

**Little Black Bear First Nation
Consolidated Financial Statements
March 31, 2021**

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March 31, 2021

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Little Black Bear First Nation
Management's Responsibility for Financial Reporting
March 31, 2021

To the Members of Little Black Bear First Nation:

The accompanying consolidated financial statements of Little Black Bear First Nation are the responsibility of management and have been approved by the Chief and Council.

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

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

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

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

On behalf of Little Black Bear First Nation:

Signature on file

Little Black Bear First Nation

Date: January 18, 2022



Chalupiak & Associates CPA Professional Corporation

Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

Independent Auditors' Report

To the Members of
Little Black Bear First Nation

Opinion

We have audited the consolidated financial statements of Little Black Bear First Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, accumulated surplus, change in net debt and the 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 First Nation as at March 31, 2021, and the results of its consolidated operations, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the 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.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

We also:

- ◆ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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.
- ◆ Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Regina, Saskatchewan
February 8, 2022

Chalupiak & Associates
Chartered Professional Accountants

Little Black Bear First Nation
Consolidated Statement of Financial Position
March 31, 2021

	2021	2020
Financial Assets		
Cash (Note 3)	\$ 580,446	\$ -
Restricted cash - capital projects (Note 3)	7,712	7,859
Restricted cash - CMHC reserves (Note 3)	7,485	367
Trust funds held by federal government (Notes 3 and 4)	3,052	11,290
Accounts receivable (Notes 5 and 6)	104,182	166,160
Due from related parties (Note 7)	584,312	568,881
Investment in government business enterprises (Notes 14 and 15)	131,955	-
Portfolio investment (Note 9)	60,000	60,000
	<u>1,479,144</u>	<u>814,557</u>

Liabilities

Bank indebtedness (Notes 3 and 10)	-	235,964
Accounts payable (Note 11)	1,031,016	1,444,995
Deferred revenue - unexpended funds (Note 12)	1,312,282	764,011
Deferred revenue (Note 13)	39,320	71,965
Due to related parties (Note 8)	1,244,207	77,000
Investment in government business enterprises (Notes 14 and 15)	-	1,344,598
Current portion of long-term debt (Note 16)	443,441	433,743
Current portion CMHC mortgages (Note 17)	17,274	17,160
Long-term debt (Note 16)	4,633,637	4,725,171
CMHC mortgages (Note 17)	69,599	86,698
	<u>8,790,776</u>	<u>9,201,305</u>
Net debt	<u>(7,311,632)</u>	<u>(8,386,748)</u>

Non-financial Assets

Capital assets (Note 18)	8,612,188	7,438,458
Prepaid expenses (Note 19)	1,990	5,774
	<u>8,614,178</u>	<u>7,444,232</u>

Accumulated Surplus (Deficit) (Note 20)	<u>\$ 1,302,546</u>	<u>\$ (942,516)</u>
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Approved on behalf of the Little Black Bear First Nation:

Signature on file

Signature on file

The accompanying notes are an integral part of the financial statements

Little Black Bear First Nation

Consolidated Statement of Operations

For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada	\$ 3,441,222	\$ 3,919,881	\$ 3,081,576
ISC - First Nations & Inuit Health Branch (FNIHB)	433,648	540,431	572,417
Trust funds held by federal government	-	51,763	60,440
CMHC - subsidy	18,000	12,295	12,336
CMHC - rental income	54,000	12,420	-
First Nations Trust	200,000	141,623	191,900
File Hills Health	12,780	12,780	6,167
FHQ Tribal Council	196,617	332,610	226,707
Yorkton Tribal Council Child and Family Services	-	237,316	208,925
Living Sky Community Development Corporation	20,000	18,882	17,653
Land leases (flowed through Wakayos Holdings Inc.)	-	176,460	160,098
Gains (losses) in related business entities	-	506,844	(96,899)
Gain on sale of government business enterprise	-	1,329,708	-
Western Economic Diversification program	-	172,828	-
LBB Gas Bar & Convenience LP - drawings	600,000	-	-
Keseechiwan Holdings LP dividend	60,000	60,000	195,000
Other revenue	710,731	98,924	387,394
Administration fees - internal allocation	69,791	220,256	133,714
Unexpended funds transferred - prior year	692,749	764,011	90,525
Deferred revenue - prior year	71,965	71,965	140,356
Deferred revenue - current year	-	(39,320)	(71,965)
	6,581,503	8,641,677	5,316,344
Expenses			
Community Development (Schedule 1)	2,056,126	927,041	857,906
Economic Development (Schedule 2)	316,921	307,298	1,766,044
Education (Schedule 3)	503,363	431,056	432,668
Indian Government Support (Schedule 4)	1,036,316	1,267,939	1,298,429
Lands Management (Schedule 5)	147,720	83,403	69,119
Social Development (Schedule 6)	976,928	719,490	428,180
Indian Registration (Schedule 7)	11,400	12,523	21,740
Community Health (Schedule 8)	666,241	598,576	616,810
CMHC (Schedule 9)	72,000	63,063	70,317
Other Programs (Schedule 10)	313,100	403,537	1,011,025
Depreciation (Schedule 11)	-	270,410	186,341
	6,100,115	5,084,336	6,758,579
Current surplus (deficit) before other items	481,388	3,557,341	(1,442,234)
Other items			
Unexpended funds transferred to deferred revenue	-	(1,312,282)	(764,011)
Current surplus (deficit)	\$ 481,388	\$ 2,245,059	\$ (2,206,245)

The accompanying notes are an integral part of the financial statements

Little Black Bear First Nation
Consolidated Statement of Accumulated Surplus
For the year ended March 31, 2021

	2021	2020
Surplus (deficit) at beginning of year	\$ (942,516)	\$ 1,263,729
<u>Current surplus (deficit)</u>	<u>2,245,059</u>	<u>(2,206,245)</u>
<u>Surplus (deficit) at end of year</u>	<u>\$ 1,302,543</u>	<u>\$ (942,516)</u>

