

**Pasqua First Nation  
Consolidated Financial Statements  
March 31, 2022**

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*March 31, 2022*

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**Pasqua First Nation**  
**Management's Responsibility for Financial Reporting**  
*March 31, 2022*

To the Members of Pasqua First Nation:

The accompanying consolidated financial statements of Pasqua 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 fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

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

On behalf of Pasqua First Nation:

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Signature on file

Pasqua First Nation

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May 2, 2023

Date



## Chalupiak & Associates CPA Professional Corporation

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

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### Independent Auditors' Report

To the Members of  
**Pasqua First Nation**

#### ***Opinion***

We have audited the consolidated financial statements of Pasqua First Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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, 2022, and the results of its consolidated operations, its consolidated accumulated surplus, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### ***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.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- ◆ 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**  
**May 8, 2023**

*Chalupiak & Associates*  
**Chartered Professional Accountants**

**Pasqua First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2022*

	2022	2021
<b>Financial Assets</b>		
Cash and cash equivalents (Note 3)	\$ 6,220,044	\$ 615,540
Restricted cash - capital projects (Note 3)	8,579,437	19,748
Restricted cash - CMHC reserves (Note 3)	907,324	894,739
Trust funds held by federal government (Notes 3 and 4)	321,522	45,012
Accounts receivable (Notes 5 and 6)	1,551,235	1,645,003
Due from related parties (Note 7)	815,124	2,031,512
Portfolio investments (Note 8)	71,319	71,319
Long-term investments (Note 9)	8,701,169	6,214,554
<u>Investment in government business enterprises (Note 10)</u>	<u>-</u>	<u>-</u>
	27,167,174	11,537,427
<b>Liabilities</b>		
Bank indebtedness (Notes 3 and 11)	-	2,251,899
Accounts payable (Note 12)	2,984,921	3,128,973
Deferred revenue (Notes 13 and 14)	28,159,764	9,033,942
Current portion of long-term debt (Note 15)	312,487	1,901,556
Current portion of CMHC mortgages (Note 16)	672,146	640,885
Long-term debt (Note 15)	6,604,257	4,869,046
<u>CMHC mortgages (Note 16)</u>	<u>7,231,015</u>	<u>7,924,463</u>
	45,964,590	29,750,764
<b>Net debt</b>	<b>(18,797,416)</b>	<b>(18,213,337)</b>
<b>Non-financial Assets</b>		
Tangible capital assets (Note 17)	63,230,834	53,353,976
Prepaid expenses (Note 18)	164,831	414,597
<u>Inventory (Note 19)</u>	<u>936,656</u>	<u>727,740</u>
	64,332,321	54,496,313
<b>Accumulated Surplus (Note 20)</b>	<b>\$ 45,534,905</b>	<b>\$ 36,282,976</b>

**Approved on behalf of the Pasqua First Nation:**

Signature on file

Signature on file

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
Indigenous Services Canada (ISC)	\$ 17,445,161	\$ 12,341,027	\$ 12,551,898
ISC - First Nations & Inuit Health Branch (FNIHB)	963,372	11,027,096	8,832,901
Trust funds held by federal government	-	276,510	142,135
Canada Mortgage and Housing Corporation (CMHC)	-	9,938,976	916,200
First Nations Trust (FNT)	102,470	409,882	527,168
Pasqua Legacy Trust - annual income	-	2,379,297	4,189,000
Pasqua TLE Holdings Inc - annual income	-	177,097	205,816
Pasqua TLE - annual income	-	24,310	19,039
SITAG - Labour Force Development	244,711	244,710	189,227
SIIT	-	-	43,499
Touchwood Child & Family Services	279,415	286,415	27,500
CIBC 1906 Land Claim loan proceeds	3,239,635	19,079,633	2,270,148
FHQ Tribal Council	665,213	615,185	546,219
Paskwa Pit Stop (sales less cost of sales)	-	388,444	439,578
Paskwa Pit Stop - other revenue	-	9,708	14,509
CDC revenue	16,387	24,266	34,980
Investment income - PHT Business Trust	-	26,296	-
CMHC - rental income	-	289,835	273,392
Interest earned	-	15,242	19,890
Keseechiwan Holdings LP	-	60,000	60,000
Other revenue	7,739,742	1,153,846	664,095
Manufacturing sales (Pro Metal Industries Inc.)	-	11,172,017	11,534,123
Other production revenue (Pro Metal Industries Inc.)	-	158,791	5,245
Land lease revenues (PFN Land acquisition LP)	-	103,178	103,178
Investment income (PFN Group of Companies LP & Inc.)	-	443,788	212,046
Tire sales and installation (PFN GOC LP)	-	106,051	83,423
Gain on disposal of investments	-	2,504,152	-
Gain on foreign exchange	-	12,219	-
Change in unrealized gain on investment	-	25,870	-
PHT Business Trust - annual income	-	109,721	-
Deferred revenue - prior year	7,827,596	8,854,642	7,837,076
Deferred revenue - current year	110,441	(28,159,764)	(9,033,942)
	38,634,143	54,098,440	42,708,343

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Expenses</b>			
Treaties and Indigenous Government (Schedule 1)	-	198,758	342,534
Community Infrastructure (Schedule 2)	10,569,156	2,258,016	2,159,112
Economic Development (Schedule 3)	151,342	433,337	85,122
Education (Schedule 4)	4,934,682	5,634,018	6,189,960
Indigenous Government Support (Schedule 5)	5,149,019	4,587,821	7,095,219
Land Management (Schedule 6)	132,611	91,685	134,875
Social Development (Schedule 7)	1,018,097	1,231,737	1,242,253
Registration and Membership (Schedule 8)	19,085	19,085	18,930
Health Services (Schedule 9)	1,026,779	10,554,411	6,221,099
CMHC Operations (Schedule 10)	-	1,453,587	1,042,204
Band Projects (Schedule 11)	8,071,047	20,974,344	24,609,548
	<b>31,071,818</b>	<b>47,436,799</b>	<b>49,140,856</b>
<b>Current surplus (deficit)</b>	<b>\$ 7,562,325</b>	<b>\$ 6,661,641</b>	<b>\$ (6,432,514)</b>

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2022*

	2022	2021
<b>Surplus at beginning of year</b>	\$ 36,282,976	\$ 42,715,490
<b>Current surplus (deficit)</b>	6,661,641	(6,432,514)
<b>Capital contribution</b>	2,590,279	-
<b>Surplus at end of year</b>	<b>\$ 45,534,896</b>	<b>\$ 36,282,976</b>

