



**Kinistin Saulteaux Nation
Consolidated Financial Statements**
March 31, 2021

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Management's Responsibility



To the Members of Kinistin Saulteaux Nation:

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

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

The Kinistin Saulteaux Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to the members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

Signed by: Roberta Nippi

Management

To the Members of Kinistin Saulteaux Nation:

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2021, and the results of its consolidated operations, changes in its consolidated net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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.

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

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

Independent Auditor's Report (continued from previous page)

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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

March 28, 2022

MNP LLP

Chartered Professional Accountants

MNP

Kinistin Saulteaux Nation
Consolidated Statement of Financial Position
As at March 31, 2021

	2021	2020
Financial assets		
Current		
Cash resources	5,820,193	1,384,057
Accounts receivable (Note 3)	1,336,507	721,499
Inventory	252,326	319,824
Restricted cash (Note 4)	1,513,477	337,393
Funds held in trust (Note 5)	1,130,836	-
	10,053,339	2,762,773
Restricted cash (Note 4)	519,995	516,023
Investments (Note 6)	66,010	66,010
Funds held in Ottawa Trust (Note 7)	3,213	3,176
Total financial assets	10,642,557	3,347,982
Liabilities		
Current		
Bank indebtedness (Note 8)	339,486	778,507
Accounts payable and accruals (Note 9)	486,371	359,339
Deferred revenue (Note 10)	6,008,256	621,651
Agricultural implements claim loan (Note 11)	938,308	708,939
Current portion of long-term debt (Note 12)	1,202,000	272,000
	8,974,421	2,740,436
Long-term debt (Note 12)	3,812,188	3,451,886
Total financial liabilities	12,786,609	6,192,322
Net debt	(2,144,052)	(2,844,340)
Contingent liabilities (Note 13)		
Non-financial assets		
Tangible capital assets (Note 14) (Schedule 1)	19,002,054	19,434,216
Prepaid expenses (Note 15)	518,450	1,310
Accumulated surplus (Note 16)	17,376,452	16,591,186

Approved on behalf of Chief and Council

<u>Signed by: Felix Thomas</u>	Chief	<u>Signed by: Patrick Severight</u>	Councillor
<u>Signed by: Cecil McNabb</u>	Councillor	<u>Signed by: Wayne Thomas</u>	Councillor
<u>Signed by: Rita Lumberjack</u>	Councillor	<u>Signed by: Ken Thomas</u>	Councillor

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

	<i>Schedules</i>	<i>2021 Budget (Note 20)</i>	<i>2021 Actual</i>	<i>2020 Actual</i>
Revenue				
Indigenous Services Canada (Note 19)		4,681,702	5,336,917	4,851,061
STC Health and Family Services Inc.		2,042,495	2,213,540	1,993,042
First Nations & Inuit Health Branch		663,598	1,001,137	548,838
Saskatoon Tribal Council Inc.		404,009	453,101	560,080
Canada Mortgage and Housing Corporation		-	262,727	249,747
First Nations Trust		166,444	243,539	332,745
Miscellaneous		73,179	144,938	202,518
Rent		-	133,841	98,661
Dakota Dunes Community Development Corporation		-	78,098	281,280
STC Casino Holdings Corporation		75,400	66,359	86,787
Pasture rental		-	47,000	42,000
Gas Bar Sales		-	52,462	925,464
Livestock inventory adjustment		-	3,958	53,079
Saskatoon Tribal Council Inc. funding adjustments		-	(85,171)	-
Livestock sales		50,000	-	-
		8,156,827	9,952,446	10,225,302
Program expenses				
Band Government	3	415,322	1,161,350	1,034,286
Capital	4	133,055	261,909	346,004
Community Infrastructure	5	317,080	774,942	793,546
Economic Development	6	51,920	121,684	71,475
Education	7	2,703,263	2,373,191	2,658,447
Health	8	2,379,441	2,675,138	2,241,628
Lands	9	359,416	537,394	322,075
Other Programs	10	53,390	119,490	440,121
Social Development	11	540,167	757,255	775,141
Retail	12	-	384,827	1,473,540
Total expenditures		6,953,054	9,167,180	10,156,263
Annual surplus		1,203,773	785,266	69,039
Accumulated surplus, beginning of year		16,591,186	16,591,186	16,522,147
Accumulated surplus, end of year		17,794,959	17,376,452	16,591,186

