

**Pasqua First Nation
Consolidated Financial Statements
March 31, 2023**

Pasqua First Nation
Consolidated Financial Statements
March 31, 2023

	<i>Page</i>
Management's Responsibility for Financial Reporting.....	1
Independent Auditors' Report.....	2 - 3
 Financial Statements	
Consolidated Statement of Financial Position.....	4
Consolidated Statement of Operations.....	5 - 6
Consolidated Statement of Accumulated Surplus.....	7
Consolidated Statement of Change in Net Debt.....	8
Consolidated Statement of Cash Flows.....	9 - 10
Notes to Consolidated Financial Statements.....	11 - 35
 Program schedules	
Treaties and Indigenous Government - Schedule #1.....	36
Community Infrastructure - Schedule #2.....	37
Economic Development - Schedule #3.....	38
Education - Schedule #4.....	39
Indigenous Government Support - Schedule #5.....	40
Land Management - Schedule #6.....	41
Social Development - Schedule #7.....	42
Registration and Membership - Schedule #8.....	43
Health Services - Schedule #9.....	44
CMHC Programs - Schedule #10.....	45
Band Projects - Schedule #11.....	46-47
Amortization - Schedule #12.....	48

Pasqua First Nation
Management's Responsibility for Financial Reporting
March 31, 2023

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 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:

Signature on file
Pasqua First Nation

February 27, 2025
Date



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
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, 2023, 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, 2023, 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 (PSAS).

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 (TCWG) 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- ◆ 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 27, 2025

Chalupiak & Associates
CPA Professional Corporation
Chartered Professional Accountants

Pasqua First Nation
Consolidated Statement of Financial Position
March 31, 2023

	2023	2022
Financial Assets		
Cash (Note 3)	\$ 4,292,647	\$ 6,220,044
Restricted cash - capital projects (Note 3)	1,761,433	8,579,437
Restricted cash - CMHC reserves (Note 3)	918,970	907,324
Trust funds held by federal government (Notes 3 and 4)	140,229	321,522
Accounts receivable (Note 5)	3,285,405	1,551,235
Due from related parties (Note 6)	1,504,508	815,124
Portfolio investments (Note 7)	71,319	71,319
<u>Long-term investments (Note 8)</u>	<u>8,217,739</u>	<u>8,701,169</u>
	20,192,250	27,167,174
Liabilities		
Bank indebtedness (Note 10)	572,032	-
Accounts payable (Note 11)	3,845,304	2,984,921
Deferred revenue - unexpended funds (Note 12)	22,381,225	28,159,764
Current portion of long-term debt (Note 13)	775,042	312,487
Current portion of CMHC mortgages (Note 14)	673,793	672,146
Long-term debt (Note 13)	11,418,224	6,604,257
<u>CMHC mortgages (Note 14)</u>	<u>6,758,578</u>	<u>7,231,015</u>
	46,424,198	45,964,590
Net debt	(26,231,948)	(18,797,416)
Non-financial Assets		
Capital assets (Note 15)	72,999,656	63,230,834
Prepaid expenses (Note 16)	104,507	164,831
<u>Inventory (Note 17)</u>	<u>1,221,883</u>	<u>936,656</u>
	74,326,046	64,332,321
Accumulated Surplus (Note 18)	\$ 48,094,098	\$ 45,534,905

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, 2023

	2023 Budget	2023 Actual	2022 Actual
	(unaudited)		
Revenue			
Indigenous Services Canada (ISC)	\$ 12,831,252	\$ 25,463,655	\$ 23,368,122
Trust funds held by federal government	375,000	193,707	276,510
Canada Mortgage and Housing Corporation (CMHC)	-	826,695	9,938,976
First Nations Trust (FNT)	911,100	911,100	409,882
Pasqua Legacy Trust - annual income	-	2,002,789	2,379,297
Pasqua TLE Holdings Inc - annual income	-	165,902	177,097
Pasqua TLE Trust - annual income	-	27,383	24,310
SITAG - Labour Force Development	290,727	204,747	244,710
SIIT	6,600	6,600	-
Touchwood Child & Family Services	1,176,072	147,290	286,415
CIBC 1906 Land Claim loan proceeds	-	-	19,079,633
File Hills Qu'Appelle Tribal Council (FHQ)	935,781	1,055,594	615,185
Canadian heritage	124,300	88,300	-
Paskwa Pit Stop (sales less cost of sales)	-	-	388,444
Paskwa Pit Stop - other revenue	-	-	9,708
CDC revenue	-	-	24,266
Investment income - PFN Business Trust	-	159,346	26,142
Government of Saskatchewan	3,750	3,750	-
CMHC - rental income	-	249,200	289,835
Interest earned	-	12,817	15,242
Keseechiwan Holdings LP	-	(30,000)	60,000
Other revenue	9,803,154	855,871	1,153,847
Manufacturing sales (Pro Metal Industries Inc.)	-	10,682,490	11,172,017
Other production revenue (Pro Metal Industries Inc.)	-	119,343	158,791
Gas and confection sales (Paskwa Pit Stop)	-	3,222,255	-
Land lease revenues (PFN Land acquisition LP)	-	103,178	103,178
Investment income (PFN Group of Companies LP & Inc.)	-	136,412	443,788
Tire sales and installation (PFN Group of Companies LP)	-	22,306	106,051
(Loss) gain on disposal of investments (PFN Group of Companies LP)	-	(4,530,883)	2,504,152
(Loss) gain on disposal of investments (PFN Business Trust)	-	(385,187)	154
(Loss) gain on foreign exchange (PFN Group of Companies LP)	-	(614)	12,219
Change in unrealized (loss) gain on investment (PFN Business Trust)	-	(365,633)	25,870
Deferred revenue - prior year	16,749,528	28,159,764	8,854,642
Deferred revenue - current year	-	(22,381,225)	(28,159,764)
	<hr/> 43,207,264	<hr/> 47,126,952	<hr/> 53,988,719

The accompanying notes are an integral part of the financial statements

Pasqua First Nation
Consolidated Statement of Operations
For the year ended March 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	(unaudited)		
Expenses			
Treaties and Indigenous Government (Schedule 1)	47,500	32,036	198,758
Community Infrastructure (Schedule 2)	2,676,916	1,840,558	1,861,575
Economic Development (Schedule 3)	91,570	69,659	387,308
Education (Schedule 4)	5,929,094	6,343,396	5,394,069
Indigenous Government Support (Schedule 5)	1,635,544	1,608,102	4,565,153
Land Management (Schedule 6)	169,569	201,333	91,685
Social Development (Schedule 7)	2,778,869	1,968,952	1,231,737
Registration and Membership (Schedule 8)	28,929	28,930	19,085
Health Services (Schedule 9)	961,509	8,140,032	10,495,945
CMHC Programs (Schedule 10)	-	838,276	870,740
Band Projects (Schedule 11)	10,952,639	20,326,690	19,754,807
Amortization (Schedule 12)	-	3,627,378	2,565,936
	<hr/> 25,272,139	<hr/> 45,025,342	<hr/> 47,436,798
Current surplus	<hr/> \$ 17,935,125	<hr/> \$ 2,101,610	<hr/> \$ 6,551,931

