

Ministikwan Lake Cree Nation

Consolidated Financial Statements

March 31, 2022

Ministikwan Lake Cree 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.

Signature on File

Ministikwan Lake Cree Nation

June 2, 2023

Date



McClelland Debusschere

Chartered Professional Accountants

Assurance Tax Advisory

Independent Auditor's Report

To the Members of
Ministikwan Lake Cree Nation

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Ministikwan Lake Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying consolidated financial statements of Ministikwan Lake Cree Nation. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

Our audit indicated serious deficiencies in the accounting records and in the system of internal controls of Ministikwan Lake Cree Nation. As a consequence, we were unable to satisfy ourselves that all expenditures of Ministikwan Lake Cree Nation were proper and authorized and all revenues have been recorded and classified properly. Additionally, we were unable to determine the accuracy of the opening balances and satisfy ourselves that the accounts payable are complete. As a result, we were unable to determine whether adjustments were required in respect of recorded or unrecorded assets and liabilities and the components making up the consolidated statements of operations, changes in net assets, and cash flows. Ministikwan Lake Cree Nation's statement of operations and changes in net assets (debt) do not present a comparison of the results of the accounting period with those originally planned (a budget) which constitutes a departure from Canadian Public Sector Accounting Standards. The predecessor auditor expressed a disclaimer of opinion on the financial statements for the year ended March 31, 2022 due to the possible effects of this limitation in scope.

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.



McClelland Debusschere

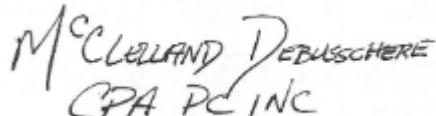
Chartered Professional Accountants
Assurance Tax Advisory

Independent Auditor's Report

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

Our responsibility is to conduct an audit of the first nation's consolidated financial statements in accordance with Canadian generally accepted auditing standards and to issue an auditors report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.



Saskatoon, SK
June 02, 2023

Chartered Professional Accountants

Ministikwan Lake Cree Nation

Consolidated Statement of Financial Position

March 31, 2022

| | 2022 | 2021 |
|--------------------------------------|-----------------------------|-----------------------------|
| Financial Assets | | |
| Cash | \$ 3,807,926 | \$ 1,560,053 |
| Accounts receivable (Note 2) | 2,135,884 | 1,710,482 |
| Restricted assets (Note 3) | 13,327,234 | 6,253,752 |
| Funds held in trust (Note 4) | 1,596,884 | 1,591,955 |
| Portfolio investments (Note 5) | 944 | 944 |
| Investment in MLTC RDI LP (Note 6) | <u>12,594,628</u> | 10,706,548 |
| | <u>\$ 33,463,500</u> | <u>\$ 21,823,734</u> |
| Liabilities | | |
| Accounts payable (Note 7) | 2,022,373 | 590,515 |
| Deferred revenue (Note 8) | 22,024,507 | 12,522,318 |
| Long term debt (Note 9) | <u>2,809,394</u> | 3,215,578 |
| | <u>26,856,274</u> | 16,328,411 |
| Net Assets | <u>6,607,226</u> | 5,495,323 |
| Non-financial Assets | | |
| Tangible capital assets (Note 10) | <u>36,500,525</u> | 34,670,701 |
| Accumulated Surplus (Note 11) | <u>\$ 43,107,751</u> | \$ 40,166,024 |

Approved on behalf of the Ministikwan Lake Cree Nation

Signature on File _____, Chief

Signature on File _____, Councilor **Signature on File** _____, Councilor

Signature on File _____, Councilor **Signature on File** _____, Councilor

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

Ministikwan Lake Cree Nation

Consolidated Statement of Operations

For the Year Ended March 31, 2022

| | 2022 Budget | 2022 | 2021 |
|--|----------------------|----------------------|----------------------|
| Revenue | | | |
| Grants and Contributions | | | |
| Indigenous Services Canada (Note 12) | \$ 10,657,553 | \$ 19,763,540 | \$ 16,040,635 |
| Ottawa Trust (Note 4) | - | 4,929 | 3,900 |
| Health Canada | 361,071 | 14,331 | - |
| Meadow Lake Tribal Council | 5,418,033 | 10,714,602 | 8,027,982 |
| Canada Mortgage and Housing | 334,828 | 334,828 | 335,934 |
| Northern Lights Community Development | - | 35,116 | 82,891 |
| First Nations Trust | - | 217,215 | 307,472 |
| Revenue Transfers | 770,014 | - | - |
| Limited Partnership Earnings (Note 6) | - | 3,005,302 | 4,394,878 |
| Expense Recoveries | 331,287 | 548,846 | 49,974 |
| Rental income | 144,000 | 248,268 | 241,518 |
| Other revenue | 603,183 | 1,291,241 | 593,682 |
| Recognition (deferral) of unexpended funding (Note 8) | - | (9,502,189) | (5,505,830) |
| | 18,619,969 | 26,676,029 | 24,573,036 |
| Expenses | | | |
| Administration (Schedule 1) | 1,196,007 | 4,351,699 | 2,968,681 |
| Capital (Schedule 2) | 1,196,163 | 1,454,633 | 1,813,888 |
| Community Infrastructure (Schedule 3) | 852,270 | 2,350,475 | 3,090,568 |
| Economic Development (Schedule 4) | 75,113 | 255,504 | 322,698 |
| Education (Schedule 5) | 6,170,567 | 5,163,802 | 3,447,905 |
| Health (Schedule 6) | 6,646,460 | 5,693,657 | 3,839,598 |
| Other Programs (Schedule 7) | 125,998 | 1,170,614 | 484,501 |
| Reserves & Trusts (Schedule 8) | 9,879 | 6,800 | 1,600 |
| Social Assistance (Schedule 9) | 405,357 | 3,287,118 | 2,836,636 |
| | 16,677,814 | 23,734,302 | 18,806,075 |
| Current surplus | 1,942,155 | 2,941,727 | 5,766,961 |
| Accumulated surplus - Beginning of the year | 40,166,024 | 40,166,024 | 34,399,063 |
| Accumulated surplus - End of the year (Note 11) | \$ 42,108,179 | \$ 43,107,751 | \$ 40,166,024 |
| Expense by object disclosure (Note 13) | | | |

