded amount	Deposited after year end	Over (Under) funded
Replacement reserve	\$ 901,393	\$ 311,393	\$ 590,000	\$ -
<u>Operating reserve</u>	<u>115,344</u>	<u>69,046</u>	<u>-</u>	<u>(46,298)</u>
	<u><u>\$ 1,016,737</u></u>	<u><u>\$ 380,439</u></u>	<u><u>\$ 590,000</u></u>	<u><u>\$ (46,298)</u></u>

The reserve amounts are not reported separately on these financial statements, but are included in equity.

**23. Related party transactions**

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties. Due from (to) amounts are unsecured, non-interest bearing and have no fixed repayment schedules.

# **Mosquito Grizzly Bears Head Lean Man First Nation**

## **Notes to Consolidated Financial Statements**

*March 31, 2024*

### **24. Contingent assets**

The First Nation has initiated three claims against Canada as follows:

*Treaty 6 Benefits Claim (Cows & Ploughs);  
Treaty 6 Benefits Claim (Cypress Hills); and,  
Misadministration of Trust Claim.*

The First Nation has obtained loans to finance the costs of negotiating the settlements. Insurance policies have been obtained to mitigate the risk that the settlement proceeds may be less than the total loan outstanding at such time that the claims are resolved. As at March 31, 2024, the claim loan amounts outstanding are \$2,887,541 (2023 - \$2,709,046). The First Nation anticipates that these costs will be paid from settlement proceeds, and when the claim is finalized, or the insurance proceeds paid, the amount will be recognized as revenue.

### **25. Contingent liabilities**

Mosquito Grizzly Bears Head Lean Man First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Mosquito Grizzly Bears Head Lean Man First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Mosquito Grizzly Bears Head Lean Man First Nation's financial statements. The First Nation is currently not involved in any legal actions that are likely to result in a potential liability and no liabilities have been recorded in these financial statements.

Mosquito Grizzly Bears Head Lean Man First Nation provided a limited guarantee for a loan on January 23, 2023, on behalf of Mosquito Grizzly Bears Head Lean Man First Nation Economic Development Company Ltd. for the amount of \$1,250,000. The loan is for the purchase and leasehold improvements of a building (the Canada Post building) located in North Battleford, Saskatchewan.

### **26. Settlement Claims**

There are three claims currently being pursued:

*Treaty 6 Benefits Claim (Cows & Ploughs)* - a claim asserting that Canada failed to fulfill its treaty and fiduciary duties to provide agricultural assistance, ammunition and twine, and other benefits and assistance as promised under the terms of Treaty 4.

*Treaty 6 Benefits Claim (Cypress Hills)* - a claim asserting that Canada failed to comply with the surrender provisions of the *Indian Act* of 1886 and breached its fiduciary duties to the First Nation both prior to and following the surrender.

*Misadministration of Trust Claim* - a claim asserting that Canada failed to fulfill its treaty and fiduciary duties in relation to the mismanagement of the First Nation's trust funds beginning in 1918.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2024*

**27. Mosquito Grizzly Bears Head Lean Man Legacy Trust**

In the 2022 fiscal period, Mosquito Grizzly Bears Head Lean Man First Nation settled the 1905 Surrender Claim with Canada. The First Nation received compensation of \$141,159,349 and established the Mosquito Grizzly Bears Head Lean Man Legacy Trust (Legacy Trust). In the 2023 fiscal period, the First Nation settled the Treaty Annuities Salaries claim and deposited an additional \$4,919,777 into the Legacy Trust.