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Current surplus (deficit)</b>	<b>\$ 7,562,325</b>	<b>\$ 6,661,641</b>	<b>\$ (6,432,514)</b>
Acquisition of tangible capital assets	-	(12,531,585)	(6,898,804)
Depreciation of tangible capital assets	-	2,565,938	2,411,866
Depreciation - PFN GOC LP included in cost of goods sold	-	88,798	146,044
	-	(9,876,849)	(4,340,894)
Acquisition of prepaid asset	-	(164,831)	(414,597)
Use of prepaid asset	-	414,597	191,973
	-	249,766	(222,624)
Acquisition of inventory	-	(936,656)	(727,740)
Use of inventory	-	727,740	475,675
	-	(208,916)	(252,065)
Capital contribution - Pasqua Business Trust	-	2,590,279	-
Increase (decrease) in net financial assets	7,562,325	(584,079)	(11,248,097)
<b>Net debt at beginning of year</b>	<b>(18,213,337)</b>	<b>(18,213,337)</b>	<b>(6,965,240)</b>
<b>Net debt at end of year</b>	<b>\$ (10,651,012)</b>	<b>\$ (18,797,416)</b>	<b>\$ (18,213,337)</b>

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2022*

	2022	2021
<b>Cash flows from Operating activities</b>		
Current surplus (deficit)	\$ 6,661,641	\$ (6,432,514)
Items not affecting cash		
Depreciation - Band	2,565,938	2,411,866
Depreciation - GOC LP included in cost of goods sold	88,798	146,044
Pasqua Business Trust - change in unrealized gain on investment	(25,870)	-
	<u>9,290,507</u>	<u>(3,874,604)</u>
Change in non-cash operating working capital		
Accounts receivable	93,768	(439,363)
Inventory	(208,916)	(252,065)
Prepaid expenses	249,766	(222,624)
Accounts payable	(144,042)	(157,760)
Deferred revenue	19,125,822	1,196,866
	<u>28,406,905</u>	<u>(3,749,550)</u>
<b>Capital activities</b>		
Acquisition of capital assets	(12,531,595)	(6,898,804)
<b>Financing activities</b>		
Due from related entities	1,216,388	5,729,391
Long-term debt - repayment	(6,605,011)	(306,000)
Advances of long-term debt	6,751,153	-
CMHC mortgages - repayment	(662,187)	(632,480)
CMHC mortgages - proceeds	-	529,490
	<u>700,343</u>	<u>5,320,401</u>
<b>Investing activities</b>		
Trust funds held by federal government	(276,510)	17,865
Restricted cash - CMHC reserves	(12,585)	(19,623)
Other long term investments	-	1,698,115
Purchase of investment through Pasqua Business Trust	(2,660,745)	-
Purchase of investment shares	(4,800,000)	-
Proceeds from sale of investment shares	7,445,000	-
Gain on sale of investment	(2,445,000)	-
Capital contribution - Pasqua Business Trust	2,590,279	-
	<u>(159,561)</u>	<u>1,696,357</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>16,416,092</b>	<b>(3,631,596)</b>
<b>(Bank indebtedness) cash and cash equivalents, beginning of year</b>	<b>(1,616,611)</b>	<b>2,014,985</b>
<b>Cash and cash equivalents (bank indebtedness), end of year</b>	<b>\$ 14,799,481</b>	<b>\$ (1,616,611)</b>

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Cash Flows, continued**  
*For the year ended March 31, 2022*

	2022	2021
<b>Represented by</b>		
Cash	\$ 6,220,044	\$ 615,540
Bank indebtedness	-	(2,251,899)
<u>Restricted cash - capital projects</u>	<u>8,579,437</u>	<u>19,748</u>
	<u><u>\$ 14,799,481</u></u>	<u><u>\$ (1,616,611)</u></u>

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2022*

**1. Operations**

The Pasqua First Nation ("the First Nation") is a First Nation band located in the province of Saskatchewan and provides various services to its members. These financial statements include the Pasqua First Nation's government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements do not include the Treaty Land Entitlement (TLE) Trust or the Pasqua First Nation Legacy Trust; separate audited financial statements are prepared for these Trusts.

The band office of the First Nation is physically located on Pasqua I.R. 79 and their mailing address is P.O. Box 79, Pasqua, Saskatchewan, S0G 5M0, 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 Pasqua First Nation reporting entity includes the Pasqua 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 Pasqua 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 Pasqua First Nation.

Organizations consolidated in Pasqua First Nation's financial statements include:

Paskwa Pit Stop;  
PFN Group of Companies Limited Partnership (includes consolidation of Pro Metal Industries Ltd.);  
PFN Group of Companies Inc.

Organizations accounted for on a modified equity basis include:

Pasqua TLE Holdings Inc. (100% owned by Pasqua First Nation)

**(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, prepaid expenses and inventory of supplies.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2022

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

**(d) Net debt**

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt is determined by its financial assets less liabilities. Net debt is comprised of two components, non-financial assets and accumulated surplus.

**(e) Basis of presentation**

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

**(f) 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.

**(g) Restricted cash**

Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. Restricted cash consists of capital projects funding held by the project manager, funds held by legal council and funds held in the CMHC reserve bank accounts.

**(h) Inventory**

Inventory is valued at the lower of cost and estimated net realizable value. Cost is determined by the first-in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

**(i) Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2022. No contaminated sites have been identified as at March 31, 2022.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2022

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

**(j) Tangible capital assets**

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

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

Depreciation is provided for on a straight-line basis over their estimated useful lives (except for PFN Group of Companies Limited Partnership who used a combination of straight-line and declining balance). Depreciation of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

Buildings	5-40 years Straight line
Vehicles	3-5 years Straight line
Equipment	3-5 years Straight line
Infrastructure	10-40 years Straight line
Roads	40 years Straight line
CMHC - houses	25 years Straight line
Band houses	20 years Straight line
Paskwa Pit Stop	2-25 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Pasqua 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. Land is not depreciated. Assets under construction are not depreciated until the asset is available to be put into service.

**(k) 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.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2022

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

**(l) 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.

**(m) Use of estimates**

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

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

**(n) Segment accounting**

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

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

**(o) Internal charges and transfers**

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

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2022*

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

**(p) 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 all 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 being performed is deferred and recognized when the fee is earned or the service is performed.

Revenue from sales and services is recognized when the significant risks and rewards of ownership are transferred to the customer, which generally coincides with the time of shipment, collectability is reasonably assured, persuasive evidence of an arrangement exists and the sales price is fixed and determinable. Revenue is recorded net of allowable discounts and rebates.

Revenues from investment income are recognized when received. Revenues from tire sales and installation services is recognized when the significant risk and rewards of ownership of the goods have been transferred to the buyer, usually upon receipt of payment or a verified purchase order.

Rental income and lease revenues are recognized over the rental term. Other revenues from services provided by the First Nation are recognized when the services have been provided. Interest revenue is recognized on an accrual basis.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2022*

**3. Cash and cash equivalents**

This note is comprised of the following:

**Unrestricted cash** - bank accounts used to facilitate day to day normal operations.

**Restricted cash - capital projects** - bank accounts that are restricted to a specific purpose as per the terms of a funding agreement or trust agreement. In some cases, these accounts are controlled by a project manager.