The accompanying notes are an integral part of the financial statements

Little Black Bear First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Current surplus (deficit)	\$ 481,388	\$ 2,245,059	\$ (2,206,245)
Acquisition of tangible capital assets	-	(1,444,137)	(2,562,053)
Depreciation of tangible capital assets	-	270,410	186,341
	-	(1,173,727)	(2,375,712)
Acquisition of prepaid asset	-	(1,990)	(5,774)
Use of prepaid asset	-	5,774	8,879
	-	3,784	3,105
Increase (decrease) in net financial assets	481,388	1,075,116	(4,578,852)
Net debt at beginning of year	(8,386,748)	(8,386,748)	(3,807,896)
Net debt at end of year	\$ (7,905,360)	\$ (7,311,632)	\$ (8,386,748)

The accompanying notes are an integral part of the financial statements

Little Black Bear First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash flows from		
Operating activities		
Current surplus (deficit)	\$ 2,245,059	\$ (2,206,245)
Items not affecting cash		
Depreciation	270,411	186,341
Gain on sale of Government Business Enterprise	1,329,708	-
	3,845,178	(2,019,904)
Change in non-cash operating working capital		
Accounts receivable	61,978	455,722
Prepaid expenses	3,784	3,105
Accounts payable	(413,978)	462,344
Deferred revenue	(32,645)	(68,391)
Deferred revenue - unexpended funds	548,271	673,486
Due from related parties	(15,431)	118,690
Due to related parties	1,167,207	77,000
	5,164,364	(297,948)
Capital activities		
Acquisition of capital assets	(1,444,138)	(2,562,053)
Financing activities		
CMHC mortgages - repayment	(16,985)	(16,645)
Long-term debt - repayment	(301,472)	(1,356,276)
Long-term debt - proceeds	219,636	3,759,418
	(98,821)	2,386,497
Investing activities		
Restricted funds - CMHC reserves	(7,118)	2,860
Trust funds held by federal government	8,238	41,560
Change in investments in related entities	(3,166,262)	139,899
Withdrawals from business partnerships	360,000	595,000
	(2,805,142)	779,319
Increase in cash and cash equivalents	816,263	305,815
Cash and cash equivalents, beginning of year	(228,105)	(533,920)
Cash and cash equivalents, end of year	\$ 588,158	\$ (228,105)
Represented by		
Cash	\$ 580,446	\$ -
Bank indebtedness	-	(235,964)
Restricted cash - capital projects	7,712	7,859
	\$ 588,158	\$ (228,105)

The accompanying notes are an integral part of the financial statements

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

1. General

Little Black Bear First Nation is a First Nation band ("First Nation") located in the province of Saskatchewan and provides services to its members. Little Black Bear First Nation is subject to the provisions of the Indian Act. These financial statements include Little Black Bear 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 band office address is P.O. Box 40, Goodeve, Saskatchewan, S0A 1C0, Canada.

2. Basis of presentation and significant accounting policies

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

(a) Reporting entity

The Little Black Bear First Nation reporting entity includes the Little Black Bear First Nation government and all related entities that are controlled by the First Nation.

(b) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Little Black Bear First Nation's investment in the government business enterprise 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 Little Black Bear First Nation.

Organizations accounted for on a modified equity basis include:

Wakayos Holdings Inc.

Wakayos Employment and Training Center Inc.

LBB Gas Bar & Convenience LP and LBB Gas Bar & Convenience Ltd.

LBB Coffee Franchise LP and LBB Coffee Franchise Ltd.

Wakayos Developments LP and Wakayos Developments Ltd.

DS-LBB Holdings Inc.

(c) Asset classification

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

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

2. Basis of presentation and significant accounting policies, continued

(d) Net debt or net financial assets

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial asset 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.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

(f) 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. No contaminated sites have been identified as at March 31, 2021.

2. Basis of presentation and significant accounting policies, continued

(g) 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 Little Black Bear First Nation's incremental cost of borrowing.

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

Buildings	10 years Straight line
Automotive equipment	4-5 years Straight line
Machinery & equipment	3-15 years Straight line
Roads	40 years Straight line
Office equipment	3 years Straight line
Band houses	10-25 years Straight line
CMHC houses	25 years Straight line
Infrastructure	10 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Little Black Bear 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 revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

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

(h) Portfolio investments

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

2. Basis of presentation and significant accounting policies, continued

(i) Trust funds

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

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

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

(j) Use of estimates

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

(k) 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.

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.

(l) Internal charges and transfers

The 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 - internal allocation."

2. Basis of presentation and significant accounting policies, continued

(m) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(n) Expense recognition

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

(o) Comparative figures

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

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

3. Cash and cash equivalents

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

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

Funds held in trust are held by the federal government in trust for the First Nation.

	2021	2020
Unrestricted cash (Bank indebtedness)		
General operations	\$ 573,631	\$ (241,689)
Social development	6,815	5,725
	580,446	(235,964)
Restricted cash - CMHC reserves		
PHT - CMHC Replacement Reserve	7,485	14
CIBC - CMHC reserve bank account	-	353
	7,485	367
Restricted cash - capital projects		
PHT - major capital project	7,712	7,859
Trust funds held by federal government		
Revenue account	2,822	11,060
Capital account	230	230
	3,052	11,290
	\$ 598,695	\$ (216,448)

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

4. Trust funds held by federal government

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

	2021	2020
Revenue funds held in trust	\$ 2,822	\$ 11,060
Capital funds held in trust	230	230
	<u>\$ 3,052</u>	<u>\$ 11,290</u>

	2021 Revenue	2021 Capital	2021 Total	2020 Total
Surplus, beginning of year	\$ 11,060	\$ 230	\$ 11,290	\$ 52,850
Withdrawals	(60,000)	-	(60,000)	(102,000)
Interest earnings	203	-	203	440
Lease revenue	51,560	-	51,560	60,000
Surplus, end of year	<u>\$ 2,823</u>	<u>\$ 230</u>	<u>\$ 3,052</u>	<u>\$ 11,290</u>