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, 2023

	2023	2022
Surplus at beginning of year	\$ 45,534,905	\$ 36,282,974
Current surplus	2,101,610	6,551,931
Capital contribution	457,583	2,700,000
Surplus at end of year	<u>\$ 48,094,098</u>	<u>\$ 45,534,905</u>

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Current surplus	\$ 17,935,125	\$ 2,101,610	\$ 6,551,931
Acquisition of capital assets	-	(13,543,786)	(12,531,596)
Amortization of capital assets	-	3,627,378	2,565,938
Amortization - PFN GOC LP included in cost of goods sold	-	-	88,798
Prior year capital asset adjustment	-	72,000	-
Transfer of Paskwa Pit Stop NBV of assets to GOC LP	-	75,586	-
	-	(9,768,822)	(9,876,860)
Acquisition of prepaid asset	-	(104,507)	(164,831)
Use of prepaid asset	-	164,831	414,597
	-	60,324	249,766
Acquisition of inventory	-	(1,221,883)	(936,656)
Use of inventory	-	936,656	727,740
	-	(285,227)	(208,916)
Capital contribution - Pasqua Business Trust	-	-	2,700,000
Contribution to GOC LP - Paskwa Pit Stop	-	435,179	-
Contribution to GOC LP	-	22,404	-
	-	457,583	2,700,000
Increase (decrease) in net financial assets	17,935,125	(7,434,532)	(584,079)
Net debt at beginning of year	(18,797,416)	(18,797,416)	(18,213,337)
Net debt at end of year	\$ (862,291)	\$ (26,231,948)	\$ (18,797,416)

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, 2023

	2023	2022
Cash flows from Operating activities		
Current surplus	\$ 2,101,610	\$ 6,551,931
Items not affecting cash		
Amortization - Band	3,627,378	2,565,938
Amortization - GOC LP included in cost of goods sold	-	88,798
Change in unrealized (gains) losses on investments - Pasqua Business Trust	365,633	(25,870)
Realized (gains) losses on disposal of investments - Pasqua Business Trust	385,187	(154)
Contribution received from Paskwa LP - GOC LP	435,179	-
Contribution to GOC LP	22,404	-
Unrealized loss on valuation adjustment - GOC LP	4,530,883	-
	11,468,274	9,180,643
Change in non-cash operating working capital		
Accounts receivable	(1,734,170)	93,768
Inventory	(285,227)	(208,916)
Prepaid expenses	60,324	249,766
Accounts payable	860,382	(144,053)
Deferred revenue - unexpended funds	(5,778,539)	19,125,822
Trust funds held by federal government	181,293	(276,510)
	4,772,337	28,020,520
Capital activities		
Acquisition of capital assets	(12,237,716)	(12,531,595)
Acquisition of capital assets - GOC	(1,306,069)	-
Prior year capital asset adjustment	72,000	-
Transfer of Paskwa Pit Stop NBV of assets to GOC LP	75,586	-
	(13,396,199)	(12,531,595)
Financing activities		
Due from related entities	(689,384)	1,216,388
Long-term debt - First Nation - repayment	(168,841)	(6,605,011)
Long-term debt - First Nation - proceeds	666,841	6,751,153
Long-term debt - PFN Business Trust - proceeds	4,800,000	-
Long-term debt - PFN GOC LP - repayment	(113,647)	-
Long-term debt - PFN GOC LP - proceeds	92,169	-
CMHC mortgages - repayment	(669,940)	(662,187)
CMHC mortgages - proceeds	199,150	-
	4,116,348	700,343

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, 2023

	2023	2022
Investing activities		
Restricted cash - CMHC reserves	(11,646)	(12,585)
Purchase of investment through Pasqua Business Trust (net)	(4,798,273)	(2,660,591)
Purchase of investment shares - GOC LP	-	(4,800,000)
Proceeds from sale of investment shares - GOC LP	-	7,445,000
Gain on sale of investment (net of closing costs) - GOC LP	-	(2,445,000)
Capital contribution - Pasqua Business Trust	-	2,700,000
	<hr/>	<hr/>
	(4,809,919)	226,824
(Decrease) increase in cash	<hr/>	<hr/>
Cash (bank indebtedness), beginning of year	<hr/>	<hr/>
Cash, end of year	<hr/>	<hr/>
Represented by		
Cash	\$ 4,292,647	\$ 6,220,044
Restricted cash - capital projects	1,761,433	8,579,437
Bank indebtedness	(572,032)	-
	<hr/>	<hr/>
	\$ 5,482,048	\$ 14,799,481

The accompanying notes are an integral part of the financial statements

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

1. Operations

The Pasqua First Nation ("the First Nation") is 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.

Organizations fully consolidated include:

- *Paskwa Pit Stop (for the 2022 fiscal year);*
- *PFN Group of Companies Limited Partnership (includes consolidation of Pro Metal Industries Ltd.);*
- *PFN Group of Companies Inc.; and,*
- *Pasqua First Nation Business Trust.*

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 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.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

2. Basis of presentation and significant accounting policies, continued

(d) Net financial assets or net debt

The financial statements are presented so as to highlight net financial assets or net debt as the measurement of financial position. The net financial assets or net debt are determined by its financial assets less liabilities. Net financial assets or net debt do not include non-financial assets.

(e) 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, 2023. No contaminated sites have been identified as at March 31, 2023.

(f) Cash

Cash includes balances with banks (net of bank overdrafts) which are used to facilitate day to day operations.

(g) Restricted cash

Restricted cash consists of cash and cash equivalents held for specific purposes as defined by various agreements.

(h) 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 are Trust moneys that come from the sale of the First Nation's surrendered lands, from an interest in the land or from the sale of the First Nation's non-renewable resources; 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.

(i) 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.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

2. Basis of presentation and significant accounting policies, continued

(i) Capital assets

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 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.

Amortization 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). Amortization 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
Band houses	20 years Straight line
CMHC houses	25 years Straight line
Paskwa Pit Stop	2-25 years Straight line

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 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 capital assets. Assets under construction are not amortized until the asset is available to be put into service.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

2. Basis of presentation and significant accounting policies, continued

(k) Asset retirement obligation

Accounting standard PS 3280 *Asset Retirement Obligation*, came into effect for fiscal years beginning after April 1, 2022.

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a capital asset at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related capital asset. The First Nation continues to review the possibility of a liability until it would be settled or otherwise extinguished. Disbursements made to settle the liability would be deducted from the reported liability when/if it is made.

(l) Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. The First Nation subsequently measures all financial instruments at cost except for the portfolio investments in equity instruments that are quoted in an active market are measured at fair value. Transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost.