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

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

	2022	2021
Unrestricted cash		
General operations	\$ 6,220,044	\$ 615,540
Bank indebtedness		
General operations	- (2,251,899)	
Restricted cash - capital projects		
Capital projects	8,579,437	19,748
Restricted cash - CMHC reserves		
CMHC Replacement Reserve	882,035	871,774
CMHC Operating Reserve	25,289	22,965
	907,324	894,739
Trust funds held by the federal government		
Capital funds	11,545	11,545
Revenue funds	309,977	33,467
	321,522	45,012
	<hr/> \$ 16,028,327	<hr/> \$ (676,860)

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
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**4. Trust funds held by federal government**

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

	2022	2021
Capital funds held in trust	\$ 11,545	\$ 11,545
Revenue funds held in trust	<u>309,977</u>	<u>33,467</u>
	<u>\$ 321,522</u>	<u>\$ 45,012</u>
	2022	2022
	Revenue	Capital
Surplus, beginning of year	\$ 33,467	\$ 11,545
Withdrawals	-	-
Interest earnings	3,908	-
Land leases	272,177	-
Other	425	-
Surplus, end of year	<u>\$ 309,977</u>	<u>\$ 11,545</u>
	\$ 321,522	\$ 45,012
	2021	Total
	Total	Total
Surplus, beginning of year	\$ 62,877	\$ 62,877
Withdrawals	(160,000)	(160,000)
Interest earnings	1,029	1,029
Land leases	141,106	141,106
Other	-	-
Surplus, end of year	<u>\$ 45,012</u>	<u>\$ 45,012</u>

**Pasqua First Nation**  
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**5. Accounts receivable**

	2022	2021
<b>Due from members</b>		
Staff/member advances and loans	\$ 52,882	\$ 35,117
CMHC Rent	14,103	-
	<hr/> 66,985	<hr/> 35,117
<b>Due from others</b>		
PFN Group of Companies (net of allowance)	1,066,374	880,571
Paskwa Pit Stop (net of allowance)	72,399	61,525
Keseechiwan Holdings Inc.	60,000	60,000
FHQ Tribal Council	176,266	132,022
Other receivables	98,015	69,996
	<hr/> 1,473,054	<hr/> 1,204,114
<b>Due from government and other government organizations</b>		
Indigenous Services Canada (ISC)	-	390,657
CMHC - subsidy	68,436	68,433
GST	39,329	34,000
	<hr/> 107,765	<hr/> 493,090
	<hr/> 1,647,804	<hr/> 1,732,321
Allowance for doubtful accounts	<hr/> (96,569)	<hr/> (87,318)
<b>Total accounts receivable</b>	<b>\$ 1,551,235</b>	<b>\$ 1,645,003</b>

**6. Accounts receivable - ISC**

	2022	2021
Wastewater	\$ -	\$ 183,585
Water	-	87,072
Food security	-	120,000
	<hr/> \$ -	<hr/> \$ 390,657

**Pasqua First Nation**  
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**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.

	2022	2021
Pasqua TLE Holdings Inc.	\$ 738,252	\$ 365,293
PFN Group of Companies Limited Partnership	42,150	1,629,375
Pasqua TLE Trust	24,310	19,039
<u>Pasqua TLE Revenue</u>	<u>10,412</u>	<u>17,805</u>
	<hr/> <u>\$ 815,124</u>	<hr/> <u>\$ 2,031,512</u>

**8. Portfolio investments**

	2022	2021
Kinookimaw Beach Association	\$ 579	\$ 579
TIPI-IMI Brokerage Company Ltd. (4.5% ownership)	9,800	9,800
First Nations Bank	940	940
<u>Keseechiwan Holdings LP (8.3% ownership)</u>	<u>60,000</u>	<u>60,000</u>
	<hr/> <u>\$ 71,319</u>	<hr/> <u>\$ 71,319</u>

The First Nation has a 8.3% interest in FHQTC Developments LP. The First Nation's equity at the end of March 31, 2022 is \$419,649 (2021 - \$439,926).

**9. Long-term investments**

	2022	2021
Atlas Biotechnologies Inc. - 3,400,000 non-voting shares (2021 - 200,000)	\$ 6,000,000	\$ 1,200,000
11046896 Canada Inc. (2021 - 51% shares, non-voting)	-	5,000,000
Other investments	14,554	14,554
Pasqua Business Trust - Fixed income securities	642,440	-
Pasqua Business Trust - Mutual funds	257,909	-
Pasqua Business Trust - Canadian equities	811,538	-
Pasqua Business Trust - US equities	974,728	-
	<hr/> <u>\$ 8,701,169</u>	<hr/> <u>\$ 6,214,554</u>

**Pasqua First Nation**  
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**10. Investment in government business enterprises - summary of activity**

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.

Pasqua TLE Holdings Inc. met the definition of the government business enterprise and is recorded on a modified equity basis. On an annual basis, Pasqua TLE Holdings Inc. transfers all surpluses to the Pasqua TLE revenue account (per the Pasqua TLE agreement) which results in no net income (loss) in the Pasqua TLE Holdings Inc. Therefore, there was no equity pickup amount from the Pasqua TLE Holdings Inc.

The financial summary of the activities of the Pasqua TLE Holdings Inc. is as follows:

	Pasqua TLE Holdings Inc. As at December 31, 2021	Pasqua TLE Holdings Inc. As at December 31, 2020
Cash	\$ 565,777	\$ 400,910
Accounts receivable	5,111	4,373
<u>Property, plant and equipment - Land</u>	<u>190,845</u>	<u>190,845</u>
 <u>Total assets</u>	 <u>\$ 761,733</u>	 <u>\$ 596,128</u>
 Accounts payable	 \$ 19,107	 \$ 39,990
<u>Due to related parties</u>	<u>742,626</u>	<u>556,138</u>
 <u>Total liabilities and equity</u>	 <u>\$ 761,733</u>	 <u>\$ 596,128</u>
 <u>Revenue</u>	 <u>\$ 204,066</u>	 <u>\$ 272,148</u>
 <u>Expenses</u>	 <u>204,066</u>	 <u>272,148</u>
 <u>Net income</u>	 <u>\$ -</u>	 <u>\$ -</u>

**Pasqua First Nation**  
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**11. Bank indebtedness**

On March 31, 2022 the First Nation has two lines of credit with Peace Hills Trust as follows:

**General operations** - Line of credit limit of \$100,000 at a rate of prime plus 2% and an overdraft limit of \$150,000 at an annual interest rate of 24%. The bank balance as at March 31, 2022 is overdrawn by \$nil (2021 - \$284,730).

**Payroll advances** - Line of credit of \$20,000 at a rate of 8%. The bank balance as at March 31, 2022 is overdrawn by \$1,083 (2021 - \$nil).

**12. Accounts payable**

	2022	2021
General operations	\$ 1,868,067	\$ 2,035,681
Trade payables - Pasqua Group of Companies LP & Inc.	809,530	778,937
Trade payables - Pasqua Business Trust	9,205	-
Trade payables - Paskwa Pit Stop	24,110	91,685
Indigenous Services Canada	-	23,195
Canada Revenue Agency	40,622	41,588
Pension	128,101	63,110
Rent payable to CMHC department	5,070	5,070
Accrued interest on all long-term debt	100,216	89,707
	<hr/> \$ 2,984,921	<hr/> \$ 3,128,973

**13. Deferred revenue - ISC**

Indigenous Services Canada (ISC) funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement, the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue" on the financial statements.

