



Star Blanket Cree Nation
Financial Statements
March 31, 2022



Star Blanket Cree Nation Contents

For the year ended March 31, 2022

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Management's Responsibility



To the Members of Star Blanket Cree Nation:

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

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

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

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

July 15, 2022

Signed by: Michael G. Starr

Management

To the Members of Star Blanket Cree Nation:

Opinion

We have audited the consolidated financial statements of Star Blanket Cree Nation (the "Cree Nation"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, consolidated statement of change in net debt and consolidated cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Cree Nation as at March 31, 2022, and the results of its consolidated operations, its consolidated change in 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Cree 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 Cree 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 Cree Nation or to cease operations, or has no realistic alternative but to do so.

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

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

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

Independent Auditor's Report

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 Cree 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 Cree Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Cree 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 Cree Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Saskatoon, Saskatchewan

July 15, 2022

MNP LLP

Chartered Professional Accountants

MNP



Star Blanket Cree Nation
Consolidated Statement of Financial Position
As at March 31, 2022

	2022	2021
Financial assets		
Current		
Cash resources	975,360	224,408
Accounts receivable (Note 3)	147,773	136,099
Restricted cash (Note 4)	5,695,349	6,950,187
Subtotal of current assets	6,818,482	7,310,694
Restricted cash (Note 4)	212,659	215,873
Portfolio investments (Note 5)	630,405	444,447
Funds held in trust (Note 6)	21,012	17,859
Due from Star Blanket Treaty Land Entitlement Trust (Note 7)	156,292	147,930
Total financial assets	7,838,850	8,136,803
Liabilities		
Current		
Accounts payable and accruals	380,665	464,391
Deferred revenue (Note 9)	6,555,282	7,146,395
Due to Star Blanket Treaty Land Entitlement Trust (Note 7)	60,000	60,000
Current portion of long-term debt (Note 10)	799,000	522,000
Subtotal of current liabilities	7,794,947	8,192,786
Long-term debt (Note 10)	2,357,853	2,332,921
Total financial liabilities	10,152,800	10,525,707
Net debt	(2,313,950)	(2,388,904)
Non-financial assets		
Tangible capital assets (Note 11)	13,327,483	12,502,737
Prepaid expenses	8,866	9,458
Total non-financial assets	13,336,349	12,512,195
Accumulated surplus (Note 12)	11,022,399	10,123,291

Approved on behalf of Chief and Council

Signed by: Michael G. Starr

Chief

Signed by: Joanne Starr

Councillor



Star Blanket Cree Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2022

	<i>Schedules</i>	<i>2022 Budget (Note 17)</i>	<i>2022 Actual</i>	<i>2021 Actual</i>
Revenues				
Indigenous Services Canada (Note 15)		2,542,402	6,230,882	6,625,669
Other revenue		169,495	620,318	524,599
Rental income		369,231	421,639	421,823
University of Saskatchewan		-	258,801	-
FHQ Tribal Council		315,258	251,712	316,802
Investing in Canada Infrastructure Program		-	185,958	-
Canada Mortgage and Housing Corporation		84,214	140,712	120,542
Bingo revenue		-	129,978	58,491
First Nations Trust		-	123,883	162,874
FHQ Casino Holdings		-	60,000	60,000
File Hills Community Health Services Inc.		560,640	18,947	12,780
Living Skies Community Development Corporation		-	10,752	20,587
Saskatchewan Liquor and Gaming Authority		-	-	20,946
		4,041,240	8,453,582	8,345,113
Program expenses				
Band Government	3	885,617	1,636,043	972,843
Capital	4	-	411,707	496,833
Economic Development	5	259,456	869,060	733,640
Education	6	561,465	575,141	694,840
Health	7	1,012,255	1,238,118	1,009,903
Housing	8	358,780	673,720	632,801
Operations and Maintenance	9	458,682	1,145,776	709,192
Reserves and Trusts	10	5,319	5,036	5,954
Social Development	11	572,660	1,036,873	1,037,645
Total expenses		4,114,234	7,591,474	6,293,651
Surplus (deficit) before other items		(72,994)	862,108	2,051,462
Other item				
Gain on disposal of tangible capital assets		-	37,000	-
Annual surplus (deficit)		(72,994)	899,108	2,051,462
Accumulated surplus, beginning of year		10,123,291	10,123,291	8,071,829
Accumulated surplus, end of year		10,050,297	11,022,399	10,123,291



Star Blanket Cree Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2022

	2022 Budget (Note 17)	2022 Actual	2021 Actual
Annual surplus (deficit)	(72,994)	899,108	2,051,462
Purchases of tangible capital assets	-	(1,402,010)	(1,792,500)
Amortization of tangible capital assets	-	527,264	484,019
Gain on disposal of tangible capital assets	-	(37,000)	-
Proceeds on disposal of tangible capital assets	-	87,000	-
Acquisition of prepaid expenses	-	-	(4,563)
Use of inventory	-	-	1,367
Use of prepaid expenses	-	592	-
Change in net debt	(72,994)	74,954	739,785
Net debt, beginning of year	(2,388,904)	(2,388,904)	(3,128,689)
Net debt, end of year	(2,461,898)	(2,313,950)	(2,388,904)



Star Blanket Cree Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus (deficit)	899,108	2,051,462
Non-cash items		
Amortization	527,264	484,019
Gain on disposal of tangible capital assets	(37,000)	-
	1,389,372	2,535,481
Changes in working capital accounts		
Accounts receivable	(11,674)	464,160
Prepaid expenses	592	(4,563)
Accounts payable and accruals	(83,726)	(185,338)
Deferred revenue	(591,113)	1,182,672
Inventory	-	1,367
	703,451	3,993,779
Financing activities		
Advances of long-term debt	663,521	373,346
Repayments of long-term debt	(361,589)	(244,996)
Increase (decrease) in bank indebtedness	-	(395,768)
	301,932	(267,418)
Capital activities		
Purchases of tangible capital assets	(1,402,010)	(1,792,500)
Proceeds on disposal of tangible capital assets	87,000	-
	(1,315,010)	(1,792,500)
Investing activities		
Increase in funds held in trust	(3,153)	(8,443)
Decrease (increase) in restricted cash	1,258,052	(1,664,615)
Increase in due from Star Blanket Treaty Land Entitlement Trust	(8,362)	(16,425)
Increase in portfolio investments	(185,958)	(259,965)
	1,060,579	(1,949,448)
Increase (decrease) in cash resources	750,952	(15,587)
Cash resources, beginning of year	224,408	239,995
Cash resources, end of year	975,360	224,408



Star Blanket Cree Nation

Notes to the Financial Statements

For the year ended March 31, 2022

1. Operations

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

Impact on operations of COVID-19 (coronavirus)

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

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

Due to the social distancing restrictions put in place by the provincial government the bingo was closed March 16, 2020 and remained closed until September 7, 2020 when it reopened. The bingo was again closed on October 16, 2020 due to social distancing restrictions and remained closed for the remainder of the fiscal year. The Organization applied for financial support from Indigenous Services Canada which was received in August 2020 to assist with covering business costs during the initial closure. The hall reopened on October 1, 2021 and permanently ceased operations on January 14, 2022 when the Star Blanket Cree Nation were no longer willing to provide any additional funding to maintain operations in case of further disruptions to operations. The Cree Nation also received less funding from First Nations Trust due to the closure of SIGA casinos. The Cree Nation expects these impacts to continue until the pandemic is over.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the Cree Nation reporting entity. Star Blanket Cree Nation Treaty Land Entitlement Trust is not controlled by the Cree Nation and is excluded from the Cree Nation reporting entity.

The Cree Nation has consolidated the assets, liabilities, revenues and expenses of the following entities and departments:

- Star Blanket Cree Nation
- Star Blanket Cree Nation - CMHC Housing Program
- White Buffalo Calf Gaming Authority
- Star Blanket Rentals
- Red Dog Holdings Ltd.
- Red Dog Holdings Limited Partnership

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Basis of presentation

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



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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

Cash resources

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

Restricted cash

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

Portfolio investments

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

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Cree Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust moneys consist of:

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

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution. Tangible capital assets recorded at a nominal amount include the original reserve land. Land purchased is recorded at the purchase price.

Amortization

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

	Rate
Buildings	15 - 40 years
Band housing	15 - 25 years
CMHC housing	15 - 25 years
Equipment	3 - 10 years
Infrastructure	40 years

Land is not amortized. Construction-in-progress is not amortized until the assets are put into use.

Asset classification

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

Net debt

The Cree Nation's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the Cree Nation is determined by its financial assets less its financial liabilities. Net debt combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.



Star Blanket Cree Nation

Notes to the Financial Statements

For the year ended March 31, 2022

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

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Government Transfers

The Cree Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Cree Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Funds held in Ottawa Trust Fund

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

Other Revenue

Rental revenue is recognized over the rental term. Other revenues are earned from services provided by the Cree Nation and are recognized when the service has been provided. Bingo revenue is recognized when the bingo event has occurred. Investment income is recognized on an accrual basis.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

Amortization is based on the estimated useful lives of tangible capital assets.

Segments

The Nation conducts its business through nine reportable segments: Band Government, Capital, Economic Development, Education, Health, Housing, Operations and Maintenance, Reserves and Trusts and Social Development. These operating segments are established by Council and senior management to facilitate the achievement of the Cree Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenditures represent both amounts that are directly attributable 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. Administration fees have been apportioned based on a percentage of budgeted revenues, where permitted by the funder.

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



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

3. Accounts receivable

	2022	2021
FHQ Tribal Council	97,332	83,616
Rent receivable	20,341	17,038
Canada Mortgage and Housing Corporation	14,953	7,018
File Hills Community Health Services Inc.	12,780	12,780
Members	8,039	10,535
Other	3,321	2,164
Trade receivables	-	11,941
	156,766	145,092
Allowance for doubtful accounts	(8,993)	(8,993)
	147,773	136,099

4. Restricted cash

	2022	2021
Current		
ISC - capital projects	5,716,346	6,936,493
Health Canada - capital project	(20,997)	13,694
	5,695,349	6,950,187
Long-term		
CMHC replacement reserve - bank	5,323	9,338
CMHC replacement reserve - GIC (matures February 2023, interest at 0.55%)	128,758	128,053
CMHC operating reserve - bank	14	64
CMHC operating reserve - GIC (matures September 2022, interest at 0.125%)	47,334	47,246
CMHC operating reserve - GIC (matures September 2022, interest at 0.125%)	31,230	31,172
	212,659	215,873
	5,908,008	7,166,060



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

5. Portfolio investments

	2022	2021
FHQ Casino Holdings Ltd.	60,000	60,000
Pesakastew Solar Limited Partnership	570,405	384,447
	630,405	444,447

The Cree Nation has a 8.3% interest in FHQ Casino Holdings Ltd., a Company which holds a rental property.

Pesakastew Solar Limited Partnership is developing a 10 Megawatt solar farm in Saskatchewan. Pesakastew Solar Limited Partnership has an active agreement with Saskatchewan Power Corporation (SaskPower) to supply power from the Pesakastew Solar Project to SaskPower when the project begins producing power. The Cree Nation has a 25.5% interest in Pesakastew Solar Limited Partnership. The project was completed subsequent to year end and has begun to supply power to Sask Power.

6. Funds held in trust

Capital and revenue trust monies are transferred to the Cree Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the Cree Nation's Council.

	2022	2021
Capital Trust		
Balance, beginning and end of year	5,960	5,960
Revenue Trust		
Balance, beginning of year	11,899	3,456
Interest	396	150
Land leases	2,757	8,293
Balance, end of year	15,052	11,899
Total funds in trust, end of year	21,012	17,859

7. Due from (to) Star Blanket Treaty Land Entitlement Trust

Amounts owing between the Cree Nation and the Star Blanket Treaty Land Entitlement Trust are without fixed repayment terms and bear no interest.

The Star Blanket Treaty Land Entitlement Trust has been established for the benefit of the Members of Star Blanket Cree Nation and is managed by an independent group of Trustees.



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

8. Credit arrangements

The Cree Nation has an operating line of credit with a limit of \$75,000. Interest is payable at Peace Hills Trust prime plus 2%. At March 31, 2022, the Cree Nation has drawn \$75,000 (2021 - \$72,792) against its overdraft limit. The line of credit is secured by a band council resolution redirecting gaming revenue and ISC funding.

The Cree Nation has an additional operating line of credit with a limit of \$400,000. Interest is payable at 24%. At March 31, 2022, the Cree Nation has drawn \$187 (2021 - \$nil) against this limit. The line of credit is secured by a band council resolution redirecting First Nations Trust and ISC funding.

9. Deferred revenue

Deferred revenue represent the amount of funds received by the Cree Nation that relate to future fiscal periods and are unearned at year-end.

As of March 31, 2022, deferred revenue consists of:

	<i>Balance, beginning of year</i>	<i>Amounts received in current year</i>	<i>Amounts expended in current year</i>	<i>Balance, end of year</i>
ISC - WTP upgrade	5,578,341	-	47,568	5,530,773
ISC - non capital funding unspent	731,147	5,648,400	5,666,582	712,965
ISC - Lebret Sewage System Upgrade	668,754	-	501,837	166,917
ISC - Whitecalf Drainage	100,000	-	15,966	84,034
ISC - School feasibility study	50,250	-	2,700	47,550
Tenant Rents	13,043	-	-	13,043
ISC - Health Clinic	4,860	-	4,860	-
	7,146,395	5,648,400	6,239,513	6,555,282

10. Long-term debt

	2022	2021
Canada Mortgage and Housing Corporation mortgage for CMHC Phase IX housing, payable in monthly installments of \$1,033 including interest at 0.67%, secured by ministerial guarantee and due June 2025.	39,829	51,911
Canada Mortgage and Housing Corporation mortgage for CMHC Phase X housing, payable in monthly installments of \$1,544 including interest at 0.79%, secured by ministerial guarantee and due January 2026.	120,308	137,816
Canada Mortgage and Housing Corporation mortgage for CMHC Phase XI housing, payable in monthly installments of \$565 including interest at 0.74%, secured by ministerial guarantee and due February 2026.	86,518	92,630
Canada Mortgage and Housing Corporation mortgage for CMHC Phase XII housing, payable in monthly installments of \$1,044 including interest at 2.02%, secured by ministerial guarantee and due March 2027.	162,159	171,762
Canada Mortgage and Housing Corporation mortgage for CMHC Phase XIII housing, payable in monthly installments of \$671 including interest at 2.27%, secured by ministerial guarantee and due April 2027.	72,609	79,257
Canada Mortgage and Housing Corporation mortgage for CMHC Phase XIV housing, payable in monthly installments of \$2,478 including interest at 1.83%, secured by ministerial guarantee and due December 2024.	338,051	361,392



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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

Canada Mortgage and Housing Corporation mortgage for CMHC Phase XV housing, payable in monthly installments of \$1,865 including interest at 1.13%, secured by ministerial guarantee and due June 2026.

294,505 242,491

Canada Mortgage and Housing Corporation advance bearing interest at the Lender's Floating Non-Profit Direct Lending Construction Rate. Balance to be transferred into CMHC Phase XVI mortgage on completion of the project.

382,200 97,500

Canada Mortgage and Housing Corporation advance bearing interest at the Lender's Floating Non-Profit Direct Lending Construction Rate. Balance to be termed into CMHC Phase XVII mortgage on completion of the project.

180,783 -

Peace Hills Trust consolidation loan #14 with principal and interest payments of \$48,000 quarterly and an additional annual payment of \$70,000 with interest at 6.25%, secured by guarantees and assignment of specific contracts, a promissory note, and a general security agreement, due September 2022.

921,789 1,084,676

Peace Hills Trust consolidation loan #15 with principal and interest payments of \$7,000 monthly and an additional annual payment of \$43,000 with interest at 6.00%, secured by assignment of White Buffalo Calf Gaming proceeds and Keeseechiwan / FHQ Casino Holdings investment income, maturing October 2024.

313,778 418,389

Natural Forces loan to Red Dog Holdings LP. The loan was interest free until April 2021; interest at prime +12% thereafter. No specific repayment terms. Secured with cash flows from Pesakastew Solar Limited Partnership.

125,196 110,536

Peace Hills Trust loan #16 with principal and interest payments of \$2,771 monthly with interest at 6.00%, secured by a school bus with net book value of \$101,250 and a general security agreement, maturing February 2024.

60,058 -

RCAP Leasing loan with principal and interest payments of \$1,344 monthly with interest at 6.20%, secured by equipment with a net book value of \$126,540, maturing June 2026.

59,070 -

Redhead equipment loan repaid during the year.

- 6,561

3,156,853 2,854,921

Less: current portion

799,000 522,000

2,357,853 2,332,921

Principal repayments on term loans in each of the next five years, assuming the term loans are renewed with similar terms, are estimated below.

	Loan Principal
2023	799,000
2024	420,000
2025	357,000
2026	220,000
2027	90,000



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

11. Tangible capital assets

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

Project	Budget	Cumulative costs to March 31, 2022
Water treatment plant upgrade	7,423,500	1,797,008
Lebret sewer system upgrades	1,011,534	844,617
CMHC Phase XVI	390,000	496,181
CMHC Phase XVII	361,567	20,000
Whitecalf drainage	100,000	15,966
Grow tunnel		10,926
Total	9,286,601	3,184,698

Assets under construction are financed by Indigenous Services Canada and First Nations & Inuit Health Branch, and are managed by third party contractors.

12. Accumulated surplus

Accumulated surplus consists of the following:

	2022	2021
Equity in funds held in trust	21,012	17,859
Canada Mortgage and Housing Corporation reserves	275,455	255,653
Equity in tangible capital assets	11,429,636	11,028,080
Equity in investments	445,209	273,911
Operating deficit	(1,148,913)	(1,452,212)
	11,022,399	10,123,291

The Cree Nation's other investment, FHQ Casino Holdings Ltd. is financed with a note payable equal to the carrying amount of the investment (Note 5).

13. Canada Mortgage and Housing Corporation reserves

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

- A replacement reserve, established to ensure replacement of capital equipment and for major repairs to the housing units, which requires an annual allocation to the reserve. At March 31, 2022, \$203,752 (2021 - \$184,074) has been charged to this reserve. At March 31, 2022 the reserve is underfunded \$69,671 (2021 - underfunded - \$46,683).
- A operating surplus reserve established for housing units under the post 1997 Fixed Subsidy Program requires surpluses to be retained to offset future operating losses. At March 31, 2022, \$71,703 (2021 - \$71,579) has been charged to this reserve. At March 31, 2022 the reserve is overfunded \$6,875 (2021 - overfunded - \$6,903).

14. Economic dependence

Star Blanket Cree Nation receives a significant portion of its revenues from Indigenous Services Canada (ISC) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

Due to certain deficiencies in its operating fund position, the Cree Nation is also party to a Management Action Plan agreement with ISC that will expire when certain financial indicators are met by the Cree Nation. Under the terms of the Management Action Plan, ISC can suspend transfers to the Nation if it does not comply with the terms of the agreement. Management believes that they are in compliance with the Management Action Plan.



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

15. Reconciliation of Indigenous Services Canada Funding

	2022	2021
Funding per confirmation	5,648,400	7,839,829
Less: funding adjustments		
ISC funding adjustments	(8,631)	(25,063)
Less: Deferred revenue		
Water plant upgrade	(5,530,773)	(5,578,341)
School feasibility study	(47,550)	(50,250)
Lebret sewer system upgrades	(166,917)	(668,754)
Whitecalf drainage	(84,034)	(100,000)
Non-capital funding unspent	(712,965)	(731,147)
Health clinic	-	(4,860)
	(6,542,239)	(7,133,352)
Plus: Prior year deferred revenue recognized		
School feasibility study	50,250	53,850
Water treatment plant upgrade	5,578,341	4,751,686
Lebret sewer system Upgrade	668,754	822,344
Health clinic	4,860	316,375
Non-capital funding unspent	731,147	-
Whitecalf drainage	100,000	-
	7,133,352	5,944,255
	6,230,882	6,625,669

16. Comparative figures

Certain operational programs have been reclassified between segments in the current year along with their prior year comparatives to better match the programming mandate of each segment. Overall surplus for the March 31, 2021 fiscal year was not effected by these changes.



Star Blanket Cree Nation
Notes to the Financial Statements
For the year ended March 31, 2022

17. Budget information

The disclosed budget information for the following entities has been approved by Chief and Council on:

Star Blanket Cree Nation	June 18, 2021
Star Blanket Rentals	April 23, 2021

Star Blanket Cree Nation prepared and follows a five year budget in accordance with ISC's Management Action Plan requirements. The consolidated budget does not include capital projects. These projects require separate applications for funding or financing, and budgets are prepared on a project-by-project basis to accompany the applications.

18. Loan guarantees

Under the terms of an agreement with Stonebridge Infrastructure Debt Fund II Limited Partnership, La Capitale Civil Service Insurer Inc., and Stonebridge Financial Corporation, Pesakastew Solar Limited Partnership has obtained a loan that provides up to \$17,000,000 in debt financing to construct the Pesakastew Solar Project at a fixed rate of 4.13% per annum for a term of 20-years commencing upon completion of the project. Pesakastew Solar Limited Partnership received \$16,100,000 from this facility to finance the construction of the solar farm. Red Dog Holdings Limited Partnership has pledged its ownership interest in Pesakastew Solar Limited Partnership as collateral for this loan. No liability has been recorded as of March 31, 2022.

19. Contingent asset

On December 22, 2021, the Federal Court of Canada has approved a settlement between Canada and certain First Nations and their members who were subject to a drinking water advisory that lasted at least one year between November 20, 1995, and June 20, 2021. Star Blanket Cree Nation is eligible to participate in the settlement class. First Nations have until December 2, 2022, to confirm their acceptance by submitting a Band Council Resolution.

The First Nation is unable to reasonably estimate a value or range of outcomes for the settlement because it is in part based on individual impacted members' claims which can be filed up to March 7, 2023.



Star Blanket Cree Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2022

	<i>Buildings</i>	<i>Band housing</i>	<i>CMHC housing</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>Land - 8,766 hectares</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	10,999,015	5,088,757	1,701,756	895,213	4,624,615	2,011,203	25,320,559
Acquisition of tangible capital assets	32,467	-	-	376,600	-	-	409,067
Disposal of tangible capital assets	-	-	-	(179,500)	-	-	(179,500)
Transfer between classes	-	-	340,675	-	-	-	340,675
Balance, end of year	11,031,482	5,088,757	2,042,431	1,092,313	4,624,615	2,011,203	25,890,801
Accumulated amortization							
Balance, beginning of year	8,312,354	3,688,227	858,732	682,687	1,808,252	-	15,350,252
Annual amortization	143,513	79,878	114,231	77,408	112,234	-	527,264
Accumulated amortization on disposals	-	-	-	(129,500)	-	-	(129,500)
Balance, end of year	8,455,867	3,768,105	972,963	630,595	1,920,486	-	15,748,016
Net book value of tangible capital assets	2,575,615	1,320,652	1,069,468	461,718	2,704,129	2,011,203	10,142,785
2021 Net book value of tangible capital assets	2,686,661	1,400,530	843,024	212,526	2,816,363	2,011,203	9,972,328



Star Blanket Cree Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2022

	<i>Subtotal</i>	<i>Construction-in-progress</i>	<i>2022</i>	<i>2021</i>
Cost				
Balance, beginning of year	25,320,559	2,532,430	27,852,989	26,060,489
Acquisition of tangible capital assets	409,067	992,943	1,402,010	1,792,500
Disposal of tangible capital assets	(179,500)	-	(179,500)	-
Transfer between classes	340,675	(340,675)	-	-
Balance, end of year	25,890,801	3,184,698	29,075,499	27,852,989
Accumulated amortization				
Balance, beginning of year	15,350,252	-	15,350,252	14,866,233
Annual amortization	527,264	-	527,264	484,019
Accumulated amortization on disposals	(129,500)	-	(129,500)	-
Balance, end of year	15,748,016	-	15,748,016	15,350,252
Net book value of tangible capital assets	10,142,785	3,184,698	13,327,483	12,502,737
2021 Net book value of tangible capital assets	9,972,328	2,532,430	12,502,737	



Star Blanket Cree Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2022

	2022 Budget (Note 17)	2022 Actual	2021 Actual
Consolidated expenses by object			
Administration	132,782	78,190	15,345
Advertising, promotion and gifts	250	21,402	29,269
Amortization	-	527,264	484,019
Assistance	119,769	626,577	372,572
Bank charges and interest	700	15,917	19,003
Basic needs	309,460	463,361	481,070
Contracted services	257,954	966,223	504,220
Flow through expenses	-	-	148,244
Fuel	65,000	67,890	38,162
Honouraria	12,000	23,003	8,740
Insurance	116,332	308,764	323,582
Interest on long-term debt	246,211	129,149	116,597
Management fees	10,000	29,400	-
Meals	117,350	171,917	177,879
Meetings	83,700	240,957	62,037
Miscellaneous	-	1,453	77,311
Office supplies and expenses	24,778	82,288	52,776
Paper - bingo	-	2,721	1,367
Prize payouts	-	94,859	43,810
Professional fees	46,884	217,433	147,260
Program expense	45,127	166,375	24,043
Registration fees	7,276	12,317	2,933
Rent	10,500	39,914	35,225
Repairs and maintenance	252,333	376,603	364,309
Salaries and benefits	1,216,323	1,448,804	1,218,054
Service agreements	80,034	47,353	57,946
Student allowance	118,000	130,988	167,360
Supplies	344,291	678,842	661,078
Telephone	66,200	104,266	82,259
Training	107,020	88,302	77,772
Travel	123,922	169,323	133,861
Tuition	90,000	79,709	169,805
Utilities	68,638	152,477	172,139
Youth and cultural activities	41,400	27,433	23,604
	4,114,234	7,591,474	6,293,651



**Star Blanket Cree Nation
Band Government**

Schedule 3 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	1,386,954	1,137,466
Other revenue	150,086	206,396
First Nations Trust	123,883	162,874
FHQ Tribal Council	1,600	75,000
	1,662,523	1,581,736
Expenses		
Administration (recovery)	(160,200)	(220,215)
Advertising, promotion and gifts	500	-
Assistance	45,738	34,179
Bank charges and interest	12,865	14,510
Contracted services	436,610	275,832
Fuel	500	-
Insurance	555	-
Interest on long-term debt	70,701	76,566
Management fees	29,400	-
Meals	121,283	150,089
Meetings	122,371	19,110
Office supplies and expenses	40,105	16,002
Professional fees	147,079	92,700
Registration fees	10,875	670
Rent	10,614	10,225
Salaries and benefits	396,509	315,484
Supplies	196,089	91,717
Telephone	40,447	45,800
Training	38,450	810
Travel	75,346	49,214
Utilities	206	-
Youth and cultural activities	-	150
	1,636,043	972,843
Surplus before other item	26,480	608,893
Other item		
Gain on disposal of tangible capital assets	37,000	-
Surplus	63,480	608,893



Star Blanket Cree Nation
Capital

Schedule 4 - Consolidated Schedule of Segement Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	568,071	1,239,735
Expenses		
Amortization	409,007	389,700
Meetings	2,700	3,600
Utilities	-	103,533
	411,707	496,833
Surplus	156,364	742,902



Star Blanket Cree Nation
Economic Development

Schedule 5 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	312,634	100,065
Rental income	403,879	390,990
Other revenue	270,065	100,867
Investing in Canada Infrastructure Program	185,958	-
Bingo revenue	129,978	58,491
FHQ Casino Holdings Ltd.	60,000	60,000
	1,362,514	710,413
Expenses		
Administration	-	8,603
Advertising, promotion and gifts	20,902	29,269
Amortization	4,026	2,811
Assistance	109,295	-
Bank charges and interest	1,697	1,298
Contracted services	86,465	58,433
Flow through expenses	-	148,244
Honouraria	21,653	7,240
Insurance	12,142	5,801
Interest on long-term debt	37,049	-
Meals	23,893	10,000
Meetings	18,435	10,302
Miscellaneous	1,453	77,311
Office supplies and expenses	7,570	1,916
Paper - bingo	2,721	1,367
Prize payouts	94,859	43,810
Professional fees	62,483	54,166
Program expense	67,129	-
Rent	29,300	25,000
Repairs and maintenance	48,750	53,817
Salaries and benefits	104,260	123,320
Service agreements	10,319	19,540
Supplies	39,613	5,799
Telephone	6,123	6,552
Training	19,491	4,946
Travel	13,731	14,590
Utilities	25,701	19,505
	869,060	733,640
Surplus (deficit) before transfers	493,454	(23,227)
Transfers between programs	(139,703)	(8,937)
Surplus (deficit)	353,751	(32,164)



Star Blanket Cree Nation

Education

Schedule 6 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	698,523	628,190
Other revenue	20,327	13,865
FHQ Tribal Council	7,266	1,000
	726,116	643,055
Expenses		
Administration	28,276	19,948
Assistance	46,970	22,826
Contracted services	79,896	83,474
Fuel	38,243	19,388
Honouraria	(150)	600
Insurance	6,629	4,426
Interest on long-term debt	-	98
Meals	4,950	5,450
Meetings	3,779	-
Office supplies and expenses	134	5,928
Professional fees	-	210
Program expense	4,750	3,947
Registration fees	224	633
Repairs and maintenance	13,689	20,826
Salaries and benefits	95,637	101,917
Student allowance	130,988	167,360
Supplies	26,232	51,356
Telephone	4,600	1,100
Training	3,000	-
Travel	6,538	5,614
Tuition	79,709	169,805
Youth and cultural activities	1,047	9,934
	575,141	694,840
Surplus (deficit)	150,975	(51,785)



**Star Blanket Cree Nation
Health**

Schedule 7 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	852,124	1,031,941
University of Saskatchewan	258,801	-
FHQ Tribal Council	215,550	198,139
Other revenue	25,375	-
File Hills Community Health Services Inc.	18,947	12,780
	1,370,797	1,242,860
Expenses		
Administration	88,046	108,033
Assistance	84,892	26,597
Bank charges and interest	225	180
Contracted services	42,641	17,141
Fuel	2,060	250
Honouraria	1,500	900
Insurance	2,040	2,366
Meals	17,002	9,518
Meetings	66,475	14,425
Office supplies and expenses	6,439	6,409
Professional fees	588	184
Program expense	65,906	17,696
Registration fees	-	137
Repairs and maintenance	20,317	37,470
Salaries and benefits	423,110	315,508
Supplies	347,527	364,273
Telephone	10,496	21,807
Training	4,425	8,309
Travel	37,165	31,666
Utilities	-	17,954
Youth and cultural activities	17,264	9,080
	1,238,118	1,009,903
Surplus	132,679	232,957



Star Blanket Cree Nation
Housing

Schedule 8 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	236,355	330,566
Canada Mortgage and Housing Corporation	140,712	120,542
Other revenue	79,543	155,586
Rental income	17,760	30,833
	474,370	637,527
Expenses		
Administration	-	16
Amortization	114,231	91,508
Bank charges and interest	1,130	854
Contracted services	150,360	17,434
Fuel	-	250
Insurance	110,222	76,816
Interest on long-term debt	21,399	13,417
Meetings	850	-
Office supplies and expenses	7,440	5,850
Professional fees	7,283	-
Program expense	2,200	2,400
Registration fees	-	893
Repairs and maintenance	147,075	190,798
Salaries and benefits	61,512	100,965
Supplies	23,508	118,217
Telephone	2,300	3,700
Training	4,033	3,450
Travel	10,213	6,233
Utilities	9,964	-
	673,720	632,801
Surplus (deficit) before transfers	(199,350)	4,726
Transfers between programs	120,206	-
Surplus (deficit)	(79,144)	4,726



Star Blanket Cree Nation
Operations and Maintenance

Schedule 9 - Consolidated Schedule of Segement Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	1,261,677	1,351,564
FHQ Tribal Council	10,178	5,089
	1,271,855	1,356,653
 Expenses		
Administration	122,068	98,960
Contracted services	153,401	47,706
Fuel	27,087	5,268
Insurance	177,176	234,173
Meetings	6,835	-
Office supplies and expenses	4,802	-
Registration fees	1,218	600
Repairs and maintenance	146,772	60,790
Salaries and benefits	261,620	143,493
Service agreements	37,034	38,406
Supplies	35,060	20,517
Telephone	34,900	-
Training	5,834	12,976
Travel	15,363	16,860
Utilities	116,606	29,443
	1,145,776	709,192
 Surplus	126,079	647,461



Star Blanket Cree Nation
Reserves and Trusts

Schedule 10 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	5,319	5,319
Other revenue	3,153	8,443
	8,472	13,762
 Expenses		
Contracted services	3,850	4,200
Salaries and benefits	85	93
Supplies	67	258
Telephone	200	-
Travel	834	1,403
	5,036	5,954
 Surplus	3,436	7,808



**Star Blanket Cree Nation
Social Development**

Schedule 11 - Consolidated Schedule of Segment Revenues and Expenses

For the year ended March 31, 2022

	2022	2021
Revenue		
Indigenous Services Canada	909,225	800,823
Other revenue	71,769	39,442
FHQ Tribal Council	17,118	37,574
Living Skies Community Development Corporation	10,752	20,587
Saskatchewan Liquor and Gaming Authority	-	20,946
	1,008,864	919,372
Expenses		
Assistance	339,682	288,970
Bank charges and interest	-	2,161
Basic needs	463,361	481,070
Contracted services	13,000	-
Fuel	-	13,006
Interest on long-term debt	-	26,516
Meals	4,789	2,822
Meetings	19,512	14,600
Office supplies and expenses	15,798	16,671
Program expense	26,390	-
Repairs and maintenance	-	608
Salaries and benefits	106,071	117,274
Supplies	10,746	8,941
Telephone	5,200	3,300
Training	13,069	47,281
Travel	10,133	8,281
Utilities	-	1,704
Youth and cultural activities	9,122	4,440
	1,036,873	1,037,645
Deficit before transfers	(28,009)	(118,273)
Transfers between programs	19,497	8,937
Deficit	(8,512)	(109,336)