Kinistin Saulteaux Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2021

	2021 Budget (Note 20)	2021 Actual	2020 Actual
Annual surplus	1,203,773	785,266	69,039
Purchases of tangible capital assets	-	(297,455)	(1,196,048)
Amortization of tangible capital assets	-	729,617	755,470
Acquisition of prepaid expenses	-	(517,140)	(1,310)
Decrease (increase) in net debt	1,203,773	700,288	(372,849)
Net debt, beginning of year	(2,844,340)	(2,844,340)	(2,471,491)
Net debt, end of year	(1,640,567)	(2,144,052)	(2,844,340)

Kinistin Saulteaux Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	785,266	69,039
Non-cash items	729,617	755,470
Amortization	1,514,883	824,509
Changes in working capital accounts		
Accounts receivable	(615,008)	621,601
Prepaid expenses	(517,140)	(1,310)
Funds held in trust	(1,130,836)	723
Inventory	67,498	(27,521)
Accounts payable and accruals	127,032	(233,863)
Deferred revenue	5,386,605	(182,014)
	4,833,034	1,002,125
Financing activities		
Advances of long-term debt	1,565,000	292,500
Advances for agricultural implements claim loan	229,369	141,353
Increase (decrease) in bank indebtedness	(439,021)	385,508
Repayment of long-term debt	(274,698)	(392,016)
	1,080,650	427,345
Capital activities		
Purchases of tangible capital assets	(297,455)	(1,196,048)
Investing activities		
Change in restricted cash	(1,180,056)	(98,312)
Change in funds held in Ottawa Trust	(37)	(50)
	(1,180,093)	(98,362)
Increase in cash resources	4,436,136	135,060
Cash resources, beginning of year	1,384,057	1,248,997
Cash resources, end of year	5,820,193	1,384,057

1. Operations

The Kinistin Saulteaux Nation (the "Nation") is located in the Province of Saskatchewan, and provides various services to its members. The Kinistin Saulteaux Nation financial reporting entity includes the Nation's operations and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

Impacts on operations of COVID-19 (coronavirus)

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

The Nation's operations were impacted by COVID-19 due to social distancing measures, reduced gaming revenues, and closure of the Band Office to the public. As the Nation provides essential services to its members, Indigenous Services Canada has increased the amount of financial resources provided to the Nation in order to ensure the safe and orderly provision of services. The Nation's total revenues were not negatively impacted as a result.

2. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards set out in the CPA Canada Handbook - Public Sector Accounting as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity. The Nation has also consolidated the assets, liabilities, revenues and expenses of its wholly owned subsidiaries Kinistin Bison Inc. and 102009262 Saskatchewan Ltd.

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.

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

- STC Investments Limited Partnership - 14% ownership
- STC Casino Holdings Corporation - 14% ownership

Basis of presentation

Sources of financing and expenditures 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 resources

Cash resources includes balances with banks and short-term investments with maturities of three months or less.

Restricted cash

Restricted cash consists of funds held in the CMHC replacement reserve and funds managed by a project manager. The project manager is responsible for the completion of the capital projects. The CMHC replacement reserve is used to pay eligible expenditures of the CMHC housing units.

Livestock inventory

Inventories available for immediate delivery are recorded at the net price (market price less selling costs) as the product has a reliable and realizable market price with predictable disposal costs.

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

Funds held in Ottawa Trust Fund

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

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Nation capital assets; and
- Revenue trust monies 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 based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Buildings	declining balance	4 - 10 %
Housing	declining balance	5 %
Automotive	declining balance	30 %
Equipment	declining balance	20 %
Infrastructure	declining balance	2 - 5 %
Roads	straight-line	40 years
Gasification	straight-line	50 years

Assets under construction are not amortized until they enter service.

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.

Net debt

The Nation's 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 comprises a second indicator of financial position, accumulated surplus.

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

Revenue recognition

Funding

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 or where expenditures will be incurred in a subsequent period are reflected as deferred revenue on the 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.

Retail sales

Income from retail sales is recognized when the sale is made and the customer takes possession of the merchandise.