	2022	2021
1910 Railway Claim	\$ 4,318	\$ 4,318
Sanitation	-	129,044
Water	322,018	158,349
Community buildings	9,370	-
Electrical systems - O&M	16,153	-
Capacity development	33,342	33,342
Capacity development (Community infrastructure)	87,024	87,024
Lagoon expansion	1,592,257	1,658,278
Subdivision expansion	1,401,925	1,251,925
A&C water new backup well	49,916	132,143
High school addition	317,363	-
PFN school expansion	20,000	20,000
Fire protection	700,000	200,000

**Pasqua First Nation**  
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### 13. Deferred revenue - ISC, continued

	2022	2021
COVID-19 - LEDSP	-	124,984
Buffalo Grasslands	-	26,500
COVID-19 - Post secondary emergency	-	166,672
Structural readiness	136,229	137,629
Jordans Principle - Allied services	39,148	42,073
FN school formula	744,597	334,029
Second level services	650,445	408,094
Skills link	60,877	-
FN School Protection 2nd Level	80,851	-
Summer students	-	8,587
P&ID - Financial management	61,441	18,941
P&ID - HR management	30,000	30,000
Community development	-	14,590
Community safety plan	7,136	7,136
Capacity development risk management	42,500	42,500
P&ID - Financial capacity 10 year grant readiness	50,000	50,000
Community involvement	63,750	63,750
Needs assessment - emergency preparedness	-	3,423
Membership governance capacity	15,000	-
CORP - Group restructuring	50,500	-
CORP - Pit Stop marketing	8,153	-
Preparedness/mitigation	38,720	-
RLEMP	27,858	46,673
Basic needs	28,893	81,704
Basic needs - COVID-19	367,609	96,562
Special needs	2,503	33,159
Special needs - COVID-19	-	46,858
Assisted living	41,397	-
Employment & training	12,622	143,573
Prevention	262,068	310,456
Mental health	36,953	37,457
FASD	8,028	-
COHI	10,494	4,083
Prenatal	11,237	6,581
Community health rep	193,391	49,508
CDCM public health	900,975	-
Mental health	16,974	50,000
Support services	7,918	8,136
Communicable disease - HIV / AIDS	1,824	-
Telehealth deployment	-	5,310
Health capital investments	941,469	926,649
CCC supplies & equipment	-	213,082
	\$ 9,505,246	\$ 7,213,122

**Pasqua First Nation**  
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#### **14. Deferred revenue - unexpended funds - non-ISC**

	2022	2021
Elders centre construction project	\$ 2,051,931	\$ 622,963
High school construction project	135,715	179,000
CMHC - Rapid housing initiative program	8,844,267	-
Other band revenue - Land purchase	4,500,000	-
Head start	399,157	232,128
Daycare	92,717	82,638
PFN core area playground	40,000	-
<u>Pasqua Group of Companies Limited Partnership</u>	<u>2,590,731</u>	<u>704,091</u>
	\$ 18,654,518	\$ 1,820,820

## 15. Long-term debt

	2022	2021
PHT Loan #41 - TLE litigation, Child & Family Welfare Services and Fort Qu'Appelle Hospital Lands Term Loan - bearing interest at 5.00%, monthly interest payments, principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	\$ -	\$ 500,000
PHT Loan #42 - Post Secondary Term Loan - bearing interest at 5.00%, monthly interest payments, principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	- -	300,000
RBC demand loan bearing interest at 5.99% per annum, repayable in monthly blended payments of \$530, matures in September 30, 2021.	- -	3,128
PNC Equipment Finance - obligation under finance lease for the 2019 Doosan G25N-7 lift truck - bearing interest at 5.16% per annum, monthly lease payments of \$545 maturing August 31, 2025.	22,697	27,912
RCAP leasing - obligation under finance lease for the Gibbs CAM 2.5D Solids Milling and Tuning Packages - bearing interest at 12.72% per annum, monthly lease payments of \$626 maturing June 30, 2023.	11,214	16,902
Peace Hills Trust term loan - capital asset loan - bearing interest at 5.50%, monthly blended payments of \$15,285, maturing May 1, 2022, secured by general security agreement.	101,680	274,313

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**15. Long-term debt, continued**

	2022	2021
Canada Emergency Business Account (CEBA) loan, interest free until December 31, 2022 with no fixed repayment schedule. If the loan is paid back by December 31, 2022, \$10,000 of the loan will be forgiven. If the loan is not paid back by December 31, 2022 the full \$40,000 loan will become repayable over three years with a 5% interest rate.	30,000	40,000
PHT Loan #37 - Surrender Claim and Debt Consolidation Term Loan - bearing interest at prime plus 0%, monthly interest payments, principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	-	674,203
PHT Loan #39 - Bridge legal costs regarding TLE litigation - bearing interest at prime plus 0%, monthly interest payments and annual principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	-	189,935
PHT Loan #46 - Band hall renovations, ratification costs, share purchase, Pow Wow arbour repairs - bearing interest at 6.0%, quarterly blended payments of \$120,000 maturing July 1, 2023, secured by assignment of First Nations Trust, ISC and band owned entities and assets.	-	4,744,209
PHT Loan #47 - Consolidation - bearing interest at 5.25%, quarterly principle and interest payments \$130,000, maturing April 1, 2023, amortized over 15 years, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop as well as collateral assignment of GIC's.	<u>6,751,153</u>	-
 Less current portion	6,916,744	6,770,602
	<u>312,487</u>	<u>1,901,556</u>
	<hr/> <u>\$ 6,604,257</u>	<hr/> <u>\$ 4,869,046</u>

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

2023	\$ 312,487
2024	189,445
2025	193,962
2026	202,864
2026	208,025
<u>2027 and thereafter</u>	<u>5,809,961</u>
	<hr/> <u>\$ 6,916,744</u>

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**16. CMHC mortgages**

	Phase number	Renewal date	Interest rate	Monthly payment	2022	2021
CMHC	6	6/1/2025	0.68%	\$ 1,597	\$ 61,567	\$ 80,241
CMHC	7	9/1/2022	1.84%	1,003	62,001	72,791
CMHC	8	4/1/2023	2.41%	1,115	73,765	85,231
CMHC	9	3/1/2026	0.96%	1,239	112,134	125,853
CMHC	10	3/1/2026	1.13%	3,686	172,897	214,915
CMHC	11	6/1/2026	1.13%	5,333	566,675	623,922
CMHC	12	6/1/2022	1.30%	1,787	205,719	224,364
CMHC	13	6/1/2022	1.30%	3,575	411,512	448,810
CMHC	14	1/1/2024	2.22%	8,651	1,452,111	1,522,981
CMHC	15	3/1/2025	1.72%	1,027	185,463	194,525
CMHC	16	5/1/2026	1.22%	9,317	969,258	1,068,610
CMHC	17	5/1/2026	1.22%	5,404	562,214	619,842
CMHC	18	6/1/2026	1.13%	1,384	145,843	160,716
CMHC	19	3/1/2023	2.39%	10,571	1,226,703	1,323,120
CMHC	20	10/1/2023	2.68%	3,913	467,460	501,459
CMHC	21	10/1/2023	2.68%	3,147	375,992	403,338
CMHC	22	3/1/2025	1.72%	2,446	341,862	365,140
CMHC	23	3/1/2026	0.96%	1,903	299,117	318,622
CMHC advance	24				210,868	210,868
					7,903,161	8,565,348
Less current portion					672,146	640,885
					\$ 7,231,015	\$ 7,924,463