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

Ministikwan Lake Cree Nation

Consolidated Statement of Changes in Net Assets

For the Year Ended March 31, 2022

| | 2022 Budget | 2022 | 2021 |
|---|---------------------|---------------------|---------------------|
| Current surplus | \$ 1,942,155 | \$ 2,941,727 | \$ 5,766,961 |
| Purchases of tangible capital assets | - | (3,304,565) | (4,249,729) |
| Amortization of tangible capital assets | 293,571 | 1,474,741 | 1,559,263 |
| Change in net assets during the year | 2,235,726 | 1,111,903 | 3,076,495 |
| Net assets - Beginning of year | 5,495,323 | 5,495,323 | 2,418,828 |
| Net assets - End of year | \$ 7,731,049 | \$ 6,607,226 | \$ 5,495,323 |

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

Ministikwan Lake Cree Nation

Consolidated Statement of Cash Flows

For the Year Ended March 31, 2022

| | 2022 | 2021 |
|---|----------------------------|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Current surplus | \$ 2,941,727 | \$ 5,766,961 |
| Non-cash items: | | |
| Amortization | 1,474,741 | 1,559,263 |
| Change in working capital items: | | |
| Change in accounts receivable | (425,402) | (978,926) |
| Change in accounts payable | 1,431,858 | (868,777) |
| Change in unexpended revenue | <u>9,502,189</u> | <u>5,517,740</u> |
| | <u>14,925,113</u> | <u>10,996,261</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Changes in funds held in trust | (4,929) | (403,900) |
| Change in restricted cash | (7,073,482) | (832,542) |
| Dividends from investments - RDI | 1,117,222 | 125,000 |
| Share of LP Earnings - RDI | <u>(3,005,302)</u> | <u>(4,394,878)</u> |
| | <u>(8,966,491)</u> | <u>(5,506,320)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Repayment of long-term debt | (406,184) | (506,887) |
| CASH FLOWS FROM CAPITAL ACTIVITIES: | | |
| Tangible capital assets additions | <u>(3,304,565)</u> | <u>(4,249,727)</u> |
| NET CASH USED BY CAPITAL ACTIVITIES | | |
| | <u>(3,304,565)</u> | <u>(4,249,727)</u> |
| Net cash increase | 2,247,873 | 733,327 |
| Cash (bank indebtedness) at beginning of period | <u>1,560,053</u> | <u>826,726</u> |
| Cash at end of period | <u>\$ 3,807,926</u> | <u>\$ 1,560,053</u> |

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

Ministikwan Lake Cree Nation

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

1. Significant Accounting Policies

Ministikwan Lake Cree Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include Ministikwan Lake Cree 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 Ministikwan Lake Cree Nation is governed by elected officials from the Ministikwan Lake Cree 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 Ministikwan Lake Cree Nation reporting entity includes the Ministikwan Lake Cree 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:

Ministikwan Lake Cree Nation - Operations
Ministikwan Lake Cree Nation - CMHC Housing Fund

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 Ministikwan Lake Cree Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Ministikwan Lake Cree Nation. Entities recorded under the modified equity method include:

Meadow Lake Resource Development Limited Partnership

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.

Ministikwan Lake Cree Nation

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

1. Significant Accounting Policies continued

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 and cash equivalents

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. Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2022.

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.

Ministikwan Lake Cree Nation

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

1. Significant Accounting Policies continued

h. 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 Ministikwan Lake Cree Nation's incremental cost of borrowing.

Amortization is provided for over the estimated useful lives of the assets.

| | |
|----------------------|------------------------|
| Buildings | 50 years straight-line |
| Houses | 50 years straight-line |
| Equipment | 10 years straight-line |
| Computers | 10 years straight-line |
| Vehicles & machinery | 4 years straight-line |
| Infrastructure | 50 years straight-line |
| Roads | 25 years straight-line |
| Trailers | 10 years straight-line |

Tangible capital assets are written down when conditions indicate that they no longer contribute to Ministikwan Lake Cree 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.