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

5. Accounts receivable

	2021	2020
Due from members		
Advances	\$ 46,043	\$ 54,095
Rent receivable from SA department	12,420	-
	<u>58,463</u>	<u>54,095</u>
Due from others		
FHQ Tribal Council	74,911	-
YTC Child & Family Services Inc.	-	137,421
Other receivables	-	840
	<u>74,911</u>	<u>138,261</u>
Due from government and other government organizations		
Indigenous Services Canada (ISC)	-	12,603
CMHC	1,024	7,196
	<u>1,024</u>	<u>19,799</u>
	134,398	212,155
Allowance for doubtful accounts	<u>(30,216)</u>	<u>(45,995)</u>
Total accounts receivable	<u><u>\$ 104,182</u></u>	<u><u>\$ 166,160</u></u>

6. Accounts receivable - ISC

	2021	2020
Special needs - COVID-19	\$ -	\$ 12,603
	<u>\$ -</u>	<u>\$ 12,603</u>

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

7. Due from related parties

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

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

	2021	2020
Wakayos Holdings Inc.	\$ 387,048	\$ 365,588
Wakayos Developments Limited Partnership	-	16,293
DS-LBB Holdings Inc.	197,264	187,000
	<u>\$ 584,312</u>	<u>\$ 568,881</u>

8. Due to related parties

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

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

	2021	2020
Wakayos Developments Limited Partnership	\$ 1,039,207	\$ -
Wakayos Employment & Training Centre Inc.	-	25,000
LBB Coffee Franchise Limited Partnership	105,000	5,000
LBB Gas Bar & Convenience Limited Partnership	100,000	47,000
	<u>\$ 1,244,207</u>	<u>\$ 77,000</u>

9. Portfolio investments

	2021	2020
Keseechiwan Holdings LP	\$ 60,000	\$ 60,000

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

10. Bank indebtedness

An overdraft limit has been authorized by PHT to a maximum of \$50,000 and bears interest at bank's prime lending rate plus 3% per annum and an overdraft interest rate of 24%. Secured by a general security agreement.

As at March 31, 2021 PHT general account was overdrawn by \$nil (2020 - \$70,333).

11. Accounts payable

	2021	2020
Due to others		
Trade payables & accrued liabilities	\$ 881,555	\$ 1,027,300
Pension	-	18,264
Rent deductions owing to the CMHC program	16,880	16,880
Accrued interest on long-term debt	57,894	55,635
FHQ Tribal Council	-	18,000
EnerDynamic Systems Inc.	-	200,000
CMHC special replacement and reserve funding	-	54,602
	<u>956,329</u>	<u>1,390,681</u>
Due to government and other government organizations		
Canada Revenue Agency	74,687	54,314
	<u>74,687</u>	<u>54,314</u>
Total accounts payable	<u>\$ 1,031,016</u>	<u>\$ 1,444,995</u>

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

12. Deferred revenue - unexpended funds

	2021	2020
Governance - IM/IT capacity development	\$ 33,250	\$ -
Housing renovations and additions	144,681	405,044
Water distribution main	221,609	221,609
Jordan's Principle - wellness	36,364	53,536
Special needs	9,408	-
Special needs - COVID-19	12,452	12,603
Basic needs	48,743	66,787
Basic needs - COVID-19	23,462	-
SA employment training	-	299
Home care	-	4,133
Special education	15,919	-
Child & Family Services	176,649	-
Preparedness/mitigation	38,720	-
Health planning management	23,970	-
Band office & buildings - COVID-19 readiness	11,514	-
Land management	12,608	-
Specific Claim - Last Mountain	21,140	-
Brighter futures	53,488	-
Community development initiative	10,022	-
WTP urgent repair	100,000	-
Housing - new construction	66,424	-
Community centre project	71,965	-
Student transportation	67,732	-
Governance - policy development	9,862	-
Ancillary support	2,300	-
ISC - FNIHB - capital investment	100,000	-
	\$ 1,312,282	\$ 764,011

13. Deferred revenue

	March 31, 2020	Funding received, 2021	Revenue recognized, 2021	March 31, 2021
Federal government				
New School Feasibility Study	\$ 71,965	\$ -	\$ (71,965)	\$ -
Community Engagement	-	12,780	(3,783)	8,997
Headstart	-	267,553	(237,230)	30,323
	\$ 71,965	\$ 280,333	\$ (312,978)	\$ 39,320

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

14. Investment (Reserve for losses) in government business enterprises

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board. 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 revenues received from outside the First Nation government.

On October 31, 2020, Little Black Bear First Nation sold 50 Class A common shares of URSA Brands Inc (total issued and outstanding of 100 shares) to Day Star First Nation in exchange for 2,000,000 common shares (Aggregate subscription price of \$1,000,000) of 2544737 Ontario Limited (Consolidated Craft Brands) and \$1,000,000 of loan guarantee towards the Peace Hills Trust debt outstanding by the URSA Brands Inc.

On November 1, 2020, Little Black Bear First Nation transferred 2,000,000 common shares of 2544737 Ontario Limited to URSA Brands Inc. as an equity contribution.

On January 21, 2021, URSA Brands Inc. changed its name to DS-LBB Holdings Inc. with an effective date of January 21, 2021.

	2021	2020
LBB Gas & Convenience LP - 99.99%	\$ (698,296)	\$ (741,164)
LBB Gas & Convenience Ltd. - 100%	1,121	718
LBB Coffee Franchise LP - 99.99%	(588,566)	(781,787)
LBB Coffee Franchise Ltd. - 100%	(1,449)	(1,642)
Wakayos Developments LP - 99.99%	966,891	963,802
Wakayos Developments Ltd. - 100%	(831)	(866)
Wakayos Holdings Inc. - 100%	(176,477)	(107,670)
DS-LBB Holdings Inc. - 50% (2020 - 100%)	623,430	(659,416)
Wakayos Employment & Training Center Inc. - 100%	6,132	(16,573)
	<u>\$ 131,955</u>	<u>\$ (1,344,598)</u>