Financial instruments includes cash, restricted cash, accounts receivable, portfolio investments, accounts payable and accrued liabilities.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

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 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.

(n) 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."

(o) 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. Amortization is based on the estimated useful lives of capital assets.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

2. Basis of presentation and significant accounting policies, continued

(p) 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.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

3. Cash

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 an existing agreement. In some cases, these accounts are controlled by a project manager or held in a lawyer's trust account.

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 Fund.

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 First Nation.

	2023	2022
Unrestricted cash		
General operations	\$ 4,170,414	\$ 5,546,006
General operations - Paskwa Pit Stop	-	142,040
General operations - Pasqua Group of Companies LP	-	499,501
General operations - PFN Business Trust	122,233	32,497
	<hr/> 4,292,647	<hr/> 6,220,044
Restricted cash - capital projects		
Capital projects	1,761,433	8,579,437
Restricted cash - CMHC reserves		
CMHC replacement reserve	891,872	882,035
CMHC operating reserve	27,098	25,289
	<hr/> 918,970	<hr/> 907,324
Trust funds held by the federal government		
Capital trust funds	11,545	11,545
Revenue trust funds	128,684	309,977
	<hr/> 140,229	<hr/> 321,522
	<hr/> \$ 7,113,279	<hr/> \$ 16,028,327

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

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.

	2023 Revenue	2023 Capital	2023 Total	2022 Total
Surplus, beginning of year	\$ 309,977	\$ 11,545	\$ 321,522	\$ 45,012
Withdrawals	(375,000)	-	(375,000)	-
Interest earnings	9,902	-	9,902	3,908
Land leases	183,380	-	183,380	272,177
Other	425	-	425	425
Surplus, end of year	\$ 128,684	\$ 11,545	\$ 140,229	\$ 321,522

5. Accounts receivable

	2023	2022
Due from members		
Staff/member advances and loans	\$ 93,618	\$ 52,882
CMHC - rent	9,642	14,103
	103,260	66,985
Due from others		
PFN Group of Companies LP (net of allowance)	2,823,662	1,066,374
PFN Business Trust	9,293	23,902
Paskwa Pit Stop (net of allowance)	-	72,399
Keseechiwan Holdings Inc.	-	60,000
Living Sky Community Development Corporation	14,284	3,151
FHQ Tribal Council	180,510	173,115
TIPI IMI 2022 profit distribution	48,229	-
Other receivables	69,305	74,113
	3,145,283	1,473,054
Due from government and other government organizations		
Indigenous Services Canada (ISC)	32,625	-
CMHC - subsidy	69,691	68,436
GST	50,784	39,329
	153,100	107,765
	3,401,643	1,647,804
Allowance for doubtful accounts	(116,238)	(96,569)
Total accounts receivable	\$ 3,285,405	\$ 1,551,235

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

6. 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.

Due from amounts are unsecured, non-interest bearing and have no fixed repayment schedules.

	2023	2022
Pasqua TLE Holdings Inc.	\$ 538,860	\$ 738,252
PFN Group of Companies Limited Partnership	884,953	42,150
Pasqua TLE Trust	51,693	24,310
Pasqua TLE Revenue	29,002	10,412
	<hr/> <hr/>	<hr/> <hr/>
	\$ 1,504,508	\$ 815,124

7. Portfolio investments

	2023	2022
Kinookimaw Beach Association	\$ 579	\$ 579
TIPI-IMI Brokerage Company Ltd. (4.5% ownership)	9,800	9,800
First Nations Bank	940	940
Keseechiwan Holdings LP (8.3% ownership)	60,000	60,000
	<hr/> <hr/>	<hr/> <hr/>
	\$ 71,319	\$ 71,319

8. Long-term investments

	2023	2022
Atlas Biotechnologies Inc. - 3,400,000 non-voting shares	\$ -	\$ 6,000,000
Atlas Global Brands Inc. 3,615,665 non-voting shares	1,469,117	-
Other investments	14,554	14,554
PFN Business Trust - Fixed income securities	1,450,216	642,440
PFN Business Trust - Mutual funds	448,857	257,909
PFN Business Trust - Canadian equities	1,497,138	811,538
PFN Business Trust - Foreign equities	3,337,857	974,728
	<hr/> <hr/>	<hr/> <hr/>
	\$ 8,217,739	\$ 8,701,169

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

9. 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 of the Canadian Institute of Chartered Professional Accountants. 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's 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, 2022	Pasqua TLE Holdings Inc. As at December 31, 2021
Cash	\$ 379,598	\$ 565,777
Accounts receivable	- 190,845	5,111 190,845
<u>Land</u>		
 <u>Total assets</u>	 \$ 570,443	 \$ 761,733
 <u>Accounts payable</u>	 \$ 31,582	 \$ 19,107
<u>Due to related parties</u>	 538,861	 742,626
 <u>Total liabilities and equity</u>	 \$ 570,443	 \$ 761,733
 <u>Revenue</u>	 \$ 196,211	 \$ 204,066
 <u>Expenses</u>	 196,211	 204,066
 <u>Net income</u>	 \$ -	 \$ -

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

10. Bank indebtedness

On March 31, 2023 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 \$100,000 at an annual interest rate of 24%. The bank balance as at March 31, 2023 is overdrawn by \$nil (2022 - \$nil).

Payroll advances - Line of credit of \$20,000 at a rate of 8%. The bank balance as at March 31, 2023 is overdrawn by \$2,305 (2022 - \$1,083).

PFN Group of Companies Limited Partnership - The Group has \$1,000,000 revolving line of credit. Advances on the credit line are payable on demand and bear interest at prime plus 2%. There has been \$118,478 utilized as at October 31, 2022.

The Group also has an overdraft limit of \$600,000 payable on demand and bearing interest at 24%. The Credit line is secured by a general security agreement. There has been \$587,394 utilized as at December 31, 2022.

	2023	2022
<u>PFN Group of Companies Limited Partnership</u>	<u>\$ 572,032</u>	<u>\$ -</u>

11. Accounts payable

	2023	2022
General operations	\$ 2,709,637	\$ 1,868,067
Trade payables - PFN Group of Companies LP & Inc.	639,632	809,530
Trade payables - PFN Business Trust	131,171	9,205
Trade payables - Paskwa Pit Stop	-	24,110
Canada Revenue Agency	40,494	40,622
Pension	203,330	128,101
Rent payable to CMHC department	5,070	5,070
Accrued interest on all long-term debt	115,970	100,216
	<u>\$ 3,845,304</u>	<u>\$ 2,984,921</u>

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

12. Deferred revenue - unexpended funds

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.