Ministikwan Lake Cree Nation

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

1. Significant Accounting Policies continued

i. Use of estimates

The preparation of 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 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.

Legal provisions are recorded when the likelihood of loss and amount of settlement can be determined.

j. 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.

k. 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."

Ministikwan Lake Cree Nation

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

1. Significant Accounting Policies continued

I. 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 Ottawa trust, Health Canada, Meadow Lake Tribal Council, the Government of Saskatchewan, 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.

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

Other revenues, which include expense recoveries and rental income, are recognized when earned.

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.

m. 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.

n. Investments

Portfolio investments which are owned by Ministikwan Lake Cree Nation but not controlled or influenced by the First Nation 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.

o. Pension plan

Ministikwan Lake Cree 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.

Ministikwan Lake Cree Nation

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

1. Significant Accounting Policies continued

p. 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.

q. 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.

r. 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 Ministikwan Lake Cree Nation.

2. Accounts Receivable

| | 2022 | 2021 |
|---------------------------------|----------------------------|----------------------------|
| Government receivables | \$ 1,790,173 | \$ 1,709,028 |
| Member advances | <u>623,498</u> | 536,527 |
| | 2,413,671 | 2,245,555 |
| Allowance for doubtful accounts | (277,787) | (535,073) |
| | <u>\$ 2,135,884</u> | <u>\$ 1,710,482</u> |

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

Ministikwan Lake Cree Nation

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

3. 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 |
|--------------------------------|----------------------|---------------------|
| Cash held for capital projects | \$ 12,399,279 | \$ 5,807,926 |
| CMHC reserves | 927,955 | 445,826 |
| | <u>\$ 13,327,234</u> | <u>\$ 6,253,752</u> |

4. Funds held in trust

| | Ottawa Trust Fund Revenue Trust | Ottawa Trust Fund Capital Trust | Funds Held In Trust - Allan Farmer, KC | 2022 | 2021 |
|----------------------------|--|--|---|---------------------|---------------------|
| Balance, beginning of year | \$ 68,979 | \$ 60,653 | \$ 1,462,323 | \$ 1,591,955 | \$ 1,188,055 |
| Lease revenue | 2,426 | - | - | 2,426 | - |
| Interest income | 2,503 | - | - | 2,503 | 3,900 |
| Disbursements | - | - | - | - | (100,000) |
| Funds deposited in trust | - | - | - | - | 500,000 |
| | <u>\$ 73,908</u> | <u>\$ 60,653</u> | <u>\$ 1,462,323</u> | <u>\$ 1,596,884</u> | <u>\$ 1,591,955</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.

Ministikwan Lake Cree Nation

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

5. Portfolio Investments

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

The First Nation holds the following Investments:

| | 2022 | 2021 |
|--|---------------|---------------|
| MLTC Resource Development Inc. / LP | | |
| 1 Class A common share (11% ownership) | \$ 1 | \$ 1 |
| MLTC Program Services Inc. | | |
| 1 Class A common share (11% ownership) | 1 | 1 |
| First Nations Bank | | |
| 537 common shares | 940 | 940 |
| White Buffalo Development Corp | | |
| 100 class A common shares (50% ownership) | 1 | 1 |
| Accurate Industries Holdings Inc. | | |
| 1 million class A common shares (100% ownership) | 1 | 1 |
| | <hr/> | <hr/> |
| | \$ 944 | \$ 944 |

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

Ministikwan Lake Cree Nation

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

6. Investment in MLTC RDI LP

The First Nation has an 11.1% interest in a limited partnership, MLTC Resource Development Limited Partnership. Summarized financial information for the MLTC Resource Development Limited Partnership is as follows:

| | 2022 | 2021 |
|-------------------|-----------------------------|-----------------------------|
| Cash | \$ 604,020 | \$ 149,799 |
| Other Assets | <u>113,859,881</u> | <u>97,540,326</u> |
| | <u>114,463,901</u> | <u>97,690,125</u> |
| Liabilities | 855,190 | 1,101,201 |
| Equity | <u>113,608,711</u> | <u>96,588,924</u> |
| | <u>114,463,901</u> | <u>97,690,125</u> |
| Revenue | 27,396,351 | 39,863,968 |
| Expenses | 321,566 | 270,481 |
| Net Income | <u>\$ 27,074,785</u> | <u>\$ 39,593,487</u> |

The First Nation's investment asset consists of the following:

| | 2022 | 2021 |
|--------------------------------|-----------------------------|-----------------------------|
| Balance, beginning of the year | \$ 10,706,548 | \$ 6,436,670 |
| Share of earnings | 3,005,302 | 4,394,878 |
| Distribution received | (1,117,222) | (125,000) |
| | <u>\$ 12,594,628</u> | <u>\$ 10,706,548</u> |

7. Accounts payable

| | 2022 | 2021 |
|------------------------------------|----------------------------|--------------------------|
| Trade Accounts Payable | \$ 1,845,732 | \$ 418,525 |
| Wages payable | 109,968 | 102,324 |
| Employee source deductions payable | 39,359 | 69,666 |
| Indigenous Services Canada | 27,314 | - |
| | <u>\$ 2,022,373</u> | <u>\$ 590,515</u> |