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**17. Tangible capital assets**

	Cost	Additions	Accumulated depreciation	2022 Net book value
Land	\$ 17,588,461	\$ -	\$ -	\$ 17,588,461
Buildings	17,397,868	1,183,266	8,881,329	9,699,805
Vehicles	1,128,518	556,312	1,090,263	594,568
Equipment	6,972,258	493,788	6,034,969	1,431,076
Infrastructure	3,932,968	1,325,084	1,796,354	3,461,697
Roads	3,594,117	-	629,556	2,964,561
Leasehold improvements	973,586	26,640	810,807	189,419
CMHC - houses	15,048,247	387,961	6,710,138	8,726,070
Band houses	10,224,556	-	9,780,412	444,143
Paskwa Pit Stop	638,562	-	562,976	75,586
Assets Under Construction	9,496,902	8,558,544	-	18,055,446
	<hr/> <u>\$ 86,996,043</u>	<hr/> <u>\$ 12,531,595</u>	<hr/> <u>\$ 36,296,804</u>	<hr/> <u>\$ 63,230,832</u>
	Cost	Additions	Accumulated depreciation	2021 Net book value
Land	\$ 17,588,461	\$ -	\$ -	\$ 17,588,461
Buildings	17,212,868	185,000	8,140,071	9,257,797
Vehicles	1,079,223	49,295	996,843	131,675
Equipment	6,784,879	187,379	5,325,895	1,646,362
Infrastructure	3,932,968	-	1,649,598	2,283,369
Roads	3,594,117	-	539,703	3,054,414
Leasehold improvements	973,586	-	737,938	235,648
CMHC - houses	15,048,247	-	6,127,291	8,920,956
Band houses	10,224,556	-	9,584,329	640,227
Paskwa Pit Stop	596,893	41,668	540,399	98,162
Assets Under Construction	3,061,440	6,435,462	-	9,496,902
	<hr/> <u>\$ 80,097,238</u>	<hr/> <u>\$ 6,898,804</u>	<hr/> <u>\$ 33,642,067</u>	<hr/> <u>\$ 53,353,973</u>

**18. Prepaid expenses**

	2022	2021
Post secondary living allowance	\$ 81,359	\$ 120,050
Pasqua Group of Companies Limited Partnership - insurance	72,709	84,067
Pasqua Group of Companies Limited Partnership - deposit	-	203,285
Paskwa Pit Stop - insurance	10,763	7,195
	<hr/> <u>\$ 164,831</u>	<hr/> <u>\$ 414,597</u>

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**19. Inventory**

	2022	2021
<b>Paskwa Pit Stop</b>		
Fuel	\$ 62,120	\$ 38,173
Cigarettes and tobacco	33,116	20,366
Other	63,265	24,266
<b>PFN Group of Companies Limited Partnership</b>		
Raw materials	588,736	567,126
Work in process	173,166	68,515
Tires	16,253	9,294
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	\$ 936,656	\$ 727,740

**20. Accumulated surplus**

	2022	2021
Restricted		
Invested in tangible capital assets	\$ 55,192,082	\$ 44,466,373
Trust funds held by federal government	321,522	45,012
Portfolio investments	71,319	71,319
Long-term investments	8,701,169	6,214,554
CMHC reserves	907,324	894,738
Unrestricted		
Operating deficit)	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	(19,658,511)	(15,409,020)
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	\$ 45,534,905	\$ 36,282,976

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.

Long-term investments represent the carrying value of Atlas Biotechnologies Inc. and other investments.

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

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

Trust funds held by federal government 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.

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**21. ISC contributions**

	2022	2021
ISC revenue per agreement	\$ 23,368,123	\$ 21,374,861
Prior period revenue (recovery)		
Band employee benefits	-	9,938
	<u>\$ 23,368,123</u>	<u>\$ 21,384,799</u>

**22. Contingent liabilities**

Pasqua 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.

Pasqua First Nation has been sued by Atlantis Research Labs for breach of contract and other claims. The litigation is in its early stage, and Pasqua First Nation has also filed a counterclaim. The possible liability amount cannot be reasonably estimated at this point in time (there is no insurance that would cover the potential liability).

Pasqua First Nation has guaranteed the loan held by Pro Metal Industries Ltd. at Peace Hills Trust Bank of \$27,026, payable in monthly installments of \$15,285 at an interest rate of 5.5%, maturing date May 1, 2022

**23. Contractual Obligations**

The nature of Pasqua First Nation's activities can result in some multi-year contracts whereby it will be obligated to make future payments when the goods or services are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

	2022	2021
	Monthly payments	Monthly payments
Finning CAT - Caterpillar 160M BR	\$ 4,424	\$ 4,424
RCAP Leasing	180	180
Sasktel	-	464
Wells Fargo	1,585	1,585
Xerox	-	559
	<u>\$ 6,189</u>	<u>\$ 7,212</u>

**24. CMHC reserves and restricted cash**

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts; as of March 31, 2022 the replacement reserve fund was underfunded by \$22,434 (2021 - underfunded) and the operating reserve fund was fully funded (2021 - fully funded).

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**25. Economic dependence**

Pasqua First Nation receives a substantial amount of its funding from Indigenous Services Canada (ISC). The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

**26. 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. There is no liability recorded in these statements for vacation or overtime.

**Post-employment benefits**

Pasqua First Nation does not provide extended health, dental and life insurance benefits to retired employees and therefore has no obligations with regards to post employment benefits.

**Pension plan**

Pasqua First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 9% of their salary up to a maximum of 10% of their basic salary. Pasqua First Nation contributes a matching portion which is directed to the member's contribution account. Pasqua First Nation does not have any other obligations with regards to the pension plan as at March 31, 2022.

**27. Fair value**

The fair value of the financial assets (except the investments), and current liabilities approximates their carrying value due to their short term nature. It is not practical to determine fair value for the investments with sufficient reliability because of the limited market for them. The fair value of the First Nation's long-term debt approximates cost due to either the short-term nature (either to term or to renewal) or has interest floating at market rates.

**28. 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.

**29. Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The First Nation is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The First Nation's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable and investments. The First Nation provides credit to its clients in the normal course of its operations.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2022*

**30. Budgeted figures**

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

**31. COVID-19**

In early March 2020, the global outbreak of COVID-19 (coronavirus) 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.

