

Sturgeon Lake First Nation

Consolidated Financial Statements

March 31, 2021

Sturgeon Lake First Nation

Management's Responsibility for Financial Reporting

March 31, 2021

The financial statements have been prepared by management in accordance with the Canadian Public Sector Accounting Standards (PSAS) and the reporting requirements of the funding agreement with Indigenous Services Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the presentation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and review the financial statements and the external auditors' report.

McClelland Debusschere CPA PC Inc., an independent firm of Chartered Professional Accountants, has been engaged by Chief and Council to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements follows.

Signature on file

Sturgeon Lake First Nation

March 9, 2023

Date



McClelland Debusschere

Chartered Professional Accountants

Assurance Tax Advisory

Independent Auditor's Report

To the Members of
Sturgeon Lake First Nation

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Sturgeon Lake First Nation as at March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Public Sector Accounting Standards.

Basis for Opinion

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

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 32 in the consolidated financial statements, which explains that certain comparative information for the year ended March 31, 2020 has been restated. The consolidated financial statements for the year ended March 31, 2020 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on August 9, 2022. Our opinion is not modified in respect to 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 these consolidated financial statements in accordance with 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 these consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our



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opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

Saskatoon, SK
March 9, 2023

Chartered Professional Accountants

Sturgeon Lake First Nation

Consolidated Statement of Financial Position

March 31, 2021

	2021	2020 (Restated - see Note 32)
Financial Assets		
Cash	7,396,263	2,276,111
Restricted assets (Note 2)	6,034,199	5,770,127
Trust funds held by Federal Government (Note 3)	71,807	96,432
Portfolio investments (Note 4)	1,434,015	1,850,042
Accounts receivable (Note 5)	1,260,757	802,440
Inventory held for resale (Note 6)	379,093	311,126
Agricultural inventories (Note 7)	13,893	18,000
Limited partnership interests (Note 8)	2,322,943	2,031,213
Investments in government business enterprises (Note 9)	616	449
	\$ 18,913,586	\$ 13,155,940
Financial Liabilities		
Accounts payable (Note 10)	1,632,857	806,064
Due to related parties (Note 11)	251,100	-
Unexpended revenue (Note 12)	6,513,355	4,369,775
Long term debt (Note 13)	5,410,556	5,845,002
	13,807,868	11,020,841
Net Financial Assets	5,105,718	2,135,099
Non-financial Assets		
Prepaid expenses	29,686	8,418
Productive biological assets (Note 14)	268,950	391,500
Tangible capital assets (Note 15)	42,695,200	41,315,315
	42,993,836	41,715,233
Accumulated Surplus (Note 16)	\$ 48,099,554	\$ 43,850,332

Approved on behalf of the Sturgeon Lake First Nation

Signature on file _____ Chief

Signature on file _____ Councillor _____ Signature on file _____ Councillor

Signature on file _____ Councillor _____ Signature on file _____ Councillor

Signature on file _____ Councillor _____ Signature on file _____ Councillor

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

Sturgeon Lake First Nation

Consolidated Statement of Operations

For the Year Ended March 31, 2021

	2021 Budget	2021	2020 (Restated - see Note 32)
Revenue			
Grants and Contributions			
Indigenous Service Canada (Note 17)	7,299,288	28,142,877	19,955,139
Prince Albert Grand Council	151,501	782,238	2,452,671
First Nations Trust	325,444	654,888	901,220
CMHC Subsidy	-	470,658	471,909
Ottawa Trust	921,847	405,778	397,012
SIIT	-	248,890	250,609
Northern Lights Community Development Corp.	-	70,572	115,784
Store Sales	230,000	7,400,142	5,896,678
Other Revenue	849,651	2,431,478	2,593,083
Rental Income	12,000	531,627	616,264
TLE revenue account	-	425,072	510,657
Limited Partnership Earnings (Note 8)	-	290,730	867,772
Earnings in GBE (Note 9)	-	67	79
Recognition (deferral) of Unexpended Funding (Note 12)	-	(2,156,158)	(2,524,835)
	9,789,731	39,698,859	32,504,042
Expenses			
Education (Schedule 1)	7,146,002	7,263,885	6,222,017
Health (Schedule 2)	-	5,926,488	4,859,612
Economic Development (Schedule 3)	-	115,719	160,353
Housing (Schedule 4)	-	591,592	861,849
Social Services (Schedule 5)	-	3,260,400	2,810,229
Band Government (Schedule 6)	1,242,174	2,254,260	1,845,339
Community Services (Schedule 7)	-	1,233,156	1,063,700
Capital (Schedule 8)	-	767,317	767,541
Other Programs (Schedule 9)	716,394	12,310,841	9,216,486
Amortization	-	1,725,979	1,573,213
	9,104,570	35,449,637	29,380,339
Current surplus	685,161	4,249,222	3,123,703
Accumulated surplus - Beginning of the year	43,850,332	43,850,332	40,726,629
Accumulated surplus - End of the year (Note 16)	\$ 44,535,493	\$ 48,099,554	\$ 43,850,332
Expense by object disclosure (Note 18)			

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

Sturgeon Lake First Nation

Consolidated Statement of Changes in Net Financial Assets For the Year Ended March 31, 2021

	2021 Budget	2021	2020 (Restated - see Note 32)
Current surplus	4,249,222	4,249,222	3,123,703
Acquisition of tangible capital assets	-	(3,020,864)	(2,268,240)
Acquisition of productive biological assets	-	-	(435,000)
Disposal of tangible capital assets	-	2,000	-
Disposal of productive biological assets	-	39,500	-
Amortization of tangible capital assets	-	1,638,979	1,529,713
Amortization of productive biological assets	-	87,000	43,500
Reduction of accumulated amortization	-	(3,950)	-
Increase in prepaid expenses	-	(21,268)	(743)
Change in net financial assets during the year	4,249,222	2,970,619	1,992,933
Net financial assets - Beginning of year	-	2,135,099	142,166
Net financial assets - End of year	\$ 4,249,222	\$ 5,105,718	\$ 2,135,099

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

Sturgeon Lake First Nation

Consolidated Statement of Cash Flows For the Year Ended March 31, 2021

	2021	2020 (Restated - see Note 32)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Current surplus	4,249,222	3,123,703
Non-cash items:		
Amortization	1,725,979	1,573,213
Loss on disposal of assets	35,050	-
Change in working capital items:		
Trust funds held by Federal Gov't	24,625	20,515
Accounts receivable	(458,317)	(354,545)
Inventory held for resale	(67,967)	(50,468)
Agricultural inventories	4,107	69,220
Accounts payable	826,793	161,090
Due to related parties	251,100	(22)
Unexpended revenue	2,143,580	(5,261,554)
Prepaid expenses	(21,268)	(743)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	\$ 8,712,904	\$ (719,591)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Change in restricted assets	(264,073)	(1,094,338)
Earnings from LP interests	(290,730)	(867,772)
Earnings from GBE	(67)	(79)
Disposal (purchase) of portfolio investments	416,027	(511,420)
Purchase of partnership units - SL Property LP	(1,000)	-
Purchase of share capital - Sturgeon Lake Property Ltd.	(100)	-
Purchase of share capital - TLE Land Holding Corp.	-	(100)
NET CASH USED BY INVESTING ACTIVITIES	\$ (139,943)	\$ (2,473,709)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long term debt	-	75,000
Repayment of long term debt	(434,445)	(530,066)
NET CASH USED BY FINANCING ACTIVITIES	\$ (434,445)	\$ (455,066)
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Tangible capital assets addition	(3,020,864)	(2,268,240)
Proceeds from disposal of capital assets	2,500	-
Productive biological assets addition	-	(435,000)
NET CASH USED BY CAPITAL ACTIVITIES	\$ (3,018,364)	\$ (2,703,240)
Net cash increase (decreases)	5,120,152	(6,351,606)
Cash at beginning of period	2,276,111	8,627,717
Cash at end of period	\$ 7,396,263	\$ 2,276,111