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

Ministikwan Lake Cree Nation

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

8. 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 deferred (recognized) | 2022 |
|-------------------------------------|--------------------------------------|---|------------------|
| ISC Capital funding | | | |
| New Lagoon | \$ 3,033,996 | \$ (365,667) | \$ 2,668,329 |
| Landfill | 853,213 | (345,715) | 507,498 |
| School Renovations | 159,318 | (32,932) | 126,386 |
| Emergency Road Repairs | 439,464 | (317,138) | 122,326 |
| Headstart Building | 47,000 | - | 47,000 |
| Water Treatment Plant Upgrade | 1,325,594 | (1,325,594) | - |
| Subdivision | 283 | (283) | - |
| | 5,858,868 | (2,387,329) | 3,471,539 |
| ISC Funding | | | |
| Wastewater | - | 5,000,000 | 5,000,000 |
| Instruction | 2,848,112 | 1,671,530 | 4,519,642 |
| School Remediation | - | 2,500,000 | 2,500,000 |
| Covid-19 Response | 703,485 | - | 703,485 |
| Covid-19 EMAP (ICSF4) | - | 652,972 | 652,972 |
| Covid-19 Perimeter Security (ICSF3) | 353,000 | 139,600 | 492,600 |
| Employment and Training | 292,089 | 179,948 | 472,037 |
| Covid-19 Perimeter Security (ICSF4) | - | 403,584 | 403,584 |
| Immediate Needs Construction | - | 388,990 | 388,990 |
| Covid-19 Perimeter Security (ICSF2) | 353,000 | - | 353,000 |
| Administration - IM/IT Governance | 334,673 | (15,074) | 319,599 |
| Covid-19 Food Security (ICSF3) | 291,700 | - | 291,700 |
| Covid-19 School Funding | 277,307 | - | 277,307 |
| EMAP | 234,119 | - | 234,119 |
| Covid-19 Food Security (ICSF2) | 219,200 | - | 219,200 |
| Immediate Needs Housing | - | 212,276 | 212,276 |
| Covid-19 Food Security (ICSF4) | - | 189,540 | 189,540 |
| Water Operator | 171,492 | 6,102 | 177,594 |
| Covid-19 Supplemental Programs | 113,334 | - | 113,334 |
| Climate Change | 100,000 | - | 100,000 |
| Band Support Supplemental Funding | 96,523 | - | 96,523 |

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

Ministikwan Lake Cree Nation

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

8. Unexpended revenue continued

| | Balance, beginning of the year | Contributions deferred (recognized) | 2022 |
|-------------------------------------|--------------------------------------|---|----------------------|
| ISC Funding Continued | | | |
| Post Secondary | - | 91,560 | 91,560 |
| Residential School Missing Children | - | 90,750 | 90,750 |
| Client Insured Services | 89,340 | - | 89,340 |
| Community Assets O&M Salary Top-up | - | 75,898 | 75,898 |
| O&M Salary Top-up | - | 75,898 | 75,898 |
| Covid-19 Need Based (ICFS4) | - | 69,224 | 69,224 |
| Roads and Bridges | 27,939 | 27,939 | 55,878 |
| Fire Protection | - | 42,652 | 42,652 |
| Service Delivery Infrastructure | - | 38,008 | 38,008 |
| Community Buildings | 18,922 | 18,922 | 37,844 |
| Band Offices and Buildings | 36,499 | - | 36,499 |
| Covid-19 School Reopening | 33,368 | - | 33,368 |
| Renos and Additions | 16,219 | 16,219 | 32,438 |
| Firehall Reopening | 18,277 | - | 18,277 |
| Teacherage and Maintenance | 14,540 | 3,426 | 17,966 |
| Reserves and Trust - Registry | 8,279 | 3,079 | 11,358 |
| Fire Protection | 1,171 | 5,370 | 6,541 |
| Medical Transportation Vans | 6,500 | - | 6,500 |
| Electrification | 3,200 | (95) | 3,105 |
| Provincial School Transportation | 662 | 700 | 1,362 |
| Private Student Support | 500 | 500 | 1,000 |
| | \$ 12,522,318 | \$ 9,502,189 | \$ 22,024,507 |

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

Ministikwan Lake Cree Nation

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

9. 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 | - | 105,687 |
| CMHC Mortgages | | |
| CMHC, repayable at \$1,156/month including interest at 0.69%. The mortgage's term expires August 1, 2024. | 33,227 | 46,815 |
| CMHC, repayable at \$1,566/month including interest at 0.52%. The mortgage term expires June 1, 2022. | 89,688 | 107,650 |
| CMHC, repayable at \$4,286/month including interest at 0.52%. The mortgage term expires June 1, 2022. | 419,406 | 467,172 |
| CMHC, repayable at \$4,235/month including interest at 0.52%. The mortgage term expires June 1, 2022. | 422,436 | 469,559 |
| CMHC, repayable at \$3,427/month including interest at 0.52%. The mortgage term expires June 1, 2022. | 335,285 | 373,470 |
| CMHC, repayable at \$1,856/month including interest at 0.52%. The mortgage term expires June 1, 2022. | 316,179 | 335,796 |
| CMHC, repayable at \$950/month including interest at 0.86%. The mortgage term expires August 1, 2022 | 158,785 | 168,355 |
| CMHC, repayable at \$2,973/month including interest at 1.35%. The mortgage term expires May 1, 2022 | 489,249 | 518,132 |
| CMHC, repayable at \$6,953/month including interest at 0.96%. The mortgage term expires March 1 2026 | 545,139 | 622,942 |
| | 2,809,394 | 3,109,891 |
| | \$ 2,809,394 | \$ 3,215,578 |