**32. Expenses by object**

	2022 Budget (unaudited)	2022 Actual	2021 Actual
Administration fees - internal allocation	\$ 28,820	\$ -	\$ -
Assistance - band members	858,045	860,777	465,794
Assistance - social development	503,331	617,188	692,308
Bad debts (recovery)	-	9,251	14,470
Band development	-	13,657	13,657
Bank charges and supplier interest	47,980	207,435	192,136
CIBC Legacy Trust - loan repayment	-	7,375,000	-
COVID-19 expenses	166,672	820,607	5,567,250
Capital - equipment purchases	6,384	6,657	3,849
Capital transactions	62,500	9,304,405	385,024
Consultants and contractors	13,477,106	14,635,387	12,183,058
Contribution - PFN Group of Companies LP	-	(3,317,542)	7,979,394
Cost of goods sold	-	7,400,709	9,297,069
Cost share - allocated from other programs	-	-	3,050
Cultural programs	1,459,358	1,425,876	1,063,484
Depreciation	-	2,565,938	2,411,866
Fuel	72,985	72,257	87,746
Governance	817,152	404,328	687,082
Graduation, awards, prizes	40,280	40,280	11,610
Insurance	133,887	373,693	266,450
Investment management fees	-	1,291	-
Janitorial supplies	-	-	760
Last Mountain IR#80A claim expenses	-	15,338	38,405
Lease payments - equipment	-	13,207	-
Long-term debt - interest paid	69,151	547,501	525,507
Management Fees	-	190,566	168,780
Other expenses	94,524	341,745	318,944
PFN gravel purchases	20,183	20,183	165,723
Paskwa Pit Stop	-	322,474	413,589
Per capita distribution	-	63,000	43,000

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2022*

**32. Expenses by object, continued**

	2022 Budget (unaudited)	2022 Actual	2021 Actual
Professional fees	625,370	950,097	721,051
Program expenses	39,730	39,655	6,615
Property taxes	-	13,973	3,439
Recreational activities	210,538	207,358	92,245
Registration fees	99	99	899
Rent - office	-	389,169	364,211
Repairs and maintenance	734,554	959,865	625,572
Student allowance	588,422	682,973	990,566
Supplies	974,684	719,378	672,166
Telephone	18,457	21,558	19,438
Tire installation expenses	-	90,404	87,880
Training	96,721	107,959	38,083
Travel - medical transportation	26,838	26,890	39,132
Travel, meetings and per diems	388,412	437,367	190,155
Contribution to Pasqua Land Acquisition LP	-	210,066	-
Tuition	503,568	497,153	558,971
Utilities	336,710	231,895	244,550
Wages and benefits	8,649,842	9,742,743	8,235,645
Youth initiatives	19,515	19,515	13,844
Transfer to capital assets	-	(12,242,526)	(6,763,611)
	<hr/>	<hr/>	<hr/>
	\$ 31,071,818	\$ 47,436,799	\$ 49,140,856

**33. Segmented information**

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

**Treaties and Indigenous Government:**

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

**Community Infrastructure:**

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

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2022

**33. Segmented information, continued**

**Economic Development:**

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

**Education:**

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

**Indigenous Government Support:**

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

**Land Management:**

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

**Social Development:**

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

**Registration and Membership:**

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.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2022*

**33. Segmented information, continued**

**Health Services**

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

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

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

**Band Projects**

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.

**34. Comparative figures**

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

**Schedule #1**  
**Pasqua First Nation**  
**Treaties and Indigenous Government**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - fixed	\$ 26,400	\$ 26,400	\$ 64,943
Other revenue	-	9,524	1,830
Deferred revenue - prior year	4,318	4,318	181,300
Deferred revenue - current year	-	(4,318)	(4,318)
	<b>30,718</b>	<b>35,924</b>	<b>243,755</b>
<b>Expenses</b>			
Bank charges and supplier interest	-	42	42
Consultants and contractors	-	-	181,300
Last Mountain IR#80A claim expenses	-	15,338	38,405
Per capita distribution	-	63,000	43,000
Professional fees	-	120,378	79,787
	<b>-</b>	<b>198,758</b>	<b>342,534</b>
<b>Current deficit</b>	<b>\$ 30,718</b>	<b>\$ (162,834)</b>	<b>\$ (98,779)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Pasqua First Nation**  
**Community Infrastructure**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - fixed	\$ 2,663,210	\$ 1,399,743	\$ 751,998
ISC - set	49,480	-	-
ISC - flexible	241,208	1,283,498	2,012,741
Canada Mortgage and Housing Corporation (CMHC)	-	-	7,475
FHQ Tribal Council	19,100	-	-
CIBC 1906 Land Claim loan proceeds	3,239,635	11,339,152	2,270,148
Other revenue	54,998	54,908	50,322
Deferred revenue - prior year	4,272,068	4,472,068	6,694,589
Deferred revenue - current year	-	(6,737,014)	(4,472,068)
	<b>10,539,699</b>	<b>11,812,355</b>	<b>7,315,205</b>
<b>Expenses</b>			
Administration fees - internal allocation	192	60,175	-
Bank charges and supplier interest	1,286	1,510	22,052
Capital - equipment purchases	1,052	1,325	3,849
Consultants and contractors	8,755,180	10,145,327	6,174,974
Depreciation	-	396,440	456,817
Fuel	68,720	67,991	54,674
Insurance	4,360	4,360	1,512
Other expenses	169	169	-
Repairs and maintenance	580,455	554,522	436,913
Supplies	24,227	24,993	4,880
Telephone	2,750	3,000	3,000
Training	204	204	-
Travel, meetings and per diems	27,091	27,985	18,257
Utilities	249,736	100,338	90,489
Wages and benefits	853,734	844,395	703,142
Transfer to capital assets	-	(9,974,721)	(5,811,446)
	<b>10,569,156</b>	<b>2,258,013</b>	<b>2,159,113</b>
<b>Current surplus</b>	<b>\$ (29,457)</b>	<b>\$ 9,554,342</b>	<b>\$ 5,156,092</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Pasqua First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - fixed	\$ -	\$ 158,981	\$ 151,484
FHQ Tribal Council	86,411	86,411	86,411
Deferred revenue - prior year	151,484	151,484	-
Deferred revenue - current year	-	-	(151,484)
	<b>237,895</b>	<b>396,876</b>	<b>86,411</b>
<b>Expenses</b>			
Administration fees - internal allocation	-	-	8,641
Assistance - band members	40,000	40,000	47,944
Consultants and contractors	30,000	54,000	1,000
Depreciation	-	22,029	2,829
Registration fees	99	99	-
Repairs and maintenance	75,441	75,441	24,708
Travel, meetings and per diems	5,802	5,803	-
Transfer to capital assets	-	(48,000)	-
Wages and benefits	-	283,965	-
	<b>151,342</b>	<b>433,337</b>	<b>85,122</b>
<b>Current surplus (deficit)</b>	<b>\$ 86,553</b>	<b>\$ (36,461)</b>	<b>\$ 1,289</b>

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Pasqua First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - fixed	\$ 5,620,795	\$ 5,422,258	\$ 5,044,593
ISC - set	3,054,155	-	-
ISC - flexible	-	357,805	82,504
FHQ Tribal Council	-	-	3,382
SITAG - Labour Force Development	139,543	139,543	74,356
Other revenue	15	14	286
Deferred revenue - prior year	1,097,084	1,097,084	136,388
Deferred revenue - current year	93,979	(1,712,147)	(1,097,084)
	10,005,571	5,304,557	4,244,425
<b>Expenses</b>			
Administration fees - internal allocation	76,398	413,846	147,992
Assistance - band members	500	500	-
COVID-19 expenses	166,672	357,275	586,625
Capital - equipment purchases	5,332	5,332	-
Consultants and contractors	311,409	310,974	641,754
Cultural programs	18,714	18,714	20,809
Depreciation	-	239,949	253,115
Fuel	4,187	4,188	-
Graduation, awards, prizes	30,905	30,905	11,610
Insurance	5,712	5,712	5,612
Janitorial supplies	-	-	760
Program expenses	15,047	15,047	2,230
Recreational activities	3,000	-	-
Repairs and maintenance	10,865	10,852	9,534
Student allowance	587,972	618,523	990,566
Supplies	286,292	263,742	297,378
Telephone	2,550	2,800	2,250
Training	88,483	88,483	24,660
Travel, meetings and per diems	62,721	63,620	26,234
Tuition	502,568	496,070	556,713
Utilities	53,904	52,795	80,735
Wages and benefits	2,701,451	2,636,189	2,541,400
Transfer to capital assets	-	(1,500)	(10,016)
	4,934,682	5,634,016	6,189,961
<b>Current deficit</b>	<b>\$ 5,070,889</b>	<b>\$ (329,459)</b>	<b>\$ (1,945,536)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Pasqua First Nation**  
**Indigenous Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget	2022 Actual	2021 Actual
	(unaudited)		
<b>Revenue</b>			
Indigenous Services Canada	\$ 1,645,785	\$ -	\$ -
ISC - grant	508,116	547,758	638,829
ISC - fixed	176,176	274,036	85,000
ISC - set	126,311	-	-
ISC - flexible	737,455	1,345,964	1,804,192
Touchwood Child & Family Services	100,000	100,000	-
Other revenue	944,873	9,281	134,495
Deferred revenue - prior year	187,840	230,340	526,670
Deferred revenue - current year	16,462	(367,200)	(230,340)
	4,443,018	2,140,179	2,958,846
<b>Expenses</b>			
Administration fees - internal allocation	8,500	-	8,500
Assistance - band members	2,132	2,132	-
COVID-19 expenses	-	123,111	2,953,021
Consultants and contractors	533,723	531,040	286,308
Cultural programs	110,476	94,485	-
Depreciation	-	22,669	24,687
Fuel	-	-	32,974
Insurance	-	-	355
Other expenses	173	173	135
Professional fees	6,497	29,564	224,857
Program expenses	6,001	6,001	638
Repairs and maintenance	40,304	40,178	36,089
Supplies	354,519	134,755	160,233
Telephone	4,006	4,306	5,024
Training	2,860	2,860	500
Travel, meetings and per diems	162,865	161,814	29,938
Wages and benefits	3,916,963	3,434,732	3,336,175
Transfer to capital assets	-	-	(4,213)
	5,149,019	4,587,820	7,095,221
<b>Current deficit before transfers</b>	<b>(706,001)</b>	<b>(2,447,641)</b>	<b>(4,136,375)</b>
<b>Transfers</b>			
Transfer - Health Services	-	-	1,520,917
<b>Current deficit</b>	<b>\$ (706,001)</b>	<b>\$ (2,447,641)</b>	<b>\$ (2,615,458)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Pasqua First Nation**  
**Land Management**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - fixed	\$ 120,870	\$ 120,870	\$ 175,860
Deferred revenue - prior year	-	46,673	5,688
Deferred revenue - current year	-	(27,858)	(46,673)
	<b>120,870</b>	<b>139,685</b>	<b>134,875</b>
<b>Expenses</b>			
Administration fees - internal allocation	-	12,087	12,087
Consultants and contractors	4,899	4,899	4,818
Registration fees	-	-	899
Repairs and maintenance	-	-	67
Supplies	163	163	1,240
Training	1,026	1,026	1,480
Travel, meetings and per diems	1,274	1,274	1,068
Tuition	-	-	2,138
Wages and benefits	125,249	120,236	111,078
Transfer to capital assets	-	(48,000)	-
	<b>132,611</b>	<b>91,685</b>	<b>134,875</b>
<b>Current surplus</b>	<b>\$ (11,741)</b>	<b>\$ 48,000</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Pasqua First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
Indigenous Services Canada	\$ 141,468	\$ -	\$ -
ISC - fixed	5,072	439,607	465,684
ISC - set	326,458	221,097	212,310
ISC - flexible	970,825	724,080	1,042,830
Touchwood Child & Family Services	4,270	11,271	27,500
Deferred revenue - prior year	712,312	533,012	190,816
Deferred revenue - current year	-	(715,092)	(712,312)
	<b>2,160,405</b>	<b>1,213,975</b>	<b>1,226,828</b>
<b>Expenses</b>			
Administration fees - internal allocation	24,785	24,785	22,626
Assistance - band members	5,270	5,670	-
Assistance - social development	503,331	617,188	689,865
Bank charges and supplier interest	-	1,863	1,800
COVID-19 expenses	-	59,045	16,612
Consultants and contractors	278,747	265,510	315,023
Cultural programs	56,394	46,944	1,200
Depreciation	-	-	5,283
Program expenses	419	419	866
Repairs and maintenance	7,934	7,934	-
Student allowance	-	64,000	-
Supplies	24,965	24,964	13,177
Telephone	1,450	1,550	1,200
Training	945	945	-
Travel, meetings and per diems	15,967	16,267	15,275
Wages and benefits	97,890	94,654	159,325
	<b>1,018,097</b>	<b>1,231,738</b>	<b>1,242,252</b>
<b>Current deficit</b>	<b>\$ 1,142,308</b>	<b>\$ (17,763)</b>	<b>\$ (15,424)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Pasqua First Nation**  
**Registration and Membership**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - fixed	\$ 18,930	\$ 18,930	\$ 18,930
ISC - set	39,642	-	-
	<b>58,572</b>	<b>18,930</b>	<b>18,930</b>
<b>Expenses</b>			
Administration fees - internal allocation	1,893	1,893	1,893
Consultants and contractors	9,200	9,200	13,520
Program expenses	5,250	5,250	-
Supplies	1,385	1,385	2,875
Training	1,096	1,096	530
Travel, meetings and per diems	261	261	112
	<b>19,085</b>	<b>19,085</b>	<b>18,930</b>
<b>Current deficit</b>	<b>\$ 39,487</b>	<b>\$ (155)</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Pasqua First Nation**  
**Health Services**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - FNIHB - grant	\$ 4,000	\$ 19,160	\$ -
ISC - FNIHB - fixed	87,741	88,194	76,570
ISC - FNIHB - set	-	42,500	-
ISC - FNIHB - flexible	871,631	10,877,242	8,756,331
Touchwood Child & Family Services	175,145	175,145	-
FHQ Tribal Council	7,360	7,360	-
Other revenue	-	-	110,000
Deferred revenue - prior year	1,087,724	1,300,806	-
Deferred revenue - current year	-	(2,129,263)	(1,300,806)
	2,233,601	10,381,144	7,642,095
<b>Expenses</b>			
Administration fees - internal allocation	52,654	82,628	54,223
Assistance - band members	125	125	15,600
Assistance - social development	-	-	2,443
COVID-19 expenses	-	281,176	2,010,992
Capital expenditures	-	9,241,905	-
Consultants and contractors	105,781	100,523	3,614,524
Cultural programs	181,946	188,231	68,572
Depreciation	-	58,465	43,579
Fuel	78	78	99
Graduation, awards, prizes	1,500	1,500	-
Insurance	5,600	5,600	5,350
Other expenses	-	13,397	-
Professional fees	-	-	3,000
Repairs and maintenance	16,650	17,095	1,329
Supplies	116,485	116,294	62,130
Telephone	3,801	3,852	2,524
Training	-	-	6,214
Travel - medical transportation	26,038	26,090	39,132
Travel, meetings and per diems	24,166	24,149	15,462
Utilities	29,479	12,853	28,517
Wages and benefits	462,476	452,923	247,410
Transfer to capital assets	-	(72,474)	-
	1,026,779	10,554,410	6,221,100
<b>Current surplus (deficit) before transfers</b>	<b>1,206,822</b>	<b>(173,266)</b>	<b>1,420,995</b>