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

14. Investment (Reserve for losses) in government business enterprises, continued

	Percent Ownership	Investment, beginning of year	Contributions/ Purchases	Withdrawals / Sale of GBE	Undistributed earnings (loss)	Investment, end of year
LBB Gas & Convenience LP	99.99%	\$ (741,164)	\$ -	\$ (360,000)	\$ 402,868	\$ (698,296)
LBB Coffee Franchise LP	99.99%	(781,787)	-	-	193,221	(588,566)
Wakayos Development s LP	99.99%	963,802	-	-	3,089	966,891
		(559,149)	-	(360,000)	599,178	(319,971)
LBB Gas & Convenience Ltd.	100%	718	-	-	403	1,121
LBB Coffee Franchise Ltd.	100%	(1,642)	-	-	193	(1,449)
Wakayos Development s Ltd.	100%	(866)	-	-	35	(831)
Wakayos Holdings Inc DS-LBB	100%	(107,670)	-	-	(68,807)	(176,477)
Holdings Inc. Wakayos Employment & Training Center Inc.	100%	(659,416)	1,000,000	329,708	(46,862)	623,430
		(16,573)	-	-	22,705	6,132
		(785,449)	1,000,000	329,708	(92,333)	451,926
		\$ (1,344,598)	\$ 1,000,000	\$ (30,292)	\$ 506,845	\$ 131,955

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

15. Investment (Reserve for losses) in government business enterprises - summary

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

	LBB Coffee Franchise & Coffee Ltd.	LBB Gas & LP Convenience LP & LBB Gas & Convenience Ltd.	Wakayos Developments LP and Wakayos Developments Ltd.	Wakayos Holdings Inc	DS-LBB Holdings Inc.	Wakayos Employment & Training Center Inc.
Cash	\$ 121,731	\$ 139,387	\$ 53,386	\$ 45,655	\$ 31,935	\$ 11,804
Accounts receivable	-	109,816	35,930	-	3,028	25,605
Inventory	13,156	133,864	-	-	-	-
Prepaid expenses	16,105	16,105	-	-	4,022	-
Property, plant and equipment	40,421	623,279	1,651,539	172,565	1,842,768	22,736
Due from related parties	239,919	160,000	3,594,336	246,888	-	-
Other assets	-	-	68,050	-	2,091,000	-
Total assets	\$ 431,332	\$ 1,182,451	\$ 5,403,241	\$ 465,108	\$ 3,972,753	\$ 60,145
Accounts payable	\$ 116,335	\$ 131,378	\$ 23,811	\$ 24,537	\$ 132,081	\$ 14,555
Bank term loan	-	-	-	-	2,396,549	-
Long-term debt	40,000	40,000	4,166,288	40,000	-	-
Due to related parties	863,682	1,707,048	245,914	577,048	197,264	39,458
Total liabilities	1,020,017	1,878,426	4,436,013	641,585	2,725,894	54,013
Equity	(588,685)	(695,975)	967,228	(176,477)	1,246,859	6,132
Total liabilities and equity	\$ 431,332	\$ 1,182,451	\$ 5,403,241	\$ 465,108	\$ 3,972,753	\$ 60,145

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

15. Investment (Reserve for losses) in government business enterprises - summary, continued

	LBB Coffee Franchise Ltd.	LBB Gas & Convenience LP & LBB Gas & Convenience Ltd.	Wakayos Developments LP and Wakayos Holdings Inc.	Wakayos Holdings Inc.	DS-LBB Holdings Inc.	Wakayos Employment & Training Center Inc.
Revenue	\$ 2,005,398	\$ 5,167,011	\$ 417,713	\$ 57,159	\$ 517,430	\$ 270,291
Cost of sales	659,691	3,999,636	-	-	-	-
Expenses	1,152,293	764,104	382,671	125,966	603,478	247,586
Loss on sale of investment	-	-	31,950	-	-	-
	1,811,984	4,763,740	414,621	125,966	603,478	247,586
Net income (loss)	\$ 193,414	\$ 403,271	\$ 3,092	\$ (68,807)	\$ (86,048)	\$ 22,705

16. Long-term debt

	2021	2020
Peace Hills Trust #9 new Term loan for Community/Health Centre construction - bearing interest prime plus 2.00% per annum, maturing when construction is complete. Secured by general security agreements of funding from ISC and land lease funds. General security agreement by Wakayos Developments Ltd. as general partner for Wakayos Developments Limited Partnership, and all profits derived from LBB Gas Bar and Convenience Ltd. and LBB Coffee Franchise Ltd. Approved loan amount of \$2,100,000. These terms are for the construction phase of this project, once construction is complete terms will change.	\$ 2,098,930	\$ 1,879,294
Peace Hills Trust #7 Term loan - bearing interest at 5.00% per annum, annual blended payments of \$105,000, maturing March 30, 2022. Secured by general security agreement and assignments of ISC band based capital funding.	577,825	647,588
Peace Hills Trust #11 Term loan - bearing interest at 6.00% per annum, quarterly blended payments of \$60,000 and monthly blended payments of \$12,755 from LBB Gas Bar & Convenience LP and LBB Coffee Franchise LP, maturing March 1, 2025. Secured by general security agreement and assignments of funding from ISC, Gaming, land leases, Keseechiwan Holdings. General security agreement by Wakayos Developments Limited Partnership, any and all profits derived from LBB Gas Bar & Convenience LP and LBB Coffee Franchise LP.	2,292,883	2,500,000

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

16. Long-term debt, continued

	2021	2020
Maxim Truck and Trailer Inc. - obligation under finance lease for the 2020 International MV607 water truck - bearing interest at 0.62% per annum, monthly lease payments of \$2,795 maturing November 30, 2024.	107,440	132,032
	5,077,078	5,158,914
Less current portion	443,441	433,743
	\$ 4,633,637	\$ 4,725,171

Principal portion of long-term debt due within the next five years:

2022	\$ 443,441
2023	485,998
2024	535,172
2025	393,315
2026	311,273
2027 and thereafter	2,907,879
	\$ 5,077,078