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

Sturgeon Lake First Nation

Notes to the Financial Statements For the Year Ended March 31, 2021

1. Significant Accounting Policies

Sturgeon Lake First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include Sturgeon Lake First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

The reporting entity Sturgeon Lake First Nation is governed by elected officials from the Sturgeon Lake First Nation.

a. Basis of Accounting

These financial statements have been prepared in accordance with CPA Canada Public Sector Accounting Standards (PSAS) prescribed for governments.

Change in Accounting Policy

Reporting entities that are required to follow PSAS can also obtain guidance from other applicable standards when PSAS is silent on an issue. As a result, Canadian Accounting Standards for Private Enterprises (ASPE) has been looked at as guidance.

On April 1, 2020, the First Nation adopted Section 3041, Agriculture, under ASPE. Section 3041 provides specific authoritative guidance on the accounting for biological assets and the harvested products of biological assets for private enterprises that undertake agricultural production. Previously, such biological assets were accounted for in accordance with other applicable sections.

Under Section 3041, biological assets are segregated into agricultural inventories and productive biological assets. Agricultural inventories are measured using either the cost model (with cost determined using full cost or only input costs) or the net realizable value model (when specific conditions are met). Productive biological assets are measured at cost less accumulated amortization and impairment losses, if any.

Prior to the adoption of Section 3041, the First Nation measured its cows and bulls at net realizable value each period with gains and losses due to changes in the net realizable value of assets recognized in net income. Upon adopting Section 3041, the First Nation must measure its cows and bulls at cost. The First Nation has applied Section 3041 retrospectively, with restatement of its prior period financial statements.

Also, prior to the adoption of Section 3041, the First Nation measured all its agricultural inventories at the lower cost and net realizable value determined by the first-in, first-out method. Upon adoption of Section 3041, the First Nation made an accounting policy choice to measure its agricultural inventories of calves at net realizable value each period.

The effect on prior year's net income as a result of the application of this new accounting standard has been shown in Note 32.

b. Reporting entity

The Sturgeon Lake First Nation reporting entity includes the Sturgeon Lake First Nation government and all related entities, which are accountable to the First Nation and are either owned or controlled by the First Nation.

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

1 Significant Accounting Policies continued

c. Principles of consolidation

These financial statements consolidate the assets, liabilities, and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

Sturgeon Lake First Nation - Operations
Sturgeon Lake First Nation - CMHC Housing Fund
Sturgeon Lake First Nation - Store Enterprise
Sturgeon Lake First Nation - Treaty Land Entitlement Revenue Account
Sturgeon Lake First Nation - Land Holding Corporation

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Under the modified equity method of accounting, only Sturgeon Lake First Nation's investment in the government business enterprise or government business partnership and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Sturgeon Lake First Nation. Entities recorded under the modified equity method include:

Sturgeon Lake First Nation Developments Limited Partnership
Sturgeon Lake Property Limited Partnership
Sturgeon Lake Developments Ltd.
Sturgeon Lake Property Ltd.
Sturgeon Lake TLE Land Holding Corp.

d. 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 tangible capital assets and prepaid expenses.

e. 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 is comprised of two components, non-financial assets and accumulated surplus.

f. Cash

Cash includes cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of 90 days or less at acquisition which are held for the purpose of meeting short-term cash commitments.

Any cash that is legally restricted from use is recorded in restricted assets. Cash and deposits are considered restricted when they are subject to contingent rights of third parties.

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

1 Significant Accounting Policies continued

g. Inventory held for resale

Inventory is stated at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

h. Agricultural inventories

The First Nation's agricultural inventories of calves are measured using the net realizable value model.

i. Liability for contaminated sites

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, 2021.

At each financial reporting date, the First 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 First Nation continues to recognize the liability until it's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

It has been assessed by management that as at March 31, 2021 the liability is \$40,000 (2020: \$35,000).

j. Tangible capital assets

Tangible 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 tangible 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 Sturgeon Lake First Nation's incremental cost of borrowing.

Amortization is provided for over the estimated useful lives of the assets. No amortization is recorded in the year of acquisition.

Housing	40 years Straight line
Buildings	40 years Straight line
Infrastructure & Roads	25 - 40 years Straight line
Equipment	3 - 10 years Straight line
Vehicles	5 years Straight line

Sturgeon Lake First Nation

Notes to the Financial Statements For the Year Ended March 31, 2021

1 Significant Accounting Policies continued

j. Tangible capital assets continued

Tangible capital assets are written down when conditions indicate that they no longer contribute to Sturgeon Lake First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible 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 revenue 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 tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

k. Productive biological assets

Productive biological assets are carried at cost. Amortization is calculated using the straight-line method over estimated useful lives. Half of the regular amount of amortization is recorded in the year of acquisition.

Estimated useful lives are as follows:

Bulls	5 years
Cows	5 years

I. Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts receivable and member advances are assessed for collectability annually and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements.

m. Segments

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.

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

1 Significant Accounting Policies continued

m. Segments continued

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.

n. Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees".

o. 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 not practicable.

Government transfers, which includes transfers from Indigenous Services Canada, Prince Albert Grand Council, First Nations Trust, Canada Mortgage and Housing Corporation, the revenue trust, Saskatchewan Indian Institute of Technologies, and Northern Lights Community Development Corporation 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 a specific purpose.

Other revenues, which include TLE revenue, administration fees, expense recoveries, sales tax refunds, interest, rent, and sales at the Sturgeon Lake Store are recognized when they are earned.

Earnings from government business enterprises and limited partnerships are recorded based on the modified equity method, based on the ownership percentage held and reported income of the other entities.

Revenue related to fees or services received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service performed. Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funds received in advance of making the related expenses are reflected as deferred revenue in the year of receipt and classified as such in the financial statements. Any funding received pursuant to an agreement that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

p. Recognition of expenses

Expenses are accounted for in the period the goods or services are acquired and a liability is incurred or transfers are due.

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

1 Significant Accounting Policies continued

q. Portfolio investments

Portfolio investments that are quoted in an active market are recorded at their fair value. Changes in fair value are recorded in the consolidated statement of operations. Investments that are not quoted in an active market are recorded at cost less impairment. Impairment losses are reported as part of annual surplus on the consolidated statement of operations.

r. Pension plan

Sturgeon Lake First Nation provides a defined contribution pension plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee.

s. Funds held in Ottawa Trust Fund

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

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

t. Other economic interests

The First Nation is a member of the Prince Albert Grand Council (PAGC). The Prince Albert Grand Council is an organization of twelve nations.