Other income

Rental income is recognized over the rental term. Other revenues are earned from other services provided by the Nation and are recognized when the service has been provided.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. These estimates/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. Management has estimated the value of the livestock inventory based upon their assessment of the realizable amount less selling costs. Amortization is based on the estimated useful lives of tangible capital assets. Current portion of debt is based on rates and terms in effect at year-end.

Segments

The Nation conducts its business through ten (10) reportable segments (Note 17). These operating segments are established by senior management 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.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the *Significant accounting policies*.

Other economic interests

The Kinistin Saulteaux Nation is a member of the Saskatoon Tribal Council Inc. and STC Health and Family Services Inc. Their mandate is to enhance the services provided to the seven member Nations. The Nation does not share in the significant risks and benefits of the operations of these entities. As a result, the financial statements of Saskatoon Tribal Council Inc. and STC Health and Family Service Inc. have not been consolidated with the financial statements of Kinistin Saulteaux Nation.

Employee future benefits

The Nation's employee future benefit programs consist of a defined contribution pension plan. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employees.

Kinistin Saulteaux Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

3. Accounts receivable

	2021	2020
STC Health and Family Services Inc.	938,275	388,339
Saskatoon Tribal Council Inc.	355,579	302,998
Dakota Dunes Community Development Corporation	114,702	105,490
Indigenous Services Canada	88,330	38,330
Members	47,472	52,563
Goods and services tax rebates	32,900	16,404
STC Investments Limited Partnership	25,645	25,645
Canada Mortgage and Housing Corporation	21,854	22,130
Rent receivable	10,997	10,997
Allowance for doubtful accounts	1,635,754 (299,247)	962,896 (241,397)
	1,336,507	721,499

Kinistin Saulteaux Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

4. Restricted cash

As of March 31, 2021, the Nation has the following restricted cash balances. The subdivision account represents cash managed by a project manager for the purpose of paying costs associated with the various capital projects of the Nation. The cash relating to the CMHC replacement reserve is detailed in Note 14.

	2021	2020
Current		
ISC subdivision account	1,513,477	337,393
Long-term		
CMHC replacement reserve term deposit	260,260	256,288
CMHC replacement reserve bank account	259,735	259,735
	519,995	516,023
	2,033,472	853,416

5. Funds held in trust

	2021	2020
Funds held by Kinistin's legal counsel for pursuit of the Agricultural Benefits Claim	280,836	-
Loan proceeds from First Nation Bank loan drawn March 2021 on deposit with Kinistin's legal counsel	850,000	-
	1,130,836	-

Subsequent to March 31, 2021, the loan proceeds were disbursed from the trust account to pay the Affinity Credit Union mortgage on behalf of 102009262 Saskatchewan Ltd.

6. Portfolio investments

The following investments are recorded at cost:

	2021	2020
STC Investments Limited Partnership - 14% ownership	65,000	65,000
First Nations Bank	1,000	1,000
STC Casino Holdings Corporation - 14% ownership	10	10
	66,010	66,010

7. Funds held in Ottawa Trust

Funds held in Ottawa Trust Funds are held on behalf of Kinistin Saulteaux Nation by the Government of Canada and consist of capital and revenue trust monies. Monies are transferred to the Nation on the authorization of the Nation's Chief and Council, with the consent of the Minister of Indigenous Services Canada.

	2021	2020
Capital Trust		
Balance, beginning and end of year	3,056	3,056
Revenue Trust		
Balance, beginning of year	120	70
Interest	37	50
Balance, end of year	157	120
	3,213	3,176

8. Bank indebtedness

The Nation has a line of credit available with Affinity Credit Union with an authorized limit of \$200,000 secured by an assignment of ISC funding, bearing interest at prime plus 2.25%. As at March 31, 2021, \$nil (2020 - \$80,595) has been drawn. The remainder of bank indebtedness is comprised of outstanding cheques and deposits.

102009262 Saskatchewan Ltd. has a line of credit available with First Nations Bank of Canada with an authorized limit of \$200,000 bearing interest at prime plus 1.50%. As at March 31, 2021, \$76,726 (2020 - \$196,597) has been drawn.

9. Accounts payable and accruals

	2021	2020
Trade payables and accruals	382,302	243,807
Government payroll remittances	104,069	115,532
	486,371	359,339

10. Deferred revenue

Deferred revenues represent the amount of funds received by the Nation that relate to future fiscal periods or that must be spent on certain projects that are incomplete at year-end.