	2021	2020
Interest expense for the year on long-term debt	\$ 299,257	\$ 207,844

17. CMHC mortgages

	Phase number	Renewal date	Interest rate	Monthly payment	2021	2020
CMHC	8	2025-06-01	0.67%	\$ 403	\$ 20,259	\$ 24,932
CMHC	9	2022-11-01	2.06%	1,151	66,615	78,927
					86,874	103,859
Less: current portion					17,275	17,161
					\$ 69,599	\$ 86,698

Interest paid during the year \$1,677 (2020 - \$2,214)

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

18. Tangible capital assets

	Cost	Additions	Disposals	Accumulated depreciation	2021 Net book value
Land	\$ 2,999,937	\$ -	\$ -	\$ -	\$ 2,999,937
Buildings	373,161	46,231	-	257,830	161,562
Automotive equipment	182,780	-	-	155,180	27,600
Machinery & equipment	740,291	149,906	-	632,618	257,579
Roads	746,067	-	-	539,788	206,279
Office equipment	106,769	-	-	105,681	1,088
Band houses	1,435,764	1,426,838	-	1,363,029	1,499,573
CMHC houses	1,994,499	-	-	1,862,892	131,607
Infrastructure	345,256	-	-	338,609	6,647
Assets under construction	3,499,150	(178,834)	-	-	3,320,316
	<u>\$ 12,423,674</u>	<u>\$ 1,444,141</u>	<u>\$ -</u>	<u>\$ 5,255,627</u>	<u>\$ 8,612,188</u>

	Cost	Additions	Disposals	Accumulated depreciation	2020 Net book value
Land	\$ 2,999,937	\$ -	\$ -	\$ -	\$ 2,999,937
Buildings	223,218	149,943	-	238,212	134,949
Automotive equipment	136,780	46,000	-	143,230	39,550
Machinery & equipment	576,957	163,334	-	538,158	202,133
Roads	746,067	-	-	524,046	222,021
Office equipment	103,506	3,263	-	104,593	2,176
Band houses	1,435,764	-	-	1,291,646	144,118
CMHC houses	1,994,499	-	-	1,807,830	186,669
Infrastructure	345,256	-	-	337,501	7,755
Assets under construction	1,299,637	2,199,513	-	-	3,499,150
	<u>\$ 9,861,621</u>	<u>\$ 2,562,053</u>	<u>\$ -</u>	<u>\$ 4,985,216</u>	<u>\$ 7,438,458</u>

19. Prepaid expenses

	2021	2020
Social assistance	\$ 1,990	\$ 5,774

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

20. Accumulated surplus

	2021	2020
Restricted		
Capital assets	\$ 6,426,384	\$ 5,455,306
Equity (reserve for losses) in related entities	191,954	(1,344,598)
Portfolio Investments	60,000	60,000
Funds held in trust	3,052	11,290
CMHC housing reserves	7,485	367
Unrestricted		
Surplus (deficit)	(5,386,329)	(5,124,881)
	<u>\$ 1,302,546</u>	<u>\$ (942,516)</u>

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.

Investments in related entities represents amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

Funds held in trust are monies held by the federal government for use by the First Nation for specific purposes.

Operating surplus (deficit) represents future revenue required for past operational activities.

21. ISC reconciliation

	2021	2020
Total per ISC confirmation	\$ 4,438,280	\$ 3,656,585
Prior period adjustments:		
Band employee benefits - statutory	16,060	-
Band employee benefits - non-statutory	5,972	(2,592)
	<u>\$ 4,460,312</u>	<u>\$ 3,653,993</u>

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

22. Government Transfers

	2021		
	Operating	Capital	Total
Federal government transfers			
Indigenous Services Canada	\$ 3,845,162	\$ 615,150	\$ 4,460,312
Canada Mortgage and Housing Corporation	12,295	-	12,295
Total	\$ 3,857,457	\$ 615,150	\$ 4,472,607
	2020		
	Operating	Capital	Total
Federal government transfers			
Indigenous Services Canada	\$ 3,312,144	\$ 341,849	\$ 3,653,993
Canada Mortgage and Housing Corporation	12,336	-	12,336
Total	\$ 3,324,480	\$ 341,849	\$ 3,666,329

23. CMHC housing restricted funds

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts. On March 31, 2021 the replacement reserve was underfunded by \$67,148 (2020 - \$77,126).

As of the date of these statements the balance of the funding had not been transferred to the reserve and replacement account.

24. Employee benefit obligations

Vacation and overtime

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

Post-employment benefits

Little Black Bear First Nation does not provide extended health, dental and life insurance benefits to retirees and their surviving spouses and therefore has no obligations with regards to post employment benefits.

Pension plan

Little Black Bear First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5.5% of their salary. Little Black Bear First Nation contributes a matching portion which is directed to the member's contribution account. Little Black Bear First Nation recorded an expense during the year of \$43,591 (2020 - \$28,926) for retirement benefits.

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

25. Interest rate risk

The First Nation is not exposed to significant interest rate risk on its monetary assets and current liabilities, due to their short term maturity. The First Nation is exposed to interest rate price risk on its long-term debt that has a fixed interest rate.

26. Budgeted figures

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the Little Black Bear First Nation.

27. Contingent liabilities

Little Black Bear 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, Little Black Bear 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 Little Black Bear First Nation's financial statements.

Little Black Bear First Nation has guaranteed a collateral mortgage from PHT for Wakayos Developments LP. The guarantee is 100% postponement of claim. The total amount of the loan outstanding is \$4,126,289 (2020 - \$3,355,449).

Little Black Bear First Nation has guaranteed a collateral mortgage from PHT for DS-LBB Holdings Inc. The guarantee is 100% postponement of claim. The total amount of the loan guarantee is \$1,396,548 (2020 - \$2,396,549).

28. Economic dependence

Little Black Bear First Nation receives a major portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada (ISC).

29. COVID-19

In early March 2020, the global outbreak of COVID-19 (corona virus) began to have a significant impact on the First Nation due to office closures, travel restrictions, cancellation of events and increased cost of compliance with other guidelines and regulations. The First Nation received additional funding from ISC to assist with COVID-19 related costs. However, the First Nation received less funding from First Nation's Trust due to the closure of SIGA casinos. Revenues from the Nation business entities were also negatively impacted. These impacts are expected to continue until the end of the COVID-19 pandemic.