The First Nation does not either share in the control or the profit or loss of Prince Albert Grand Council. As a result, the financial statements of the PAGC have not been consolidated or proportionately consolidated with the financial statements of Sturgeon Lake First Nation.

Sturgeon Lake First Nation

Notes to the Financial Statements For the Year Ended March 31, 2021

2. Restricted assets

The First Nation has received federal assistance through the CMHC, pursuant to Section 95 of the National Housing Act, to reduce mortgage interest and enable the First Nation to provide housing to members. The continuation of this interest rate reduction is contingent on the First Nation being in compliance with the terms of the agreement, which requires that a monthly amount be set aside to provide for major renovations to First Nation housing in future years.

The First Nation has established a replacement reserve to ensure replacement of buildings financed by the CMHC, as well as a reserve related to surpluses generated in the post-1997 program, which are to be set aside and used to meet future subsidy requirements of income tested occupants over and above the maximum federal assistance. The CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by the CMHC. Reserve withdrawals are credited first to interest and then to principal.

Cash received to complete capital projects is held in separate bank accounts or guaranteed investment certificates.

Heritage Trust and Health Planning and Management consists of cash and guaranteed investment certificates held and restricted for the heritage trust and health facility department respectively.

Restricted assets are comprised of the following:

	2021	2020
Funds held for capital projects	2,624,403	2,344,737
Heritage trust	1,663,338	1,661,740
CMHC - funded reserves	1,661,295	1,669,452
Health Planning & Management	85,163	94,198
	\$ 6,034,199	\$ 5,770,127

3. Trust funds held by federal government

	2021	2020		
	Revenue	Capital	Total	Total
Surplus, beginning of year	96,426	6	96,432	116,947
Lease revenue	402,086	-	402,086	394,345
Interest income	3,693	-	3,693	2,666
Disbursements	(430,404)	-	(430,404)	(417,526)
	\$ 71,801	\$ 6	\$ 71,807	\$ 96,432

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

4. Portfolio investments

The First Nation holds the following Investments:

	2021 Units	2020 Units	2021 Cost	2021 Market Value	2020 Cost	2020 Market Value
Bank of Montreal	1,500	1,500	116,757	168,030	116,757	106,590
Bank of Nova Scotia	1,200	1,200	75,397	94,344	75,397	68,964
Canadian Imperial Bank of Commerce	1,500	1,300	149,090	184,575	129,376	106,600
Royal Bank of Canada	1,500	1,500	113,642	173,805	113,642	130,755
Toronto-Dominion Bank	2,300	2,300	124,546	188,508	124,546	137,609
Walton Income 12 Bond	99,034	100,100	99,034	27,729	100,614	39,664
Walton Income 5 Bond	252,397	270,100	252,397	133,770	272,414	240,614
Fieldstone Capital	50,080	50,080	50,080	1,002	50,080	2,003
	409,511	428,080	980,943	971,763	982,826	832,799
Guaranteed investment Certificates	-	-	-	462,252	-	1,017,243
	\$ 409,511	\$ 428,080	\$ 980,943	\$ 1,434,015	\$ 982,826	\$ 1,850,042

WIGI Restructured Bond Corporation (WIGI RBC) was formed April 2, 2018, upon implementation of the Joint Agreement approved by the creditors of the corporation. No interest payments have been received on any of the Walton bonds since April 27, 2017. WIGI RBC has a monetization goal to monetize all of its assets in 3 to 5 years (commencing January 1, 2020) in order to repay its outstanding bond but management is not aware of how much they can expect to receive at this point in time.

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

5. Accounts Receivable

	2021	2020
Trade receivables		
Trade accounts receivable	927,372	403,002
Receivable from employees	33,670	1,678
Sales tax receivable	2,674	2,488
	963,716	407,168
Allowance for doubtful accounts	(13,180)	(13,180)
	950,536	393,988
Due from government and other government organizations		
Indigenous Services Canada	182,340	132,340
Prince Albert Grand Council	88,771	236,813
CMHC Subsidy	39,110	39,299
	310,221	408,452
	\$ 1,260,757	\$ 802,440

6. Inventory held for resale

Inventory held for resale consists of the following:

	2021	2020
Store inventory	173,088	120,904
Confectionary	95,829	93,726
Fuel	65,443	41,015
Other inventory	44,733	55,481
	\$ 379,093	\$ 311,126

7. Agricultural inventories

As at March 31, 2021, the First Nation held 14 calves (2020: 20). The First Nation's agricultural inventories consist of the following:

	2021	2020
Calves	\$ 13,893	\$ 18,000

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

8. Limited partnership interests

The First Nation has a 99.99% interest in Sturgeon Lake First Nation Developments Limited Partnership. During the year, the First Nation purchased 99.99% interest in Sturgeon Lake Property Limited Partnership. Summarized financial information for the limited partnership interests is as follows:

	Sturgeon Lake First Nation Developments LP	Sturgeon Lake Property LP	2021	Sturgeon Lake First Nation Developments LP	2020
Cash	\$ 236,971	\$ -	\$ 236,971	\$ 548,489	\$ 548,489
Other Assets	3,000,797	1,001	3,001,798	1,953,655	1,953,655
	3,237,768	1,001	3,238,769	2,502,144	2,502,144
Liabilities	915,593	-	915,593	470,728	470,728
Equity	2,322,175	1,001	2,323,176	2,031,416	2,031,416
	3,237,768	1,001	3,238,769	2,502,144	2,502,144
Revenue	1,179,534	-	1,179,534	1,735,698	1,735,698
Expenses	888,775	-	888,775	867,839	867,839
Net income	\$ 290,759	\$ -	\$ 290,759	\$ 867,859	\$ 867,859

The First Nation's limited partnership interests consist of the following:

	Sturgeon Lake First Nation Developments LP	Sturgeon Lake Property LP	2021	Sturgeon Lake First Nation Developments LP	2020
Balance, beginning of the year	2,031,213	-	2,031,213	1,163,441	1,163,441
Share of earnings	290,730	-	290,730	867,772	867,772
Purchase of partnership units	-	1,000	1,000	-	-
	\$ 2,321,943	\$ 1,000	\$ 2,322,943	\$ 2,031,213	\$ 2,031,213

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

9. Investments in government business enterprises

Government business enterprises are those organizations that meet the definition of government business enterprises as described by Public Sector Accounting Standards of CPA Canada. 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 government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenue received from outside the First Nation government. The First Nation owns a 100% interest in Sturgeon Lake Developments Ltd. and Sturgeon Lake TLE Land Holding Corp. During the year, the First Nation purchased 100% interest in Sturgeon Lake Property Ltd. Summarized financial information for the investments in government business enterprises is as follows:

	Sturgeon Lake Developments Ltd.	Sturgeon Lake TLE Land Holding Corp.	Sturgeon Lake Property Ltd.	2021	Sturgeon Lake Developments Ltd.	Sturgeon Lake TLE Land Holding Corp.	2020
Assets	423	100	100	623	358	100	458
Liabilities	7	-	-	7	9	-	9
Equity	416	100	100	616	349	100	449
	423	100	100	623	358	100	458
Revenue	74	-	-	74	88	-	88
Expenses	7	-	-	7	9	-	9
Net income	\$ 67	\$ -	\$ -	\$ 67	\$ 79	\$ -	\$ 79

The First Nation's government business enterprises consist of the following:

	Sturgeon Lake Developments Ltd.	Sturgeon Lake TLE Land Holding Corp.	Sturgeon Lake Property Ltd.	2021	Sturgeon Lake Developments Ltd.	Sturgeon Lake TLE Land Holding Corp.	2020
Balance, beginning of the year	349	100	-	449	270	100	370
Share of earnings	67	-	-	67	79	-	79
Purchase of shares	-	-	100	100	-	-	-
	\$ 416	\$ 100	\$ 100	\$ 616	\$ 349	\$ 100	\$ 449

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

10. Accounts payable

	2021	2020
Trade accounts payable	1,185,858	713,700
Capital project holdbacks	236,208	85,021
Other payable	210,791	7,343
	\$ 1,632,857	\$ 806,064

11. Due to related parties

Sturgeon Lake First Nation has received advances from its related entities that are unsecured, non-interest bearing, and are not subject to a fixed repayment schedule. These transactions are in the normal course of business for fair consideration that is mutually agreed upon by the related parties. Advances due to related parties consist of the following:

	2021	2020
Due to Sturgeon Lake First Nation Developments LP	250,000	-
Due to Sturgeon Lake Property LP	1,000	-
Due to Sturgeon Lake Property Ltd.	100	-
	\$ 251,100	\$ -

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

12. Unexpended revenue

ISC funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area. 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 "Unexpended funds" on the financial statements.

	Balance, beginning of the year	Contributions received	Amount recognized	2021
ISC Capital funding				
West Subdivision	551,220	300,000	(22,500)	828,720
West Lagoon - A&C Wastewater	212,954	957,300	(574,621)	595,633
Midwifery Project	-	447,077	-	447,077
School Roof & Water Damage Assessment	(52,236)	601,580	(265,829)	283,515
Water Treatment Plant	250,519	976	(162)	251,333
School Mechanical System	249,495	-	-	249,495
Lot Servicing	247,460	-	-	247,460
East Lagoon	-	200,000	(20,501)	179,499
Construction - Capital Housing (Immediate needs)	672,406	-	(672,406)	-
West Lagoon - FNWWAP Wastewater	1,047,762	-	(1,047,762)	-
	3,179,580	2,506,933	(2,603,781)	3,082,732
ISC Non-Capital Funding				
Local Roads & Bridges	-	800,000	-	800,000
COVID Response	-	862,893	(514,438)	348,455
COVID ICSF2 EMAP - Food Security	-	399,000	(70,662)	328,338
ICSF3 - Food Security	-	401,100	(79,481)	321,619
Waste Water	-	499,073	(201,023)	298,050
Midwifery Demonstration Project	-	350,000	(140,229)	209,771
Post Secondary Student Support	74,010	1,358,746	(1,237,550)	195,206
Water Systems	-	477,498	(295,601)	181,897
COVID-19 LEDSP Indigenous Community Development Fund	-	148,843	(14,884)	133,959
Mental Health Care	-	259,048	(154,218)	104,830
Winter Games	142,710	-	(43,709)	99,001
Social Assistance Employment & Training	-	289,152	(212,845)	76,307
Service Delivery	13,697	336,463	(276,117)	74,043
RLEMP - Non-Core	23,789	134,436	(115,013)	43,212

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

12 Unexpended revenue continued

	Balance, beginning of the year	Contributions received	Amount recognized	2021
Traditional Healer	-	228,337	(209,519)	18,818
Plan/Risk Mgmt Gov't. CAP Dev - Navigator	14,494	-	-	14,494
Other Protection	2,084	8,819	(960)	9,943
Electrical Systems	2,320	10,720	(8,418)	4,622
Economic Development	199,997	-	(199,997)	-
Reno /Additions - <1.5M	5,529	101,580	(107,109)	-
Recovery (COVID-19)	91,864	287,160	(379,024)	-
Solid Waste	7,686	54,000	(61,686)	-
Operations - Maintenance (O&M Transfer Station)	11,136	-	(11,136)	-
Instruction	365,475	4,708,387	(5,073,862)	-
Planning Design & Construction (Housing Emergencies)	87,238	375,556	(462,794)	-
Fire Protection	3,944	16,977	(20,921)	-
Roads & Bridges	15,516	66,794	(82,310)	-
Community Buildings	6,344	27,311	(33,655)	-
	1,067,833	12,201,893	(10,007,161)	3,262,565
Other Funding				
Health - Admin/Access	122,362	-	(12,578)	109,784
Head Start IELCC	-	157,915	(99,641)	58,274
	122,362	157,915	(112,219)	168,058
	\$ 4,369,775	\$ 14,866,741	\$ (12,723,161)	\$ 6,513,355

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

Sturgeon Lake First Nation

Notes to the Financial Statements For the Year Ended March 31, 2021

13. Long-term debt

The First Nation has the following long-term debt outstanding, and mortgages outstanding with Canada Mortgage and Housing Corporation (CMHC). The CMHC mortgages are secured by ministerial loan guarantees, and relate to the construction of on reserve housing. The First Nation receives a subsidy from CMHC to assist with the payment of principal and interest of the mortgages.

	2021	2020
CIBC RCMP Mortgage loan bearing interest at 2.89% per annum, repayable in monthly blended payments of \$2,247. The loan matures on July 1, 2029.	199,650	218,681
CIBC loan bearing interest at the prime rate + 1.00% per annum, repayable in monthly principal payments of \$2,083. The loan is callable on demand and matures on November 1, 2025.	116,667	-
CIBC loan bearing interest at the prime rate + 1.25% per annum, repayable in monthly principal payments of \$2,667. The loan is callable on demand and matures on August 1, 2023.	77,333	109,333
CIBC loan bearing interest at the prime rate + 1.25% per annum, repayable in quarterly principal payments of \$4,875. The loan is callable on demand and matures on January 3, 2022.	19,500	39,000
CIBC Loan repaid fully during the fiscal year.	-	75,000
	413,150	442,014

CMHC Mortgages

CMHC Phase #4 loan bearing interest at 0.75% per annum, repayable in monthly blended payments of \$2,856. The loan matures on December 1, 2024.	126,679	159,810
CMHC Phase #5 loan bearing interest at 1.31% per annum, repayable in monthly blended payments of \$1,610. The loan matures on January 1, 2027.	108,452	126,232
CMHC Phase #6 loan bearing interest at 2.21% per annum, repayable in monthly blended payments of \$1,646. The loan matures on December 1, 2028.	140,598	157,067
CMHC Phase #7 loan bearing interest at 0.69% per annum, repayable in monthly blended payments of \$2,132. The loan matures on April 1, 2025.	102,965	127,634
CMHC Phase #8 loan bearing interest at 0.27% per annum, repayable in monthly blended payments of \$7,857. The loan matures on April 1, 2031.	937,490	1,024,914
CMHC Phase #9 loan bearing interest at 2.48% per annum, repayable in monthly blended payments of \$6,010. The loan matures on January 1, 2033.	739,455	792,658
CMHC Phase #10 loan bearing interest at 0.27% per annum, repayable in monthly blended payments of \$2,306. The loan matures on July 1, 2035.	388,844	413,750
CMHC Phase #11 loan bearing interest at 0.27% per annum, repayable in monthly blended payments of \$3,706. The loan matures on October 1, 2035.	635,580	675,535
CMHC Phase #12 loan bearing interest at 0.46% per annum, repayable in monthly blended payments of \$2,331. The loan matures on October 1, 2035.	394,431	419,543
CMHC Phase #13 loan bearing interest at 1.13% per annum, repayable in monthly blended payments of \$5,926. The loan matures on June 1, 2036.	995,823	1,055,363
CMHC Phase #14 loan bearing interest at 1.31% per annum, repayable in monthly blended payments of \$1,969. The loan matures on December 1, 2036.	336,126	355,234
CMHC Phase #15 loan bearing interest at 2.48% per annum, repayable in monthly blended payments of \$549. The loan matures on February 1, 2038.	90,963	95,248
	4,997,406	5,402,988
	\$5,410,556	\$5,845,002

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

13 Long-term debt continued

Assuming renewal on comparable terms, principal payments required on long term debt for the next five years and thereafter are as follows:

	Bank debt & financing contracts	RCMP Mortgages	CMHC Mortgages	Total
2022	70,460	21,482	419,018	510,960
2023	52,823	22,111	423,025	497,959
2024	39,747	22,758	427,096	489,601
2025	23,630	23,425	422,663	469,718
2026	24,458	24,111	377,469	426,038
Subsequent	2,382	85,763	2,928,135	3,016,280
	\$ 213,500	\$ 199,650	\$ 4,997,406	\$ 5,410,556

The CIBC loans are secured by all present and acquired personal property of the First Nation.

The First Nation has five revolving line of credit limit of \$125,000, \$100,000, \$125,000, \$50,000, and \$75,000 which are yet to be utilized.

14. Productive Biological Assets

The First Nation's productive biological assets consist of the following:

			2021	2020
	Quantity of Animals	Cost	Accumulated Amortization	Net Book Value
Cows	147	367,500	116,750	250,750
Bulls	8	28,000	9,800	18,200
	\$ 155	\$ -	\$ 126,550	\$ 268,950
				\$ 391,500

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

15. Tangible Capital Assets

March 31, 2021	Land	CMHC Houses	First Nation Houses	Buildings	Infrastructure & Roads	Equipment	Vehicles	Assets under construction	Total
Cost									
Balance, beginning of year	5,991,007	10,783,797	5,507,944	28,412,850	3,048,416	4,308,903	3,283,840	8,815,666	70,152,423
Additions	184,363	-	-	-	-	182,983	57,231	2,596,287	3,020,864
Disposals	(2,000)	-	-	-	-	-	-	-	(2,000)
Balance, end of year	6,173,370	10,783,797	5,507,944	28,412,850	3,048,416	4,491,886	3,341,071	11,411,953	73,171,287
Accumulated amortization									
Balance, beginning of year	-	4,900,700	5,507,944	11,257,554	1,050,402	3,608,112	2,512,396	-	28,837,108
Amortization	-	431,352	-	742,904	78,335	142,975	243,413	-	1,638,979
Balance, end of year	-	5,332,052	5,507,944	12,000,458	1,128,737	3,751,087	2,755,809	-	30,476,087
Net Book Value, end of Year	6,173,370	5,451,745	-	16,412,392	1,919,679	740,799	585,262	11,411,953	42,695,200
March 31, 2020									
Cost									
Balance, beginning of year	5,900,164	10,783,797	5,507,944	28,401,619	3,048,416	4,025,623	2,992,612	7,224,008	67,884,183
Additions	90,843	-	-	11,231	-	283,280	291,228	1,591,658	2,268,240
Balance, end of year	5,991,007	10,783,797	5,507,944	28,412,850	3,048,416	4,308,903	3,283,840	8,815,666	70,152,423
Accumulated amortization									
Balance, beginning of year	-	4,495,117	5,507,944	10,582,997	972,069	3,477,286	2,271,982	-	27,307,395
Amortization	-	405,583	-	674,557	78,333	130,826	240,414	-	1,529,713
Balance, end of year	-	4,900,700	5,507,944	11,257,554	1,050,402	3,608,112	2,512,396	-	28,837,108
Net Book Value, end of year	\$ 5,991,007	\$ 5,883,097	\$ -	\$ 17,155,296	\$ 1,998,014	\$ 700,791	\$ 771,444	\$ 8,815,666	\$ 41,315,315

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

16. Accumulated surplus

	2021	2020
Operating funds	(6,651,901)	(4,457,211)
Equity in capital assets	37,284,645	35,470,314
Equity in investments	2,323,459	2,031,662
CMHC - replacement reserve	1,948,572	1,816,167
CMHC - operating reserve	(109,023)	74,978
	\$ 48,099,554	\$ 43,850,332

- The operating fund reports on the general activities of the First Nation's administration;
- Equity in capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services;
- Equity in investments reports on commercial business operations owned by the First Nation; and
- The CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

17. Reconciliation of ISC revenue

ISC revenue consists of the following:

	2021	2020
ISC - Flexible Contribution	13,172,608	8,982,593
ISC - Fixed Contribution	11,867,871	6,960,940
ISC - Block Contribution	2,325,318	2,060,692
ISC - Grant	551,753	551,753
ISC - Set Contribution	225,327	1,399,161
	\$ 28,142,877	\$ 19,955,139

The following is a reconciliation of the funds received from ISC:

	2021	2020
Balance received per ISC confirmation	28,142,877	19,822,799
Current year receivable		
Construction	-	112,340
Institutional care	-	20,000
	\$ 28,142,877	\$ 19,955,139

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

18. Expenses by object

	2021	2021	2020
	Budget	Actual	Actual
Salaries and benefits	5,349,283	9,368,669	8,782,709
Cost of sales	-	5,725,179	4,826,233
Contracted services	533,396	4,073,324	3,000,528
Social Assistance	-	3,260,400	2,810,229
Supplies	650,256	2,614,981	1,284,553
Assistance	408,000	1,957,025	655,828
Administrative Fees	659,227	1,867,556	1,034,717
Amortization of tangible assets	-	1,638,979	1,529,713
Student Expenses	162,850	1,357,333	1,339,749
Professional fees	58,750	1,219,676	115,604
Repairs and maintenance	171,299	999,455	1,278,224
Activities	144,700	923,531	1,412,956
Utilities	359,554	814,925	734,684
Insurance	23,505	514,940	516,191
Travel expenses	274,300	477,193	589,910
Other operating expenses	100,000	462,372	57,030
Equipment Purchase	-	352,724	38,561
Meetings & workshops	175,550	338,286	757,796
Interest and bank charges	33,900	148,411	152,823
Amortization of productive biological assets	-	87,000	43,500
Bad debt expense	-	26,196	10,458
Transfer to capital assets	-	2,778,518)	1,591,657)
	\$9,104,570	\$5,449,637	\$9,380,339

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

Sturgeon Lake First Nation

Notes to the Financial Statements For the Year Ended March 31, 2021

19. CMHC housing restricted funds

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the First Nation established the following:

- The replacement reserve to ensure replacement of capital equipment and for major repairs to housing units, which requires an annual cash allocation of \$129,328 to the reserve. At March 31, 2021, the reserve is required to be funded to a level of \$1,948,572 (2020 - \$1,816,167). At March 31, 2021, the cash balance in the reserve is \$1,661,295 (2020 - \$1,669,452).
- An operating surplus reserve established for housing units under the Post 1997 Fixed Subsidy Program which requires surpluses to be funded with cash. Future operating losses are able to draw on the reserve funds to sustain operations. At March 31, 2021, the reserve was over-funded by \$128,651.

In accordance with terms of the agreement, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

20. Health Canada - Movable Assets Reserve (MAR)

Health Canada funding agreements requires the First Nation to report on funding received and related expenditures for all assets over \$1,000 that are not permanently attached to the health facility building (e.g. medical equipment, furniture, vehicles).

There was no MAR for the current year.

21. Loan Guarantees

The Canadian Imperial Bank of Commerce (CIBC) has provided term loan to Sturgeon Lake First Nation Developments LP. This loan is secured by all present and after acquired personal property of Sturgeon Lake First Nation Developments LP (including by Sturgeon Lake First Nation). As loss on the loan guarantee is not considered likely, no provision for loss has been recorded within the liabilities of the financial statements.

The following is the total outstanding balance of the CIBC loan as at March 31, 2021:

	2021	2020
CIBC loan bearing interest at 5% per annum, repayable in monthly payments of \$7,084 plus interest. The loan is callable on demand and matures on January 1, 2024.	<u>\$ 238,288</u>	<u>\$ 323,296</u>

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

Sturgeon Lake First Nation

Notes to the Financial Statements For the Year Ended March 31, 2021

22. Contingent liabilities

Sturgeon Lake 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, Sturgeon Lake 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 Sturgeon Lake First Nation's financial statements. None are required to be recorded at this time.

23. Trusts under administration

Sturgeon Lake First Nation has assets in trust as a result of a settlement claim with Canada. These assets are managed by a corporate trustee and are not included on the statement of financial position as assets of the First Nation. Amounts held in trust at year end are the following:

	December 31, 2020	December 31, 2019
Sturgeon Lake First Nation TLE Trust	\$ 5,737,657	\$ 7,083,127

24. Leases in financial statements of lessees

The First Nation leases several office equipment under various operating lease agreements. The total lease expenses for these leases totaled approximately \$ 52,052 for 2021 (2020 - \$38,172).

25. Economic dependence

Sturgeon Lake First Nation receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada.

26. ISC funding

The First Nation (Recipient) receives funding from Indigenous Services Canada (ISC) by entering into an agreement with ISC.

There are five approaches that ISC may consider in the design and delivery of transfer payment programs:

1. Grant approach – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.

Sturgeon Lake First Nation

Notes to the Financial Statements For the Year Ended March 31, 2021

26 ISC funding continued

2. Set contribution approach – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to ISC annually.

3. Fixed contribution approach – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by ISC. A plan must be submitted and approved by ISC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by ISC.

4. Flexible contribution approach – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to ISC at the end of the project, program or agreement.

5. Block contribution approach – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by ISC.

27. Segmented information

As previously discussed in note 1 (m), the First Nation conducts its business through reportable segments as follows:

1 - Indigenous Services Canada (ISC)

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 labour 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.

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

27 Segmented information continued

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.

Social Services: 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.

Band Government: 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.

Community Services: Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, 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.

Capital: Costs to acquire, construct, operate and maintain capital community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection.

2 - Health Programs (FNIHB)

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

3 - 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.

4 - 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.

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

28. Pension Plan

The Sturgeon Lake First Nation and eligible employees participate in a defined contribution pension plan.

The Sturgeon Lake First Nation financial obligation is limited to providing contributions at a specific rate in respect of employees' current service. Information regarding contributions to the above mentioned pension plan is as follows:

	2021	2020
Employee contribution rate (percentage of salary)	5.0%-9.0%	5.0%-9.0%
Employer contribution rate (percentage of salary)	5.0%-9.0%	5.0%-9.0%

During the year, the Sturgeon Lake First Nation contributed \$261,333 (2020 - \$214,412) to the pension plan.

29. Annual Surplus Net of Capital Related Revenues and Amortization

	2021	2020
Current Surplus	4,249,222	3,123,702
Less capital related revenues included in annual surplus:		
Federal government transfers recognized	(3,208,015)	(1,770,058)
Less: Limited Partnership Earnings	1,041,207	1,353,644
Add amortization expense included in annual surplus	(290,730)	(867,772)
	1,725,979	1,573,213
	\$ 2,476,456	\$ 2,059,085

30. Financial Instruments

Financial assets include cash, restricted assets, trust funds held by the Federal Government, portfolio investments, accounts receivable, store inventory, agricultural inventory, limited partnership interests, government business enterprise investment are measured at amortized cost as presented on the consolidated statement of financial position, except for the trust funds held by the Federal Government and portfolio investments which are measured at fair value, and the government business enterprise investments and limited partnership interests, which are measured using the modified equity method.

Financial liabilities include accounts payable, due to related parties, unexpended revenue, and long-term debt and are measured at amortized cost as presented on the consolidated statement of financial position.

The First Nation is not subject to significant currency risk, credit risk, or other price risk. The following are the significant risks to which the First Nation is exposed.

Interest rate risk

The First Nation is exposed to interest rate cash flow risk to the extent that its loans payable are at a floating rate of interest. The First Nation is also exposed to interest rate price risk to the extent that agreements receivable are at a fixed rate of interest.

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

30 Financial Instruments continued

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. To manage this risk, the First Nation maintains a portion of its invested assets in liquid securities.

Market risk

Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. The significant market risks to which the First Nation is exposed are interest rate risk and price risk. The First Nation uses qualified investment managers to manage this risk.

31. Budgeted figures

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the budget approved by the Sturgeon Lake First Nation's Chief and Council.

32. Prior period adjustment

The First Nation has adjusted its comparative financial information as at and for the year ending March 31, 2020 due to the correction of the following:

Limited partnership investment

During the year, the investment in Sturgeon Lake First Nation Developments LP were determined to be government business partnerships which must be accounted for under the modified equity method. Previously, this entity was consolidated into the First Nations' consolidated financial statements on a full consolidation basis in error.

Government components

During the year, the investment in Sturgeon Lake Developments Ltd. and Sturgeon Lake TLE Land Holding Corp. were determined to be investment in government business enterprise which must be accounted for under the modified equity method. Previously, this entity was consolidated into the First Nations' consolidated financial statements on a full consolidation basis in error.

Restricted assets

In 2020, the restricted cash and marketable security assets held with the TLE trustees were consolidated into the First Nation's consolidated financial statements. During the year, these restricted assets were disclosed in the notes to the consolidated financial statements as Trusts under administration.

Accounts receivable

During the year, it was determined that a receivable was not recognized in 2020.

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

32 Prior period adjustment continued

Unexpended revenue

During the year, it was determined that some funding streams were incorrectly deferred in 2020.

As a result, the following consolidated financial statement items have been adjusted:

	2020 Previously Reported	2020 Adjustments	2020 Restated
Consolidated Statement of Financial Position			
Cash	\$ 2,109,097	\$ 167,014	\$ 2,276,111
Restricted assets	5,060,321	709,806	5,770,127
Portfolio investments	8,961,975	(7,111,933)	1,850,042
Accounts receivable	795,839	6,601	802,440
Inventory held for resale	4,289,878	(3,978,752)	311,126
Agricultural inventories	-	18,000	18,000
Limited partnership interests	-	2,031,213	2,031,213
Investments in GBE	-	449	449
Accounts payable	1,320,901	(514,837)	806,064
Floor plan notes payable	1,115,673	(1,115,673)	-
Unexpended revenue	13,961,547	(9,591,772)	4,369,775
Prepaid expenses	14,408	(5,990)	8,418
Biological productive assets	-	391,500	391,500
Tangible capital assets	43,604,231	(2,288,916)	41,315,315
Accumulated surplus - end of year	42,592,626	1,257,706	43,850,332
Consolidated Statement of Operations			
TLE revenue account	\$ 317,634	\$ 193,023	\$ 510,657
Revenue from other government organizations	8,348,770	(8,348,770)	-
Northern Lights Community Development	71,070	44,714	115,784
Earnings in GBE	-	79	79
Limited partnership earnings	-	867,772	867,772
Recognition (deferral) of unexpended revenue	(3,606,110)	1,081,275	(2,524,835)
Amortization of biological productive assets	-	43,500	43,500
Amortization of tangible capital assets	1,670,402	(140,689)	1,529,713
Expenses from other government organizations	8,551,583	(8,551,583)	-
Annual surplus	1,236,842	1,886,861	3,123,703

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

Sturgeon Lake First Nation

Notes to the Financial Statements
For the Year Ended March 31, 2021

32 Prior period adjustment continued

	2020 Previously Reported	2020 Adjustments	2020 Restated
Accumulated surplus - beginning of year	41,355,784	(629,155)	40,726,629
Accumulated surplus - end of year	42,592,626	1,257,706	43,850,332
Consolidated Statement of Changes in Net Financial Assets			
Annual Surplus	\$ 1,236,842	\$ 1,886,861	\$ 3,123,703
Acquisition of tangible capital assets	(2,442,375)	174,135	(2,268,240)
Acquisition of productive biological assets	-	(435,000)	(435,000)
Amortization of tangible capital assets	1,670,402	(140,689)	1,529,713
Amortization of productive biological assets	-	43,500	43,500
Decrease (increase) in prepaid expenses	7,546	(8,289)	(743)
Change in net financial assets (debt)	472,415	1,520,516	1,992,931
Net financial assets (debt) - Beginning of year	(1,498,428)	1,640,594	142,166
Net financial assets (debt) - End of year	(1,026,013)	3,161,112	2,135,099
Consolidated Statement of Cash Flows			
Annual Surplus	\$ 1,236,842	\$ 1,886,861	\$ 3,123,703
Amortization	1,670,402	(97,189)	1,573,213
Change in accounts receivable	(126,234)	(228,311)	(354,545)
Change in inventory held for resale	(342,372)	291,904	(50,468)
Change in accounts payable	(9,732)	170,822	161,090
Change in unexpended revenue	3,469,672	(8,731,226)	(5,261,554)
Change in prepaid expenses	7,546	(8,289)	(743)
Change in restricted assets	(752,050)	(342,288)	(1,094,338)
Change in floor plan notes payable	(72,483)	72,483	-
Earnings from GBE	-	(79)	(79)
Earnings from LP interests	-	(867,772)	(867,772)
Disposal of portfolio investments	(569,079)	57,659	(511,420)
Purchase of share capital	-	(100)	(100)
Tangible capital assets addition	(2,442,375)	174,135	(2,268,240)
Productive biological assets addition	-	(435,000)	(435,000)
Net cash decrease	(3,119,171)	(3,232,435)	(6,351,606)
Cash at beginning of period	494,026	8,133,690	8,627,716
Cash at end of period	\$ 2,109,097	\$ 167,014	\$ 2,276,111

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

Sturgeon Lake First Nation

Notes to the Financial Statements

For the Year Ended March 31, 2021

33. Comparative figures

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

Sturgeon Lake First Nation

Schedule #1

Education

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
ISC - Fixed Contribution	6,592,525	6,592,525	4,294,281
Prince Albert Grand Council	151,501	291,957	1,780,358
Other revenue	-	225,243	229,180
Recognition (deferral) of unexpended funding	-	307,201	(365,475)
	6,744,026	7,416,926	5,938,344
Expenses			
Salaries and benefits	4,761,609	4,724,213	4,330,231
Administrative Fees	659,227	666,753	429,427
Supplies	453,756	364,598	281,201
Assistance	-	322,229	-
Contracted Services	314,252	298,701	189,407
Utilities	281,554	290,390	196,338
Meetings & workshops	150,550	156,379	214,569
Student Expenses	151,600	121,722	145,290
Repairs and maintenance	166,299	119,967	113,477
Activities	67,700	83,302	177,174
Equipment Purchase	-	77,500	37,467
Travel expenses	48,300	49,120	33,555
Insurance	23,505	28,258	21,856
Other operating expenses	45,000	24,888	30,903
Professional fees	12,750	9,051	12,750
Interest and bank charges	9,900	4,314	8,372
	7,146,002	7,341,385	6,222,017
Current surplus before transfers	(401,976)	75,541	(283,673)
Transfer to capital assets	-	77,500	-
Current surplus (deficit)	\$ (401,976)	\$ 153,041	\$ (283,673)

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

Sturgeon Lake First Nation

Schedule #2

Health

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
ISC - Flexible Contribution	-	2,994,986	1,131,677
ISC - Block Contribution	-	2,325,318	2,060,692
ISC - Fixed Contribution	-	1,413,540	-
ISC - Set Contribution	-	-	1,216,321
Prince Albert Grand Council	-	268,274	358,865
Other revenue	-	780,417	686,733
Recognition (deferral) of unexpended funding	-	(780,496)	-
	-	7,002,039	5,454,288
Expenses			
Salaries and benefits	-	2,193,630	1,938,558
Supplies	-	1,810,090	617,925
Activities	-	743,711	964,179
Administrative Fees	-	558,376	329,488
Travel expenses	-	153,677	183,846
Meetings & workshops	-	121,677	408,288
Student Expenses	-	90,782	-
Contracted Services	-	77,596	40,326
Equipment Purchase	-	57,231	-
Insurance	-	53,744	33,034
Utilities	-	51,612	39,125
Repairs and maintenance	-	49,164	109,012
Other operating expenses	-	10,310	136,034
Interest and bank charges	-	6,130	9,416
Professional fees	-	5,989	15,281
Assistance	-	-	35,100
	-	5,983,719	4,859,612
Current surplus before transfers			
Transfer to capital assets	-	1,018,320	594,676
	-	57,231	-
Current surplus (deficit)	\$ -	\$ 1,075,551	\$ 594,676

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

Sturgeon Lake First Nation

Schedule #3

Economic Development

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
ISC - Fixed Contribution	-	-	81,040
Prince Albert Grand Council	-	60,296	110,796
Other revenue	-	1,815	29,363
Recognition (deferral) of unexpended funding	-	199,997	-
	-	262,108	221,199
Expenses			
Contracted Services	-	68,608	28,367
Salaries and benefits	-	27,209	46,713
Supplies	-	7,299	8,854
Utilities	-	3,654	5,957
Meetings & workshops	-	3,151	22,000
Equipment Purchase	-	2,659	650
Insurance	-	1,351	1,332
Repairs and maintenance	-	990	8,934
Travel expenses	-	651	6,226
Interest and bank charges	-	147	-
Other operating expenses	-	-	31,320
	-	115,719	160,353
Current surplus (deficit)	\$ -	\$ 146,389	\$ 60,846

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

Sturgeon Lake First Nation

Schedule #4

Housing

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
Rental income	-	486,756	483,996
CMHC Subsidy	-	470,658	471,909
Other revenue	-	-	7,613
	<hr/>	<hr/>	<hr/>
		957,414	963,518
Expenses			
Insurance	-	264,298	187,844
Repairs and maintenance	-	171,430	503,933
Interest and bank charges	-	82,498	92,348
Administrative Fees	-	56,737	56,769
Professional fees	-	13,000	12,750
Supplies	-	2,829	363
Contracted Services	-	800	7,842
	<hr/>	<hr/>	<hr/>
		591,592	861,849
Current surplus (deficit)	\$ -	\$ 365,822	\$ 101,669

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

Sturgeon Lake First Nation

Schedule #5

Social Services

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
ISC - Flexible Contribution	-	3,799,551	3,112,309
Expenses			
Social Assistance	-	3,260,400	2,810,229
Current surplus (deficit)	\$ -	\$ 539,151	\$ 302,080

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

Sturgeon Lake First Nation

Schedule #6

Band Government

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
ISC - Fixed Contribution	22,236	613,023	452,447
ISC - Grant	640,787	551,753	551,753
ISC - Flexible Contribution	-	107,263	114,553
Administrative Fees	-	1,038,679	705,228
Limited Partnership Earnings	-	290,730	867,772
Other revenue	849,651	117,755	563
Northern Lights Community Development	-	70,572	115,784
Rental income	12,000	5,070	29,728
Earnings (loss) in GBE	-	67	79
Prince Albert Grand Council	-	-	55,163
Recognition (deferral) of unexpended funding	-	(79,769)	(51,980)
	1,524,674	2,715,143	2,841,090
Expenses			
Salaries and benefits	587,674	874,322	854,270
Professional fees	23,000	242,522	14,673
Supplies	196,500	222,051	259,884
Travel expenses	224,000	201,933	255,112
Contracted Services	100,000	198,454	170,761
Utilities	53,000	151,614	96,530
Repairs and maintenance	5,000	137,173	7,446
Equipment Purchase	-	73,330	444
Administrative Fees	-	72,029	56,698
Meetings & workshops	25,000	39,156	40,279
Interest and bank charges	13,000	22,677	9,056
Insurance	-	18,498	43,463
Other operating expenses	15,000	501	36,723
	1,242,174	2,254,260	1,845,339
Current surplus (deficit)	\$ 282,500	\$ 460,883	\$ 995,751

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

Sturgeon Lake First Nation

Schedule #7

Community Services

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
ISC - Fixed Contribution	-	1,373,624	703,180
ISC - Flexible Contribution	-	800,000	180,274
Other revenue	-	88,730	62,281
Recognition (deferral) of unexpended funding	-	(1,271,287)	(23,226)
	-	991,067	922,509
Expenses			
Contracted Services	-	497,751	359,374
Salaries and benefits	-	240,237	217,116
Utilities	-	179,072	182,757
Administrative Fees	-	137,362	88,341
Equipment Purchase	-	125,000	-
Repairs and maintenance	-	99,055	142,698
Supplies	-	35,364	30,866
Insurance	-	21,551	19,388
Travel expenses	-	12,769	10,855
Interest and bank charges	-	8,058	9,179
Meetings & workshops	-	1,937	3,127
	-	1,358,156	1,063,701
Current surplus before transfers			
Transfer to capital assets	-	(367,089)	(141,192)
	-	125,000	-
Current surplus (deficit)	\$ -	\$ (242,089)	\$ (141,192)

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

Sturgeon Lake First Nation

Schedule #8

Capital

Schedule of Operations

For the Year Ended March 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
ISC - Flexible Contribution	-	2,545,518	3,973,840
Rental income	-	39,801	2,540
Other revenue	-	5,158	301,550
Recognition (deferral) of unexpended funding	-	662,497	(2,203,782)
	-	3,252,974	2,074,148
Expenses			
Contracted Services	-	1,946,464	1,664,433
Professional fees	-	717,576	-
Repairs and maintenance	-	370,216	314,212
Insurance	-	89,204	190,994
Salaries and benefits	-	86,240	132,447
Administrative Fees	-	28,868	-
Utilities	-	15,212	22,713
Interest and bank charges	-	14,747	5,526
Meetings & workshops	-	10,330	5,762
Travel expenses	-	4,075	6,329
Supplies	-	3,172	3,282
Other operating expenses	-	-	13,500
	-	3,286,104	2,359,198
Current surplus before transfers			
Transfer to capital assets	-	(33,130)	(285,050)
	-	(2,518,787)	(1,591,657)
Current surplus (deficit)	\$ -	\$ 2,485,657	\$ 1,306,607

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

Sturgeon Lake First Nation

Schedule #9

Other Programs

Schedule of Operations

For the Year Ended March 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
ISC - Flexible Contribution	-	2,925,290	469,940
ISC - Fixed Contribution	-	1,875,159	1,429,992
ISC - Set Contribution	-	225,327	182,840
Store revenue	230,000	7,400,142	5,896,678
First Nations Trust	325,444	654,888	901,220
Revenue from other government organizations	-	425,072	510,657
Ottawa Trust Fund Revenue	921,847	405,778	397,012
SIIT	-	248,890	250,609
Other revenue	-	173,680	570,571
Prince Albert Grand Council	-	161,711	147,491
Rental income	-	-	100,000
Recognition (deferral) of unexpended funding	-	(1,194,300)	119,628
	1,477,291	13,301,637	10,976,638
Expenses			
Cost of Sales	-	5,725,179	4,826,233
Assistance	408,000	1,634,797	620,728
Salaries and benefits	-	1,222,819	1,263,373
Student Expenses	11,250	1,144,829	1,194,459
Contracted Services	119,144	984,949	540,018
Other operating expenses	40,000	426,671	(191,448)
Administrative Fees	-	347,431	73,993
Professional fees	23,000	231,539	60,150
Supplies	-	169,579	82,178
Utilities	25,000	123,370	191,266
Activities	77,000	96,517	271,603
Travel expenses	2,000	54,968	93,987
Repairs and maintenance	-	51,459	78,512
Insurance	-	38,036	18,280
Bad debt expense	-	26,196	10,458
Equipment Purchase	-	17,004	-
Interest and bank charges	11,000	9,842	18,926
Meetings & workshops	-	5,656	63,770
	716,394	12,310,841	9,216,486
Current surplus (deficit)	\$ 760,897	\$ 990,796	\$ 1,760,152

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

Sturgeon Lake First Nation

Schedule #10

Amortization

Schedule of Operations

For the Year Ended March 31, 2021
(unaudited)

	2021	2021	2020
	Budget	Actual	Actual
Revenue			
Expenses			
Amortization - Education	\$ -	\$ 531,585	\$ 531,586
Amortization - Housing	-	443,457	333,505
Amortization - Health	-	243,678	191,318
Amortization - Community services	-	223,708	225,435
Amortization - Band program	-	195,397	195,396
Amortization - Other program	-	88,154	95,973
	-	1,725,979	1,573,213
Current surplus (deficit)	\$ -	\$ (1,725,979)	\$ (1,573,213)

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