	2023	2022
Indigenous Services Canada		
1910 Railway Claim	\$ -	\$ 4,318
Roads	187,952	-
Sanitation	38,697	-
Water	371,069	322,018
Community buildings	-	9,370
Electrical systems - O&M	33,478	16,153
Fire protection - O&M	34,970	-
Other protection	5,367	-
Capacity development	73,842	33,342
Capacity development (community infrastructure)	87,024	87,024
Immediate needs - budget 2021 - year 1	75,049	-
Immediate needs - budget 2021 - year 2	245,891	-
Immediate needs - budget 2022 - year 1	365,627	-
Cistern replacement	150,000	-
Fire protection project	950,000	700,000
Lagoon expansion	1,561,694	1,592,257
Subdivision expansion	1,401,925	1,401,925
A&C water new back-up well	399,916	49,916
PFN school expansion	20,000	20,000
CORP business planning	296,401	-
FN school formula	515,980	744,597
Second level services	1,009,015	650,445
Structural readiness	136,229	136,229
Jordan's Principle Allied Services	39,148	39,148
Skills link	-	60,877
FN school protection 2nd level	88,224	80,851
Jordan's Principle - CPEC	99,054	-
Tuition agreement	115,053	-
Education fit up	36,895	-
Closing the infrastructure gap	25,000	-
P&ID - financial management	61,441	61,441
P&ID - HR management governance capacity dev	30,000	30,000
Community safety plan	7,136	7,136
Capacity development risk management	42,500	42,500
P&ID - financial capacity 10 year grant readiness	88,720	50,000
Community involvement	63,750	63,750
Membership governance capacity dev	15,000	15,000
CORP - group restructuring	50,500	50,500
CORP - pit stop marketing	8,153	8,153

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

12. Deferred revenue - unexpended funds, continued

	2023	2022
Preparedness/mitigation	38,720	38,720
P&ID - planning/risk management gov cap dev	85,000	-
TB prevention & promotion/education	7,293	-
First Nation representative services	227,815	-
RLEMP	-	27,858
Basic needs	336,300	28,893
Basic needs - COVID-19	349,548	367,609
Special needs	22,148	2,503
Assisted living	41,514	41,397
Employment and training	30,720	12,622
Prevention	440,841	262,068
Employment and training - service delivery	19,515	-
Mental health	-	36,953
FASD	8,798	8,028
COHI	-	10,494
Prenatal	-	11,237
Community health rep	146,104	193,391
CDCM public health	900,975	900,975
MH wellness - detox	-	16,974
Support services	-	7,918
Communicable disease control/HIV-AIDS	-	1,824
Health Canada capital investments	941,469	941,469
Health facility - COVID-19	4,153,598	-
Other		
High school addition	-	317,363
PFN elder centre construction	866,628	2,051,931
PFN high school construction	130,701	135,715
CMHC - rapid housing initiative	790,607	8,844,267
Other band revenue	-	4,500,000
Headstart	-	399,157
Daycare	-	92,717
PFN core area playground	-	40,000
Pasqua Group of Companies Limited Partnership	4,112,231	2,590,731

13. Long-term debt

2023 2022

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

13. Long-term debt, continued

	2023	2022
Pasqua First Nation Peace Hills Trust Loan #47 - Consolidation - bearing interest at 5.25%, quarterly principle and interest payments of \$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.	\$ 6,582,312	\$ 6,751,153
Pasqua First Nation Peace Hills Trust Loan #48 - Christmas payout - bearing interest at 9.95%, quarterly principle and interest payments of \$104,865, maturing October 1, 2024, amortized over 22 months, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop as well as collateral assignment of GIC's.	666,841	-
PFN Business Trust Loan payable to Peace Hills Trust Company, bearing interest at 2.35% per annum, payable in annual installments of blended principal and interest in the amount of \$275,400, and secured by Trust property.	4,800,000	-
PFN Group of Companies Limited Partnership 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
PFN Group of Companies Limited Partnership Canada Emergency Business Account (CEBA) loan, interest free until December 31, 2023 with no fixed repayment schedule. If the loan is paid back by December 31, 2023, \$10,000 of the loan will be forgiven. If the loan is not paid back by December 31, 2023, the full \$40,000 loan will become repayable over three years with a 5.00% interest rate.	30,000	30,000
PFN Group of Companies Limited Partnership 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.	4,763	11,214
PFN Group of Companies Limited Partnership 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.	17,181	22,697
PFN Group of Companies Limited Partnership Valiant Finance Services - obligation under finance lease for two 2022 Heli Forklifts - bearing interest at 8.95% per annum, monthly lease payments of \$2,357 maturing September 2026.	92,169	-
	12,193,266	6,916,744
Less current portion	775,042	312,487

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

13. Long-term debt, continued

	2023	2022
	\$ 11,418,224	\$ 6,604,257

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

2024	\$ 775,042
2025	649,376
2026	397,612
2027	404,194
2028 and thereafter	9,967,042
	<hr/>
	\$ 12,193,266

14. CMHC mortgages

	Phase number	Renewal date	Interest rate	Monthly payment	2023	2022
CMHC	6	6/1/2025	0.68%	\$ 1,597	\$ 42,768	\$ 61,567
CMHC	7	8/1/2027	4.09%	1,058	51,245	62,001
CMHC	8	2/1/2028	3.12%	1,134	62,021	73,765
CMHC	9	3/1/2026	0.96%	1,239	98,284	112,134
CMHC	10	3/1/2026	1.13%	3,686	130,401	172,897
CMHC	11	6/1/2026	1.13%	5,333	508,772	566,675
CMHC	12	6/1/2027	3.04%	1,943	187,950	205,719
CMHC	13	6/1/2027	3.04%	3,887	375,968	411,512
CMHC	14	1/1/2024	2.22%	8,651	1,379,659	1,452,111
CMHC	15	3/1/2025	1.72%	1,027	176,245	185,463
CMHC	16	5/1/2026	1.22%	9,317	868,699	969,258
CMHC	17	5/1/2026	1.22%	5,404	503,885	562,214
CMHC	18	6/1/2026	1.13%	1,384	130,799	145,843
CMHC	19	3/1/2028	3.81%	11,303	1,127,967	1,226,703
CMHC	20	10/1/2023	2.68%	3,913	432,544	467,460
CMHC	21	10/1/2023	2.68%	3,147	347,908	375,992
CMHC	22	3/1/2025	1.72%	2,446	318,182	341,862
CMHC	23	3/1/2026	0.96%	1,903	279,056	299,117
CMHC advance	24			-	210,868	210,868
CMHC advance	25			-	199,150	-
					7,432,371	7,903,161
Less current portion					673,793	672,146
					<hr/>	<hr/>
					\$ 6,758,578	\$ 7,231,015

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

15. Capital assets

	Cost		Accumulated amortization						2023 net book value
	Balance, beginning of year	Additions	Disposals/ Transfers	Balance, end of year	beginning of year	Amortization	on disposals	Balance, end of year	
Land	\$ 17,588,461	\$ -	\$ 17,588,461	\$ 8,881,329	\$ 1,546,940	\$ -	\$ -	\$ -	\$ 17,588,461
Buildings	18,581,134	1,956,441	15,960,758	36,498,333	1,090,263	112,136	-	10,428,269	26,070,064
Vehicles	1,684,830	137,068	-	1,821,898	6,034,969	683,169	-	1,202,399	619,499
Equipment	7,466,046	831,802	209,127	8,506,975	1,796,354	146,756	-	6,718,138	1,788,837
Infrastructure	5,258,052	-	-	5,258,052	3,594,117	629,556	89,853	-	1,943,110
Roads	3,594,117	-	-	-	1,273,023	810,807	313,500	-	3,314,942
Leasehold improvements	1,000,226	272,797	-	-	10,224,556	9,780,412	152,177	-	2,874,708
Band houses	10,224,556	-	-	-	15,436,208	6,710,138	582,847	-	1,124,307
CMHC houses	15,436,208	-	(638,562)	-	-	562,976	(562,976)	-	148,716
Paskwa Pit Stop	638,562	-	(638,562)	-	-	-	-	-	291,967
Assets Under Construction	18,055,446	10,345,678	(16,241,885)	12,159,239	-	-	-	-	8,143,223
									12,159,239
	\$ 99,527,638	\$ 13,543,786	\$ (710,562)	\$ 12,360,862	\$ 36,296,804	\$ 3,627,378	\$ (562,976)	\$ 39,361,206	\$ 72,999,656

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

15. Capital assets, continued

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Disposals/ Transfers	Balance, end of year	beginning of year	Amortization	Balance, end of year
Land	\$ 17,588,461	\$ -	\$ 17,588,461	\$ -	\$ -	\$ -	\$ -
Buildings	17,397,868	1,183,266	-	18,581,134	8,140,071	741,258	8,881,329
Vehicles	1,128,518	556,312	-	1,684,830	996,843	93,420	1,090,263
Equipment	6,972,258	493,788	-	7,466,046	5,325,895	709,074	6,034,969
Infrastructure	3,932,968	82,227	1,242,857	5,258,052	1,649,598	146,756	1,796,354
Roads	3,594,117	-	-	3,594,117	539,703	89,853	629,556
Leasehold improvements	973,586	26,640	-	1,000,226	737,938	72,869	810,807
Band houses	10,224,556	-	-	10,224,556	9,584,329	196,083	9,780,412
CMHC houses	15,048,247	22,741	365,220	15,436,208	6,127,291	582,847	6,710,138
Paskwa Pit Stop	638,562	-	-	638,562	540,399	22,577	562,976
Assets Under Construction	9,496,902	10,166,621	(1,608,077)	18,055,446	-	-	-
							18,055,446
	\$ 86,996,043	\$ 12,531,595	\$ -	\$ 99,527,638	\$ 33,642,067	\$ 2,654,737	\$ 36,296,804
							\$ 63,230,834

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

16. Prepaid expenses

	2023	2022
Post secondary living allowance	\$ -	\$ 81,359
Pasqua Group of Companies Limited Partnership - insurance	104,507	72,709
Paskwa Pit Stop - insurance	-	10,763
	\$ 104,507	\$ 164,831

17. Inventory

	2023	2022
Paskwa Pit Stop		
Fuel	\$ -	\$ 62,120
Cigarettes and tobacco	-	33,116
Other	-	63,265
PFN Group of Companies Limited Partnership		
Fuel	84,903	-
Cigarettes and tobacco	57,152	-
Other	30,820	-
Raw materials	822,011	588,736
Work in process	210,744	173,166
Tires	16,253	16,253
	\$ 1,221,883	\$ 936,656

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

18. Accumulated surplus

	2023	2022
Restricted		
Capital assets	\$ 65,453,172	\$ 55,192,082
Long-term investments	8,217,739	8,701,169
Portfolio investments	71,319	71,319
CMHC replacement reserve	1,021,814	929,757
Trust funds held by federal government	140,229	321,522
Unrestricted		
Operating deficit	<u>(26,810,175)</u>	<u>(19,680,944)</u>
	<u><u>\$ 48,094,098</u></u>	<u><u>\$ 45,534,905</u></u>

Capital assets represents the net book value of capital assets less any long-term debt taken out to acquire the 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 replacement reserve is the amount required to be funded for future major repairs, 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.

19. Indigenous Services Canada (ISC) reconciliation

	2023	2022
ISC revenue per agreement	\$ 25,469,916	\$ 23,368,123
Prior period revenue (recovery)		
Community Facility - O&M	<u>(6,261)</u>	-
Current year receivable (payable)	<u><u>\$ 25,463,655</u></u>	<u><u>\$ 23,368,123</u></u>

20. CMHC operating agreement

It is a requirement of the CMHC operating agreement that operating and replacement reserves be established and monies be set aside in separate bank accounts. On March 31, 2023, the reserve accounts were under funded by \$102,844 (2022 - under funded by \$22,434). The reserve amounts of \$1,021,814 (2022 - \$929,757) is not reported separately on these financial statements, but is included in equity.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

21. Related party transactions

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 are unsecured, non-interest bearing and have no fixed repayment schedules.

22. 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:

	2023	2022
	Monthly payments	Monthly payments
Fining CAT - Caterpillar 160M BR	\$ 4,424	\$ 4,424
RCAP Leasing	180	180
Wells Fargo	1,585	1,585
	<hr/> \$ 6,189	<hr/> \$ 6,189

23. 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.

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. 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, 2023.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

25. Asset retirement obligation

The First Nation has considered its obligations under the new Canadian Auditing Standard (PS 3280) which became effective for fiscal years beginning after April 1, 2022 and determined that the most likely assets that would fall under the standard include buildings that may contain asbestos and a landfill site.

It is unknown if any buildings and houses contain asbestos. Management has determined that the cost to inventory and analyze what buildings may or may not contain asbestos is not warranted. There are no plans to decommission any buildings in the foreseeable future, and if any buildings are decommissioned this will be done on a "one-off" basis, and the cost will be insignificant and absorbed in normal operating costs. The latest available information indicates that the average cost to remove asbestos from a house is just under \$3,000.

There is a landfill site that may need to be decommissioned at some point in the future, the date of which is unknown. An accurate estimate of the cost to decommission the landfill site is not available and it is unknown if this cost will be the responsibility of the First Nation or ISC. Historically ISC has provided funding to cover decommissioning costs. Since the cost to decommission the landfill site is unknown, the criteria as per PS 3280 (Policy 2(k)) has not been met to recognize an Asset Retirement Obligation and therefore has not been recorded in these financial statements.

26. Financial instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant financial instrument risk arising from these financial instruments except as otherwise disclosed:

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.

Fair Value of Financial Instruments

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.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages its exposure to interest rate risk through normal operating and financing activities. The First Nation is exposed to interest rate risk with their long-term debt that has a variable rate based on the prime lending rate, finance leases with fixed rates and CMHC mortgages with fixed rates. The First Nation has the option to renegotiate the bank loans at their maturity dates. The CMHC mortgages will be renewed at the rates set by CMHC at their renewal date.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

26. Financial instruments, continued

Liquidity Risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The First Nation enters into transactions to purchase goods and services on credit, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the First Nation's future net cash flows for the possibility of negative net cash flow. The First Nation manages the liquidity risk resulting from its accounts payables and accrued liabilities by monitoring its cash and maintaining liquid assets.