The Trust is managed by a corporate trustee and holds assets as follows:

	December 31 2023	December 31 2022
<u>Mosquito Grizzly Bears Head Lean Man Legacy Trust</u>	<u>\$135,355,535</u>	<u>\$127,139,735</u>
	2024	2023
Legacy Trust - annual income	5,501,617	5,699,424
Legacy Trust - authorized loan payments	(3,039,393)	(1,194,092)
<u>Legacy Trust - net annual income</u>	<u>\$ 2,462,224</u>	<u>\$ 4,505,332</u>

The Trust Agreement allows for authorized loans for band development purposes. Interest and principal payments on these loans are to be paid from the Trust and deducted from annual payments to the First Nation. In the current year, the First Nation received \$8,000,000 (2023 - \$nil) in monies that were borrowed by the Legacy Trust. The total of the authorized loans payable as of December 31, 2023 was \$54,067,059 (2022 - \$48,318,382).

**28. Addition of reserve lands**

The First Nation signed a Treaty Land Entitlement agreement with the Government of Canada that provided \$9,596,792 to purchase "shortfall" acres of 20,096 to be converted to reserve status. In the current year, there were no acres converted to reserve status (2023 - no acres). The total acres converted as of March 31, 2024 are 15,176 (2023 - 15,176) at a total cost of \$6,502,846 (2023 - \$6,502,846).

**29. Asset retirement obligation**

The First Nation has considered its obligations under the new Canadian Auditing Standard (PS 3280) which became effective for fiscal years beginning after April 1, 2022 and determined that the most likely assets that would fall under the standard include buildings that may contain asbestos and a landfill site.

It is unknown if any buildings and houses contain asbestos. Management has determined that the cost to inventory and analyze what buildings may or may not contain asbestos is not warranted. There are no plans to decommission any buildings in the foreseeable future, and if any buildings are decommissioned this will be done on a "one-off" basis, and the cost will be insignificant and absorbed in normal operating costs. The latest available information indicates that the average cost to remove asbestos from a house is just under \$3,000.

There is a landfill site that may need to be decommissioned at some point in the future, the date of which is unknown. An accurate estimate of the cost to decommission the landfill site is not available and it is unknown if this cost will be the responsibility of the First Nation or ISC. Historically ISC has provided funding to cover decommissioning costs. Since the cost to decommission the landfill site is unknown, the criteria as per PS 3280 (Policy 2(j)) has not been met to recognize an Asset Retirement Obligation and therefore has not been recorded in these financial statements.

# Mosquito Grizzly Bears Head Lean Man First Nation

## Notes to Consolidated Financial Statements

March 31, 2024

### 30. Employee benefit obligations

#### **Vacation and overtime**

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

#### **Post-employment benefits**

Mosquito Grizzly Bears Head Lean Man First Nation does not provide extended health, dental and life insurance benefits to retired employees and therefore has no obligations with regards to post employment benefits.

#### **Pension plan**

Mosquito Grizzly Bears Head Lean Man First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5.0% of their salary. Mosquito Grizzly Bears Head Lean Man First Nation contributes a matching portion which is directed to the member's contribution account. Mosquito Grizzly Bears Head Lean Man First Nation does not have any other obligations with regards to the pension plan as at March 31, 2024. In the current year, the employer portion of the pension was \$142,243 (2023 - \$108,043).

### 31. Financial instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant financial instrument risk arising from these financial instruments except as otherwise disclosed:

#### ***Credit concentration and risk***

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. As at March 31, 2024, receivables from funding agencies accounted for 74% of the outstanding accounts receivable balance.

#### ***Risk management***

The First Nation manages its credit risk by performing regular assessments and providing allowances for potentially uncollectible accounts receivable.

#### ***Fair Value of Financial Instruments***

The carrying amount of cash and cash equivalents, accounts receivable and trade payables and accruals approximate their fair value due to their short-term nature.

#### ***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages its exposure to interest rate risk through normal operating and financing activities. The First Nation is exposed to interest rate risk with their long-term debt that has a variable rate based on the prime lending rate, term loan with a fixed rate of 4.50% and CMHC mortgages with fixed rates ranging from 2.87% to 5.33%. The First Nation has the option to renegotiate the bank loans at their maturity dates. The CMHC mortgages will be renewed at the rates set by CMHC at their renewal date.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2024*

**31. Financial instruments, continued**

***Liquidity Risk***

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The First Nation enters into transactions to purchase goods and services on credit, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the First Nation's future net cash flows for the possibility of negative net cash flow. The First Nation manages the liquidity risk resulting from its accounts payables and accrued liabilities by monitoring its cash and maintaining liquid assets.