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

| | |
|------------|---------------------|
| 2023 | \$ 308,174 |
| 2024 | 310,431 |
| 2025 | 304,624 |
| 2026 | 301,035 |
| 2027 | 300,159 |
| Subsequent | 1,284,971 |
| | \$ 2,809,394 |

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

Ministikwan Lake Cree Nation

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

10. Tangible Capital Assets

| March 31, 2022 | Land | Houses | Roads | Buildings | Trailers | Computers | Infrastructure | Equipment | Vehicles and machinery | Assets under construction | Total |
|------------------------------------|-------------------|---------------------|---------------------|----------------------|------------------|-------------|---------------------|------------------|------------------------------|------------------------------|----------------------|
| | | | | | | | | | | | |
| Cost | | | | | | | | | | | |
| Balance, beginning of year | \$ 220,000 | \$ 17,064,019 | \$ 7,909,745 | \$ 22,500,365 | \$ 203,500 | \$ 6,657 | \$ 5,817,442 | \$ 491,955 | \$ 2,121,608 | \$ 11,223,166 | \$ 67,558,457 |
| Additions | - | - | - | - | - | - | - | - | 428,290 | 2,876,275 | 3,304,565 |
| | 220,000 | 17,064,019 | 7,909,745 | 22,500,365 | 203,500 | 6,657 | 5,817,442 | 491,955 | 2,549,898 | 14,099,441 | 70,863,022 |
| Accumulated amortization | | | | | | | | | | | |
| Balance, beginning of year | - | 11,416,701 | 5,738,962 | 10,135,224 | 152,625 | 6,657 | 2,925,969 | 421,511 | 2,090,107 | - | 32,887,756 |
| Amortization | - | 497,545 | 316,390 | 450,007 | 20,350 | - | 116,349 | 7,827 | 66,273 | - | 1,474,741 |
| | - | 11,914,246 | 6,055,352 | 10,585,231 | 172,975 | 6,657 | 3,042,318 | 429,338 | 2,156,380 | - | 34,362,497 |
| Net Book Value, end of Year | 220,000 | 5,149,773 | 1,854,393 | 11,915,134 | 30,525 | - | 2,775,124 | 62,617 | 393,518 | 14,099,441 | 36,500,525 |
| March 31, 2021 | | | | | | | | | | | |
| Cost | | | | | | | | | | | |
| Balance, beginning of year | 220,000 | 17,064,019 | 7,909,745 | 22,500,365 | 203,500 | 6,657 | 5,817,442 | 491,955 | 2,121,608 | 6,973,437 | 63,308,728 |
| Additions | - | - | - | - | - | - | - | - | - | 4,249,729 | 4,249,729 |
| | 220,000 | 17,064,019 | 7,909,745 | 22,500,365 | 203,500 | 6,657 | 5,817,442 | 491,955 | 2,121,608 | 11,223,166 | 67,558,457 |
| Accumulated amortization | | | | | | | | | | | |
| Balance, beginning of year | - | 10,811,155 | 5,422,572 | 9,685,217 | 132,275 | 6,657 | 2,809,620 | 413,684 | 2,047,313 | - | 31,328,493 |
| Amortization | - | 605,546 | 316,390 | 450,007 | 20,350 | - | 116,349 | 7,827 | 42,794 | - | 1,559,263 |
| | - | 11,416,701 | 5,738,962 | 10,135,224 | 152,625 | 6,657 | 2,925,969 | 421,511 | 2,090,107 | - | 32,887,756 |
| Net Book Value, end of year | \$ 220,000 | \$ 5,647,318 | \$ 2,170,783 | \$ 12,365,141 | \$ 50,875 | \$ - | \$ 2,891,473 | \$ 70,444 | \$ 31,501 | \$ 11,223,166 | \$ 34,670,701 |

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

Ministikwan Lake Cree Nation

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

11. Accumulated surplus

| | 2022 | 2021 |
|--------------------------|---------------------|---------------------|
| Equity in capital assets | \$33,691,131 | \$31,455,124 |
| Equity in investments | 12,591,183 | 10,707,490 |
| CMHC reserves | 1,343,450 | 1,244,574 |
| Operating deficit | (4,518,013) | (3,241,164) |
| | \$43,107,751 | \$40,166,024 |

- 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 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.

12. Reconciliation of ISC revenue

ISC revenue consists of the following

| | 2022 | 2021 |
|-----------------------------|---------------------|---------------------|
| ISC - Flexible Contribution | \$11,655,345 | \$ 9,604,949 |
| ISC - Fixed Contribution | 7,183,270 | 5,917,811 |
| ISC - Grant Contribution | 509,828 | 517,875 |
| ISC - Set Contribution | 442,411 | - |
| Payable to ISC | (27,314) | - |
| | \$19,763,540 | \$16,040,635 |

Ministikwan Lake Cree Nation

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

13. Expenses by object

| | 2022 | 2022 | 2021 |
|--|---------------------|---------------------|---------------------|
| | Budget | Actual | Actual |
| Salaries and benefits | \$ 6,196,859 | \$ 6,144,956 | \$ 5,360,258 |
| Contracted Services | 388,990 | 3,608,868 | 5,001,563 |
| Social Assistance | - | 2,859,679 | 2,533,613 |
| Other operating expenses | 1,285,410 | 2,405,077 | 1,570,312 |
| Supplies | 1,473,354 | 1,937,774 | 1,456,543 |
| Amortization | 293,571 | 1,474,741 | 1,559,263 |
| Repairs and maintenance | 653,614 | 1,185,011 | 1,900,413 |
| Administration fees | 934,916 | 1,044,739 | 290,814 |
| Community events | 1,516,482 | 984,242 | 708,968 |
| Professional fees | 580,059 | 812,119 | 907,766 |
| Travel | 473,113 | 709,055 | 345,049 |
| Honorarium | 470,200 | 651,671 | 210,407 |
| Student expenses | 588,698 | 538,739 | 584,540 |
| Rent | 58,074 | 515,379 | 21,332 |
| Band member assistance | 566,450 | 504,931 | 318,898 |
| Utilities | 89,728 | 345,127 | 152,071 |
| Insurance | 214,185 | 228,236 | 412,536 |
| Interest on long-term debt | 335,968 | 183,767 | 44,482 |
| Office expenses | 105,399 | 139,440 | 114,220 |
| Professional Development | 387,424 | 118,888 | 107,676 |
| Meetings & workshops | 32,119 | 84,778 | 65,322 |
| Fuel | 7,500 | 80,208 | 25,142 |
| Interest and bank charges | 6,400 | 32,008 | 26,017 |
| Telephone | 19,300 | 21,143 | 13,792 |
| Total expenses before transfers | 16,677,813 | 26,610,576 | 23,730,997 |
| Transfer to capital assets | - | (2,876,274) | (4,924,922) |
| | \$16,677,813 | \$23,734,302 | \$18,806,075 |

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

Ministikwan Lake Cree Nation

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

14. 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 \$70,680 to the reserve. At March 31, 2021, the reserve is required to be funded to a level of \$919,427 (2021 - \$848,747). At March 31, 2022, the cash balance in the reserve is \$436,543 (2021 - \$25,715).
- 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, 2022, the reserve is required to be funded to a level of \$424,023 (2021 - \$395,827). At March 31, 2022, the cash balance in the reserve is \$491,412 (2021 - \$420,111).

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.

15. 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.

16. Contingent liabilities

Ministikwan Lake Cree 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, Ministikwan Lake Cree 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 Ministikwan Lake Cree Nation's financial statements. None are required to be recorded at this time.

17. Economic dependence

Ministikwan Lake Cree Nation receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada 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 First 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 cumulative deficit position, the First Nation is also party to a Management Action Plan with ISC. Under the terms of the agreement, funding from the Management Action Plan can be suspended if the First Nation does not comply with the terms of the agreement.

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

Ministikwan Lake Cree Nation

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

18. 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.

Ministikwan Lake Cree Nation

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

19. Segmented information

As previously discussed in note 1 (j) the Cree Nation conducts its business through nine reportable segments:

Administration - includes administration and governance activities.

Capital - includes capital projects and the operations and maintenance of all on-reserve housing.

Community Infrastructure - includes the operations and maintenance of the First Nation's buildings and infrastructure.

Economic Development - includes the activities of the First Nation's economic development initiatives and its business entities

Education - includes the operations of education programs..

Health - includes the operations of health and community wellness programming.

Other programs - includes all other band activities of the First Nation.

Reserves and Trusts - includes the activities for the First Nation's membership and land development.

Social support service - includes all activities relating to income assistance for membership.

For each reported segment, revenue and expenses 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. Inter-program administration fees have been recorded based on a percentage of budgeted revenue, 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.

Ministikwan Lake Cree Nation

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

20. Financial Instruments

Financial assets include cash, restricted assets, trust funds held by the Federal Government, accounts receivable, portfolio investments, and the investments in MLTC RDI LP and are measured at amortized cost as presented on the consolidated statement of financial position, except for the investment in MLTC RDI LP, which is measured using the modified equity method.

Financial liabilities include, accounts payable, deferred revenue, and long-term debt and are measured at amortized cost as presented on the consolidated statement of financial position.

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 Cree Nation is exposed to interest rate cash flow risk to the extent that its loans payable are at a floating rate of interest. The Cree 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.

21. Budgeted figures

Budget information was approved by the Chief and Council of Ministikwan Lake Cree Nation for the 2022 fiscal year.