27. 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.

28. Budgeted figures

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

29. Comparative figures

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

30. Expenses by object

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Administration fees - internal allocation	\$ 26,461	\$ -	\$ -
Amortization	-	3,627,378	2,565,938
Assistance - band members	912,917	959,619	860,777
Assistance - social development	1,485,581	759,524	617,188
Bad debts (recovery)	-	19,670	9,251
Band development	-	13,657	13,657
Bank charges and supplier interest	63,459	126,756	207,435
CIBC Legacy Trust - loan repayment	-	-	7,375,000
COVID-19 expenses	-	50,061	820,607
Capital - equipment purchases	826	826	6,657
Capital transactions	1,722,436	8,895,061	9,304,405
Consultants and contractors	4,220,384	13,816,644	14,635,387
Contribution - PFN Group of Companies LP	-	435,179	(3,317,542)
Contribution to Pasqua Land Acquisition LP	-	-	200,000
Cost of goods sold	-	8,567,539	7,400,709
Cost share - allocated from other programs	867,703	835,702	-
Counselling services	243,455	243,454	-

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

30. Expenses by object, continued

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Cultural programs	2,211,204	1,408,384	1,425,876
Fuel	112,275	112,254	72,257
Governance	945,834	990,031	399,128
Graduation, awards, prizes	52,354	52,249	40,280
Insurance	190,107	425,562	373,693
Investment management fees	-	35,548	1,291
Janitorial supplies	5,400	5,400	-
Last Mountain IR#80A claim expenses	-	10,536	15,338
Lease payments - equipment	-	-	13,207
Long-term debt - interest paid	178,180	803,128	547,501
Management fees	-	181,737	190,566
Other expenses	50,862	487,199	341,745
PFN gravel purchases	380,193	380,193	20,183
Paskwa Pit Stop	-	-	322,474
Per capita distribution	20,000	20,000	63,000
Professional fees	601,075	893,683	950,097
Program expenses	105,191	105,851	39,649
Property taxes	-	9,277	13,973
Recreational activities	410,074	406,766	207,358
Registration fees	-	-	99
Rent - office	-	523,929	389,169
Repairs and maintenance	641,938	705,024	959,865
Student allowance	670,546	747,106	682,973
Supplies	812,307	818,133	719,383
Telephone	18,375	18,875	21,558
Tire installation expenses	-	18,920	90,404
Training	253,573	275,861	107,959
Travel - medical transportation	52,252	47,883	26,890
Travel, meetings and per diems	638,199	700,952	442,567
Trustee fees	-	39,457	10,066
Tuition	591,394	594,924	497,153
Utilities	302,065	399,725	231,895
Wages and benefits	6,463,002	7,410,410	9,742,743
Winter/summer games	550	550	-
Youth initiatives	21,967	210,443	19,515
Transfer to capital assets	-	(12,165,718)	(12,242,526)
	<hr/>	<hr/>	<hr/>
	\$ 25,272,139	\$ 45,025,342	\$ 47,436,798

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

31. Segmented information

As previously discussed in note 2(p) 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.

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.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2023

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.

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.

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.

Schedule #1
Pasqua First Nation
Treaties and Indigenous Government
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ -	\$ 32,625	\$ 26,400
Other revenue	- -	- -	9,524
Deferred revenue - prior year	4,318	4,318	4,318
Deferred revenue - current year	- -	- -	(4,318)
	4,318	36,943	35,924
Expenses			
Bank charges and supplier interest	- -	- -	42
Consultants and contractors	1,500	1,500	- -
Last Mountain IR#80A claim expenses	- -	10,536	15,338
Per capita distribution	20,000	20,000	63,000
Professional fees	26,000	- -	120,378
	47,500	32,036	198,758
Current surplus (deficit)	\$ (43,182)	\$ 4,907	\$ (162,834)

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 1,625,851	\$ 1,399,318	\$ 1,399,743
Indigenous Services Canada - flexible	571,961	1,764,121	1,283,498
CIBC 1906 Land Claim loan proceeds	-	-	11,339,152
Other revenue	37,418	235,659	54,908
Deferred revenue - prior year	6,737,014	6,737,014	4,472,068
<u>Deferred revenue - current year</u>	<u>-</u>	<u>(6,999,830)</u>	<u>(6,737,014)</u>
	8,972,244	3,136,282	11,812,355
Expenses			
Administration fees - internal allocation	-	130,114	60,175
Amortization	-	-	(1)
Bank charges and supplier interest	120	120	1,510
Capital - equipment purchases	826	826	1,325
Consultants and contractors	1,105,209	2,126,069	10,145,327
Fuel	95,277	95,277	67,991
Insurance	49	49	4,360
Other expenses	969	969	169
Recreational activities	192	192	-
Repairs and maintenance	490,922	356,739	554,522
Supplies	8,275	10,963	24,993
Telephone	3,000	3,000	3,000
Training	2,503	2,503	204
Travel, meetings and per diems	52,713	52,682	27,985
Utilities	163,034	162,534	100,338
Wages and benefits	753,827	753,828	844,395
Transfer to capital assets	-	(1,855,307)	(9,974,721)
	2,676,916	1,840,558	1,861,572
Current surplus	\$ 6,295,328	\$ 1,295,724	\$ 9,950,783

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ -	\$ 301,560	\$ 158,981
File Hills Qu'Appelle Tribal Council (FHQ)	86,411	86,411	86,411
Deferred revenue - prior year	-	-	151,484
Deferred revenue - current year	-	(296,401)	-
	86,411	91,570	396,876
Expenses			
Assistance - band members	80,411	34,500	40,000
Consultants and contractors	8,644	8,644	30,000
Registration fees	-	-	99
Repairs and maintenance	-	-	75,441
Travel, meetings and per diems	2,515	2,515	5,803
Wages and benefits	-	-	283,965
Transfer to capital assets	-	24,000	(48,000)
	91,570	69,659	387,308
Current surplus (deficit)	\$ (5,159)	\$ 21,911	\$ 9,568