The accompanying notes are an integral part of the financial statements

**Schedule #9, continued**  
**Pasqua First Nation**  
**Health Services**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Transfers</b>			
Transfer - Indigenous Government Support	-	-	(1,520,917)
<b>Current deficit</b>			
	\$ 1,206,822	\$ (173,266)	\$ (99,922)

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Pasqua First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
Canada Mortgage and Housing Corporation (CMHC)	\$ -	\$ 9,938,975	\$ 908,726
CMHC - rental income	- -	289,835	273,392
Interest earned	- -	14,908	19,526
Other revenue	- -	165	-
Deferred revenue - current year	- -	(8,844,267)	-
	- -	1,399,616	1,201,644
<b>Expenses</b>			
Administration fees - internal allocation	- -	- -	4,520
Bank charges and supplier interest	- -	872	479
Consultants and contractors	- -	786,335	648,244
Depreciation	- -	582,847	605,833
Insurance	- -	162,178	146,350
Long-term debt - interest paid	- -	142,319	148,907
Professional fees	- -	24,000	24,000
Repairs and maintenance	- -	241,624	90,028
Transfer to capital assets	- -	(486,587)	(626,157)
	- -	1,453,588	1,042,204
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (53,972)</b>	<b>\$ 159,440</b>

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Pasqua First Nation**  
**Band Projects**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
<b>Revenue</b>			
Indigenous Services Canada	\$ 996,000	\$ -	\$ -
ISC - current year receivable (payable)	(23,195)	- -	- -
Trust funds held by federal government	- -	276,510	142,135
First Nations Trust (FNT)	102,470	409,882	527,168
Pasqua Legacy Trust - annual income	- -	2,379,297	4,189,000
Pasqua TLE Holdings Inc - annual income	- -	177,097	205,816
Pasqua TLE - annual income	- -	24,310	19,039
SITAG - Labour Force Development	105,168	105,168	114,871
SIIT	- -	- -	43,499
CIBC 1906 Land Claim loan proceeds	- -	7,740,481	- -
FHQ Tribal Council	552,342	521,415	456,427
Paskwa Pit Stop (sales less cost of sales)	- -	388,444	439,578
Paskwa Pit Stop - other revenue	- -	9,708	14,509
CDC revenue	16,387	24,266	34,980
Investment income - PHT Business Trust	- -	26,296	- -
Interest earned	- -	334	365
Keseechiwan Holdings LP	- -	60,000	60,000
Other revenue	6,739,856	1,079,951	367,160
Manufacturing sales (Pro Metal Industries Inc.)	- -	11,172,017	11,534,123
Other production revenue (Pro Metal Industries Inc)	- -	158,791	5,245
Land lease revenues (PFN Land acquisition LP)	- -	103,178	103,178
Investment income (PFN Group of Companies LP & Inc.)	- -	443,788	212,046
Tire sales and installation (PFN GOC LP)	- -	106,051	83,423
Gain on disposal of investments	- -	2,504,152	- -
Gain on foreign exchange	- -	12,219	- -
Change in unrealized gain on investment	- -	25,870	- -
PHT Business Trust - annual income	- -	109,721	- -
Deferred revenue - prior year	314,766	1,018,857	101,625
Deferred revenue - current year	- -	(7,622,605)	(1,018,857)
	8,803,794	21,255,198	17,635,330

<b>Expenses</b>			
Administration fees - internal allocation	(135,602)	(595,415)	(260,482)
Assistance - band members	810,018	812,350	402,251
Bad debts (recovery)	- -	9,251	14,470
Band development	- -	13,657	13,657
Bank charges and supplier interest	46,694	203,149	167,765
CIBC Legacy Trust - loan repayment	- -	7,375,000	- -
Capital transactions	62,500	62,500	385,024
Consultants and contractors	3,448,167	2,427,578	301,593
Contribution to PFN Group of Companies LP	- -	(3,317,542)	7,979,394
Cost of goods sold	- -	7,400,709	9,297,069
Cost share - allocated from other programs	- -	- -	3,050

The accompanying notes are an integral part of the financial statements

**Schedule #11, continued**  
**Pasqua First Nation**  
**Band Projects**  
**Schedule of Operations**  
*For the year ended March 31, 2022*

	2022 Budget (unaudited)	2022 Actual	2021 Actual
Cultural programs	1,091,828	1,077,503	972,904
Depreciation	-	1,243,538	1,019,721
Governance	817,152	404,328	687,082
Graduation, awards, prizes	7,875	7,875	-
Insurance	118,215	195,843	107,270
Investment management fees	-	1,291	-
Lease payments - equipment	-	13,207	-
Long-term debt - interest paid	69,151	405,182	376,600
Management Fees	-	190,566	168,780
Other expenses	94,182	328,007	318,810
PFN gravel purchases	20,183	20,183	165,723
Paskwa Pit Stop	-	322,474	413,589
Professional fees	618,873	776,155	389,407
Program expenses	13,013	12,932	2,885
Property taxes	-	13,973	3,439
Recreational activities	207,538	207,358	92,245
Rent - office	-	389,169	364,211
Repairs and maintenance	2,905	12,219	26,903
Student allowance	450	450	-
Supplies	166,648	153,078	130,251
Telephone	3,900	6,050	5,440
Tire installation expenses	-	90,404	87,880
Training	2,107	13,346	4,699
Travel - medical transportation	800	800	-
Travel, meetings and per diems	88,265	136,195	83,810
Contribution to Pasqua Land Acquisition LP	-	210,066	-
Tuition	1,000	1,082	120
Utilities	3,591	65,908	44,808
Wages and benefits	492,079	1,875,652	1,137,116
Youth initiatives	19,515	19,515	13,844
Transfer to capital assets	-	(1,611,245)	(311,780)
	<b>8,071,047</b>	<b>20,974,341</b>	<b>24,609,548</b>
<b>Current surplus (deficit)</b>	<b>\$ 732,747</b>	<b>\$ 280,857</b>	<b>\$ (6,974,218)</b>

The accompanying notes are an integral part of the financial statements