As of March 31, 2021, deferred revenues consist of amounts received for the following:

	<i>Balance, beginning of year</i>	<i>Amounts received</i>	<i>Amounts expended in current year</i>	<i>Balance, end of year</i>
Indigenous Services Canada	529,903	4,801,767	2,120,283	3,211,387
Canada Mortgage and Housing Corporation	-	1,430,100	-	1,430,100
STC Health and Family Services Inc.	33,189	1,344,917	239,915	1,138,191
First Nations & Inuit Health Branch	40,991	810,340	684,466	166,865
Saskatoon Tribal Council Inc.	17,568	299,249	255,104	61,713
	621,651	8,686,373	3,299,768	6,008,256

11. Agricultural implements claim loan

The Nation is seeking compensation for failure by the Crown to provide certain agricultural benefits to their Nation. The balance payable represents funds advanced by the Government of Canada to the Nation to finance its costs to pursue the claim. The loan is non-interest bearing and is to be repaid the earlier of March 31, 2025 or the date on which the claim is settled.

12. Long-term debt

	2021	2020
Affinity Credit Union mortgage for 102009262 Saskatchewan Ltd., bearing interest at prime plus 3.50% (5.95% at March 31, 2021), due on demand, and repayable in blended monthly principal and interest payments of \$6,383. Secured by a General Security Agreement representing a first charge on assets. Balance paid April 2021 (Note 5).	798,522	826,689
First Nations Bank loan, bearing interest of prime plus 2.0% (4.45% at March 31, 2021), matures March 2041, repayable in blended monthly principal and interest payments of \$13,287. Secured by First Nations Trust funding.	850,000	-
First Nations Bank loan, bearing interest of prime plus 2.0% (4.45% at March 31, 2021), matures March 2026, repayable in blended monthly principal and interest payments of \$13,287. Secured by First Nations Trust funding.	715,000	-
CMHC mortgage (Phase 12), bearing interest of 1.44%, matures February 2042, repayable in blended monthly principal and interest payments of \$2,759. Secured by a ministerial guarantee.	597,745	622,096
CMHC mortgage (Phase 13), bearing interest at 1.75%, matures October 2034, repayable in blended monthly principal and interest payments of \$2,464. Secured by a ministerial guarantee.	357,352	380,482
CMHC mortgage (Phase 8), bearing interest of 0.96%, matures March 2031, repayable in blended monthly principal and interest payments of \$3,233. Secured by a ministerial guarantee.	369,792	404,870
CMHC mortgage (Phase 11), bearing interest at 0.68%, matures April 2035, repayable in blended monthly principal and interest payments of \$2,249. Secured by a ministerial guarantee.	362,400	386,617
CMHC mortgage (Phase 10), bearing interest at 0.79%, matures November 2029, repayable in blended monthly principal and interest payments of \$3,490. Secured by a ministerial guarantee.	350,660	389,167
CMHC mortgage (Phase 9), bearing interest at 1.30%, matures June 2032, repayable in blended monthly principal and interest payments of \$1,941. Secured by a ministerial guarantee.	243,723	263,724
CMHC mortgage (Phase 7), bearing interest at 0.69%, matures May 2025, repayable in blended monthly principal and interest payments of \$2,441. Secured by a ministerial guarantee.	122,642	150,852
CMHC mortgage (Phase 6), bearing interest at 1.89%, matures February 2029, repayable in blended monthly principal and interest payments of \$1,038. Secured by a ministerial guarantee.	91,496	102,119

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

	2021	2020
CMHC mortgage (Phase 5), bearing interest at 1.35%, matures February 2027, repayable in blended monthly principal and interest payments of \$1,057. Secured by a ministerial guarantee.	72,070	83,696
CMHC mortgage (Phase 4), bearing interest at 0.96%, matures January 2026, repayable in blended monthly principal and interest payments \$1,104. Secured by a ministerial guarantee.	62,538	75,121
CMHC mortgage (Phase 3), bearing interest at 1.97%, matures January 2024, repayable in blended monthly principal and interest payments of \$395. Secured by a ministerial guarantee.	13,053	17,490
Ford Credit Canada Credit vehicle loan, bearing interest of 7.99%, matures September 2021, repayable in blended monthly principal and interest payments of \$1,246. Secured by vehicle with net book value of \$18,982 (2020 - \$27,118).	7,195	20,963
	5,014,188	3,723,886
Less: current portion	1,202,000	272,000
	3,812,188	3,451,886