Little Black Bear First Nation
Notes to Consolidated Financial Statements
March 31, 2021

30. Expenses by object

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Accounts receivable impairment	\$ -	\$ -	\$ 334,399
Administration	137,453	171,423	176,612
Assistance - band members	235,066	201,111	229,140
Assistance - social development	294,164	241,684	235,733
Bad debts (recoveries)	-	(15,778)	231,922
COVID-19 expenses	1,006,452	1,013,975	74,771
Consultants and contractors	1,319,642	1,852,903	3,936,499
Cultural programs	87,817	14,026	159,568
Depreciation	-	270,410	186,341
Donation	10,000	6,356	10,775
Equipment purchases	34,600	7,898	222,418
Fuel	41,768	21,143	43,180
Graduation, awards, prizes	7,400	6,550	9,900
Honorariums	-	-	14,950
Insurance	43,857	67,924	54,660
Job readiness program	16,593	22,423	23,384
Interest and bank charges	64,918	33,095	183,373
Management fees	-	-	8,901
Investment in Wakayos Holdings Inc.	-	-	130,000
Janitorial services	-	2,100	9,752
Long term debt - mortgage (principle & interest)	19,000	18,662	18,859
Long term debt - mortgage principle repayment	(12,785)	(16,985)	(16,645)
Long term debt - payments (principle & interest)	-	600,729	1,567,613
Long term debt - principle repayment	-	(301,472)	(1,359,769)
NIB expenses	31,680	10,430	56,481
Professional fees	162,880	120,529	699,764
Programming expenses	-	-	8,306
Registration fees	4,400	6,549	12,738
LBB Orchards expenses	-	-	25,000
Rent - equipment	-	20,489	-
Repairs and maintenance	207,172	55,654	118,557
Student allowance	90,260	124,390	102,587
Supplies	747,868	392,365	285,560
Telephone	25,800	130,932	48,430
Travel, meetings, per diems	330,850	234,596	380,527
Tuition	94,655	109,234	80,575
Utilities	20,581	95,542	43,780
Wages and benefits	1,078,024	929,033	890,454
YTC-CFS prevention expenses	-	80,556	81,537
Transfer to capital assets	-	(1,444,140)	(2,562,053)
	\$ 6,100,115	\$ 5,084,336	\$ 6,758,579

31. Segmented information

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

Community Development:

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

Economic Development:

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

Education:

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

Indian Government Support:

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

Lands Management:

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

31. Segmented information, continued

Social Development:

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

Indian Registration:

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

Community Health

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

Canada Mortgage and Housing Corporation (CMHC)

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

Other programs

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

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

Schedule #1
Little Black Bear First Nation
Community Development
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada - fixed contribution	\$ 263,045	\$ 689,203	\$ 587,798
Indigenous Services Canada - flexible contribution	1,118,787	1,118,787	1,175,130
FHQ Tribal Council	-	1,208	2,415
Other revenue	-	27	75
Unexpended funds transferred - prior year	626,609	626,652	84,118
Deferred revenue - prior year	71,965	71,965	71,965
Deferred revenue - current year	-	-	(71,965)
	2,080,406	2,507,842	1,849,536
Expenses			
Administration	37,500	39,500	81,599
Consultants and contractors	810,596	1,330,163	2,480,893
COVID-19 expenses	378,437	416,631	-
Equipment purchases	28,800	-	155,334
Fuel	19,768	12,787	21,598
Insurance	20,620	32,263	21,104
Interest and bank charges	-	5,805	6,310
Long term debt - payments (principle & interest)	-	33,544	100,183
Long term debt - principle repayment	-	(24,592)	(8,872)
Management fees	-	-	8,901
Rent - equipment	-	20,489	-
Repairs and maintenance	139,621	35,313	58,006
Supplies	450,316	43,806	59,305
Telephone	4,800	4,468	3,610
Travel, meetings, per diems	14,200	21,262	33,522
Utilities	18,095	75,593	42,425
Wages and benefits	133,373	128,012	148,835
Transfer to capital assets	-	(1,248,003)	(2,354,847)
	2,056,126	927,041	857,906
Current surplus before other items	24,280	1,580,801	991,630
Other items			
Unexpended funds transferred to deferred revenue	-	(664,935)	(626,652)
Current surplus before transfers	24,280	915,866	364,978
Transfers			
Transfer - Education	-	-	17,476
Transfer - Depreciation	-	(140,982)	(97,671)
Current surplus	\$ 24,280	\$ 774,884	\$ 284,783

The accompanying notes are an integral part of the financial statements

Schedule #2
Little Black Bear First Nation
Economic Development
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada - fixed contribution	\$ 131,932	\$ 131,932	\$ 19,200
FHQ Tribal Council	34,989	34,989	34,989
Land leases (flowed through Wakayos Holdings Inc.)	-	176,460	160,098
Western Economic Diversification program	-	172,828	-
Other revenue	150,000	17,155	63,296
	316,921	533,364	277,583
Expenses			
Consultants and contractors	36,000	139,893	737,982
COVID-19 expenses	45,443	45,443	-
Equipment purchases	-	4,300	15,000
Fuel	4,000	5,230	6,717
Insurance	640	-	-
Interest and bank charges	-	172	-
LBB Orchards expenses	-	-	25,000
Long term debt - payments (principle & interest)	-	-	1,362,430
Long term debt - principle repayment	-	-	(1,278,568)
Professional fees	-	28,371	511,108
Repairs and maintenance - equipment	-	-	2,000
Repairs and maintenance - other	1,200	-	1,358
Supplies	120,089	207,288	119,786
Travel, meetings, per diems	1,200	3,520	4,382
Wages and benefits	108,349	22,985	24,921
Write off of bad debt - Organic farm	-	-	233,929
Transfer to capital assets	-	(149,906)	-
	316,921	307,296	1,766,045
Current surplus (deficit) before transfers	-	226,068	(1,488,462)
Transfers			
Transfer - Depreciation	-	(40,964)	-
Current surplus (deficit)	\$ -	\$ 185,104	\$ (1,488,462)