**32. Budgeted figures**

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the Mosquito Grizzly Bears Head Lean Man First Nation's Chief and Council.

**33. Comparative amounts**

Comparative figures have been reclassified, where applicable, to conform to current year's presentation.

**34. Expenses by object**

	2024 Budget (unaudited)	2024 Actual	2023 Actual
Advertising, promotions, sponsorships	\$ 14,913	\$ 14,713	\$ -
Amortization	-	1,979,128	1,525,467
Assistance - band members	584,539	861,997	731,574
Assistance - social development	2,186,848	2,048,940	2,021,866
Bad debts	-	27,678	-
Capital contribution - Mosquito Legacy Trust	-	4,919,777	-
Community support	-	142,994	79,802
Consultants and contractors	5,135,284	9,214,899	3,255,379
Contingency	1,455,995	-	-
Cultural programs	1,309,173	1,647,196	1,360,770
Economic development	1,149,247	1,570,552	6,997
Equipment purchases	261,454	1,985,584	799,160
Fuel	127,200	154,727	165,534
Graduation, awards, prizes	-	1,200	-
Headman salaries distribution	2,943,500	2,744,250	-
Honorariums	319,115	877,665	815,635
Housing strategy	-	237,369	1,466,905
Insurance	251,016	396,048	594,792
Interest and bank charges	8,004	59,555	47,375
Interest on specific claim insured loans	-	200,114	134,041
Land lease payments	39,950	36,000	39,950
Long-term debt - payments (principal & interest)	-	205,882	205,817
Long-term debt - principal repayment	-	(176,807)	(169,121)

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2024*

**34. Expenses by object, continued**

	2024 Budget (unaudited)	2024 Actual	2023 Actual
Mortgages - payments (principal & interest)	20,000	56,372	73,832
Mortgages - principal repayment	-	(46,830)	(54,210)
Mosquito Legacy Trust expenses	400,000	200,035	2,043,462
Other expenses	250	155	-
Professional fees	651,439	1,402,629	892,177
Program expenses	1,343,797	2,539,774	2,525,049
Recreational activities	166,500	239,217	101,352
Registration fees	10,994	53,325	29,809
Rent - equipment	3,150	9,003	2,754
Repairs and maintenance	2,155,528	2,515,627	520,909
Student allowance	292,667	519,225	564,224
Student incentives	71,620	85,650	73,081
Supplies	9,057,433	6,826,493	709,999
Telephone	103,916	138,178	145,225
Training	19,134	36,272	44,364
Training initiatives	163,570	75,579	37,871
Travel - medical transportation	12,300	33,013	83,227
Travel, meetings, per diems	1,195,655	1,964,247	1,954,403
Tuition	1,332,685	1,771,834	1,545,617
Utilities	130,520	184,543	194,838
Wages and benefits	4,160,448	5,115,657	3,963,385
Transfer to capital assets	-	(16,446,308)	(3,730,657)
	<hr/>	<hr/>	<hr/>
	\$ 37,077,844	\$ 36,423,151	\$ 24,802,654

**35. Segmented information**

As previously discussed in note 2(o) the First Nation conducts its business through reportable segments as follows:

**Treaties and Indigenous Government:**

Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

**Community Infrastructure:**

Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

# **Mosquito Grizzly Bears Head Lean Man First Nation**

## **Notes to Consolidated Financial Statements**

*March 31, 2024*

### **35. Segmented information, continued**

#### **Economic Development:**

Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

#### **Education:**

Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with ISC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labor market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

#### **Indigenous Government Support:**

Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

#### **Lands Management:**

Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

#### **Social Development:**

First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

#### **First Nation Child & Family Services**

Costs associated with the delivery of culturally appropriate prevention and well-being services for First Nation children and families on reserve and First Nations Representative Services.

