

# **Makwa Sahgaiehcan First Nation**

## **Consolidated Financial Statements**

**March 31, 2022**

# Makwa Sahgaiehcan First Nation

## Management's Responsibility for Financial Reporting

March 31, 2022

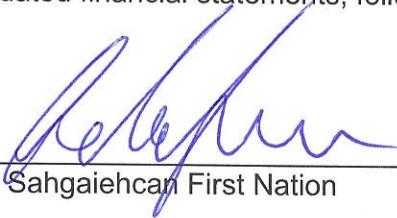
The financial statements have been prepared by management in accordance with the Public Sector Accounting Standards (PSAS) of the Chartered Professional Accountants of Canada (CPA) and the reporting requirements of the funding agreement with Indigenous Services Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the presentation of consolidated financial statements.

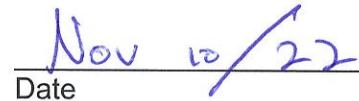
Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and review the financial statements and the external auditors' report.

McClelland Debusschere CPA PC Inc., an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.



Makwa Sahgaiehcan First Nation



Date



# McClelland Debusschere

Chartered Professional Accountants

Assurance Tax Advisory

## **Independent Auditor's Report**

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To the Members of  
Makwa Sahgaiehcan First Nation

### **Opinion**

We have audited the consolidated financial statements of Makwa Sahgaiehcan First Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, changes in net financial assets, 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 financial position of Makwa Sahgaiehcan First Nation as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with 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 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 these consolidated financial statements in accordance with 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 these 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 a 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 to do so.

Those charged with governance are responsible for overseeing the first 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.



# McClelland Debusschere

Chartered Professional Accountants

Assurance Tax Advisory

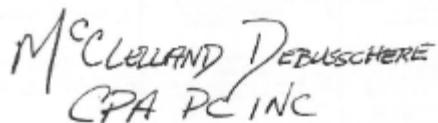
## **Independent Auditor's Report**

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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 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 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 first 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.



McClelland Debusschere  
CPA P.C. Inc.

Saskatoon, SK  
November 10, 2022

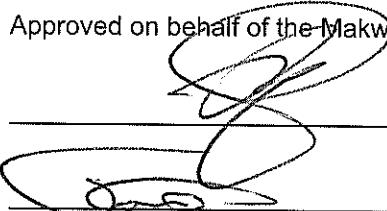
Chartered Professional Accountants

# Makwa Sahgaiehcan First Nation

Consolidated Statement of Financial Position  
March 31, 2022

	2022	2021
<b>Financial Assets</b>		
Cash	\$ 4,830,236	\$ 10,617,595
Restricted Assets (Note 2)	9,764,771	3,918,834
Trust Funds held by Federal Government (Note 3)	378,933	334,334
Inventory held for resale (Note 4)	170,454	144,598
Accounts receivable (Note 5)	1,958,597	688,212
Due from MSFN Construction Company LP (Note 6)	1,221,082	716,780
Related party loans receivable (Note 7)	305,374	-
Portfolio investments (Note 8)	7,244	7,244
Investments in government business enterprises (Note 9)	602,674	368,209
Limited Partnership Interests (Note 10)	<u>12,747,922</u>	<u>10,706,647</u>
	<u><u>\$ 31,987,287</u></u>	<u><u>\$ 27,502,453</u></u>
<b>Financial Liabilities</b>		
Accounts payable (Note 11)	2,769,263	2,071,203
Due to related parties (Note 12)	33,767	3,799
Unexpended revenue (Note 13)	8,853,435	10,941,318
Long term debt (Note 14)	<u>10,140,243</u>	<u>10,825,623</u>
	<u><u>21,796,708</u></u>	<u><u>23,841,943</u></u>
<b>Net Financial Assets</b>	<u><u>10,190,579</u></u>	<u><u>3,660,510</u></u>
<b>Non-financial Assets</b>		
Tangible capital assets (Note 15)	37,029,803	31,110,021
Prepaid	-	35,647
	<u><u>37,029,803</u></u>	<u><u>31,145,668</u></u>
<b>Accumulated Surplus (Note 16)</b>	<u><u>\$ 47,220,382</u></u>	<u><u>\$ 34,806,178</u></u>
<b>Contingencies (Note 17)</b>		

Approved on behalf of the Makwa Sahgaiehcan First Nation

  
, Chief

  
, Councilor

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Consolidated Statement of Operations

For the Year Ended March 31, 2022

	2022 Budget	2022	2021
<b>Revenue</b>			
<b>Grants and Contributions</b>			
Indigenous Services Canada (Note 18)	\$ 20,866,680	\$ 22,998,107	\$ 23,445,760
Ottawa Trust (Note 3)	50,000	44,599	54,507
Health Canada	75,000	-	1,457
Meadow Lake Tribal Council	4,882,000	5,115,484	4,224,809
Saskatchewan Lotteries	12,000	11,709	11,287
Canada Mortgage and Housing	820,000	910,008	857,601
Northern Lights Community Development	-	(5,000)	-
First Nations Trust	400,000	295,676	374,728
Earnings in GBE (Note 9)	-	234,465	169,251
Limited Partnership Earnings (Note 10)	4,400,000	3,158,497	4,394,878
Interest	(135,000)	5,938	16,013
Makwa Store Sales	3,500,000	4,325,966	3,422,100
Rent	447,000	483,486	448,911
Other revenue	406,000	793,671	821,080
Recognition (deferral) of unexpended funding (Note 13)	(300,000)	2,087,882	(7,203,452)
	<b>35,423,680</b>	<b>40,460,488</b>	<b>31,038,930</b>
<b>Expenses</b>			
Reserves & Trusts (Schedule 1)	117,400	123,808	114,263
Education (Schedule 2)	5,806,280	6,323,596	6,423,980
Social Services (Schedule 3)	4,876,000	2,905,857	2,971,921
Infrastructure (Schedule 4)	1,055,000	1,295,819	1,261,747
Band Support (Schedule 5)	2,295,000	3,102,586	2,572,748
Capital (Schedule 6)	5,070,000	2,167,056	1,451,177
Health (Schedule 7)	4,997,000	4,211,769	4,033,758
Band Programs (Schedule 8)	2,623,500	2,661,749	1,735,982
Other Programs (Schedule 9)	4,186,000	5,254,044	4,191,821
	<b>31,026,180</b>	<b>28,046,284</b>	<b>24,757,397</b>
<b>Current surplus</b>			
Accumulated surplus - Beginning of the year	4,397,500	12,414,204	6,281,533
Accumulated surplus - End of the year (Note 16)	<b>\$ 34,806,178</b>	<b>\$ 34,806,178</b>	<b>\$ 28,524,645</b>
Expense by object disclosure (Note 19)	<b>\$ 39,203,678</b>	<b>\$ 47,220,382</b>	<b>\$ 34,806,178</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Consolidated Statement of Changes in Net Financial Assets For the Year Ended March 31, 2022

	2022 Budget	2022	2021
Current surplus	\$ 4,397,500	\$ 12,414,204	\$ 6,281,533
Acquisition of tangible capital assets	-	(7,575,848)	(1,256,220)
Disposal of tangible capital assets	-	-	-
Amortization of tangible capital assets	1,466,000	1,656,066	1,629,550
Reduction of accumulated amortization	-	-	-
Increase in prepaid expenses	-	35,647	(21,648)
<b>Change in net financial assets during the year</b>	<b>5,863,500</b>	<b>6,530,069</b>	<b>6,633,215</b>
Net financial assets (debt) - Beginning of year	<b>3,660,510</b>	<b>3,660,510</b>	<b>(2,972,705)</b>
<b>Net financial assets - End of year</b>	<b>\$ 9,524,010</b>	<b>\$ 10,190,579</b>	<b>\$ 3,660,510</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Consolidated Statement of Cash Flows

For the Year Ended March 31, 2022

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Current surplus	\$ 12,414,204	\$ 6,281,533
<b>Non-cash items:</b>		
Amortization	1,656,066	1,629,550
<b>Change in working capital items:</b>		
Change in trust funds held by Federal Government	(44,599)	(54,507)
Change in inventory held for resale	(25,858)	(44,801)
Change in accounts receivable	(1,270,385)	456,657
Change in due from MSFN Construction Company LP	(504,302)	(716,780)
Change in accounts payable	698,060	408,659
Change in due to related parties	29,968	3,799
Change in unexpended revenue	(2,087,881)	7,203,450
Change in prepaid	35,647	(21,648)
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>10,900,920</b>	<b>15,145,912</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Change in restricted assets	(5,845,937)	625,473
Distributions received from LP interests	1,117,222	125,000
Earnings from GBEs	(234,465)	(169,251)
Earnings from LP interests	(3,158,497)	(4,394,878)
Purchase of share capital - MSFN Economic Development Company Ltd	-	(100)
Purchase of partnership units - MSFN Economic Development Company LP	-	(99)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(8,121,677)</b>	<b>(3,813,855)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds of long term debt	542,344	409,124
Repayment of long term debt	(1,227,724)	(1,176,068)
Change in related party loans receivable	(305,374)	-
<b>NET CASH USED BY FINANCING ACTIVITIES</b>	<b>(990,754)</b>	<b>(766,944)</b>
<b>CASH FLOWS FROM CAPITAL ACTIVITIES:</b>		
Tangible capital assets additions	(7,575,848)	(1,256,220)
<b>Net cash increase (decreases) in cash</b>	<b>(5,787,359)</b>	<b>9,308,893</b>
Cash at beginning of period	10,617,595	1,308,702
<b>Cash at end of period</b>	<b>\$ 4,830,236</b>	<b>\$ 10,617,595</b>

The accompanying notes are an integral part of these financial statements.

# **Makwa Sahgaiehcan First Nation**

**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

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## **1. Significant Accounting Policies**

Makwa Sahgaiehcan First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include Makwa Sahgaiehcan First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

The reporting entity Makwa Sahgaiehcan First Nation is governed by elected officials from the Makwa Sahgaiehcan First Nation.

### **a. Basis of Accounting**

These financial statements have been prepared in accordance with CPA Canada Public Sector Accounting Standards prescribed for governments.

### **b. Reporting entity**

The Makwa Sahgaiehcan First Nation reporting entity includes the Makwa Sahgaiehcan First Nation government and all related entities, which are accountable to the First Nation and are either owned or controlled by the First Nation.

### **c. Principles of consolidation**

These financial statements consolidate the assets, liabilities, and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

Makwa Sahgaiehcan First Nation - Operations  
Makwa Sahgaiehcan First Nation - CMHC Housing Fund  
Makwa Sahgaiehcan First Nation - Store Enterprise

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Under the modified equity method of accounting, only Makwa Sahgaiehcan First Nation's investment in the government business enterprise or government business partnership 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 Makwa Sahgaiehcan First Nation. Entities recorded under the modified equity method include:

Makwa Lake Development Co.  
Meadow Lake Resource Development Limited Partnership  
Makwa Sahgaiehcan First Nation Economic Development LP  
Makwa Sahgaiehcan First Nation Economic Development Ltd

# **Makwa Sahgaiehcan First Nation**

**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

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## **1. Significant Accounting Policies continued**

### **d. Asset classification**

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

### **e. Net debt or net financial assets**

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

### **f. Cash**

Cash includes cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of 90 days or less at acquisition which are held for the purpose of meeting short-term cash commitments.

Any cash that is legally restricted from use is recorded in restricted assets. Cash and deposits are considered restricted when they are subject to contingent rights of third parties.

### **g. Inventory held for resale**

Inventory is stated at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

### **h. Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2021.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

It has been assessed by management that as at March 31, 2022 there was no liability.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 1. Significant Accounting Policies continued

### i. Tangible capital assets

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

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

Amortization is provided for over the estimated useful lives of the assets. No amortization is recorded in the year of acquisition.

Makwa Sahgaiehcan First Nation:

Roads	25 years Straight line
Buildings	50 years Straight line
Housing	40 years Straight line
Equipment	5 years Straight line
Vehicles and machinery	4 years Straight line
Infrastructure	50 years Straight line

Makwa Store:

Building	5% Declining balance
Equipment	10% Declining balance
Computer equipment	4 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Makwa Sahgaiehcan First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenue at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

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

# **Makwa Sahgaiehcan First Nation**

## **Notes to the Financial Statements** **For the Year Ended March 31, 2022**

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### **1. Significant Accounting Policies continued**

#### **j. Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts receivable and member advances are assessed for collectability annually and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements.

#### **k. Segments**

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

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

#### **I. Internal charges and transfers**

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

# **Makwa Sahgaiehcan First Nation**

**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

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## **1. 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 not practicable.

Government transfers, which includes transfers from Indigenous Services Canada, the revenue trust, Health Canada, Meadow Lake Tribal Council, the Government of Saskatchewan, Saskatchewan Lotteries, Canada Mortgage and Housing Corporation, Northern Lights Community Development Corporation, and First Nations Trust are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

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

Other revenues, which include administration fees, expense recoveries, sales tax refunds, interest, rent, and sales at the Makwa Store are recognized when they are earned.

Earnings from government business enterprises and limited partnerships are recorded based on the modified equity method, based on the ownership percentage held and reported income of the other entities.

Revenue related to fees or services received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service performed. Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funds received in advance of making the related expenses are reflected as deferred revenue in the year of receipt and classified as such in the financial statements. Any funding received pursuant to an agreement that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

### **n. Recognition of expenses**

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

### **o. Investments**

Portfolio investments are recorded using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported at.

### **p. Pension plan**

Makwa Sahgaiehcan First Nation provides a defined contribution pension plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee.

# **Makwa Sahgaiehcan First Nation**

**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

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## **1. Significant Accounting Policies continued**

### **q. Leased assets**

Leased assets that transfer substantially all the benefits and risks of ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the First Nation, and the obligation, including interest thereon, is repaid over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred. No assets under capital lease, or obligations under capital lease existed as of March 31, 2022.

### **r. Funds held in Ottawa Trust Fund**

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

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

### **s. Other Economic Interests**

The First Nation is a member of the Meadow Lake Tribal Council (MLTC). The Meadow Lake Tribal Council is an organization of nine nations.

The First Nation does not either share in the control or the profit or loss of Meadow Lake Tribal Council. As a result, the financial statements of the MLTC have not been consolidated or proportionately consolidated with the financial statements of Makwa Sahgaiehcan First Nation.

# Makwa Sahgaiehcan First Nation

## Notes to the Financial Statements For the Year Ended March 31, 2022

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### 2. Restricted Assets

The First Nation has received federal assistance through the CMHC, pursuant to Section 95 of the National Housing Act, to reduce mortgage interest and enable the First Nation to provide housing to members. The continuation of this interest rate reduction is contingent on the First Nation being in compliance with the terms of the agreement, which requires that a monthly amount be set aside to provide for major renovations to First Nation housing in future years.

The First Nation has established a replacement reserve to ensure replacement of buildings financed by the CMHC, as well as a reserve related to surpluses generated in the post-1997 program, which are to be set aside and used to meet future subsidy requirements of income tested occupants over and above the maximum federal assistance.

The CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by the CMHC. Reserve withdrawals are credited first to interest and then to principal.

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

Restricted assets are comprised of the following:

	2022	2021
Term deposit held on behalf of MSFN Construction LP. Issued May 4, 2021, matures May 4, 2022, bearing interest at 0.50%.	\$ 5,594,380	\$ -
Funds held for capital projects	2,963,335	2,717,652
CMHC - Funded reserves	1,207,056	1,201,182
	<u>\$ 9,764,771</u>	<u>\$ 3,918,834</u>

### 3. Trust funds held by federal government

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	2022	2021		
	Revenue	Capital	Total	Total
Surplus, beginning of year	\$ 274,267	\$ 60,066	\$ 334,333	\$ 279,827
Lease revenue	37,987	-	37,987	50,890
Interest income	6,612	-	6,612	3,617
	<u>\$ 318,866</u>	<u>\$ 60,066</u>	<u>\$ 378,932</u>	<u>\$ 334,334</u>

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

# Makwa Sahgaiehcan First Nation

## Notes to the Financial Statements For the Year Ended March 31, 2022

### 4. Inventory held for resale

Inventory consists of the following:

	2022	2021
Grocery & confectionary	\$ 111,521	\$ 91,970
Tobacco	35,638	15,844
Gas	23,295	36,784
	<b>\$ 170,454</b>	<b>\$ 144,598</b>

### 5. Accounts Receivable

	2022	2021
<b>Trade receivables</b>		
Trade accounts receivable	\$ 208,019	\$ 293,784
Receivable from employees	139,119	49,271
Northern Lights Community Development Corporation	26,340	31,340
Sales tax receivable	12,578	43,207
	<b>386,056</b>	417,602
Allowance for doubtful accounts	(69,521)	(303,697)
	<b>316,535</b>	113,905
<b>Due from government and other government organizations</b>		
Meadow Lake Tribal Council	988,457	502,856
Indigenous Services Canada	573,655	-
CMHC Subsidy	79,950	71,451
	<b>1,642,062</b>	574,307
	<b>\$ 1,958,597</b>	\$ 688,212

### 6. Due from MSFN Construction LP

Makwa Sahgaiehcan First Nation has provided advances to MSFN Construction Company LP that are unsecured, non-interest bearing, and are not subject to a fixed repayment schedule. These transactions are in the normal course of business for fair consideration that is mutually agreed upon by the related parties.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 7. Related party loans receivable

Makwa Sahgaiehcan First Nation conducts business transactions with Makwa Sahgaiehcan First Nation Construction Company LP. During the year, Makwa Sahgaiehcan First Nation financed two capital assets on behalf of Makwa Sahgaiehcan First Nation Construction Company LP. These transactions are in the normal course of business for fair consideration that is mutually agreed upon by the related parties. The balance owing to the First Nation is subject to fixed repayment terms. Interest is charged to Makwa Sahgaiehcan First Nation Construction Company LP at the same rates as interest is charged to the First Nation, see note 14.

## 8. Portfolio investments

The First Nation holds the following Investments:

	<b>2022</b>	<b>2021</b>
<b>MLTC Resource Development Inc. / LP</b>		
1 Class A common share (11% ownership)	\$ 1	\$ 1
<b>MLTC Program Services Inc.</b>		
1 Class A common share (11% ownership)	1	1
<b>MLTC Health &amp; Social Development Inc.</b>		
1 Class A common share (11% ownership)	1	1
<b>First Nations Bank</b>		
537 common shares	<b>940</b>	940
<b>Meadow Lake Co-operative Ltd.</b>		
Current equity	<b>6,301</b>	6,301
	<b>\$ 7,244</b>	\$ 7,244

The First Nation entered into shareholder agreements with eight other First Nations to explore business opportunities with Meadow Lake Tribal Council (MLTC).

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

## 9. Investments in government business enterprises

Government business enterprises are those organizations that meet the definition of government business enterprises as described by Public Sector Accounting Standards of CPA Canada. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government. The First Nation owns a 100% interest Makwa Lake Development Co and MSFN Economic Development Company Ltd.

Summarized financial information for the investments in government business enterprises for the year ended December 31, 2021 is as follow:

	Makwa Lake Development Co	MSFN Economic Development Company Ltd	2021	Makwa Lake Development Co	MSFN Economic Development Company Ltd	2020
Cash	\$ 387,710	\$ -	\$ 387,710	\$ 196,724	\$ -	\$ 196,724
Other Assets	214,314	3,411	217,725	180,116	100	180,216
	602,024	3,411	605,435	376,840	100	376,940
Liabilities	2,561	201	2,762	8,731	-	8,731
Equity	599,463	3,210	602,673	368,109	100	368,209
	602,024	3,411	605,435	376,840	100	376,940
Revenues	478,723	3,110	481,833	319,356	-	319,356
Expenses	247,368	-	247,368	150,105	-	150,105
Net Income	\$ 231,355	\$ 3,110	\$ 234,465	\$ 169,251	\$ -	\$ 169,251

The First Nation's government business enterprises consist of the following:

	Makwa Lake Development Co	MSFN Economic Development Company Ltd	2022	Makwa Lake Development Co	MSFN Economic Development Company Ltd	2021
Balance, beginning of the year	\$ 368,109	\$ 100	\$ 368,209	\$ 198,858	\$ -	\$ 198,858
Share of earnings	231,355	3,110	234,465	169,251	-	169,251
Purchase of shares	-	-	-	-	100	100
	\$ 599,464	\$ 3,210	\$ 602,674	\$ 368,109	\$ 100	\$ 368,209

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Notes to the Financial Statements For the Year Ended March 31, 2022

### 10. Limited Partnership Interests

The First Nation has an 11.1% interest in a limited partnership, MLTC Resource Development Limited Partnership (year end - March 31), and a 99% interest in MSFN Economic Development Company LP (year end - December 31). Summarized financial information for the limited partnership interests as at their individual year ends is as follows:

	MLTC Resource Development LP	MSFN Economic Development Company LP	2022	MLTC Resource Development LP	MSFN Economic Development Company LP	2021
Cash	\$ 604,020	\$ -	\$ 604,020	\$ 149,799	\$ -	\$ 149,799
Other Assets	113,859,881	155,041	114,014,922	97,540,326	100	97,540,426
	<u>114,463,901</u>	<u>155,041</u>	<u>114,618,942</u>	<u>97,690,125</u>	<u>100</u>	<u>97,690,225</u>
Liabilities	855,190	198	855,388	1,101,201	-	1,101,201
Equity	113,608,711	154,843	113,763,554	96,588,924	100	96,589,024
	<u>114,463,901</u>	<u>155,041</u>	<u>114,618,942</u>	<u>97,690,125</u>	<u>100</u>	<u>97,690,225</u>
Revenue	27,396,351	154,743	27,551,094	39,863,968	-	39,863,968
Expenses	321,564	-	321,564	270,481	-	270,481
Net income	<u>\$ 27,074,787</u>	<u>\$ 154,743</u>	<u>\$ 27,229,530</u>	<u>\$ 39,593,487</u>	<u>\$ -</u>	<u>\$ 39,593,487</u>

The First Nation's limited partnership interests consist of the following:

	MLTC Resource Development LP	MSFN Economic Development Company LP	2022	MLTC Resource Development LP	MSFN Economic Development Company LP	2021
Balance, beginning of the year	\$ 10,706,548	\$ 99	\$ 10,706,647	\$ 6,436,670	\$ -	\$ 6,436,670
Share of earnings	3,005,302	153,195	3,158,497	4,394,878	-	4,394,878
Distributions received	(1,117,222)	-	(1,117,222)	(125,000)	-	(125,000)
Purchase of partnership units	-	-	-	-	99	99
	<u>\$ 12,594,628</u>	<u>\$ 153,294</u>	<u>\$ 12,747,922</u>	<u>\$ 10,706,548</u>	<u>\$ 99</u>	<u>\$ 10,706,647</u>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 11. Accounts payable

	2022	2021
School division tuition payable	\$ 1,603,421	\$ 1,506,448
Supplier accounts	895,878	232,749
Group insurance payable	109,859	2,529
Wages payable	104,460	142,237
Pension payable	40,026	47,378
Credit card	10,927	19,894
Sales tax payable	3,968	1,134
Employee source deductions payable	724	118,834
	<hr/>	<hr/>
	\$ 2,769,263	\$ 2,071,203

## 12. Due to related parties

Makwa Sahgaiehcan First Nation has received advances from its related entities that are unsecured, non-interest bearing, and are not subject to a fixed repayment schedule. These transactions are in the normal course of business for fair consideration that is mutually agreed upon by the related parties. Advances due to related parties consist of the following:

	2022	2021
Due to Makwa Lake Development Co.	\$ 17,368	\$ 3,600
Makwa Store - Due to MSFN Construction Company LP	16,200	-
Due to MSFN Economic Development Company Ltd	100	100
Due to MSFN Economic Development Company LP	99	99
	<hr/>	<hr/>
	\$ 33,767	\$ 3,799

# Makwa Sahgaiehcan First Nation

## Notes to the Financial Statements For the Year Ended March 31, 2022

### 13. Unexpended revenue

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 "Unexpended funds" on the financial statements.

	Balance, beginning of the year	Contributions received	Amount recognized	2022
<b>ISC Capital funding</b>				
School	\$ 4,473,975	\$ -	\$ (2,004,202)	\$ 2,469,773
Lagoon	3,559,061	2,555,000	(3,958,543)	2,155,518
Fire hall & equipment	-	700,000	-	700,000
Water distribution upgrades	-	100,000	-	100,000
Drainage & roads	-	58,210	-	58,210
<b>ISC Funding</b>				
Nursing	764,637	761,549	(439,062)	1,087,124
EMAP 2 (Covid)	-	713,134	-	713,134
Security (Covid)	536,230	320,240	(506,148)	350,322
Food Funding (Covid)	198,358	103,200	-	301,558
Contaminated site assessment steps 5-6	-	168,292	-	168,292
Community infrastructure	-	519,621	(450,203)	69,418
Assess management plan	-	60,000	-	60,000
Governance capacity - planning/ risk management	57,677	-	-	57,677
Governance capacity - financial management	50,000	-	-	50,000
Meat processing plant business plan	-	24,850	-	24,850
Conaminated site assessment steps 1-4	-	20,000	-	20,000
Governance capacity - law making	12,500	-	-	12,500
Governance capacity - HR management	12,500	-	-	12,500
Governance capacity - leadership	12,000	-	-	12,000
Governance capacity - membership	12,000	-	-	12,000
Governance capacity - basic administration	8,000	-	-	8,000
Governance capacity - IM/IT	20,000	-	(20,000)	-
Immediate needs housing	362,200	-	(362,200)	-
Emergency preparedness (Covid)	132,936	-	(132,936)	-
EMAP (Covid)	293,687	-	(293,687)	-
<b>Other Funding</b>				
MLTC - Headstart	234,779	218,012	(87,369)	365,422
Northern Lights Project	45,137	-	-	45,137
MLTC - Jordan's Principle	155,641	-	(155,641)	-
	\$ 10,941,318	\$ 6,322,108	\$ (8,409,991)	\$ 8,853,435

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Notes to the Financial Statements For the Year Ended March 31, 2022

### 14. Long-term debt

The First Nation has the following long-term debt outstanding, and mortgages outstanding with Canada Mortgage and Housing Corporation (CMHC). The CMHC mortgages are secured by ministerial loan guarantees, and relate to the construction of on reserve housing. The First Nation receives a subsidy from CMHC to assist with the payment of principal and interest of the mortgages.

	2022	2021
Bank loan with First Nations Bank repayable at \$4,541 every three months plus interest monthly at the prime rate + 2.50%. Loan matures in 2022. Secured with a general security agreement.	\$ 95,362	\$ 113,525
Bank loan with First Nations Bank repayable at \$2,904 per month including interest at the prime rate + 2.45%. Loan matures in 2023. Secured with a general security agreement.	275,824	289,037
Finance contract with Brandt Finance, repayable at \$1,894 per month including interest at 6.95%. Secured by the equipment being financed, owned by MSFN Construction Company LP.	61,391	-
Finance contract with Caterpillar Financial Services Ltd, repayable at \$4,746 per month including interest at 4.99%. Secured by the equipment being financed, owned by MSFN Construction Company LP.	155,423	-
Finance contract with Case New Holland repayable at \$2,577 per month including interest at 5.75%. Secured by the equipment being financed (net book value - \$136,000)	67,397	93,623
Finance contract with Ford Credit repayable at \$1,345 per month including interest at 5.99%. Loan matures in 2023. Secured by the vehicle being financed (net book value - \$17,400).	15,631	30,351
Finance contract with Ford Credit repayable at \$1,099 per month including interest at 2.99%. Loan matures in 2023. Secured by the vehicle being financed (net book value - \$15,293).	2,213	15,099
Finance contract with Penner Oil fully repaid during the year	-	2,133
Bank loan with First Nations Bank repayable at \$77,308 quarterly plus interest at 6.91%. Loan matures in 2024. Secured with a general security agreement.	618,469	927,701
	<b>1,291,710</b>	<b>1,471,469</b>
<b>CMHC Mortgages</b>		
CMHC, repayable at \$1,019/month including interest at 0.69%. The mortgage's term expires August 1, 2024.	29,308	41,294
CMHC, repayable at \$672/month including interest at 0.68%. The mortgage term expires May 1, 2025.	25,251	33,113
CMHC, repayable at \$1,561/month including interest at 0.79%. The mortgage term expires January 1, 2026.	106,730	124,540
CMHC, repayable at \$2,111/month including interest at 0.65%. The mortgage term expires March 1, 2025.	75,264	100,029
CMHC, repayable at \$5,208/month including interest at 2.13%. The mortgage term expires October 1, 2022.	583,629	633,175
CMHC, repayable at \$1,965/month including interest at 1.86%. The mortgage term expires April 1, 2024	151,277	171,853
CMHC, repayable at \$1,941/month including interest at 0.96%. The mortgage term expires March 1, 2026.	293,192	313,573
CMHC, repayable at \$5,501/month including interest at 2.50%. The mortgage term expires June 1, 2023.	881,650	925,144
CMHC, repayable at \$3,002/month including interest at 2.22%. The mortgage term expires January 1, 2024.	228,255	258,865
CMHC, repayable at \$4,352/month including interest at 0.79%. The mortgage term expires January 1, 2026.	388,437	437,394
CMHC, repayable at \$4,541/month including interest at 1.13%. The mortgage term expires June 1, 2026.	453,853	503,351
CMHC, repayable at \$4,920/month including interest at 1.50%. The mortgage term expires July 1, 2027.	513,961	602,196
CMHC, repayable at \$5,766/month including interest at 1.01%. The mortgage term expires August 1, 2026.	558,119	622,223
CMHC, repayable at \$19,336/month including interest at 2.39%. The mortgage term expires March 1, 2023.	2,243,969	2,420,359
CMHC, repayable at \$7,360/month including interest at 1.69%. The mortgage term expires September 1, 2024.	994,849	1,065,763
CMHC, repayable at \$8,183/month including interest at 1.12%. The mortgage term expires on October 1, 2026.	1,320,789	1,101,282
	<b>8,848,533</b>	<b>9,354,154</b>
	<b>\$10,140,243</b>	<b>\$10,825,623</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 14. Long-term debt continued

Assuming renewal on comparable terms, principal payments required on long term debt for the next five years and thereafter are as follows:

	Bank debt & financing contracts	CMHC Mortgages	Total
2023	\$ 534,181	\$ 781,670	<b>\$ 1,315,851</b>
2024	427,104	794,535	<b>1,221,639</b>
2025	98,034	800,421	<b>898,455</b>
2026	16,139	776,514	<b>792,653</b>
2027	16,948	788,498	<b>805,446</b>
Subsequent	199,304	4,906,895	<b>5,106,199</b>
	<b>\$ 1,291,710</b>	<b>\$ 8,848,533</b>	<b>\$10,140,243</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Notes to the Financial Statements For the Year Ended March 31, 2022

### 15. Tangible Capital Assets

March 31, 2022	Land	CMHC Houses	First Nation Houses	Buildings	Infrastructure & Roads	Equipment	Vehicles	Assets under construction	Total
<b>Cost</b>									
Balance, beginning of year	\$ 11,186	\$ 13,540,407	\$ 11,810,399	\$ 15,508,254	\$ 10,379,712	\$ 1,826,474	\$ 798,320	\$ 2,766,064	\$ 56,640,816
Additions	-	1,371,033	-	-	-	15,011	145,722	7,415,115	8,946,881
Disposals	-	-	-	-	-	-	-	(1,371,033)	(1,371,033)
<b>Balance, end of year</b>	<b>11,186</b>	<b>14,911,440</b>	<b>11,810,399</b>	<b>15,508,254</b>	<b>10,379,712</b>	<b>1,841,485</b>	<b>944,042</b>	<b>8,810,146</b>	<b>64,216,664</b>
<b>Accumulated amortization</b>									
Balance, beginning of year	-	3,925,674	10,506,790	6,363,471	2,648,392	1,484,019	602,449	-	25,530,795
Amortization	-	722,762	295,260	309,868	198,141	68,017	62,018	-	1,656,066
<b>Balance, end of year</b>	<b>-</b>	<b>4,648,436</b>	<b>10,802,050</b>	<b>6,673,339</b>	<b>2,846,533</b>	<b>1,552,036</b>	<b>664,467</b>	<b>-</b>	<b>27,186,861</b>
<b>Net Book Value, end of Year</b>	<b>11,186</b>	<b>10,263,004</b>	<b>1,008,349</b>	<b>8,834,915</b>	<b>7,533,179</b>	<b>289,449</b>	<b>279,575</b>	<b>8,810,146</b>	<b>37,029,803</b>
<b>March 31, 2021</b>									
<b>Cost</b>									
Balance, beginning of year	11,186	13,540,407	11,654,069	15,486,197	10,379,712	1,823,255	780,021	1,709,748	55,384,595
Additions	-	-	156,330	22,057	-	3,219	18,299	1,056,316	1,256,221
<b>Balance, end of year</b>	<b>11,186</b>	<b>13,540,407</b>	<b>11,810,399</b>	<b>15,508,254</b>	<b>10,379,712</b>	<b>1,826,474</b>	<b>798,320</b>	<b>2,766,064</b>	<b>56,640,816</b>
<b>Accumulated amortization</b>									
Balance, beginning of year	-	3,248,773	10,215,438	6,053,954	2,450,251	1,410,347	522,482	-	23,901,245
Amortization	-	676,901	291,352	309,517	198,141	73,672	79,967	-	1,629,550
<b>Balance, end of year</b>	<b>-</b>	<b>3,925,674</b>	<b>10,506,790</b>	<b>6,363,471</b>	<b>2,648,392</b>	<b>1,484,019</b>	<b>602,449</b>	<b>-</b>	<b>25,530,795</b>
Net Book Value, end of year	\$ 11,186	\$ 9,614,733	\$ 1,303,609	\$ 9,144,783	\$ 7,731,320	\$ 342,455	\$ 195,871	\$ 2,766,064	\$ 31,110,021

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 16. Accumulated surplus

	2022	2021
Equity in capital assets	\$26,889,560	\$20,284,399
Equity in investments	13,357,641	11,082,100
Operating fund	4,678,581	1,394,796
CMHC replacement reserves	1,465,433	1,311,446
CMHC operating reserve	829,167	733,437
	<b>\$47,220,382</b>	<b>\$34,806,178</b>

- The operating fund reports on the general activities of the First Nation's administration;
- Equity in capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services;
- Equity in investments reports on commercial business operations or partnerships owned by the First Nation; and
- The CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

## 17. Contingency

In March 2020, Makwa Saghaiehcan First Nation initiated a treaty benefit and surrender claim against Her Majesty the Queen in Right of Canada asserting a breach of treaty arising from the unlawful surrender of reserve land and failure to provide treaty benefits under the terms of Treaty 6. Makwa Saghaiehcan First Nation has obtained insurance to mitigate any risk that the settlement proceeds at the time a claim is resolved are less than the total loan outstanding.

As of March 31, 2022, the entity has a drawdown for expenses totalling \$1,270,393 relating to the surrender claim and \$619,119 relating to the treaty benefit claim. Makwa Saghaiehcan First Nation anticipates that these costs will be covered through settlement proceeds, however due to the uncertain nature regarding the repayment of these loans, the expenses have been omitted from the financial statements and are only disclosed until the claim is finalized or the insurance proceeds are paid. Upon finalization of the claim, amounts will be properly recognized in revenue and expenses.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 18. Reconciliation of ISC revenue

ISC revenue consists of the following

	2022	2021
ISC - Block Contribution	\$12,754,453	\$11,374,409
ISC - Set contribution	879,895	236,758
ISC - Flexible Contribution	7,108,268	10,445,462
ISC - Fixed Contribution	2,319,398	1,405,571
Receivable (payable) to ISC	(63,907)	(16,440)
	<b>\$22,998,107</b>	<b>\$23,445,760</b>

The following is a reconciliation of the funds received from ISC:

	2022	2021
Balance received per ISC confirmation	\$23,062,014	\$23,462,200
<b>Current year receivable (payable)</b>		
Funerals & burials	(63,907)	-
Jordan's Principle	- (16,440)	
	<b>\$22,998,107</b>	<b>\$23,445,760</b>

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

## 19. Expenses by object

	2022	2022	2021
	Budget	Actual	Actual
Salaries and benefits	\$ 8,232,900	\$ 9,402,129	\$ 9,084,258
Contracted Services	5,448,000	7,924,164	1,738,572
Cost of Sales	2,718,000	3,723,100	2,673,246
Supplies	1,563,500	1,980,577	1,253,204
Amortization	1,466,000	1,656,066	1,629,550
Social Assistance	3,787,000	1,646,199	1,922,795
Student Tuition & Allowances	1,000,280	1,208,063	1,278,674
Fees	1,672,500	1,143,639	951,748
Utilities	547,000	1,008,779	753,460
Travel	695,000	976,558	606,390
Repairs and maintenance	691,500	843,849	370,607
Professional fees	367,000	629,687	750,469
Activities	765,500	582,071	524,712
Assistance	627,000	580,848	397,906
Rent	405,000	571,942	398,238
Other operating expenses	299,000	474,731	214,233
Vehicle operation	218,000	420,926	180,418
Interest and bank charges	101,000	243,103	277,281
Meetings & workshops	189,000	162,063	168,947
Insurance	132,000	158,144	128,691
Telephone	52,000	135,514	111,772
Honorarium	8,000	14,622	30,251
Allowances	18,000	7,590	17,840
Professional Development	22,000	536	3,353
Bad debt expense (recovery)	1,000	(234,176)	22,694
<b>Total expenses before transfers</b>	<b>31,026,180</b>	<b>35,260,724</b>	<b>25,489,309</b>
Transfer to Makwa Lake Development Co.	-	163,051	-
Transfer to capital assets	-	(7,377,491)	(731,912)
	<b>\$31,026,180</b>	<b>\$28,046,284</b>	<b>\$24,757,397</b>

The accompanying notes are an integral part of these financial statements.

# **Makwa Sahgaiehcan First Nation**

**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

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## **20. CMHC housing restricted funds**

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

- The replacement reserve to ensure replacement of capital equipment and for major repairs to housing units, which requires an annual cash allocation of \$132,900 to the reserve. At March 31, 2021, the reserve is required to be funded to a level of \$1,465,433 (2021 - \$1,311,446). At March 31, 2022, the cash balance in the reserve is \$1,205,847 (2021 - \$1,199,940).
- An operating surplus reserve established for housing units under the Post 1997 Fixed Subsidy Program which requires surpluses to be funded with cash. Future operating losses are able to draw on the reserve funds to sustain operations. At March 31, 2021, the reserve is required to be funded to a level of \$829,167 (2021 - \$733,437). At March 31, 2021, the cash balance in the reserve is \$1,208 (2021 - \$1,251).

In accordance with terms of the agreement, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

## **21. Health Canada - Moveable Assets Reserve (MAR)**

Health Canada funding agreements requires the First Nation to report on funding received and related expenditures for all assets over \$1,000 that are not permanently attached to the health facility building (e.g. medical equipment, furniture, vehicles).

There was no MAR for the current year.

## **22. Contingent liabilities**

Makwa Sahgaiehcan First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Makwa Sahgaiehcan First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Makwa Sahgaiehcan First Nation's financial statements. None are required to be recorded at this time.

## **23. Economic dependence**

Makwa Sahgaiehcan First Nation receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada.

# **Makwa Sahgaiehcan First Nation**

## **Notes to the Financial Statements For the Year Ended March 31, 2022**

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### **24. ISC funding**

The First Nation (Recipient) receives funding from Indigenous Services Canada (ISC) by entering into an agreement with ISC.

There are five approaches that ISC may consider in the design and delivery of transfer payment programs:

1. Grant approach – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.
2. Set contribution approach – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to ISC annually.
3. Fixed contribution approach – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by ISC. A plan must be submitted and approved by ISC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by ISC.
4. Flexible contribution approach – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to ISC at the end of the project, program or agreement.
5. Block contribution approach – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by ISC.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 25. Segmented information

As previously discussed in note 1 (k) the First Nation conducts its business through reportable segments as follows:

### 1 - Indigenous Services Canada (ISC)

Reserves & Trust: 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.

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 labour 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.

Social Services: 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.

Infrastructure: 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.

Band 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.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

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## 25. Segmented information continued

Capital: 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.

### 2 - Health Programs (FNIHB)

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

### 3 - 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.

### 4 - Band programs

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

## 26. Pension Plan

The Makwa Sahgaiehcan First Nation and eligible employees participate in a defined contribution pension plan.

The Makwa Sahgaiehcan First Nation financial obligation is limited to providing contributions at a specific rate in respect of employees' current service. Information regarding contributions to the above mentioned pension plans is as follows:

	2022	2021
Employee contribution rate (percentage of salary)	5.0%-9.0%	5.0%-9.0%
Employer contribution rate (percentage of salary)	5.0%-9.0%	5.0%-9.0%

During the year, the Makwa Sahgaiehcan First Nation contributed \$240,156 (2021 - \$315,768) to the pension plan.

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

Notes to the Financial Statements  
For the Year Ended March 31, 2022

## 27. Annual Surplus Net of Capital Related Revenues and Amortization

	2022	2021
Current Surplus (deficit)	<b>\$ 12,414,204</b>	\$ 6,281,533
<b>Less capital related revenues included in annual surplus:</b>		
Federal government transfers recognized	<b>(7,394,083)</b>	(1,793,669)
Less: Limited Partnership Earnings	<b>5,020,121</b>	4,487,864
Add amortization expense included in annual surplus	<b>(3,158,497)</b>	(4,394,878)
	<b>1,656,066</b>	1,629,550
	<b>\$ 3,517,690</b>	\$ 1,722,536

## 28. Financial Instruments

Financial assets include cash, restricted assets, trust funds held by the Federal Government, inventory held for resale, accounts receivable, due from Makwa Construction, investment in Makwa Lake Development Co., investments, and limited partnership interests and are measured at amortized cost as presented on the consolidated balance sheet, except for the trust funds held by the Federal Government which are measured at fair value, and the investment in Makwa Lake Development Co and limited partnership interests, which are measured using the modified equity method.

Financial liabilities include bank indebtedness, accounts payable, unexpended revenue, and long-term debt and are measured at amortized cost as presented on the consolidated balance sheet.

The First Nation is not subject to currency risk, credit risk, or other price risk. The following are the significant risks to which the First Nation is exposed.

### Interest rate risk

The First Nation is exposed to interest rate cash flow risk to the extent that its loans payable are at a floating rate of interest. The First Nation is also exposed to interest rate price risk to the extent that agreements receivable are at a fixed rate of interest.

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. To manage this risk, the First Nation maintains a portion of its invested assets in liquid securities.

### Market risk

Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. The significant market risks to which the First Nation is exposed are interest rate risk and price risk.

# **Makwa Sahgaiehcan First Nation**

**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

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## **29. Budgeted figures**

The disclosed budget has been approved by the Chief and Council on March 31, 2022. The budget only includes those activities managed directly by the Nation. No amounts have been budgeted for capital projects, CMHC operations, store operations or amortization.

## **30. Comparative figures**

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

# Makwa Sahgaiehcan First Nation

## Schedule #1

### Reserves & Trusts

### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
ISC - Block Contribution	\$ 72,400	\$ 74,816	\$ 72,849
ISC - Fixed Contribution	<b>25,000</b>	-	25,134
	<b>97,400</b>	<b>74,816</b>	97,983
<b>Expenses</b>			
Salaries and benefits	<b>99,400</b>	<b>75,215</b>	99,312
Contracted Services	-	<b>20,576</b>	1,120
Professional Fees	<b>4,000</b>	<b>17,470</b>	3,793
Travel	<b>8,000</b>	<b>3,752</b>	1,351
Meetings & workshops	-	<b>3,327</b>	1,122
Supplies	<b>6,000</b>	<b>1,244</b>	5,915
Telephone	-	<b>1,200</b>	1,100
Honorarium	-	<b>1,024</b>	550
	<b>117,400</b>	<b>123,808</b>	114,263
<b>Current surplus (deficit)</b>	<b>\$ (20,000)</b>	<b>\$ (48,992)</b>	<b>\$ (16,280)</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #2

### Education

#### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
ISC - Block Contribution	\$ 6,000,000	\$ 7,063,991	\$ 5,833,551
ISC - Fixed Contribution	450,280	752,752	715,539
Meadow Lake Tribal Council	460,000	465,804	454,412
ISC - Flexible Contribution	260,000	20,503	76,394
Expense recoveries	-	-	10,041
Following Their Voices	-	-	66,075
Receivable (payable) to ISC	-	-	(16,440)
	<b>7,170,280</b>	<b>8,303,050</b>	<b>7,139,572</b>
<b>Expenses</b>			
Salaries and benefits	2,946,000	3,835,497	3,933,938
Student Tuition & Allowances	1,000,280	1,208,063	1,278,674
Supplies	395,000	554,573	377,871
Travel	215,000	238,356	213,246
Amortization	205,000	215,927	215,927
Utilities	-	123,367	120,718
Repairs and maintenance	50,000	79,807	41,051
Activities	22,000	60,934	23,041
Administrative Fees	655,000	46,580	55,553
Vehicle operation	12,000	40,282	6,446
Contracted Services	175,000	28,789	24,553
Meetings & workshops	49,000	21,694	49,029
Telephone	10,000	16,043	10,286
Honorarium	8,000	13,023	8,155
Professional Fees	9,000	12,989	9,394
Graduation Allowances	18,000	7,590	17,840
Insurance	2,000	3,231	2,671
Equipment rent	5,000	1,401	5,202
Awards	3,000	1,019	3,312
Room and board	25,000	250	24,720
Professional Development	2,000	-	2,353
Transfer to capital assets	-	(185,819)	-
	<b>5,806,280</b>	<b>6,323,596</b>	<b>6,423,980</b>
<b>Current surplus (deficit)</b>	<b>\$ 1,364,000</b>	<b>\$ 1,979,454</b>	<b>\$ 715,592</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #3

### Social Services

#### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
ISC - Block Contribution	\$ 3,575,000	\$ 3,727,446	\$ 3,629,451
ISC - Flexible Contribution	791,000	1,013,947	799,330
ISC - Set contribution	240,000	622,895	236,758
Meadow Lake Tribal Council	150,000	252,093	158,074
ISC - Fixed Contribution	120,000	119,031	119,031
Receivable (payable) to ISC	-	(63,907)	-
	<b>4,876,000</b>	<b>5,671,505</b>	<b>4,942,644</b>
<b>Expenses</b>			
Social Assistance	3,787,000	1,646,199	1,922,795
Fees	262,000	479,879	354,154
CMHC Rental Support	400,000	343,091	393,036
Salaries and benefits	218,500	228,190	214,347
Supplies	105,500	78,904	46,575
Professional fees	-	38,937	4,595
Other operating expenses	100,000	23,956	3,613
Assistance	-	20,000	-
Repairs and maintenance	3,000	16,539	9,973
Contracted Services	-	13,730	6,069
Travel	-	8,989	8,613
Telephone	-	3,657	5,351
Activities	-	2,030	2,800
Meetings & workshops	-	1,756	-
	<b>4,876,000</b>	<b>2,905,857</b>	<b>2,971,921</b>
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ 2,765,648</b>	<b>\$ 1,970,723</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #4

### Infrastructure

#### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
ISC - Fixed Contribution	\$ 310,000	\$ 620,363	\$ 314,282
ISC - Block Contribution	400,000	420,610	409,552
Expense recoveries	-	17,575	-
Rent	15,000	-	14,975
Transfer from FSIN Gaming	-	-	100,000
Recognition (deferral) of unexpended funding	-	(69,418)	10,000
	<b>725,000</b>	<b>989,130</b>	<b>848,809</b>
<b>Expenses</b>			
Amortization	320,000	345,527	343,270
Utilities	200,000	263,979	234,578
Salaries and benefits	170,000	203,250	228,974
Contracted Services	50,000	123,084	86,319
Insurance	85,000	110,095	82,394
Supplies	120,000	91,741	94,676
Equipment rent	-	73,700	-
Vehicle operation	-	35,327	16,208
Repairs and maintenance	60,000	21,464	44,565
Professional Fees	-	13,300	-
Road Maintenance and Gravel	50,000	7,985	48,769
Travel	-	3,683	6,299
Telephone	-	2,684	3,847
Consultants	-	-	17,401
Interest	-	-	6,152
Meetings & workshops	-	-	255
Other operating expenses	-	-	48,040
	<b>1,055,000</b>	<b>1,295,819</b>	<b>1,261,747</b>
<b>Current surplus (deficit)</b>	<b>\$ (330,000)</b>	<b>\$ (306,689)</b>	<b>\$ (412,938)</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #5

### Band Support

#### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
ISC - Block Contribution	\$ 890,000	\$ 909,089	\$ 885,189
Administrative Fees	500,000	600,611	535,275
Insurance proceeds	-	117,283	-
Other revenue	-	20,592	109,837
Rent	-	5,850	-
ISC - Flexible Contribution	70,000	-	91,434
Meadow Lake Tribal Council	100,000	-	24,478
Expense recoveries	-	-	49,962
Recognition (deferral) of unexpended funding	-	20,000	(18,437)
	<b>1,560,000</b>	<b>1,673,425</b>	<b>1,677,738</b>
<b>Expenses</b>			
Salaries and benefits	1,400,000	1,672,287	1,374,161
Travel	200,000	493,898	224,021
Amortization	200,000	295,260	291,352
Professional fees	160,000	216,903	203,266
Telephone	30,000	79,825	61,774
Supplies	130,000	77,803	136,264
Interest and bank charges	80,000	75,531	94,195
Vehicle operation	70,000	71,589	65,913
Activities	-	67,878	19,770
Meetings & workshops	25,000	36,844	26,463
Other operating expenses	-	14,693	30,728
Honorarium	-	75	20,187
Bad debt expense (recovery)	-	-	21,806
Administrative Fees	-	-	2,848
	<b>2,295,000</b>	<b>3,102,586</b>	<b>2,572,748</b>
<b>Current surplus (deficit)</b>	<b>\$ (735,000)</b>	<b>\$ (1,429,161)</b>	<b>\$ (895,010)</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #6

### Capital

#### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
ISC - Flexible Contribution	\$ 4,300,000	\$ 3,923,847	\$ 6,316,000
ISC - Block Contribution	550,000	558,500	543,817
Expense recoveries	-	-	8,415
Recognition (deferral) of unexpended funding	-	2,911,736	(5,066,148)
	<b>4,850,000</b>	<b>7,394,083</b>	<b>1,802,084</b>
<b>Expenses</b>			
Contracted Services	4,420,000	7,158,476	1,113,693
Repairs and maintenance	100,000	570,358	102,499
Utilities	290,000	510,538	297,251
Supplies	-	447,326	33,689
Salaries and benefits	260,000	390,657	287,624
Professional fees	-	129,253	332,101
Travel	-	3,635	4,037
Interest and bank charges	-	1,398	93
Meetings & workshops	-	1,100	11,630
Vehicle operation	-	264	214
Other operating expenses	-	-	258
Transfer to capital assets	-	(7,045,949)	(731,912)
	<b>5,070,000</b>	<b>2,167,056</b>	<b>1,451,177</b>
<b>Current surplus (deficit)</b>	<b>\$ (220,000)</b>	<b>\$ 5,227,027</b>	<b>\$ 350,907</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #7

### Health

#### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
Meadow Lake Tribal Council	\$ 3,997,000	\$ 4,100,140	\$ 3,418,459
ISC - Flexible Contribution	1,228,000	798,786	1,322,011
ISC - Set contribution	-	257,000	-
Other revenue	1,000	16,275	12,028
ISC - Fixed Contribution	75,000	-	75,000
Health Canada	75,000	-	1,457
Recognition (deferral) of unexpended funding	-	(297,490)	(993,406)
	<b>5,376,000</b>	<b>4,874,711</b>	<b>3,835,549</b>
<b>Expenses</b>			
Salaries and benefits	2,554,000	2,473,533	2,391,936
Fees	518,500	466,936	422,647
Activities	531,500	349,464	455,114
Supplies	171,000	260,399	226,725
Travel	207,000	178,144	137,357
Contracted Services	408,000	177,560	141,628
Equipment Purchase	-	145,722	-
Meetings & workshops	77,000	90,081	43,187
Amortization	65,000	47,943	68,565
Vehicle operation	51,000	43,128	26,738
Telephone	11,000	26,423	28,042
Repairs and maintenance	301,000	26,195	1,608
Horse Therapy	-	22,942	194
Rent	-	19,850	-
Utilities	17,000	17,201	22,473
Assistance	-	5,146	41,495
Other operating expenses	-	4,330	20,000
Professional fees	-	1,458	-
Professional Development	20,000	536	1,000
Honorarium	-	500	1,360
Insurance	4,000	-	3,689
Youth Centre Costs	61,000	-	-
Transfer to capital assets	-	(145,722)	-
	<b>4,997,000</b>	<b>4,211,769</b>	<b>4,033,758</b>
<b>Current surplus (deficit)</b>	<b>\$ 379,000</b>	<b>\$ 662,942</b>	<b>\$ (198,209)</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #8

### Band Programs

#### Schedule of Operations

For the Year Ended March 31, 2022

	2022 Budget	2022 Actual	2021 Actual
<b>Revenue</b>			
ISC - Flexible Contribution	\$ 1,350,000	\$ 1,351,185	\$ 1,840,293
ISC - Fixed Contribution	160,000	827,252	156,585
Earnings (loss) in GBE	-	234,464	169,251
Meadow Lake Tribal Council	175,000	297,447	169,386
First Nations Trust	400,000	295,676	374,728
Ottawa Trust	50,000	44,599	54,507
Rent	22,000	24,000	22,000
Other revenue	(95,000)	21,335	29,447
Saskatchewan Lotteries	12,000	11,709	11,287
Limited Partnership Earnings	4,400,000	3,158,497	4,394,878
Northern Lights Community Development	-	(5,000)	-
Recognition (deferral) of unexpended funding	(300,000)	(476,945)	(1,135,461)
	<b>6,174,000</b>	<b>5,784,219</b>	<b>6,086,901</b>
<b>Expenses</b>			
Assistance	627,000	555,702	356,411
Supplies	612,000	456,759	307,568
Contracted Services	395,000	401,949	365,190
Salaries and benefits	235,000	254,066	213,958
Vehicle operation	85,000	230,334	64,898
Transfer to Makwa Lake Development Co.	-	163,051	-
Professional fees	84,000	152,378	153,920
Rent	-	133,900	-
Activities	212,000	101,766	23,987
Fees	107,000	61,923	45,943
Repairs and maintenance	27,500	47,148	78,072
Travel	61,000	43,154	7,585
Utilities	10,000	28,308	50,916
Interest and bank charges	14,000	13,872	16,883
Amortization	6,000	10,178	8,678
Meetings & workshops	38,000	7,261	37,263
Other operating expenses	110,000	-	4,710
	<b>2,623,500</b>	<b>2,661,749</b>	<b>1,735,982</b>
<b>Current surplus before transfers</b>	<b>3,550,500</b>	<b>3,122,470</b>	<b>4,350,919</b>
Transfers	70,000	-	(100,000)
<b>Current surplus (deficit)</b>	<b>\$ 3,620,500</b>	<b>\$ 3,122,470</b>	<b>\$ 4,250,919</b>

The accompanying notes are an integral part of these financial statements.

# Makwa Sahgaiehcan First Nation

## Schedule #9

### Other Programs

### Schedule of Operations

For the Year Ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
<b>Revenue</b>			
Makwa Store Sales	\$ 3,500,000	\$ 4,325,967	\$ 3,422,100
Subsidy	820,000	910,008	857,601
Rental income	410,000	453,636	411,936
Interest	135,000	5,938	16,013
	<b>4,865,000</b>	<b>5,695,549</b>	<b>4,707,650</b>
<b>Expenses</b>			
Cost of Sales	2,718,000	3,723,100	2,673,246
Amortization	670,000	741,231	701,759
Salaries and benefits	350,000	269,433	340,008
Other operating expenses	-	261,820	78,656
Interest and bank charges	7,000	152,302	159,958
Fees	130,000	88,322	70,603
Repairs and maintenance	100,000	74,354	44,069
Utilities	30,000	65,386	27,524
Professional fees	110,000	46,998	26,000
Insurance	41,000	44,818	39,937
Supplies	24,000	11,827	23,922
Telephone	1,000	5,682	1,371
Travel	4,000	2,947	3,880
Bad debt expense (recovery)	1,000	(234,176)	888
	<b>4,186,000</b>	<b>5,254,044</b>	<b>4,191,821</b>
<b>Current surplus (deficit)</b>	<b>\$ 679,000</b>	<b>\$ 441,505</b>	<b>\$ 515,829</b>

The accompanying notes are an integral part of these financial statements.