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 5,813,531	\$ 5,567,663	\$ 5,422,258
Indigenous Services Canada - flexible	88,610	372,247	357,805
Canadian heritage	124,300	88,300	-
SITAG - Labour Force Development	281,550	195,570	139,543
Other revenue	15	15	14
Deferred revenue - prior year	1,712,147	1,712,147	1,097,084
Deferred revenue - current year	-	(2,039,598)	(1,712,147)
	8,020,153	5,896,344	5,304,557
Expenses			
Administration fees - internal allocation	28,706	382,716	413,846
Assistance - band members	11,534	11,535	500
COVID-19 expenses	-	-	357,275
Capital - equipment purchases	-	-	5,332
Consultants and contractors	449,533	465,041	310,974
Cultural programs	113,700	94,418	18,714
Fuel	16,156	16,135	4,188
Graduation, awards, prizes	48,674	48,569	30,905
Insurance	20,106	20,106	5,712
Janitorial supplies	5,400	5,400	-
Program expenses	79,824	79,824	15,047
Recreational activities	4,943	4,943	-
Repairs and maintenance	55,545	55,545	10,852
Student allowance	670,546	747,106	618,523
Supplies	423,464	426,466	263,742
Telephone	2,800	2,800	2,800
Training	202,205	193,594	88,483
Travel, meetings and per diems	127,687	119,737	63,620
Tuition	591,394	594,624	496,070
Utilities	80,645	80,645	52,795
Wages and benefits	2,996,232	2,996,233	2,636,189
Transfer to capital assets	-	(2,042)	(1,500)
	5,929,094	6,343,395	5,394,067
Current surplus (deficit)	\$ 2,091,059	\$ (447,051)	\$ (89,510)

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - grant	\$ 585,477	\$ 560,477	\$ 547,758
Indigenous Services Canada - fixed	85,000	25,000	274,036
Indigenous Services Canada - set	226,509	32,000	-
Indigenous Services Canada - flexible	544,346	696,913	1,345,964
ISC - prior period revenue (recovery)	-	63,192	-
Touchwood Child & Family Services	-	-	100,000
File Hills Qu'Appelle Tribal Council (FHQ)	280	17,170	-
Other revenue	1,150,400	14,076	9,281
Deferred revenue - prior year	391,962	367,200	230,340
Deferred revenue - current year	-	(743,735)	(367,200)
	2,983,974	1,032,293	2,140,179
Expenses			
Amortization	-	-	1
Assistance - band members	48	1,048	2,132
COVID-19 expenses	-	32,000	123,111
Consultants and contractors	97,870	97,871	531,040
Cultural programs	79,053	17,612	94,485
Insurance	2,695	2,695	-
Other expenses	242	242	173
Professional fees	137,285	137,285	29,564
Program expenses	8,297	8,296	6,001
Recreational activities	195	195	-
Repairs and maintenance	33,832	34,169	40,178
Supplies	58,814	59,642	134,755
Telephone	4,625	4,625	4,306
Training	8,028	8,028	2,860
Travel, meetings and per diems	146,361	146,195	161,814
Wages and benefits	1,058,199	1,058,199	3,434,732
	1,635,544	1,608,102	4,565,152
Current surplus (deficit)	\$ 1,348,430	\$ (575,809)	\$ (2,424,973)

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, 2023

	2023 Budget	2023 Actual	2022 Actual
	(unaudited)		
Revenue			
Indigenous Services Canada - fixed	\$ 145,870	\$ 155,870	\$ 120,870
Deferred revenue - prior year	27,858	27,858	46,673
<u>Deferred revenue - current year</u>	<u>-</u>	<u>-</u>	<u>(27,858)</u>
	173,728	183,728	139,685
Expenses			
Administration fees - internal allocation	14,587	-	12,087
Consultants and contractors	10,840	10,840	4,899
Professional fees	500	-	-
Program expenses	137	137	-
Supplies	1,555	1,555	163
Telephone	500	500	-
Training	1,431	1,431	1,026
Travel, meetings and per diems	19,044	19,046	1,274
Wages and benefits	120,975	120,975	120,236
<u>Transfer to capital assets</u>	<u>-</u>	<u>46,849</u>	<u>(48,000)</u>
	169,569	201,333	91,685
Current surplus (deficit)	\$ 4,159	\$ (17,605)	\$ 48,000

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 875	\$ 117,595	\$ 439,607
Indigenous Services Canada - set	332,406	216,194	221,097
Indigenous Services Canada - flexible	1,940,871	2,145,062	724,080
File Hills Qu'Appelle Tribal Council (FHQ)	103	-	-
Touchwood Child & Family Services	36,402	9,095	11,271
Deferred revenue - prior year	715,092	715,092	533,012
Deferred revenue - current year	-	(1,240,586)	(715,092)
	3,025,749	1,962,452	1,213,975
Expenses			
Administration fees - internal allocation	108,233	85,270	24,785
Assistance - band members	5,909	5,909	5,670
Assistance - social development	1,485,581	759,524	617,188
Bank charges and supplier interest	550	2,592	1,863
COVID-19 expenses	-	18,061	59,045
Consultants and contractors	427,515	408,555	265,510
Counselling services	191,401	191,401	-
Cultural programs	126,832	120,562	46,944
Other expenses	31,369	-	-
Professional fees	30,374	30,374	-
Program expenses	1,492	1,492	419
Recreational activities	93,162	93,162	-
Repairs and maintenance	-	-	7,934
Student allowance	-	-	64,000
Supplies	60,052	60,050	24,964
Telephone	1,200	1,200	1,550
Training	500	500	945
Travel, meetings and per diems	99,685	100,337	16,267
Wages and benefits	115,014	89,961	94,654
	2,778,869	1,968,950	1,231,738
Current surplus (deficit)	\$ 246,880	\$ (6,498)	\$ (17,763)

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 28,930	\$ 28,930	\$ 18,930
Expenses			
Administration fees - internal allocation	-	2,635	1,893
Consultants and contractors	8,650	8,650	9,200
Program expenses	625	625	5,250
Supplies	13,742	11,108	1,385
Training	-	-	1,096
Travel, meetings and per diems	3,786	3,786	261
Wages and benefits	2,126	2,126	-
	28,929	28,930	19,085
Current surplus (deficit)	\$ 1	\$ -	\$ (155)

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, 2023

	2023 Budget	2023 Actual	2022 Actual
	(unaudited)		
Revenue			
Indigenous Services Canada - grant	\$ 4,000	\$ -	\$ -
Indigenous Services Canada - fixed	19,262	20,100	88,194
Indigenous Services Canada - set	86,817	64,160	61,660
Indigenous Services Canada - flexible	737,197	11,906,889	10,877,242
ISC - prior period revenue (recovery)	(6,261)	(6,261)	-
Touchwood Child & Family Services	-	-	175,145
File Hills Qu'Appelle Tribal Council (FHQ)	-	3,000	7,360
Deferred revenue - prior year	2,129,263	2,129,263	1,300,806
Deferred revenue - current year	-	(6,158,237)	(2,129,263)
	2,970,278	7,958,914	10,381,144
Expenses			
Administration fees - internal allocation	-	20,343	82,628
Assistance - band members	-	-	125
COVID-19 expenses	-	-	281,176
Capital expenditures	-	7,147,625	9,241,905
Consultants and contractors	156,828	173,415	100,523
Cultural programs	134,133	133,484	188,231
Fuel	587	587	78
Graduation, awards, prizes	-	-	1,500
Insurance	-	-	5,600
Other expenses	18,282	18,282	13,397
Program expenses	2,578	2,578	-
Repairs and maintenance	25,549	25,549	17,095
Supplies	12,897	13,123	116,294
Telephone	2,950	2,950	3,852
Training	27,653	27,653	-
Travel - medical transportation	52,252	47,883	26,090
Travel, meetings and per diems	21,711	21,712	24,149
Utilities	25,752	25,752	12,853
Wages and benefits	480,337	480,337	452,923
Transfer to capital assets	-	(1,241)	(72,474)
	961,509	8,140,032	10,495,945
Current surplus (deficit)	\$ 2,008,769	\$ (181,118)	\$ (114,801)

The accompanying notes are an integral part of the financial statements

Schedule #10
Pasqua First Nation
CMHC Programs
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Canada Mortgage and Housing Corporation (CMHC)	\$ -	\$ 826,695	\$ 9,938,975
CMHC - rental income	- -	249,200	289,835
Interest earned	- -	11,519	14,908
Other revenue	- -	5,330	165
Deferred revenue - prior year	- -	8,844,267	-
<u>Deferred revenue - current year</u>	<u>- -</u>	<u>(790,607)</u>	<u>(8,844,267)</u>
	- -	9,146,404	1,399,616
Expenses			
Bank charges and supplier interest	- -	2,489	872
Consultants and contractors	- -	8,652,748	786,335
Insurance	- -	214,541	162,178
Long-term debt - interest paid	- -	141,055	142,319
Professional fees	- -	21,600	24,000
Repairs and maintenance	- -	116,514	241,624
Travel, meetings and per diems	- -	24,283	-
Transfer to capital assets	- -	(8,334,954)	(486,587)
	- -	838,276	870,741
Current surplus	\$ -	\$ 8,308,128	\$ 528,875

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Trust funds held by federal government	\$ 375,000	\$ 193,707	\$ 276,510
First Nations Trust (FNT)	911,100	911,100	409,882
Pasqua Legacy Trust - annual income	-	2,002,789	2,379,297
Pasqua TLE Holdings Inc - annual income	-	165,902	177,097
Pasqua TLE Trust - annual income	-	27,383	24,310
SITAG - Labour Force Development	9,177	9,177	105,168
SIIT	6,600	6,600	-
CIBC 1906 Land Claim loan proceeds	-	-	7,740,481
File Hills Qu'Appelle Tribal Council (FHQ)	848,987	949,014	521,415
Paskwa Pit Stop (sales less cost of sales)	-	-	388,444
Paskwa Pit Stop - other revenue	-	-	9,708
Other revenue	8,615,321	600,792	1,079,954
Gain on disposal of investments	-	(4,530,883)	2,504,152
Gain on foreign exchange	-	(614)	12,219
Change in unrealized gain on investment	-	(365,633)	25,870
Gain (loss) on disposal of investments (Trust)	-	(385,187)	154
Manufacturing sales (Pro Metal Industries Inc.)	-	10,682,490	11,172,017
Other production revenue (Pro Metal Industries Inc.)	-	119,343	158,791
Investment income - PFN Business Trust	-	159,346	26,142
CDC revenue	-	-	24,266
Interest earned	-	1,298	331
Gas and confection sales (Paskwa Pit Stop)	-	3,222,255	-
Land lease revenues (PFN Land acquisition LP)	-	103,178	103,178
Investment income (PFN Group of Companies LP & Inc.)	-	136,412	443,788
Tire sales and installation (PFN GOC LP)	-	22,306	106,051
Keseechiwan Holdings LP	-	(30,000)	60,000
Touchwood Child & Family Services	1,139,670	138,195	-
Government of Saskatchewan	3,750	3,750	-
Deferred revenue - prior year	5,031,874	7,622,605	1,018,857
Deferred revenue - current year	-	(4,112,231)	(7,622,605)
	16,941,479	17,653,094	21,145,477

Expenses

Administration fees - internal allocation	(125,065)	(621,078)	(595,415)
Amortization	-	-	1
Assistance - band members	815,015	906,627	812,350
Bad debts (recovery)	-	19,670	9,251
Band development	-	13,657	13,657
Bank charges and supplier interest	62,789	121,555	203,149
CIBC Legacy Trust - loan repayment	-	-	7,375,000
Capital transactions	1,722,436	1,747,436	62,500
Consultants and contractors	1,953,795	1,863,312	2,451,578

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, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Contribution to PFN Group of Companies LP	-	435,179	(3,317,542)
Contribution to Pasqua Land Acquisition LP	-	-	200,000
Cost of goods sold	-	8,567,539	7,400,709
Cost share - allocated from other programs	867,703	835,702	-
Counselling services	52,054	52,054	-
Cultural programs	1,757,486	1,042,307	1,077,503
Fuel	255	255	-
Governance	945,834	990,031	399,128
Graduation, awards, prizes	3,680	3,680	7,875
Insurance	167,257	188,171	195,843
Investment management fees	-	35,548	1,291
Lease payments - equipment	-	-	13,207
Long-term debt - interest paid	178,180	662,073	405,182
Management Fees	-	181,737	190,566
Other expenses	-	467,705	328,007
PFN gravel purchases	380,193	380,193	20,183
Paskwa Pit Stop	-	-	322,474
Professional fees	406,916	704,424	776,155
Program expenses	12,238	12,899	12,932
Property taxes	-	9,277	13,973
Recreational activities	311,582	308,274	207,358
Rent - office	-	523,929	389,169
Repairs and maintenance	36,090	116,508	12,219
Student allowance	-	-	450
Supplies	233,508	235,222	153,079
Telephone	3,300	3,800	6,050
Tire installation expenses	-	18,920	90,404
Training	11,253	42,153	13,346
Travel - medical transportation	-	-	800
Travel, meetings and per diems	164,697	210,660	141,395
Trustee fees	-	39,457	10,066
Tuition	-	300	1,082
Utilities	32,634	130,794	65,908
Wages and benefits	936,292	1,908,750	1,875,651
Winter/summer games	550	550	-
Youth initiatives	21,967	210,443	19,515
Transfer to capital assets	-	(2,043,023)	(1,611,245)
	10,952,639	20,326,690	19,754,804
Current surplus (deficit)	\$ 5,988,840	\$ (2,673,596)	\$ 1,390,673

The accompanying notes are an integral part of the financial statements

Schedule #12
Pasqua First Nation
Amortization
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue	\$ -	\$ -	\$ -
Expenses			
Community Infrastructure	-	1,080,496	396,441
Economic Development	-	22,029	22,029
Education	-	237,130	239,949
Indigenous Government Support	-	2,763	22,668
Health Services	-	58,465	58,465
CMHC	-	582,847	582,847
Band Projects	-	1,643,648	1,243,537
	-	3,627,378	2,565,936
Current deficit	\$ -	\$ (3,627,378)	\$ (2,565,936)

The accompanying notes are an integral part of the financial statements