The accompanying notes are an integral part of the financial statements

Schedule #3
Little Black Bear First Nation
Education
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada - fixed contribution	\$ 452,444	\$ 477,218	\$ 437,435
Indigenous Services Canada - flexible contribution	15,919	15,919	-
FHQ Tribal Council	-	2,857	5,472
	468,363	495,994	442,907
Expenses			
Administration	18,174	17,143	17,934
Consultants and contractors	73,119	30,218	56,289
COVID-19 expenses	32,810	34,205	-
Cultural programs	14,580	-	-
Fuel	18,000	3,126	13,688
Graduation, awards, prizes	7,400	6,550	9,900
Insurance	6,143	1,976	1,021
Registration fees	2,400	-	210
Repairs and maintenance	18,000	2,761	25,881
Student allowance	90,260	124,390	102,587
Supplies	53,074	25,410	16,806
Telephone	3,600	1,050	1,275
Travel, meetings, per diems	13,200	17,735	30,659
Tuition	94,655	109,234	80,575
Wages and benefits	57,948	57,260	75,841
	503,363	431,058	432,666
Current surplus before other items	(35,000)	64,936	10,241
Other items			
Unexpended funds transferred to deferred revenue	-	(85,951)	-
Current surplus (deficit) before transfers	(35,000)	(21,015)	10,241
Transfers			
Transfer - Community Development	-	-	(17,476)
Transfer - Other Programs	-	35,000	-
Transfer - Depreciation	-	-	(2,995)
Current surplus (deficit)	\$ (35,000)	\$ 13,985	\$ (10,230)

The accompanying notes are an integral part of the financial statements

Schedule #4
Little Black Bear First Nation
Indian Government Support
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada - grant contribution	\$ 228,660	\$ 311,361	\$ 311,361
Indigenous Services Canada - flexible contribution	166,141	166,141	20,557
FHQ Tribal Council	-	4,639	9,300
Other revenue	252,631	8,323	16,526
Administration fees - internal allocation	69,791	220,256	133,714
Unexpended funds transferred - prior year	-	-	6,407
	717,223	710,720	497,865
Expenses			
Administration	4,250	4,250	-
Assistance - general	23,066	-	-
Bad debts (recoveries)	-	(15,778)	(2,007)
Consultants and contractors	199,070	150,799	194,504
Donation	10,000	6,356	10,775
Equipment purchases	5,800	3,598	5,484
Honorariums	-	-	14,950
Insurance	-	-	74
Interest and bank charges	64,298	24,845	175,074
Janitorial services	-	2,100	-
Long term debt - payments (principle & interest)	-	567,185	105,000
Long term debt - principle repayment	-	(276,880)	(72,329)
Professional fees	45,000	74,592	182,656
Registration fees	-	2,599	3,423
Repairs and maintenance	12,500	1,390	-
Supplies	5,000	12,486	27,725
Telephone	15,000	118,014	34,470
Travel, meetings, per diems	141,000	122,633	191,575
Wages and benefits	511,332	469,747	430,315
Transfer to capital assets	-	-	(3,263)
	1,036,316	1,267,936	1,298,426
Current deficit before other items	(319,093)	(557,216)	(800,561)
Other items			
Unexpended funds transferred to deferred revenue	-	(43,112)	-
Current deficit before transfers	(319,093)	(600,328)	(800,561)

The accompanying notes are an integral part of the financial statements

Schedule #4, continued
Little Black Bear First Nation
Indian Government Support
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Transfers			
Transfer - Other Programs	-	480,000	575,000
Transfer - Depreciation	-	(1,088)	(2,921)
Current deficit	\$ (319,093)	\$ (121,416)	\$ (228,482)

The accompanying notes are an integral part of the financial statements

Schedule #5
Little Black Bear First Nation
Lands Management
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada - fixed contribution	\$ 117,151	\$ 117,151	\$ 65,591
Expenses			
Administration	6,560	6,560	6,560
Consultants and contractors	18,654	6,424	11,000
COVID-19 expenses	26,560	26,560	-
Professional fees	25,000	3,860	-
Supplies	12,000	4,473	79
Telephone	2,400	900	900
Travel, meetings, per diems	7,200	1,803	12,795
Wages and benefits	49,346	32,823	45,784
Transfer to capital assets	-	-	(8,000)
	147,720	83,403	69,118
Current surplus (deficit) before other items	(30,569)	33,748	(3,527)
Other items			
Unexpended funds transferred to deferred revenue	-	(33,748)	-
Current deficit before transfers	(30,569)	-	(3,527)
Transfers			
Transfer - Depreciation	-	(3,497)	(3,497)
Current deficit	\$ (30,569)	\$ (3,497)	\$ (7,024)

The accompanying notes are an integral part of the financial statements

Schedule #6
Little Black Bear First Nation
Social Development
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada - fixed contribution	\$ 55,478	\$ 55,478	\$ 37,559
Indigenous Services Canada - flexible contribution	886,665	831,691	405,205
Unexpended funds transferred - prior year	12,603	83,822	-
	954,746	970,991	442,764
Expenses			
Administration	25,864	28,480	5,197
Assistance - social development	294,164	241,684	235,733
Consultants and contractors	5,400	6,000	19,000
COVID-19 expenses	371,555	339,489	74,771
Interest and bank charges	120	1,776	1,646
Job readiness program	16,593	22,423	23,384
NIB expenses	4,200	-	-
Professional fees	90,000	2,706	-
Repairs and maintenance	5,700	5,980	14,000
Supplies	23,485	2,201	1,891
Travel, meetings, per diems	76,400	8,084	5,753
Wages and benefits	63,447	60,665	46,805
	976,928	719,488	428,180
Current surplus before other items	(22,182)	251,503	14,584
Other items			
Unexpended funds transferred to deferred revenue	-	(270,711)	(83,822)
Current deficit	\$ (22,182)	\$ (19,208)	\$ (69,238)