**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2024*

**35. Segmented information, continued**

**Registration and Membership:**

Costs associated with the maintenance of the band membership list, a record of everyone who is registered as a member of the First Nation under the Indian Act.

**Health Services**

Reports on costs associated with the development of safe and healthy communities.

**Canada Mortgage and Housing Corporation (CMHC)**

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth.

**Other Band Programs**

Other programs that vary based on own source revenue. These could include First Nations Trust, Tribal Council, CDC, Band Trust Funds and other business ventures. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

Inter-segment transfers are recorded at their exchange amount. Details of the segment revenues and expenses are provided in the accompanying schedules. There are no revenues or expenses that have not been allocated to a segment.

**Schedule #1**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Treaties and Indigenous Government**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - fixed	\$ 90,000	\$ 90,000	\$ -
Government of Canada - settlement claim	-	-	5,606,796
MGBHLM Legacy Trust - annual income (net) (Note 27)	5,462,224	2,462,224	4,505,332
MGBHLM Legacy Trust - authorized loan proceeds (Note 27)	3,000,000	5,000,000	-
Other revenue	-	171,029	183,567
Deferred revenue - prior year	-	5,606,796	990,627
Deferred revenue - current year	-	-	<u>(5,606,796)</u>
	 8,552,224	 13,330,049	 5,679,526
<b>Expenses</b>			
Administration - internal allocation	56,500	56,500	-
Assistance - band members	-	346,891	13,561
Capital contribution - Mosquito Legacy Trust	-	4,919,777	-
Consultants and contractors	863,075	212,677	311,802
Contingency	1,031,535	-	-
Cultural programs	500,000	614,454	646,458
Economic development	-	-	6,997
Equipment purchases	-	-	423,488
Headman salaries distribution	2,943,500	2,744,250	-
Honorariums	-	212,919	51,837
Housing strategy	-	237,369	1,466,905
Insurance	-	-	288,907
Interest and bank charges	-	671	4,618
Interest on specific claim insured loans	-	200,114	134,041
Mosquito Legacy Trust expenses	400,000	200,035	1,572,376
Program expenses	55,000	880,903	1,589,380
Professional fees	140,000	867,119	120,149
Repairs and maintenance	2,000,000	2,042,369	140,242
Telephone	-	2,050	-
Supplies	-	45,355	257
Travel, meetings, per diems	461,558	895,126	974,764
Wages and benefits	101,056	249,168	-
Transfer to capital assets	-	(2,170,368)	<u>(1,204,981)</u>
	 8,552,224	 12,557,379	 6,540,801
<b>Current surplus (deficit)</b>	 -	 772,670	 (861,275)
<b>Transfers</b>			
Transfer - Other Band Programs	-	-	<u>(471,086)</u>
<b>Surplus (deficit) at end of year</b>	 \$ -	 \$ 772,670	 \$ (1,332,361)

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Community Infrastructure**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - NFR grant	\$ 1,016,366	\$ 1,135,441	\$ 1,039,481
Indigenous Services Canada - fixed	1,457,626	1,452,875	271,937
Indigenous Services Canada - flexible	1,330,000	8,493,201	5,779,600
ISC - prior period revenue (recovery)	-	-	379,115
Other revenue	1,088,000	1,658,722	506,048
Deferred revenue - prior year	-	8,251,454	3,229,882
Deferred revenue - current year	-	(9,842,531)	(8,251,454)
	<b>4,891,992</b>	<b>11,149,162</b>	<b>2,954,609</b>
<b>Expenses</b>			
Administration - internal allocation	111,833	147,637	121,759
Consultants and contractors	894,628	6,102,771	1,353,198
Economic development	1,149,247	1,302,877	-
Engineering and architecture	-	838,018	509,031
Equipment purchases	37,110	1,271,439	91,487
Fuel	15,000	57,002	76,369
Insurance	115,000	180,659	156,484
Interest and bank charges	-	1,559	92
Program expenses	-	1,103	59,051
Registration fees	-	326	2,441
Rent - equipment	-	-	129
Repairs and maintenance	22,745	274,848	114,331
Supplies	2,325,754	1,207,512	130,890
Telephone	11,500	33,831	29,514
Travel, meetings, per diems	3,000	43,840	5,064
Utilities	69,500	103,448	127,164
Wages and benefits	136,675	328,265	218,258
Transfer to capital assets	-	(8,075,791)	(1,432,341)
	<b>4,891,992</b>	<b>3,819,344</b>	<b>1,562,921</b>
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ 7,329,818</b>	<b>\$ 1,391,688</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - fixed	\$ -	\$ 4,410	\$ -
<b>Expenses</b>			
Consultants and contractors	-	1,654	-
Professional fees	-	2,756	-
	-	4,410	-
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - NFR grant	\$ 4,511,426	\$ 5,317,581	\$ 4,686,141
Indigenous Services Canada - fixed	595,558	45,210	813,707
Indigenous Services Canada - flexible	74,542	-	74,542
Other revenue	50,000	71,685	16,039
Deferred revenue - prior year	22,989	756,735	629,679
Deferred revenue - current year	-	(162,402)	(756,735)
	<b>5,254,515</b>	<b>6,028,809</b>	<b>5,463,373</b>
<b>Expenses</b>			
Administration - internal allocation	356,178	224,927	451,896
Consultants and contractors	198,363	123,773	145,931
Cultural programs	800	2,143	-
Equipment purchases	15,216	279,528	19,000
Fuel	62,000	50,676	48,821
Graduation, awards, prizes	-	1,200	-
Honorariums	25,000	29,589	15,520
Insurance	61,558	57,997	41,238
Interest and bank charges	600	-	271
Professional fees	398,417	218,245	181,364
Program expenses	42,500	45,231	34,585
Recreational activities	16,000	37,566	4,152
Registration fees	4,410	13,141	5,164
Repairs and maintenance	36,500	109,538	29,981
Student allowance	242,667	462,987	505,824
Student incentives	18,240	58,373	34,581
Supplies	420,313	334,097	234,580
Telephone	15,000	25,696	33,477
Training	11,276	30,000	28,904
Travel, meetings, per diems	73,057	104,742	117,946
Tuition	1,274,879	1,731,872	1,390,240
Utilities	50,000	71,281	64,915
Wages and benefits	1,931,541	2,353,747	2,208,733
Transfer to capital assets	-	(279,528)	(36,174)
	<b>5,254,515</b>	<b>6,086,821</b>	<b>5,560,949</b>
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (58,012)</b>	<b>\$ (97,576)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Indigenous Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - NFR grant	\$ 453,471	\$ 524,721	\$ 472,024
Indigenous Services Canada - flexible	63,000	138,500	142,204
Other revenue	51,513	67,434	36,889
Deferred revenue - current year	-	(1,000)	-
	<b>567,984</b>	<b>729,655</b>	<b>651,117</b>
<b>Expenses</b>			
Administration - internal allocation	(1,034,778)	(1,071,430)	(1,008,476)
Consultants and contractors	50,780	245,540	53,065
Cultural programs	500	500	550
Equipment purchases	1,950	69,902	3,932
Fuel	-	-	2,401
Honorariums	217,015	470,031	486,378
Insurance	12,268	88,508	50,091
Interest and bank charges	5,000	33,628	39,325
Professional fees	60,000	259,551	441,927
Program expenses	-	48,673	9,561
Registration fees	4,859	34,927	9,631
Repairs and maintenance	2,500	-	269
Supplies	20,172	48,409	77,630
Telephone	41,050	37,398	48,794
Training	2,400	-	14,305
Travel, meetings, per diems	168,123	167,941	302,130
Wages and benefits	704,506	685,643	432,431
Transfer to capital assets	-	(69,902)	(19,281)
	<b>256,345</b>	<b>1,049,319</b>	<b>944,663</b>
<b>Current surplus (deficit) before transfers</b>	<b>311,639</b>	<b>(319,664)</b>	<b>(293,546)</b>
<b>Transfers</b>			
Transfer - Other Band Programs	120,318	77,156	61,612
<b>Current surplus (deficit)</b>	<b>\$ 431,957</b>	<b>\$ (242,508)</b>	<b>\$ (231,934)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Land Management**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - NFR grant	\$ 161,786	\$ 173,981	\$ 161,786
Indigenous Services Canada - fixed	132,900	132,900	-
Deferred revenue - current year	-	(90,000)	-
	<b>294,686</b>	<b>216,881</b>	<b>161,786</b>
<b>Expenses</b>			
Administration - internal allocation	24,268	24,268	16,179
Consultants and contractors	185,860	52,184	12,548
Equipment purchases	6,820	16,868	3,000
Fuel	8,000	17,196	3,519
Insurance	242	1,279	733
Registration fees	-	2,920	-
Rent - equipment	1,650	1,850	-
Repairs and maintenance	5,000	13,422	22,473
Supplies	5,000	19,800	4,128
Telephone	1,800	1,675	5,175
Travel, meetings, per diems	10,000	5,139	16,740
Wages and benefits	46,046	60,280	90,324
Transfer to capital assets	-	(16,868)	(7,179)
	<b>294,686</b>	<b>200,013</b>	<b>167,640</b>
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ 16,868</b>	<b>\$ (5,854)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - NFR grant	\$ 2,714,468	\$ 3,528,906	\$ 2,440,044
Indigenous Services Canada - flexible	-	-	936,661
Deferred revenue - prior year	-	2,432,877	1,547,321
Deferred revenue - current year	-	(3,304,840)	(2,432,877)
	<b>2,714,468</b>	<b>2,656,943</b>	<b>2,491,149</b>
<b>Expenses</b>			
Administration - internal allocation	17,272	-	-
Assistance - social development	2,186,848	2,048,940	2,021,866
Consultants and contractors	216,738	148,522	121,754
Equipment purchases	-	-	48,338
Fuel	500	366	472
Honorariums	-	6,251	2,835
Insurance	-	127	-
Interest and bank charges	-	19,632	2,140
Professional fees	4,800	23,702	4,800
Program expenses	33,714	54,963	83,479
Repairs and maintenance	-	421	-
Supplies	2,700	21,382	2,459
Telephone	1,000	1,462	988
Training	-	3,112	1,155
Training initiatives	163,570	75,579	37,871
Travel, meetings, per diems	11,245	26,184	11,644
Tuition	-	-	74,751
Wages and benefits	76,081	226,300	76,597
Transfer to capital assets	-	-	(48,338)
	<b>2,714,468</b>	<b>2,656,943</b>	<b>2,442,811</b>
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,338</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**First Nation Child & Family Services**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - flexible	\$ 554,333	\$ 2,290,329	\$ 1,469,647
Deferred revenue - prior year	1,104,019	930,529	-
Deferred revenue - current year	-	(1,929,239)	(930,529)
	<b>1,658,352</b>	<b>1,291,619</b>	<b>539,118</b>
<b>Expenses</b>			
Administration - internal allocation	83,150	332,600	220,447
Consultants and contractors	766,991	94,582	4,375
Cultural programs	150,000	156,815	91,412
Equipment purchases	167,358	131,273	-
Fuel	9,000	1,600	-
Honorariums	24,000	4,900	500
Insurance	10,400	498	-
Professional fees	15,000	2,800	-
Program expenses	50,000	293,508	36,405
Recreational activities	150,000	13,159	79,791
Registration fees	1,200	-	710
Repairs and maintenance	200	1,346	-
Supplies	30,000	75,963	4,416
Telephone	7,500	2,442	225
Travel, meetings, per diems	16,000	37,055	24,517
Utilities	3,600	986	-
Wages and benefits	173,953	142,092	76,319
Transfer to capital assets	-	(131,273)	-
	<b>1,658,352</b>	<b>1,160,346</b>	<b>539,117</b>
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ 131,273</b>	<b>\$ 1</b>

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Registration and Membership**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - NFR grant	\$ 11,799	\$ 12,688	\$ 11,799
Indigenous Services Canada - fixed	- -	- -	15,000
	<b>11,799</b>	<b>12,688</b>	<b>26,799</b>
<b>Expenses</b>			
Administration - internal allocation	- -	- -	1,318
Consultants and contractors	- -	6,000	6,911
Equipment purchases	- -	- -	47,477
Supplies	1,139	862	2,156
Wages and benefits	10,660	5,826	10,964
Transfer to capital assets	- -	- -	(44,597)
	<b>11,799</b>	<b>12,688</b>	<b>24,229</b>
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,570</b>

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Health Services**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Indigenous Services Canada - NFR grant	\$ 1,390,427	\$ 1,573,564	\$ 1,465,726
Indigenous Services Canada - fixed	503,609	227,483	479,592
Indigenous Services Canada - set	212,506	212,806	270,106
Indigenous Services Canada - flexible	760,209	1,071,448	291,635
Deferred revenue - prior year	300,143	1,385,241	1,494,174
Deferred revenue - current year	-	(1,851,040)	(1,385,241)
	<b>3,166,894</b>	<b>2,619,502</b>	<b>2,615,992</b>
<b>Expenses</b>			
Administration - internal allocation	295,022	285,499	196,877
Advertising, promotions, sponsorships	200	-	-
Community support	-	142,994	79,802
Consultants and contractors	291,210	151,725	325,345
Contingency	424,460	-	-
Cultural programs	30,000	79,931	152,411
Equipment purchases	28,000	86,247	160,172
Fuel	32,700	26,764	32,463
Honorariums	6,100	5,293	236,612
Insurance	18,700	15,262	21,300
Interest and bank charges	562	10	668
Professional fees	17,075	4,353	100,141
Program expenses	664,659	626,359	318,371
Recreational activities	500	1,350	-
Registration fees	525	1,673	9,774
Rent - equipment	-	-	2,625
Repairs and maintenance	37,300	24,263	17,999
Supplies	212,231	156,036	164,326
Telephone	22,566	30,604	24,655
Training	5,458	3,160	-
Travel - medical transportation	12,300	33,013	83,227
Travel, meetings, per diems	57,591	124,679	111,099
Utilities	-	5,214	-
Wages and benefits	779,736	909,882	733,950
Transfer to capital assets	-	(86,247)	(176,462)
	<b>2,936,895</b>	<b>2,628,064</b>	<b>2,595,355</b>
<b>Current surplus (deficit) before transfers</b>	<b>229,999</b>	<b>(8,562)</b>	<b>20,637</b>
<b>Transfers</b>			
Transfer - Other Band Programs	(230,000)	(93,002)	-
<b>Current surplus (deficit)</b>	<b>\$ (1)</b>	<b>\$ (101,564)</b>	<b>\$ 20,637</b>

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
CMHC - subsidy	\$ 14,500	\$ 36,555	\$ 39,099
CMHC - supplementary funding	3,990,600	3,990,600	-
CMHC - other	132,722	150,000	34,262
CMHC - RRAP	-	54,136	-
MGBHLM Legacy Trust - authorized loan proceeds (Note 27)	3,000,000	3,000,000	-
CMHC rental income	-	50,635	56,097
Other revenue	75	12,340	3,012
Deferred revenue - current year	-	(1,558,732)	-
	7,137,897	5,735,534	132,470
<b>Expenses</b>			
Consultants and contractors	1,079,311	686,500	142,025
Insurance	32,848	46,218	32,036
Interest and bank charges	1,755	1,942	190
Mortgages - payments (principal & interest)	20,000	56,372	73,832
Mortgages - principal repayment	-	(46,830)	(54,210)
Professional fees	10,510	9,600	10,177
Repairs and maintenance	49,283	48,199	92,546
Supplies	5,944,190	4,816,962	140
Travel, meetings, per diems	-	13,526	-
Transfer to capital assets	-	(5,486,004)	(183,941)
	7,137,897	146,485	112,795
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ 5,589,049</b>	<b>\$ 19,675</b>