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:

2022	1,202,000
2023	403,000
2024	412,000
2025	419,000
2026	405,000

13. Contingent liabilities

The Nation was subject to a Forensic Review by Indigenous Services Canada (ISC) for the period of April 1, 2012 to December 31, 2013. As a result of the review, \$355,000 has been identified as potentially recoverable from the Nation. No action has presently been taken by ISC to recover any of this balance. The Nation disputes the findings of the Forensic Review and has submitted additional information to ISC about the underlying transactions in question. Any liability stemming from this review will be recorded at the time of resolution.

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

14. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1. Details of amounts included in assets under construction are as follows:

Project	Budget	Cumulative costs to March 31, 2021
Water Treatment Plant (AT195)	\$6,153,500	\$4,873,386
School Upgrade (CT612)	\$5,935,100	\$ 178,951
Solid Waste Transfer Station (AT481)	\$1,265,100	\$ 37,540
Lagoon Upgrade (CT613)	\$ 50,000	\$ 54,252

15. Prepaid expenses and deposits

For 2021, the balance in prepaid expenses and deposits represents amounts paid to vendors towards the immediate needs housing initiative.

16. Accumulated surplus

Accumulated surplus consists of the following:

	2021	2020
Equity in Ottawa Trust Funds	3,213	3,176
Equity in investments	66,010	66,010
Equity in CMHC reserves	676,865	649,962
Equity in Tangible Capital Assets	15,552,866	15,710,329
Operating surplus	1,077,498	161,709
	17,376,452	16,591,186

The CMHC reserves are replacement and operating reserves are required to be funded to provide for future upgrades to existing CMHC housing units and finance any future operating deficits of the program as required by agreements with CMHC. The Nation has set aside \$519,995 (2020 - \$516,023) to fund the CMHC housing reserve funds.

The equity in tangible capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating tangible capital assets that will be used to provide future services.

Included in the operating surplus is \$938,308 (2020 - \$708,939) of indebtedness relating to the Agricultural Benefits Claim. Should a settlement be reached, the indebtedness would be recovered and an increase in the operating surplus realized.

17. Segments

The Nation has 10 reportable segments. These segments are differentiated by the major activities or services they provide. The Nation's segments are as follows:

Band Government - administration and governance activities of the Nation.

Capital - funding received, amortization and other expenses of capital projects undertaken.

Community Infrastructure - activities for the maintenance and operations of the Nation's infrastructure.

17. Segments *(Continued from previous page)*

Economic Development - operations of promoting and providing the economic development for the Nation and in developing new economic ventures to grow the Nation.

Education - operations of the Nation's education programs.

Health - health funding and the operations of various health related initiatives.

Lands - provides for development and administration of the Nation's land.

Other Programs - reports on other activities and programs of the Nation including Justice, Recreation and Dakota Dunes Community Development Corporation funded programs.

Social Development - delivery of social assistance programs.

Retail - includes all activities relating to the operations of 102009262 Saskatchewan Ltd.

Details of the segment revenues and expenses are provided in the accompanying schedules. There are no revenues or expenses that have not been allocated to a segment.

18. Economic dependence

Kinistin Saulteaux Nation receives substantially all of its revenue from the Government of Canada as a result of Treaties entered into with the Crown in Right of Canada. These Treaties are administered by Indigenous Services Canada (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.

Due to certain deficiencies, the Nation is also party to a Management Action Plan with ISC. Under the terms of the agreement, funding from the Remedial Management Plan can be suspended if the Nation does not comply with the terms of the agreement.

19. Reconciliation of funding from Indigenous Services Canada (ISC)

	2021	2020
Amount per funding confirmation	8,018,401	4,627,120
Add: Prior year capital deferred revenue	437,765	803,665
Add: Prior year non-capital deferred revenue	92,138	-
Less: Capital funding deferred	(2,165,377)	(437,765)
Less: Non-capital funding deferred	(1,046,010)	(92,138)
Less: 2019 Basic Needs reconciliation	-	(43,962)
Less: 2019 Comprehensive Education Support Services reconciliation	-	(4,979)
Less: 2019 Solid Waste Feasibility Study reconciliation	-	(880)
	<u>5,336,917</u>	<u>4,851,061</u>

20. Budget information

The disclosed budget information has been approved by the Chief and Council of the Kinistin Saulteaux Nation at a meeting held on May 26, 2020.

The consolidated budget does not include certain programs, such as capital projects, grants and COVID-19 expenditures. These programs and projects require separate applications for funding or financing, and budgets are prepared on a project-by-project basis to accompany the applications.

The consolidated budget does not include budgets for amortization expenses.



Kinistin Saulteaux Nation

Schedule 1 - Schedule of Consolidated Tangible Capital Assets

For the year ended March 31, 2021

	<i>Buildings</i>	<i>Housing</i>	<i>Automotive</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>Roads</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	9,831,785	7,121,242	1,625,467	578,201	3,465,583	366,199	22,988,477
Acquisition of tangible capital assets	-	-	88,500	42,765	-	-	131,265
Construction-in-progress	-	-	-	-	-	-	-
Balance, end of year	9,831,785	7,121,242	1,713,967	620,966	3,465,583	366,199	23,119,742
Accumulated amortization							
Balance, beginning of year	5,068,871	2,568,606	1,458,806	283,643	1,646,939	295,522	11,322,387
Annual amortization	251,040	227,632	99,772	28,944	67,737	8,825	683,950
Balance, end of year	5,319,911	2,796,238	1,558,578	312,587	1,714,676	304,347	12,006,337
Net book value of tangible capital assets	4,511,874	4,325,004	155,389	308,379	1,750,907	61,852	11,113,405
2020 Net book value of tangible capital assets	4,762,914	4,552,636	166,661	294,558	1,818,644	70,677	11,668,110

Kinistin Saulteaux Nation
Schedule 1 - Schedule of Consolidated Tangible Capital Assets
For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Assets Under Construction</i>	<i>Gasification</i>	<i>Land</i>	2021	2020
<hr/>						
Cost						
Balance, beginning of year	22,988,477	4,977,939	2,298,188	629,000	30,893,604	29,697,556
Acquisition of tangible capital assets	131,265	-	-	-	131,265	125,000
Construction-in-progress	-	166,190	-	-	166,190	1,071,048
Balance, end of year	23,119,742	5,144,129	2,298,188	629,000	31,191,059	30,893,604
Accumulated amortization						
Balance, beginning of year	11,322,387	-	137,001	-	11,459,388	10,703,918
Annual amortization	683,950	-	45,667	-	729,617	755,470
Balance, end of year	12,006,337	-	182,668	-	12,189,005	11,459,388
Net book value of tangible capital assets	11,113,405	5,144,129	2,115,520	629,000	19,002,054	19,434,216
2020 Net book value of tangible capital assets	11,668,110	4,977,939	2,161,187	629,000	19,434,216	

Kinistin Saulteaux Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2021

	2021 Budget (Note 20)	2021 Actual	2020 Actual
Administration	(402)	701	1,498
Amortization	-	729,617	755,470
Bad debts	-	63,670	57,830
Bank charges and interest	16,200	90,816	87,977
Bison costs	143,818	51,807	85,846
Chief and council	270,000	270,045	286,059
Contracted services	127,707	155,558	153,261
Christmas bonus	40,400	980	113,207
Equipment purchases	-	51,645	21,514
Insurance	45,017	126,519	219,645
Interest on long-term debt	165,384	91,164	102,648
Meetings	50,857	122,010	102,211
Member assistance	50,790	124,577	67,853
Office supplies	52,049	127,280	110,592
Pandemic expenses	-	673,168	32,541
Post secondary student costs	356,786	311,926	418,288
Professional development	26,798	54,788	214,255
Professional fees	51,000	347,383	235,424
Program expense	1,063,470	1,176,931	1,116,028
Property tax	-	7,735	7,594
Rental	20,500	3,093	25,034
Repairs and maintenance	288,891	433,332	448,721
Retail cost of sales	-	84,313	880,588
Salaries and benefits	3,194,295	2,972,803	3,379,619
Secondary student costs	35,488	12,469	14,506
Social assistance	382,971	576,930	517,065
Supplies	150,796	153,304	201,056
Telephone	55,303	40,530	44,597
Training	-	26,880	-
Travel	229,516	87,178	273,415
Utilities	135,420	198,028	181,921
	6,953,054	9,167,180	10,156,263

Kinistin Saulteaux Nation
Band Government
Schedule 3 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	1,230,385	659,522
First Nations Trust	243,539	332,745
Miscellaneous	60,040	111,126
STC Casino Holdings Corporation	66,359	86,787
Saskatoon Tribal Council Inc. funding adjustments	(85,171)	-
	1,515,152	1,190,180
Expenses		
Administration	(505,471)	(284,423)
Amortization	2,815	4,649
Automotive	7,436	21,039
Bad debts	63,670	57,830
Bank charges and interest	8,118	21,439
Chief and council	270,045	278,859
Contracted services	33,437	35,771
Insurance	-	166,336
Interest on long-term debt	1,179	4,170
Meetings	27,401	11,154
Member assistance	124,577	65,916
Office supplies	46,353	40,536
Pandemic expenses	493,733	32,541
Professional development	19,121	32,873
Professional fees	107,141	187,476
Program expense	240,539	39,571
Rental	898	5,616
Repairs and maintenance	9,571	-
Salaries and benefits	124,202	242,109
Supplies	13,507	3,825
Telephone	18,631	22,118
Travel	52,749	44,881
Utilities	1,698	-
	1,161,350	1,034,286
Annual surplus before transfers	353,802	155,894
Transfers between programs	-	(10,199)
Annual surplus	353,802	145,695

Schedule 4 - Consolidated Schedule of Segment Revenue and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	325,749	1,077,461
Miscellaneous	12,225	-
	337,974	1,077,461
 Expenses		
Administration	-	98
Amortization	60,324	63,499
Contracted services	19,830	6,457
Insurance	3,121	6,242
Meetings	583	4,326
Repairs and maintenance	155,573	259,451
Salaries and benefits	10,962	-
Supplies	6,799	3,928
Travel	367	249
Utilities	4,350	1,754
	261,909	346,004
 Annual surplus	76,065	731,457

Schedule 5 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	535,762	293,459
Canada Mortgage and Housing Corporation	262,727	249,747
Rent	133,841	98,661
Miscellaneous	14,246	47,879
	946,576	689,746
Expenses		
Administration	1,632	1,632
Amortization	313,329	315,039
Automotive	9,787	12,883
Bank charges and interest	38	225
Contracted services	98	14,119
Equipment purchases	425	5,288
Insurance	64,077	11,480
Interest on long-term debt	33,718	36,999
Office supplies	699	-
Professional development	150	965
Professional fees	2,625	9,398
Program expense	-	9,678
Repairs and maintenance	145,064	96,436
Salaries and benefits	100,544	173,483
Supplies	14,538	28,631
Telephone	1,339	852
Travel	1,980	1,301
Utilities	84,899	75,137
	774,942	793,546
Annual surplus (deficit)	171,634	(103,800)

Schedule 6 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	67,031	-
Saskatoon Tribal Council Inc.	42,100	42,100
Livestock inventory adjustment	3,958	53,079
Pasture rental	47,000	42,000
	160,089	137,179
Expenses		
Administration	4,210	4,210
Amortization	2,712	3,101
Automotive	432	185
Contracted services	770	428
Office supplies	1,415	-
Professional fees	23,775	-
Program expense	43,256	12,610
Repairs and maintenance	5,224	6,790
Salaries and benefits	39,696	37,890
Supplies	194	6,227
Travel	-	34
	121,684	71,475
Annual surplus	38,405	65,704

Schedule 7 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	2,009,523	2,054,045
First Nations & Inuit Health Branch	141,089	215,241
Saskatoon Tribal Council Inc.	288,834	399,662
	2,439,446	2,668,948
Expenses		
Administration	229,200	193,647
Amortization	137,388	147,780
Automotive	10,061	20,301
Contracted services	7,323	58,856
Equipment purchases	44,442	5,723
Insurance	4,052	2,153
Meetings	6,839	5,738
Office supplies	26,273	26,505
Pandemic expenses	79,322	-
Post secondary student costs	311,926	418,288
Professional development	20,842	180
Program expense	102,971	80,149
Rental	1,165	9,093
Repairs and maintenance	18,508	37,537
Salaries and benefits	1,252,413	1,510,460
Secondary student costs	12,469	14,506
Supplies	65,961	42,404
Telephone	3,162	4,692
Travel	2,708	40,099
Utilities	36,166	40,336
	2,373,191	2,658,447
Annual surplus	66,255	10,501