22. Comparative figures

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

Ministikwan Lake Cree Nation

Schedule #1

Administration

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|--|------------------|-----------------------|-----------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Flexible Contribution | \$ 214,716 | \$ 214,716 | \$ 229,909 |
| ISC - Grant Contribution | 497,228 | 509,828 | 517,875 |
| Meadow Lake Tribal Council | 74,501 | 74,501 | 72,543 |
| Expense Recoveries | - | 1,117 | 44,174 |
| Other revenue | 485,438 | 900,003 | 593,682 |
| Recognition (deferral) of unexpended funding | - | 15,074 | (270,714) |
| | 1,271,883 | 1,715,239 | 1,187,469 |
| Expenses | | | |
| Other operating expenses | - | 1,569,332 | 1,570,313 |
| Professional fees | 482,333 | 683,695 | 248,886 |
| Honorarium | 210,000 | 474,959 | 193,789 |
| Contracted Services | - | 327,197 | 451,453 |
| Travel | 110,000 | 291,077 | 80,750 |
| Salaries and benefits | 269,370 | 287,826 | 135,464 |
| Band member assistance | 10,000 | 275,481 | 128,547 |
| Office expenses | 37,799 | 94,822 | 56,510 |
| Community events | - | 93,645 | 20,300 |
| Supplies | - | 75,572 | 8 |
| Meetings & workshops | - | 53,587 | 13,006 |
| Rent | 27,177 | 44,474 | 4,051 |
| Interest and bank charges | 6,400 | 29,078 | 21,036 |
| Insurance | 26,928 | 27,634 | 30,445 |
| Telephone | 15,000 | 17,298 | 7,082 |
| Professional Development | 1,000 | 6,022 | 7,041 |
| | 1,196,007 | 4,351,699 | 2,968,681 |
| Current surplus (deficit) | \$ 75,876 | \$ (2,636,460) | \$ (1,781,212) |

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

Ministikwan Lake Cree Nation

Schedule #2

Capital

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|--|------------------|---------------------|---------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Flexible Contribution | \$ 717,335 | \$ 8,612,957 | \$ 5,916,261 |
| Canada Mortgage and Housing | 334,828 | 334,828 | 335,934 |
| Rental income | 144,000 | 241,068 | 241,068 |
| Recognition (deferral) of unexpended funding | - | (5,730,155) | (204,119) |
| | 1,196,163 | 3,458,698 | 6,289,144 |
| Expenses | | | |
| Contracted Services | 388,990 | 3,076,816 | 4,445,045 |
| Amortization | - | 497,545 | 605,546 |
| Interest on long-term debt | 335,968 | 183,767 | 43,510 |
| Supplies | 159,877 | 179,234 | 535,695 |
| Salaries and benefits | 145,681 | 121,456 | 145,379 |
| Insurance | 85,187 | 109,176 | 307,518 |
| Repairs and maintenance | 70,960 | 92,077 | 109,553 |
| Administration fees | - | 34,200 | 36,450 |
| Fuel | - | 19,472 | 10,721 |
| Professional fees | 9,500 | 8,500 | 489,713 |
| Travel | - | 4,323 | 795 |
| Utilities | - | 3,278 | - |
| Meetings & workshops | - | 1,040 | 8,552 |
| Interest and bank charges | - | 23 | 333 |
| Transfer to capital assets | - | (2,876,274) | (4,924,922) |
| | 1,196,163 | 1,454,633 | 1,813,888 |
| Current surplus (deficit) | \$ - | \$ 2,004,065 | \$ 4,475,256 |

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

Ministikwan Lake Cree Nation

Schedule #3

Community Infrastructure

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|--|-------------------|-----------------------|-----------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Flexible Contribution | \$ 194,449 | \$ 58,623 | \$ 113,399 |
| ISC - Fixed Contribution | 1,147,867 | 1,345,567 | 754,675 |
| Expense Recoveries | - | - | 5,800 |
| Recognition (deferral) of unexpended funding | - | (256,112) | (292,040) |
| | 1,342,316 | 1,148,078 | 581,834 |
| Expenses | | | |
| Amortization | - | 934,098 | 910,619 |
| Salaries and benefits | 490,154 | 513,143 | 480,435 |
| Repairs and maintenance | 133,402 | 324,594 | 1,346,831 |
| Utilities | 75,700 | 286,550 | 123,527 |
| Supplies | 22,982 | 98,352 | 63,934 |
| Insurance | 67,295 | 66,237 | 49,464 |
| Fuel | 7,500 | 60,735 | 14,420 |
| Band member assistance | 37,840 | 51,815 | 73,372 |
| Contracted Services | - | 4,250 | 13,250 |
| Rent | 16,397 | 3,935 | 7,438 |
| Interest and bank charges | - | 2,720 | 4,648 |
| Travel | 1,000 | 2,471 | 2,630 |
| Professional Development | - | 1,575 | - |
| | 852,270 | 2,350,475 | 3,090,568 |
| Current surplus (deficit) | \$ 490,046 | \$ (1,202,397) | \$ (2,508,734) |