The accompanying notes are an integral part of the financial statements

**Schedule #12**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Other Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>			
Trust funds held by federal government	\$ 551,054	\$ 538,915	\$ 508,657
First Nations Trust	568,704	755,523	568,704
Federation of Sovereign Indigenous Nations (FSIN)	43,194	52,387	69,387
Saskatchewan Indian Training Assessment Group (SITAG)	141,671	114,932	154,453
BATC Community Development Corporation	412,962	237,600	47,848
Saskatchewan Government	120,318	344,831	61,612
Betterment Levy (FNGST)	595,785	612,161	557,174
Maurice Law contribution	682,000	682,000	282,000
Gains (losses) in government business enterprises	-	(537,629)	(675,153)
Other revenue	118,301	395,337	118,968
Deferred revenue - prior year	25,000	116,168	235,601
<u>Deferred revenue - current year</u>	<u>-</u>	<u>-</u>	<u>(116,168)</u>
	3,258,989	3,312,225	1,813,083
<b>Expenses</b>			
Administration - internal allocation	90,555	-	-
Advertising, promotions, sponsorships	14,713	14,713	-
Assistance - band members	584,539	515,106	718,013
Bad debts	-	27,678	-
Consultants and contractors	588,328	550,953	269,393
Cultural programs	627,873	793,353	469,939
Economic development	-	267,675	-
Equipment purchases	5,000	130,326	2,267
Fuel	-	1,124	1,489
Honorariums	47,000	148,683	21,953
Insurance	-	5,500	4,000
Interest and bank charges	87	2,113	70
Interest on long-term debt	-	29,075	36,696
Land lease payments	39,950	36,000	39,950
Mosquito Legacy Trust expenses	-	-	471,086
Other expenses	250	155	-
Professional fees	5,637	14,500	33,618
Program expenses	497,924	589,034	394,216
Recreational activities	-	187,142	17,409
Registration fees	-	338	2,090
Rent - equipment	1,500	7,153	-
Repairs and maintenance	2,000	1,220	103,068
Student allowance	50,000	56,239	58,400
Student incentives	53,380	27,278	38,500
Supplies	95,934	100,114	89,017

The accompanying notes are an integral part of the financial statements

**Schedule #12, continued**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Other Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
Telephone	3,500	3,019	2,397
Travel, meetings, per diems	395,081	546,016	390,499
Tuition	57,806	39,963	80,625
Utilities	7,420	3,614	2,759
Wages and benefits	200,194	154,453	115,811
Transfer to capital assets	-	(130,326)	(577,363)
	<b>3,368,671</b>	<b>4,122,211</b>	<b>2,785,902</b>
<b>Current deficit before transfers</b>	<b>(109,682)</b>	<b>(809,986)</b>	<b>(972,819)</b>
<b>Transfers</b>			
Transfer - Treaties and Indigenous Government	-	-	471,086
Transfer - Indigenous Government Support	(120,318)	(77,156)	(61,612)
Transfer - Health Services	230,000	93,002	-
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (794,140)</b>	<b>\$ (563,345)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #13**  
**Mosquito Grizzly Bears Head Lean Man First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2024*

	2024 Budget (unaudited)	2024 Actual	2023 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Community Infrastructure	-	1,361,549	1,042,930
Education	-	115,342	74,154
Indigenous Government Support	-	107,359	68,483
Land Management	-	5,408	5,408
FN Child & Family Services	-	29,571	-
Health Services	-	80,423	66,518
CMHC Operations	-	261,976	261,976
Other Band Programs	-	17,500	5,998
	-	<u>1,979,128</u>	<u>1,525,467</u>
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (1,979,128)</b>	<b>\$ (1,525,467)</b>

The accompanying notes are an integral part of the financial statements