The accompanying notes are an integral part of the financial statements

Schedule #7
Little Black Bear First Nation
Indian Registration
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada - fixed contribution	\$ 5,000	\$ 5,000	\$ 21,740
Expenses			
Consultants and contractors	8,600	11,250	19,434
Supplies	1,000	800	-
Travel, meetings, per diems	1,800	473	2,306
	11,400	12,523	21,740
Current deficit	\$ (6,400)	\$ (7,523)	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #8
Little Black Bear First Nation
Community Health
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - First Nations & Inuit Health Branch (FNIHB)	\$ 433,648	\$ 540,431	\$ 572,417
File Hills Health	12,780	12,780	6,167
FHQ Tribal Council	161,628	288,917	168,253
Unexpended funds transferred - prior year	53,537	53,537	-
Deferred revenue - prior year	-	-	68,391
Deferred revenue - current year	-	(39,320)	-
	661,593	856,345	815,228
Expenses			
Administration	35,505	47,604	56,141
Consultants and contractors	146,203	142,001	305,170
COVID-19 expenses	151,647	151,647	-
Cultural programs	73,237	12,826	127,659
Equipment purchases	-	-	46,600
Fuel	-	-	1,177
Insurance	1,200	1,026	1,026
Janitorial services	-	-	9,752
NIB expenses	1,800	300	56,481
Programming expenses	-	-	8,306
Repairs and maintenance	2,800	7,610	3,295
Supplies	64,184	76,680	38,266
Travel, meetings, per diems	35,850	27,624	44,000
Utilities	2,486	19,949	1,355
Wages and benefits	151,329	157,541	113,524
Transfer to capital assets	-	(46,231)	(195,943)
	666,241	598,577	616,809
Current surplus before other items	(4,648)	257,768	198,419
Other items			
Unexpended funds transferred to deferred revenue	-	(213,825)	(53,537)
Current surplus before transfers	(4,648)	43,943	144,882
Transfers			
Transfer - Depreciation	-	(28,817)	(24,195)
Current surplus	\$ (4,648)	\$ 15,126	\$ 120,687

The accompanying notes are an integral part of the financial statements

Schedule #9
Little Black Bear First Nation
CMHC
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
CMHC - subsidies	\$ 18,000	\$ 12,295	\$ 12,336
CMHC - rental income	54,000	12,420	-
Other revenue	-	3	1
	72,000	24,718	12,337
Expenses			
Administration	4,800	4,800	9,180
Consultants and contractors	15,000	7,208	1,999
Insurance	15,254	32,659	31,435
Interest and bank charges	500	371	343
Long term debt - mortgage (principle & interest)	19,000	18,662	18,859
Long term debt - mortgage principle repayment	(12,785)	(16,985)	(16,645)
Professional fees	2,880	9,000	6,000
Repairs and maintenance	27,351	2,600	14,017
Supplies	-	4,748	700
Wages and benefits	-	-	4,429
	72,000	63,063	70,317
Current deficit before transfers	-	(38,345)	(57,980)
Transfers			
Transfer - Depreciation	-	(55,062)	(55,062)
Current deficit	\$ -	\$ (93,407)	\$ (113,042)

The accompanying notes are an integral part of the financial statements

Schedule #10
Little Black Bear First Nation
Other Programs
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Trust funds held by federal government	\$ -	\$ 51,763	\$ 60,440
First Nations Trust	200,000	141,623	191,900
FHQ Tribal Council	-	-	6,278
Yorkton Tribal Council Child and Family Services	-	237,316	208,925
Living Sky Community Development Corporation	20,000	18,882	17,653
Gains (losses) in related business entities	-	506,844	(96,899)
Gain on sale of government business enterprise	-	1,329,708	-
LBB Gas Bar & Convenience LP - drawings	600,000	-	-
Keseechiwan Holdings LP dividend	60,000	60,000	195,000
Other revenue	308,100	73,416	307,496
	1,188,100	2,419,552	890,793
Expenses			
Accounts receivable impairment	-	-	334,399
Administration	4,800	23,086	-
Assistance - band members	212,000	201,111	229,140
Consultants and contractors	7,000	28,945	110,229
Cultural programs	-	1,200	31,909
Interest and bank charges	-	126	-
Investment in Wakayos Holdings Inc.	-	-	130,000
NIB expenses	25,680	10,130	-
Professional fees	-	2,000	-
Registration fees	2,000	3,950	9,105
Supplies	18,720	14,471	20,996
Telephone	-	6,500	8,175
Travel, meetings, per diems	40,000	31,460	55,536
Wages and benefits	2,900	-	-
YTC-CFS prevention expenses	-	80,556	81,537
	313,100	403,535	1,011,026
Current surplus (deficit) before transfers	875,000	2,016,017	(120,233)
Transfers			
Transfer - Education	-	(35,000)	-
Transfer - Indian Government Support	-	(480,000)	(575,000)
Current surplus (deficit)	\$ 875,000	\$ 1,501,017	\$ (695,233)

The accompanying notes are an integral part of the financial statements

Schedule #11
Little Black Bear First Nation
Depreciation
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue	\$ -	\$ -	\$ -
Expenses			
Community Buildings	-	2,285	21,556
Roads and Bridges	-	30,863	30,863
Renovations	-	8,802	8,802
Student transportation	-	-	2,995
Indian Government Support	-	1,088	2,240
CMHC Housing Operations	-	55,062	55,062
Lands Management	-	3,497	3,497
Water O&M	-	36,451	36,451
Governance - IM/IT Capacity Dev	-	-	681
Headstart	-	19,617	14,994
Jordan's Principle - Wellness Project	-	9,200	9,200
Organic farm and cattle operation	-	40,964	-
Housing renovation and additions	-	29,621	-
Housing new construction	-	32,960	-
	-	270,410	186,341
Current deficit before transfers	-	(270,410)	(186,341)
Transfers			
Transfer - Programs	-	270,410	186,341
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements