



**Poundmaker Cree Nation**  
**Consolidated Financial Statements**  
*March 31, 2024*



# Poundmaker Cree Nation

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For the year ended March 31, 2024

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To the Members of Poundmaker Cree Nation:

## Qualified Opinion

We have audited the consolidated financial statements of Poundmaker Cree Nation (the "Nation"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows, and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2024, and the results of its consolidated operations, its consolidated changes in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Qualified Opinion

During our examination of expenses, we were unable to obtain sufficient and appropriate audit evidence to satisfy ourselves with regards to the accuracy, occurrence and classification of expenses. Consequently, we are unable to determine whether adjustment to the amounts reported as expenses are necessary in the consolidated statement of operations and accumulated surplus, schedule of consolidated expenses by object, and the schedules of segment revenues and expenses.

In addition, for the 2024 year end, Poundmaker Cree Nation did not prepare a budget. Therefore, the Nation's consolidated statements of operations and accumulated surplus, and net debt do not present a comparison of the results for the 2024 year end with a prepared and approved budget.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matter

We draw attention to Notes 13 and 15 to the consolidated financial statements which describe that Poundmaker Cree Nation entered into a Treaty Benefits Claim against the Government of Canada for damages sustained by the Nation. The Nation has obtained a loan to fund the costs of negotiations and has taken insurance to cover the repayment of the loan if it is in excess of settlement proceeds. Our opinion is not modified in respect of this matter.

## 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 Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Nation's financial reporting process.

**MNP LLP**

Suite 800, 119 - 4th Avenue S, Saskatoon SK, S7K 5X2

T: 306.665.6766 F: 306.665.9910

## Independent Auditor's Report *(continued from previous page)*

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### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan

December 10, 2024

*MNP* LLP

Chartered Professional Accountants

**MNP**



**Poundmaker Cree Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2024*

	<b>2024</b>	<b>2023</b>
<b>Financial assets</b>		
<b>Current</b>		
Cash	<b>4,150,855</b>	456,985
Restricted cash (Note 4)	<b>156,398</b>	1,292,569
Accounts receivable (Note 5)	<b>652,519</b>	1,719,098
Cattle inventory	<b>173,000</b>	215,060
Due from related parties (Note 6)	<b>587,879</b>	231,334
	<b>5,720,651</b>	3,915,046
<b>Restricted cash (Note 4)</b>	<b>372,100</b>	349,774
<b>Investment in Nation business entities (Note 7)</b>	<b>371,728</b>	663,390
<b>Funds held in Ottawa Trust Fund (Note 8)</b>	<b>131,174</b>	92,281
<b>Total financial assets</b>	<b>6,595,653</b>	5,020,491

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



**Poundmaker Cree Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2024*

	2024	2023
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	3,733,772	3,073,496
Deferred revenue (Note 10)	12,761,613	7,730,193
Due to related parties (Note 6)	483,042	34,767
Treaty Benefits Claim loan (Note 11)	550,000	350,000
Current portion of long-term debt (Note 13)	3,246,144	2,027,028
Current portion of capital lease obligations (Note 14)	157,119	53,950
	20,931,690	13,269,434
Term loans subject to refinancing (Note 12)	4,600,000	4,600,000
<b>Subtotal of current liabilities and term loans</b>	<b>25,531,690</b>	<b>17,869,434</b>
<b>Long-term debt (Note 13)</b>	<b>4,765,302</b>	<b>4,494,566</b>
<b>Capital lease obligations (Note 14)</b>	<b>629,766</b>	<b>147,754</b>
<b>Total liabilities</b>	<b>30,926,758</b>	<b>22,511,754</b>
<b>Net debt</b>	<b>(24,331,105)</b>	<b>(17,491,263)</b>
<b>Contingent asset (Note 15)</b>		
<b>Contingent liabilities (Note 16)</b>		
<b>Subsequent events (Note 25)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 17)	51,324,443	40,560,147
Prepaid expenses	26,250	98,250
<b>Total non-financial assets</b>	<b>51,350,693</b>	<b>40,658,397</b>
<b>Accumulated surplus (Note 18)</b>	<b>27,019,588</b>	<b>23,167,134</b>
<b>Approved on behalf of Chief and Council</b>		

Signed by: Chief Duane Antoine

Chief

Signed by: Leon Antoine

Councillor

Signed by: Marlene Chickeness

Councillor

Signed by: Lester Favel

Councillor



# Poundmaker Cree Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada (Note 22)		
Current funding	23,634,261	20,034,450
Deferred revenue - prior year	7,332,845	4,789,107
Deferred revenue - current year	(11,964,259)	(7,332,845)
Funding recovery	(96,457)	-
	<b>18,906,390</b>	17,490,712
Canada Mortgage and Housing Corporation	5,635,490	541,894
First Nations Trust	891,864	670,879
Miscellaneous	821,700	625,481
Battle River Treaty 6 Health Centre Inc.	519,473	85,675
Lease	319,796	226,392
Rental	201,745	172,350
Annual Income Poundmaker Legacy Trust	126,090	132,061
Ottawa Trust Fund	88,893	102,451
Province of Saskatchewan	55,631	-
Tire Shop Sales	14,510	-
Grants and proposal funding	14,334	34,287
Retail sales - meat shop	11,622	97,443
Government of Canada	2,927	285,019
Government of Canada - Class Action Settlement	-	500,000
Earnings (loss) from investment in Nation business entities (Note 7)	(291,662)	187,524
	<b>27,318,803</b>	21,152,168
<b>Program expenses</b>		
Administration	1,432,841	1,914,595
Education	7,774,144	7,455,956
Social Development	2,690,844	2,815,471
Housing	1,511,928	1,133,212
Operations and Maintenance	1,892,185	1,622,186
Capital	187,497	158,413
Own Source	5,408,862	2,912,139
Other	1,495,182	1,379,616
Children's Lodge	1,072,866	690,733
<b>Total expenditures</b>	<b>23,466,349</b>	20,082,321
<b>Surplus before other items</b>	<b>3,852,454</b>	1,069,847
<b>Other items</b>		
Gain on disposal of tangible capital assets	-	122,284
<b>Surplus</b>	<b>3,852,454</b>	1,192,131
<b>Accumulated surplus, beginning of year</b>	<b>23,167,134</b>	21,975,003
<b>Accumulated surplus, end of year</b>	<b>27,019,588</b>	23,167,134

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



**Poundmaker Cree Nation**  
**Consolidated Statement of Changes in Net Debt**  
*For the year ended March 31, 2024*

	<b>2024</b>	<b>2023</b>
<b>Surplus</b>	<b>3,852,454</b>	<b>1,192,131</b>
Purchases of tangible capital assets	<b>(11,467,444)</b>	(9,973,590)
Assets acquired through capital lease	<b>(674,672)</b>	-
Amortization of tangible capital assets	<b>1,377,820</b>	1,113,837
Gain on disposal of tangible capital assets	-	(122,284)
Proceeds on disposal of tangible capital assets	-	1,200
Use (acquisition) of prepaid expense	<b>72,000</b>	(98,250)
	<b>(10,692,296)</b>	(9,079,087)
<b>Increase in net debt</b>	<b>(6,839,842)</b>	(7,886,956)
<b>Net debt, beginning of year</b>	<b>(17,491,263)</b>	(9,604,307)
<b>Net debt, end of year</b>	<b>(24,331,105)</b>	(17,491,263)

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





**Poundmaker Cree Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2024*

	2024	2023
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus	3,852,454	1,192,131
Non-cash items		
Amortization of tangible capital assets	1,377,820	1,113,837
Gain on disposal of tangible capital assets	-	(122,284)
Loss (earnings) from investment in Nation business entities (Note 7)	291,662	(187,524)
	5,521,936	1,996,160
Changes in working capital accounts		
Accounts receivable	1,066,579	1,825,850
Accounts payable and accruals	660,276	1,150,061
Deferred revenue	5,031,420	2,701,542
Treaty Benefits Claim loan	200,000	350,000
Cattle inventory	42,060	(34,260)
Use (acquisition) of prepaid expenses	72,000	(98,250)
	12,594,271	7,891,103
<b>Financing activities</b>		
Advances of long-term debt	2,083,247	5,173,819
Repayment of long-term debt	(593,395)	(2,557,248)
Repayment of capital lease obligations	(89,491)	(66,470)
Due to/from related parties (net)	91,730	(100,781)
	1,492,091	2,449,320
<b>Capital activities</b>		
Purchases of tangible capital assets	(11,467,444)	(9,973,590)
Proceeds on disposal of tangible capital assets	-	1,200
	(11,467,444)	(9,972,390)
<b>Investing activities</b>		
Decrease in restricted cash	1,113,845	233,819
Increase in funds held in Ottawa Trust Fund	(38,893)	(27,451)
	1,074,952	206,368
<b>Increase in cash resources</b>	3,693,870	574,401
<b>Cash resources (deficiency), beginning of year</b>	456,985	(117,416)
<b>Cash resources, end of year</b>	4,150,855	456,985
<b>Supplementary cash flow information</b>		
Interest paid	1,069,171	492,758

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



# **Poundmaker Cree Nation**

## **Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2024*

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### **1. Operations**

The Poundmaker Cree Nation (the "Nation") is located in Treaty 6 Territory, and provides various services to its Members. Poundmaker Cree Nation includes all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

### **2. Change in accounting policy**

#### ***Revenue***

Effective April 1, 2023, the Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of revenue under PS 3400 *Revenue*. The new standard establishes when to recognize and how to measure revenue, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

### **3. Significant accounting policies**

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

#### ***Reporting entity - consolidated***

The consolidated financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity.

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

- Poundmaker Cree Nation
- Poundmaker Cree Nation CMHC Housing
- Poundmaker Royalty Corporation
- Poundmaker Treaty Land Entitlement Trust
- West Arrow Development Corporation

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

The Poundmaker Legacy Trust has not been consolidated as the Chief and Council do not control the Trust.

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

- Poundmaker Economic Development Holdings Limited Partnership
- Kanatinak Store 2 Inc.
- 101119042 Saskatchewan Ltd.



# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

### 3. Significant accounting policies (Continued from previous page)

#### **Basis of presentation**

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

#### **Cash and cash equivalents**

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

#### **Funds held in Ottawa Trust Fund**

Funds held in trust on behalf of Nation by the Government of Canada consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Nation tangible capital assets; 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.

#### **Tangible capital assets**

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

Land purchased is recorded at the purchase price. The Nation holds original reserve land and mineral rights on the land. The original reserve land and mineral rights are not recognized in the Nation's consolidated financial statements.

#### **Capital lease**

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on the straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

#### **Amortization**

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

	<b>Rate</b>
Land improvements	30 years
Buildings	25 years
CMHC housing	25 years
Vehicles and equipment	7-10 years
Computer equipment	5 years
Roads	40 years
Infrastructure	40 years

Assets under construction are not amortized until they are put into use. Land is not amortized. In the year of acquisition assets are amortized at 50% of the normal rate.



# **Poundmaker Cree Nation**

## **Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2024*

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### **3. Significant accounting policies** *(Continued from previous page)*

#### ***Long-lived assets***

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

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in surplus for the year.

#### ***Asset classification***

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

#### ***Inventory***

Cattle inventory is recorded at fair value less costs to sell.

#### ***Asset retirement obligation***

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the consolidated financial statement date when there is a legal obligation for the Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), 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 March 31, 2024. 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 tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the Nation reviews the carrying amount of the liability. The 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 tangible capital asset.

The Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. The Nation does not have any assets that give rise to an asset retirement obligation as at March 31, 2024.

#### ***Liability for contaminated site***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the 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.

At each financial reporting date, the Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. There are no known liabilities at March 31, 2024.



# **Poundmaker Cree Nation**

## **Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2024*

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### **3. Significant accounting policies** *(Continued from previous page)*

#### ***Net debt***

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

#### ***Revenue recognition***

##### ***Non-government funding***

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

##### ***Government transfers***

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

##### ***Non-exchange transactions***

The Nation recognizes revenue from donations, grants, interest, etc.

These non-exchange transactions have no performance obligations and are recognized at their realizable value when the Nation has the authority to claim or retain economic inflows based on a past transaction or event giving rise to an asset. Annual Income from the Poundmaker Legacy Trust is recognized when it becomes payable to the Nation under the terms of the Poundmaker Legacy Trust Agreement.

##### ***Exchange transactions***

Revenue from transactions with performance obligations is recognized when the Nation satisfies a performance obligation by providing the promised goods or services to a payor. The performance obligation is evaluated as being satisfied either over a period of time or at a point in time. Rental and lease revenue is recognized over the rental term. Miscellaneous and retail sales are recognized as they become receivable or when the goods or services have been provided.

#### ***Financial instruments***

The Nation recognizes its financial instruments when the Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The Nation has not made such an election during the year. All financial assets and liabilities are measured at amortized cost.

The Nation has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. All financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

All financial assets are tested annually for impairment. Management considers recent collection experience for receivables, such as delinquency in payments, in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the consolidated statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value.



# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

### 3. Significant accounting policies (Continued from previous page)

#### Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

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 tangible capital assets. Deferred revenue is recorded based on management's best estimate of costs to be spent.

#### Segments

The Nation conducts its business through 9 reportable segments (Note 20). These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

#### Other economic interests

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

### 4. Restricted cash

	2024	2023
<b>Current:</b>		
Capital projects	156,398	1,292,569
<b>Long-term:</b>		
CMHC Replacement Reserve	372,100	349,774
	<b>528,498</b>	<b>1,642,343</b>

### 5. Accounts receivable

	2024	2023
Indigenous Services Canada	397,193	1,064,277
Members	245,731	345,610
Other	108,582	57,094
CMHC	16,890	370,291
	<b>768,396</b>	<b>1,837,272</b>
Less: Allowance for doubtful accounts	115,877	118,174
	<b>652,519</b>	<b>1,719,098</b>



# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2024*

### 6. Due from (to) related parties

	2024	2023
Due from 101119042 Saskatchewan Ltd.	587,879	231,334
Due to Kanatinak Store 2 Inc.	(483,042)	(34,767)

The amounts due to (from) related parties are non-interest bearing, unsecured, and have no terms of repayment. Kanatinak Store 2 Inc. and 101119042 Saskatchewan Ltd. are owned by the Nation.

### 7. Investments in Nation business entities

The Nation has investments in the following entities:

	March 31, 2023	Share of earnings	March 31, 2024
Kanatinak Store 2 Inc.	720,716	(78,880)	641,836
101119042 Saskatchewan Ltd.	(57,426)	(212,782)	(270,208)
Poundmaker Economic Development Holdings Limited Partnership	100	-	100
	663,390	(291,662)	371,728

Summary financial information for each Nation business entity, accounted for using the modified equity method, is as follows:

	Kanatinak Store 2 Inc. As at March 31, 2024	101119042 Saskatchewan Ltd. As at March 31, 2024	Poundmaker Economic Development Holdings Limited Partnership As at March 31, 2024
<b>Assets</b>			
Current	515,832	529,056	100
Long-term	156,986	1,074,180	-
<b>Total assets</b>	672,818	1,603,236	100
<b>Liabilities</b>			
Current	30,982	700,030	-
Long-term	-	1,173,414	-
<b>Total liabilities</b>	30,982	1,873,444	-
<b>Net assets</b>	641,836	(270,208)	100
<b>Total revenue</b>	1,794,825	613,559	-
<b>Total expenses</b>	1,873,705	826,341	-
<b>Net income</b>	(78,880)	(212,782)	-



# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2024*

### 7. Investments in Nation business entities *(Continued from previous page)*

Principal repayments on long-term debt and lease of the Nation's business enterprises in each of the next five years assuming long-term debt subject to refinancing is renewed, at same or similar term, are estimated as follows:

	2025	2026	2027	2028	2029	Thereafter	Total
101119042 Saskatchewan Ltd.	215,790	212,804	227,536	198,661	132,053	186,570	1,173,414

The Nation has guaranteed the following debt on behalf of its business enterprises:

101119042 Saskatchewan Ltd. has the following long-term debt and leases for which the Nation has issued a guarantee for repayment:

- Innovation Credit Union loan of \$783,517 bearing interest at 5.50% per annum, repayable in blended monthly payments of \$11,938, maturity date September 2030.
- John Deere Financial lease of \$264,985 bearing interest at 8.25% per annum, repayable in blended monthly payments of \$7,289, maturity date September 2027.
- John Deere Financial lease of \$124,912 bearing interest at 7.30% per annum, repayment in blended monthly payments of \$2,956, maturity date April 2028.
- The debt and leases are secured by equipment.

Poundmaker Economic Development Holdings Limited Partnership was formed with a partnership agreement dated March 1, 2017. The Nation obtained 100% ownership with an initial capital investment of \$100. There was no activity in the Partnership for the year ending March 31, 2024.

### 8. Funds held in Ottawa Trust Fund

Capital and revenue trust monies are transferred to the Nation on the authorization of ISC, and with the consent of the Minister of Indigenous Services Canada.

	2024	2023
<b>Capital Trust</b>		
Balance, beginning of year	85,493	41,733
Royalties	28,404	43,760
Balance, end of year	113,897	85,493
<b>Revenue Trust</b>		
Balance, beginning of year	6,788	23,097
Lease and interest revenues	60,489	58,691
Withdrawals	(50,000)	(75,000)
Balance, end of year	17,277	6,788
	131,174	92,281

### 9. Bank indebtedness

The Nation has an operating line of credit of \$325,000 with interest at Royal Bank Prime plus 4.05%. At March 31, 2024, \$nil (2023 - \$nil) has been drawn. The operating line is secured by a general security agreement and a Band Council Resolution.





**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2024*

**10. Deferred revenue**

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

	<i>Balance 2023</i>	<i>Contributions received</i>	<i>Contributions utilized</i>	<i>Balance 2024</i>
Land Leases	397,348	419,802	299,796	517,354
Kanatinak Store Lease	-	300,000	20,000	280,000
ISC - Lagoon Upgrades	169,476	5,000,000	202,396	4,967,080
ISC - School Assess/Reno	1,365,637	-	-	1,365,637
ISC - CFS Capital	-	746,061	16,373	729,688
ISC - CFS Housing	-	459,649	-	459,649
ISC - Basic Needs	733,570	1,855,291	2,162,688	426,173
ISC - Water Systems	271,988	364,736	266,851	369,873
ISC - Cost Capacity Building FN Child and Family	445,012	-	100,953	344,059
ISC - Income Assistance, Employment & Training	92,642	181,894	500	274,036
ISC - CFS Prevention	-	1,167,916	905,691	262,225
ISC - Residential School Missing Children	244,056	31,988	41,669	234,375
ISC - JP Initiative - Music & Holistic Wellness	15,270	573,080	370,222	218,128
ISC - Roads and Bridges	626,975	1,162,358	1,581,577	207,756
ISC - FN Representative Service	-	325,038	129,822	195,216
ISC - Transfer Station	181,310	-	10,893	170,417
ISC - Sewage Pump Station Upgrades	1,448,082	-	1,291,480	156,602
ISC - JP Social Request	9,060	401,540	254,041	156,559
ISC - School Feasibility Study	-	150,000	-	150,000
ISC - Waste Water Systems	90,187	133,773	102,453	121,507
ISC - CFS Poverty	-	107,342	-	107,342
ISC - Well Access Road Upgrade	-	100,000	-	100,000
ISC - CFS Operations	-	93,617	-	93,617
ISC - Fire Protection	40,715	46,694	10,426	76,983
ISC - JP Initiative - Mental Health	11,265	343,416	278,045	76,636
ISC - Contaminated Site Assessment	-	75,000	-	75,000
ISC - Band Housing	-	271,791	199,266	72,525
ISC - JP - Education	-	662,629	594,661	67,968
ISC - JP - Case Management Capacity	130,501	-	62,563	67,938
ISC - Skills Link	46,646	81,720	62,454	65,912
ISC - Services Delivery - Infrastructure	95,514	-	32,443	63,071
ISC - JP Non Medical Travel	-	60,000	-	60,000
ISC - JP - Medical Transportation	52,255	18,628	13,036	57,847
ISC - Lands	30,000	-	-	30,000
ISC - Estates Capacity	-	67,204	43,622	23,582
ISC - Summer Work Experience	8,675	41,538	27,137	23,076
ISC - JP Service Coordination	-	241,200	219,410	21,790
ISC - Water Treatment Plant Upgrades	57,158	-	37,985	19,173
ISC - Service Delivery - IA	-	178,757	160,039	18,718
ISC - CFS Emergency	-	17,022	-	17,022
ISC - Institutional Care Co Payment	8,773	13,488	14,585	7,676
ISC - Flood Recovery	4,701	-	-	4,701
ISC - Awareness Raising	3,000	-	-	3,000
ISC - JP - Respite Care	-	12,250	10,548	1,702
ISC - Discussion Tables	41,183	-	41,183	-
ISC - Information Management & Technology	31,979	20,000	51,979	-
ISC - Meat Shop Processing Equipment	249,900	-	249,900	-
ISC - Provincial/Private Student Support	19,202	96,568	115,770	-
ISC - JP - Life Skills Coach	11,240	64,800	76,040	-
ISC - Education Partnership Program	7,853	140,616	148,469	-
ISC - JP Initiative - Mental Wellness Other	34,541	287,433	321,974	-
ISC - Post Secondary	14,372	715,070	729,442	-



# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

### 10. Deferred revenue (Continued from previous page)

	Balance 2023	Contributions received	Contributions utilized	Balance 2024
ISC - Prov School Targeted HCSE	13,815	441,508	455,323	-
ISC - FN School 2nd Level Services	18,664	-	18,664	-
ISC - Special Needs	41,390	155,441	196,831	-
ISC - Medical Transportation	57,880	121,243	179,123	-
ISC - Covid-19 Pandemic Health	47,605	-	47,605	-
ISC - Immediate Needs Renovation	381,894	770,394	1,152,288	-
ISC - Band Based Ec Dev	-	185,440	185,440	-
ISC - Horse Based Healing Camps	178,859	-	178,859	-
	<b>7,730,193</b>	<b>18,703,935</b>	<b>13,672,515</b>	<b>12,761,613</b>

### 11. Treaty Benefits Claim loan

During the year, legal counsel for the Treaty Benefits Claim (Note 15) provided the Nation with a \$200,000 loan. This is in addition to \$350,000 provided in the 2023 fiscal year. The total of \$550,000 is repayable upon settlement of the Treaty Benefits Claim. The amount bears no interest and is unsecured.

### 12. Term loans subject to refinancing

The term loan subject to refinancing was obtained from Royal Bank of Canada (RBC) to finance the purchase of land in Lloydminster, Saskatchewan. The loan bears interest at RBC prime plus 2.5%. Initial terms indicated proceeds from the Treaty Benefits Claim settlement would be used to repay the loan, subject to member ratification, provided a settlement was received within one year from the date of the loan. If the claim was not settled by then, repayment would commence based on a 288 month amortization period. In the interim, monthly interest only payments would be made on the loan. The interest only period has been extended beyond the initial one year.

### 13. Long-term debt

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

Phase	<u>Monthly payment including interest</u>	<u>Interest rate</u>	<u>Renewal Date</u>	<u>2024</u>	<u>2023</u>
I	1,614	0.98%	1-Apr-26	39,926	58,803
II	2,468	4.73%	1-Jun-23	94,266	119,360
III	1,354	1.86%	1-Apr-24	72,356	85,802
IV	1,243	0.79%	1-Jan-26	89,735	103,878
V	6,078	1.87%	1-May-24	309,046	375,538
VI	2,558	3.75%	1-Jul-27	322,241	340,541
IX	2,967	5.00%	1-Sep-28	504,812	-
				<b>1,432,382</b>	1,083,922

RBC Treaty Benefit term loan, with interest at Royal Bank prime plus .25%, repayable the earlier of: receipt of funds pursuant to a settlement, judgment or order relating to the Claim, secured by AmTrust Europe Limited insurance policy, surety bond and assignment of all proceeds payable under the insurance policy (see Note 15).

**2,570,532**      1,455,972

RBC consolidation term loan, repayable in quarterly instalments of \$113,599 including interest at Royal Bank prime plus 2.5%, maturing March 1, 2025, secured by preferred security interest in property and First Nations Trust and ISC funding.

**1,897,415**      2,157,885



**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2024*

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

RBC term loan, repayable in monthly instalments of \$3,152 plus interest at Royal Bank prime plus 1.5%, maturing July 18, 2024, secured by a Poundmaker Legacy Trust guarantee and a general security agreement.	<b>769,096</b>	806,921
RBC term loan, repayable in quarterly instalments of \$26,385 including interest at 8.04%, maturing July 14, 2025, secured by a general security agreement.	<b>395,444</b>	-
CMHC Phase VIII loan advances payable upon completion of Phase VIII housing.	<b>279,926</b>	279,926
RBC term loan, repayable in monthly instalments of \$1,883 including interest at 7.16%, maturing March 1, 2024, secured by a general security agreement.	<b>181,348</b>	190,602
RBC term loan, repayable in annual instalments of \$17,665 including interest at 7.63%, maturing April 5, 2028, secured by a Poundmaker Legacy Trust guarantee and a general security agreement.	<b>192,311</b>	197,241
John Deere Equipment Loan, repayable in semi-annual instalments of \$19,610 including interest at 4.5%, maturing July 7, 2027, secured by the equipment with a net book value of \$184,673.	<b>126,227</b>	158,690
CMHC Phase VII loan advances payable upon completion of Phase VII housing.	<b>125,097</b>	97,500
RBC term Loan, repayable in annual instalments of \$43,592 including interest at 8.45%, maturing May 26, 2023, secured by a general security agreement.	<b>41,668</b>	80,216
RBC loan. Repaid during the year.	-	12,719
	<b>8,011,446</b>	6,521,594
Less: current portion	<b>3,246,144</b>	2,027,028
	<b>4,765,302</b>	4,494,566

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

2025	3,246,144
2026	675,417
2027	702,565
2028	712,557
2029	638,200

The Treaty Benefit term loan is recorded as part of the current portion for 2024 (Note 15).

Long-term debt is subject to certain financial covenants with respect to timely submission of financial statements as well as various other restrictions and general covenants.



**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2024*

**14. Capital lease obligations**

	<b>2024</b>	<b>2023</b>
John Deere lease, repayable in monthly instalments of \$10,740 in the months of April to November including interest at 12.26%, maturing August 15, 2029, secured by equipment with a net book value of \$342,046 pledged as collateral.	<b>349,834</b>	-
Brandt Finance lease, repayable in monthly instalments of \$5,273 including interest at 10.16%, maturing September 26, 2028, secured by equipment with a net book value of \$236,550 pledged as collateral.	<b>227,768</b>	-
CWB National Leasing lease payable in monthly instalments of \$2,655 including interest at 7.75% per annum. Due October 2026, with vehicles having a net book value of \$103,925 pledged as collateral.	<b>74,894</b>	100,691
Ford Credit of Canada lease payable in monthly instalments of \$1,636 including interest at 8.89% per annum. Due December 15, 2027, with a vehicle having a net book value of \$90,844 pledged as collateral.	<b>62,396</b>	-
Ford Credit of Canada lease payable in monthly instalments of \$1,527 including interest at 5.24% per annum. Due July 23, 2026, with a vehicle having a net book value of \$60,242 pledged as collateral.	<b>40,336</b>	56,093
Ford Credit of Canada lease payable in monthly instalments of \$1,018 including interest at 6.24% per annum. Due January 1, 2027, with a vehicle having a net book value of \$39,667 pledged as collateral.	<b>31,657</b>	41,563
John Deere lease. Repaid during the year.	-	3,357
	<b>786,885</b>	201,704
Less: current portion	<b>157,119</b>	53,950
	<b>629,766</b>	147,754

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

2025	232,063
2026	232,063
2027	202,485
2028	163,915
2029	117,557
	948,083
Less: imputed interest	161,198
Balance of obligation	786,885



## **Poundmaker Cree Nation**

### **Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2024*

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#### **15. Contingent asset**

In 2018, the Nation initiated a Treaty Benefits Claim against the Government of Canada. The Nation has obtained a loan to finance the costs of negotiating this Claim. Insurance has been obtained to mitigate the risk that settlement proceeds may be less than the related loan outstanding at such time the Claim is resolved.

As of March 31, 2024, total expenses incurred for the Treaty Benefits Claim of \$2,570,532 (2023 - \$1,455,972) have been incurred and available financing drawn (Note 13). The Nation anticipates the loan will be paid from settlement proceeds. Pending settlement, the Nation also expects to provide funds to the programs with deferred revenues (Note 10). Subject to members ratifying this plan. When the Claim is finalized or the insurance proceeds are paid the amounts will be recognized in revenue.

#### **16. Contingent liabilities**

##### Funding

These consolidated financial statements are subject to review by the Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

##### Loan Guarantee

The Nation has guaranteed the long-term debt of 101119042 Saskatchewan Ltd. (Note 7).

##### Legal Proceedings

The Nation has been named as defendant in various legal proceedings. Liability, if any, can not be determined at this time nor can the ultimate outcome of these proceedings be determined. If any liability should result it will be recorded in the period it is determined.



**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2024*

**17. Tangible capital assets**

**For the year ended March 31, 2024**

	Cost					Accumulated Amortization					2024 Net book value
	Opening balance	Additions	Disposals	Reclass of assets	Ending balance	Opening balance	Current amortization	Amortization on disposals	Reclass of assets	Ending balance	
Land	11,416,781	-	-	-	11,416,781	-	-	-	-	-	11,416,781
Land Improvements	988,506	-	-	-	988,506	313,624	32,608	-	-	346,232	642,274
Buildings	19,244,160	8,246,791	-	913,904	28,404,855	12,637,951	569,072	-	-	13,207,023	15,197,832
CMHC Housing	4,808,875	579,300	-	-	5,388,175	3,179,879	203,941	-	-	3,383,820	2,004,355
Vehicles and Equipment	1,867,595	954,672	-	-	2,822,267	812,529	191,402	-	-	1,003,931	1,818,336
Computer Equipment	136,601	-	-	-	136,601	136,601	-	-	-	136,601	-
Roads	3,392,892	25,300	-	-	3,418,192	1,537,660	65,770	-	-	1,603,430	1,814,762
Infrastructure	15,751,338	-	-	-	15,751,338	2,882,242	315,027	-	-	3,197,269	12,554,069
Assets Under Construction	4,453,885	2,336,053	-	(913,904)	5,876,034	-	-	-	-	-	5,876,034
	62,060,633	12,142,116	-	-	74,202,749	21,500,486	1,377,820	-	-	22,878,306	51,324,443

**For the year ended March 31, 2023**

	Cost					Accumulated Amortization					2023 Net book value
	Opening balance	Additions	Disposals	Reclass of assets	Ending balance	Opening balance	Current amortization	Amortization on disposals	Reporting change	Ending balance	
Land	6,616,781	4,800,000	-	-	11,416,781	-	-	-	-	-	11,416,781
Land Improvements	958,506	30,000	-	-	988,506	281,358	32,266	-	-	313,624	674,882
Buildings	18,875,530	667,630	-	(299,000)	19,244,160	12,284,528	371,363	-	(17,940)	12,637,951	6,606,209
CMHC Housing	4,418,476	17,576	-	372,823	4,808,875	2,977,392	184,547	-	17,940	3,179,879	1,628,996
Vehicles and Equipment	1,536,330	386,705	(55,440)	-	1,867,595	863,038	126,015	(176,524)	-	812,529	1,055,066
Computer Equipment	136,601	-	-	-	136,601	136,601	-	-	-	136,601	-
Roads	3,392,892	-	-	-	3,392,892	1,452,838	84,822	-	-	1,537,660	1,855,232
Infrastructure	15,730,998	20,340	-	-	15,751,338	2,567,418	314,824	-	-	2,882,242	12,869,096
Assets Under Construction	476,369	4,051,339	-	(73,823)	4,453,885	-	-	-	-	-	4,453,885
	52,142,483	9,973,590	(55,440)	-	62,060,633	20,563,173	1,113,837	(176,524)	-	21,500,486	40,560,147

Tangible capital assets includes equipment under capital lease with a gross cost of \$1,087,808 (2023 - \$383,135) and accumulated amortization of \$177,678 (2023 - \$104,132). Included in additions in the current year is \$674,672 (2023 - \$nil) under capital lease.



# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

### 18. Accumulated operating surplus

Accumulated operating surplus consists of the following:

	2024	2023
Operating deficit	(13,356,168)	(9,143,195)
Tangible capital assets	41,752,203	32,120,738
Investments	371,728	663,390
CMHC operating reserve (deficit)	(256,227)	(191,131)
CMHC replacement reserve	947,410	1,081,023
Ottawa Trust Fund	131,174	92,281
Litigation financing	(2,570,532)	(1,455,972)
	<b>27,019,588</b>	<b>23,167,134</b>

### 19. Funds and reserves

The Poundmaker Cree Nation maintains the following funds and reserves as part of its operations:

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

### 20. Segments

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

- Administration - includes administration and governance activities.
- Education - includes the operations of education programs.
- Social Development - includes operations and delivery of social programs.
- Housing - includes the operations of housing.
- Operations and maintenance - includes operations for the maintenance of the Nation's buildings and infrastructure.
- Capital - reports on capital projects.
- Own Source - reports on operations related to economic development and other revenue generated by the Nation.
- Other - reports on operations of other band programs.
- Children's Lodge - reports on operations of children's lodge.



# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

### 21. Scope of operations

Poundmaker Cree Nation receives a significant portion of its revenue from ISC as a result of Treaties entered into with His Majesty the King. These treaties are administered by ISC under the terms and conditions of the *Indian Act*. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

### 22. Indigenous Services Canada (ISC) reconciliation

ISC funding per confirmation	23,634,261
Add: Deferred revenue, beginning	7,332,845
Deduct: Deferred revenue, ending	(11,964,259)
Deduct: Funding Recovery	(96,457)
	<hr/>
	18,906,390

### 23. Financial Instruments

The Nation as part of its operations carries a number of financial instruments. It is management's opinion that the Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

#### **Credit Risk**

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The carrying amount of accounts receivable represents the maximum exposure to credit risk. Accounts receivable from one entity represents 61% of total receivables as at March 31, 2024 (2023 - two entities representing 83%). As at March 31, 2024, \$260,526 (2023 - \$1,472,949) of accounts receivable was aged less than 30 days, \$0 (2023 - \$3,983) was aged 30 - 90 days, and \$391,993 (2023 - \$242,166) was aged over 90 days.

#### **Risk management**

The Nation manages its credit risk by performing regular credit assessments and providing allowances for potentially uncollectible accounts receivable. The Nation believes there is limited credit risk as the majority of accounts receivable is due from the Government of Canada and other large funders. Due from related parties also presents a credit risk. Management monitors the amounts due, and an allowance will be recorded if conditions indicate the amounts are no longer collectible.

#### **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in 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. The Nation is exposed to interest rate risk primarily relating to long-term debt. In seeking to minimize the risks from interest rate fluctuations, the Nation manages exposure through obtaining debt with a combination of fixed and variable rates and entering into agreements with Canada Mortgage and Housing Corporation (CMHC) to provide subsidy for the payment of principal and interest on the related loans from CMHC.

#### **Liquidity Risk**

Liquidity risk is the risk that the Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash. The Nation enters into transactions to purchase goods and services for which repayment is required at various dates.

The Nation manages the liquidity risk resulting from accounts payable and accruals, deferred revenue, capital lease payments and long-term debt payments by collecting accounts receivable, maintaining liquid assets and through an authorized operating line of credit of up to \$325,000.





## **Poundmaker Cree Nation**

### **Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2024*

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#### **24. Related party transactions**

During the year, the Nation conducted the following transactions with members of Chief and Council. The transactions were recorded at their exchange amount.

- Sold a cabin to the Chief for \$200,000. The Nation received \$100,000 up front, with the remaining amount to be paid back to the Nation over time. This cabin had previously been purchased from the Chief for \$200,000 during the 2023 fiscal year.
- Paid the Chief \$55,000 rent for the cabin that was sold back to him. \$10,000 was applied to the remaining \$100,000 owed to the Nation for the above transaction.
- Purchased a home from the Chief for \$396,111. Subsequent to year-end, the Nation agreed to sell the home back to the Chief. A \$100,000 payment was made towards the repurchase. Interest is not being charged on the balance owed to the Nation, and there are no formal terms of repayment.
- Paid a councillor \$241,787 to provide bussing services for the Nation.

At March 31, 2024 the Nation is owed \$119,698 (2023 - \$229,698) from the Chief. This amount is included in accounts receivable. Interest is not being charged on the balance owed to the Nation, and there are no formal terms of repayment.

#### **25. Subsequent events**

Subsequent to year-end, the Nation acquired three new loans with the following terms:

- RBC term loan of \$436,000, maturing May 2039, secured by a general security agreement.
- RBC term loan of \$829,000, maturing May 2029, secured by a general security agreement.
- RBC loan advances of \$1,000,000 payable upon completion of School Renovations capital project.

Along with the acquisition of these loans, the interest only period for the Fox Land purchase was extended from April 30 to June 30, 2024. Subsequent to June 30, 2024 blended interest and principal payments are now being made.

#### **26. Comparative figures**

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



**Poundmaker Cree Nation**  
**Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2024*

	<b>2024</b>	<b>2023</b>
Salaries and benefits	<b>5,515,822</b>	5,198,754
Social assistance	<b>2,355,259</b>	1,948,806
Program	<b>2,113,309</b>	2,577,300
Professional fees	<b>1,963,596</b>	1,458,881
Contracted services	<b>1,455,704</b>	1,458,664
Amortization of tangible capital assets	<b>1,377,820</b>	1,113,837
Repairs and maintenance	<b>1,305,630</b>	838,579
Meetings and travel	<b>1,073,835</b>	902,473
Student	<b>1,033,833</b>	926,969
Interest on long-term debt	<b>1,012,402</b>	537,387
Per capita distribution	<b>940,500</b>	443,750
Supplies	<b>874,693</b>	726,575
Membership assistance	<b>754,672</b>	444,206
Insurance	<b>543,949</b>	175,173
Equipment	<b>527,248</b>	335,198
Utilities and telephone	<b>426,732</b>	336,494
Rent	<b>143,379</b>	181,140
Prevention	<b>121,202</b>	470,939
Training	<b>88,131</b>	33,452
Bank charges and interest	<b>63,883</b>	42,071
Administration	<b>12,099</b>	(6,864)
Service fees	<b>6,001</b>	10,456
Bad debts	<b>4,965</b>	99,423
Retail cost of sales - meat shop	<b>(14,767)</b>	70,268
Reimbursements	<b>(233,548)</b>	(241,610)
	<b>23,466,349</b>	20,082,321



**Poundmaker Cree Nation**  
**Administration**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Current funding	1,189,242	1,157,016
Deferred revenue - prior year	-	36,197
Deferred revenue - current year	(45,372)	-
	1,143,870	1,193,213
Miscellaneous	104,394	10,675
Rental	20,500	-
Government of Canada	867	19
	1,269,631	1,203,907
<b>Expenses</b>		
Salaries and benefits	886,471	882,461
Professional fees	465,197	291,454
Meetings and travel	415,518	277,019
Program	93,256	376,638
Utilities and telephone	58,006	54,210
Amortization of tangible capital assets	55,491	52,393
Repairs and maintenance	43,555	86,162
Training	43,257	5,100
Contracted services	42,069	90,883
Insurance	40,686	82,816
Supplies	32,315	18,883
Bank charges and interest	20,461	(826)
Equipment	15,806	13,163
Membership assistance	6,481	4,220
Service fees	5,611	5,411
Prevention	700	(1,000)
Bad debts	-	19,423
Reimbursements	(16,518)	(6,346)
Administration	(775,521)	(337,469)
	1,432,841	1,914,595
<b>Deficit</b>	(163,210)	(710,688)



**Poundmaker Cree Nation**  
**Education**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Current funding	7,670,184	6,413,830
Deferred revenue - prior year	253,798	771,323
Deferred revenue - current year	(509,567)	(253,798)
	7,414,415	6,931,355
Government of Canada	-	285,000
Miscellaneous	-	24,099
	7,414,415	7,240,454
<b>Expenses</b>		
Salaries and benefits	3,183,370	2,889,680
Student	1,033,833	926,969
Program	808,281	779,088
Professional fees	711,421	957,069
Contracted services	691,602	585,863
Administration	421,243	507,546
Supplies	358,008	328,117
Meetings and travel	247,584	175,422
Repairs and maintenance	174,396	107,549
Utilities and telephone	104,700	103,466
Amortization of tangible capital assets	76,051	72,788
Equipment	71,637	102,413
Insurance	49,442	13,409
Training	27,232	22,741
Bank charges and interest	14,723	4,376
Reimbursements	(199,379)	(120,540)
	7,774,144	7,455,956
<b>Deficit</b>	(359,729)	(215,502)



**Poundmaker Cree Nation**  
**Social Development**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Current funding	2,433,166	2,710,721
Deferred revenue - prior year	1,102,390	1,120,878
Deferred revenue - current year	(857,612)	(1,102,390)
	2,677,944	2,729,209
Battle River Treaty 6 Health Centre Inc.	402,973	-
Miscellaneous	8,000	-
	3,088,917	2,729,209
<b>Expenses</b>		
Social assistance	2,355,259	1,948,806
Salaries and benefits	217,566	323,158
Repairs and maintenance	27,618	-
Meetings and travel	27,067	58,462
Membership assistance	18,370	23,199
Bank charges and interest	16,508	8,073
Utilities and telephone	9,272	18,008
Program	8,985	509,414
Bad debts	3,565	-
Equipment	3,078	150
Professional fees	2,000	-
Supplies	1,166	543
Service fees	390	-
Administration	-	15,461
Training	-	736
Insurance	-	70
Reimbursements	-	(90,609)
	2,690,844	2,815,471
<b>Surplus (deficit)</b>	398,073	(86,262)



**Poundmaker Cree Nation**  
**Housing**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Current funding	1,042,185	997,479
Deferred revenue - prior year	381,894	-
Deferred revenue - current year	(72,525)	(381,894)
	1,351,554	615,585
Canada Mortgage and Housing Corporation	5,635,490	541,894
Rental	181,245	172,350
Miscellaneous	13,766	15,134
	7,182,055	1,344,963
<b>Expenses</b>		
Amortization of tangible capital assets	559,996	387,928
Repairs and maintenance	493,562	347,405
Contracted services	84,953	84,843
Insurance	83,213	57,517
Supplies	71,539	81,839
Equipment	68,534	-
Administration	40,050	38,250
Interest on long-term debt	38,711	19,381
Salaries and benefits	33,850	61,570
Professional fees	21,342	16,508
Utilities and telephone	5,949	5,546
Bank charges and interest	5,579	6,016
Meetings and travel	4,650	5,671
Reimbursements	-	20,738
	1,511,928	1,133,212
<b>Surplus</b>	5,670,127	211,751



**Poundmaker Cree Nation**  
**Operations and Maintenance**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Current funding	2,131,971	1,987,081
Deferred revenue - prior year	1,029,865	257,490
Deferred revenue - current year	(851,119)	(1,029,865)
	2,310,717	1,214,706
Battle River Treaty 6 Health Centre Inc.	116,500	85,675
	2,427,217	1,300,381
<b>Expenses</b>		
Amortization of tangible capital assets	454,620	429,494
Contracted services	320,699	348,630
Repairs and maintenance	277,198	202,669
Salaries and benefits	225,977	224,710
Equipment	181,632	126,118
Administration	181,534	60,241
Utilities and telephone	164,362	131,950
Supplies	41,154	58,391
Insurance	25,583	10,045
Meetings and travel	15,576	13,375
Program	3,500	500
Bank charges and interest	119	2,137
Membership assistance	118	163
Reimbursements	113	-
Interest on long-term debt	-	13,763
	1,892,185	1,622,186
<b>Surplus (deficit)</b>	535,032	(321,805)



**Poundmaker Cree Nation**  
**Capital**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Current funding	5,250,000	2,985,000
Deferred revenue - prior year	3,229,364	2,319,621
Deferred revenue - current year	(6,936,610)	(3,229,364)
	1,542,754	2,075,257
<b>Expenses</b>		
Amortization of tangible capital assets	141,854	133,413
Repairs and maintenance	31,676	-
Contracted services	10,893	-
Bank charges and interest	2,114	-
Meetings and travel	960	-
Professional fees	-	25,000
	187,497	158,413
<b>Surplus</b>	1,355,257	1,916,844





**Poundmaker Cree Nation**  
**Own Source**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Deferred revenue - prior year	279,900	-
Current funding	185,440	279,900
Deferred revenue - current year	(30,000)	(279,900)
	435,340	-
First Nations Trust	891,860	670,879
Miscellaneous	669,478	459,638
Lease	319,796	226,392
Annual Income Poundmaker Legacy Trust	126,090	132,061
Province of Saskatchewan	55,631	-
Tire Shop sales	14,510	-
Retail sales - meat shop	11,622	97,443
Government of Canada - Class Action Settlement	-	500,000
Grants and proposal funding	-	9,287
Earnings (loss) from investment in Nation business entities	(291,662)	187,524
	2,232,665	2,283,224
<b>Expenses</b>		
Interest on long-term debt	973,691	504,243
Per capita distribution	940,500	443,750
Program	755,407	708,686
Salaries and benefits	669,487	502,991
Professional fees	665,006	61,445
Membership assistance	385,525	146,707
Insurance	337,886	6,932
Supplies	244,138	195,773
Rent	143,379	181,140
Repairs and maintenance	134,534	66,557
Contracted services	111,930	239,302
Amortization of tangible capital assets	60,818	21,320
Meetings and travel	53,449	99,318
Equipment	52,877	26,950
Utilities and telephone	9,275	2,956
Prevention	4,000	2,703
Bank charges and interest	3,167	21,895
Bad debts	1,400	80,000
Service fees	-	5,045
Reimbursements	(6,604)	(44,853)
Retail cost of sales - meat shop	(14,767)	70,268
Administration	(116,236)	(430,989)
	5,408,862	2,912,139
<b>Deficit before other item</b>	(3,176,197)	(628,915)
<b>Other item</b>		
Gain on disposal of tangible capital assets	-	121,084
<b>Deficit</b>	(3,176,197)	(507,831)



# Poundmaker Cree Nation Other

## Schedule of Segment Revenues and Expenses

For the year ended March 31, 2024

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Deferred revenue - prior year	1,055,634	283,598
Current funding	815,428	2,236,657
Funding recovery	(96,457)	-
Deferred revenue - current year	(796,695)	(1,055,634)
	977,910	1,464,621
Ottawa Trust Fund	88,893	102,451
Miscellaneous	22,660	115,935
Grants and proposal funding	14,334	25,000
Government of Canada	2,060	-
First Nations Trust	4	-
	1,105,861	1,708,007
<b>Expenses</b>		
Membership assistance	344,178	269,917
Program	282,112	199,693
Meetings and travel	231,596	257,131
Salaries and benefits	169,279	213,909
Contracted services	113,745	99,143
Supplies	97,241	41,643
Repairs and maintenance	63,721	8,737
Administration	62,069	140,096
Utilities and telephone	53,294	8,661
Professional fees	42,646	87,635
Equipment	27,878	40,900
Amortization of tangible capital assets	11,412	7,712
Insurance	7,139	4,384
Bank charges and interest	32	55
Reimbursements	(11,160)	-
	1,495,182	1,379,616
<b>Surplus (deficit) before other item</b>	<b>(389,321)</b>	<b>328,391</b>
<b>Other item</b>		
Gain on disposal of tangible capital assets	-	1,200
<b>Surplus (deficit)</b>	<b>(389,321)</b>	<b>329,591</b>



**Poundmaker Cree Nation**  
**Children's Lodge**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Indigenous Services Canada		
Current funding	2,916,645	1,266,766
Deferred revenue - current year	(1,864,759)	-
	1,051,886	1,266,766
Miscellaneous	3,402	-
	1,055,288	1,266,766
<b>Expenses</b>		
Administration	198,960	-
Program	161,768	3,281
Salaries and benefits	129,822	100,275
Prevention	116,502	469,236
Equipment	105,806	25,504
Contracted services	79,813	10,000
Meetings and travel	77,435	16,075
Repairs and maintenance	59,370	19,500
Professional fees	55,984	19,770
Supplies	29,132	1,386
Utilities and telephone	21,874	11,697
Training	17,642	4,875
Amortization of tangible capital assets	17,578	8,789
Bank charges and interest	1,180	345
	1,072,866	690,733
<b>Surplus (deficit)</b>	<b>(17,578)</b>	<b>576,033</b>