Schedule 8 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
First Nations & Inuit Health Branch	860,048	333,597
Indigenous Services Canada	24,763	20,763
STC Health and Family Services Inc.	2,213,540	1,993,042
Saskatoon Tribal Council Inc.	500	-
Miscellaneous	10,663	2,964
	3,109,514	2,350,366
Expenses		
Administration	214,468	41,354
Amortization	153,601	140,336
Automotive	14,722	24,973
Bank charges and interest	2,162	3,656
Chief and council	-	7,200
Contracted services	44,026	28,123
Equipment purchases	6,778	10,503
Insurance	30,733	7,007
Interest on long-term debt	-	76
Meetings	80,153	52,105
Office supplies	42,360	26,467
Pandemic expenses	100,113	-
Professional development	11,675	180,237
Professional fees	1,121	20,475
Program expense	707,279	621,795
Rental	1,030	7,239
Repairs and maintenance	54,891	10,279
Salaries and benefits	1,066,225	836,455
Supplies	50,468	89,863
Telephone	16,455	16,733
Training	26,880	-
Travel	29,590	90,882
Utilities	20,408	25,870
	2,675,138	2,241,628
Annual surplus	434,376	108,738

Schedule 9 - Consolidated Schedule of Segment Revenue and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	474,819	274,981
Miscellaneous	46,000	28,109
	520,819	303,090
Expenses		
Administration	27,773	27,498
Amortization	16,575	9,750
Automotive	9,369	6,296
Contracted services	35,190	9,507
Insurance	2,716	2,548
Meetings	30	26,057
Member assistance	-	1,938
Office supplies	-	5,372
Professional fees	197,089	5,468
Program expense	15,263	1
Rental	-	3,086
Repairs and maintenance	23,653	1,749
Salaries and benefits	190,814	155,791
Supplies	1,623	801
Telephone	943	200
Travel	689	59,775
Utilities	15,667	6,238
	537,394	322,075
Annual deficit	(16,575)	(18,985)

Schedule 10 - Consolidated Schedule of Segment Revenue and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
Saskatoon Tribal Council Inc.	37,833	27,877
Dakota Dunes Community Development Corporation	78,098	281,280
Miscellaneous	1,764	12,440
	117,695	321,597
Expenses		
Administration	3,783	4,300
Amortization	6,808	9,726
Automotive	-	169
Christmas bonus	980	113,207
Contracted services	14,884	-
Meetings	7,004	2,832
Program expense	31,690	252,870
Salaries and benefits	55,032	23,639
Supplies	214	-
Travel	(905)	33,378
	119,490	440,121
Annual deficit before transfers	(1,795)	(118,524)
Transfers between programs	-	10,199
Annual deficit	(1,795)	(108,325)

Schedule 11 - Consolidated Schedule of Segment Revenue and Expenses

For the year ended March 31, 2021

	2021	2020
Revenues		
Indigenous Services Canada	668,885	470,830
Saskatoon Tribal Council Inc.	83,834	90,441
	752,719	561,271
Expenses		
Administration	25,106	13,182
Office supplies	10,180	11,713
Professional development	3,000	-
Program expense	35,933	99,354
Salaries and benefits	105,533	112,870
Social assistance	576,930	517,065
Supplies	-	18,141
Travel	-	2,816
Utilities	573	-
	757,255	775,141
Annual deficit	(4,536)	(213,870)

Kinistin Saulteaux Nation
Retail
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

	2021	2020
Revenue		
Gas Bar Sales	52,462	925,464
Expenses		
Amortization	36,065	61,590
Bank charges and interest	80,498	62,657
Insurance	21,820	23,879
Interest on long-term debt	56,267	61,401
Professional fees	15,632	12,607
Property tax	7,735	7,594
Repairs and maintenance	20,848	36,478
Retail cost of sales	84,313	880,588
Salaries and benefits	27,382	286,924
Supplies	-	7,236
Utilities	34,267	32,586
	384,827	1,473,540
Annual deficit	(332,365)	(548,076)