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

Ministikwan Lake Cree Nation

Schedule #4

Economic Development

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|----------------------------------|------------------|---------------------|---------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Fixed Contribution | \$ 67,613 | \$ 67,613 | \$ 78,125 |
| Meadow Lake Tribal Council | 67,152 | 68,152 | 66,365 |
| Expense Recoveries | - | 207,549 | - |
| Limited Partnership Earnings | - | 3,005,302 | 4,394,878 |
| | 134,765 | 3,348,616 | 4,539,368 |
| Expenses | | | |
| Supplies | - | 110,562 | 98,641 |
| Salaries and benefits | 7,500 | 53,959 | 28,963 |
| Honorarium | - | 35,000 | 4,200 |
| Travel | - | 23,899 | 5,255 |
| Professional fees | - | 22,084 | 169,167 |
| Meetings & workshops | - | 8,500 | 10,500 |
| Community events | - | 1,500 | - |
| Professional Development | - | - | 5,000 |
| Interest on long-term debt | - | - | 972 |
| Other operating expenses | 67,613 | - | - |
| | 75,113 | 255,504 | 322,698 |
| Current surplus (deficit) | \$ 59,652 | \$ 3,093,112 | \$ 4,216,670 |

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

Ministikwan Lake Cree Nation

Schedule #5

Education

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|--|-------------------|---------------------|---------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Flexible Contribution | \$ 38,000 | \$ - | \$ 33,368 |
| ISC - Fixed Contribution | 5,592,020 | 5,592,020 | 4,753,545 |
| Meadow Lake Tribal Council | 459,796 | 459,796 | 448,551 |
| Expense Recoveries | 331,287 | 335,059 | - |
| Recognition (deferral) of unexpended funding | - | (1,764,291) | (2,332,794) |
| | 6,421,103 | 4,622,584 | 2,902,670 |
| Expenses | | | |
| Salaries and benefits | 2,760,125 | 2,685,211 | 2,265,663 |
| Student expenses | 588,698 | 538,739 | 584,540 |
| Repairs and maintenance | 388,160 | 450,839 | 243,983 |
| Administration fees | 349,377 | 434,507 | - |
| Supplies | 297,698 | 388,233 | 149,188 |
| Rent | 14,500 | 360,470 | 9,843 |
| Community events | 52,000 | 97,121 | 25,155 |
| Travel | 96,700 | 67,603 | 52,467 |
| Professional fees | 42,008 | 46,543 | - |
| Professional Development | 35,000 | 32,919 | 50,469 |
| Office expenses | 15,100 | 30,341 | 37,156 |
| Honorarium | 134,800 | 16,012 | 10,617 |
| Insurance | 8,035 | 9,258 | 11,364 |
| Telephone | 3,500 | 3,150 | 6,000 |
| Meetings & workshops | 4,500 | 2,856 | 1,460 |
| Other operating expenses | 1,101,301 | - | - |
| Band member assistance | 279,065 | - | - |
| | 6,170,567 | 5,163,802 | 3,447,905 |
| Current surplus (deficit) | \$ 250,536 | \$ (541,218) | \$ (545,235) |

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

Ministikwan Lake Cree Nation

Schedule #6

Health

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|--|-------------------|---------------------|-------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Flexible Contribution | \$ 1,881,729 | \$ 1,622,965 | \$ 1,895,164 |
| ISC - Set Contribution | 81,340 | 442,411 | - |
| Meadow Lake Tribal Council | 4,492,517 | 4,936,553 | 3,106,998 |
| Expense Recoveries | - | 5,122 | - |
| Health Canada | 361,071 | 14,331 | - |
| Rental income | - | 7,200 | 450 |
| ISC - Fixed Contribution | - | - | 177,840 |
| Administrative Fees | 117,745 | 390,280 | - |
| Receivable (payable) to ISC | - | (27,314) | - |
| Recognition (deferral) of unexpended funding | - | (652,972) | (971,849) |
| | 6,934,402 | 6,738,576 | 4,208,603 |
| Expenses | | | |
| Salaries and benefits | 2,271,901 | 2,207,317 | 1,649,620 |
| Supplies | 992,796 | 1,064,346 | 588,997 |
| Community events | 1,464,482 | 680,973 | 662,513 |
| Administration fees | 557,380 | 555,981 | 248,814 |
| Repairs and maintenance | 61,093 | 317,240 | 200,043 |
| Travel | 242,562 | 307,519 | 195,527 |
| Band member assistance | 239,545 | 133,988 | 103,161 |
| Honorarium | 125,400 | 125,700 | 1,800 |
| Professional Development | 126,046 | 77,333 | 38,494 |
| Utilities | 14,028 | 55,299 | 28,544 |
| Professional fees | 40,000 | 51,297 | - |
| Amortization | 293,571 | 43,098 | 43,098 |
| Other operating expenses | 116,496 | 31,249 | - |
| Office expenses | 50,001 | 14,278 | 18,913 |
| Meetings & workshops | 23,619 | 13,795 | 31,803 |
| Insurance | 26,740 | 13,550 | 13,745 |
| Telephone | 800 | 694 | 710 |
| Contracted Services | - | - | 13,816 |
| | 6,646,460 | 5,693,657 | 3,839,598 |
| Current surplus (deficit) | \$ 287,942 | \$ 1,044,919 | \$ 369,005 |

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

Ministikwan Lake Cree Nation

Schedule #7

Other Programs

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|--|-----------------|---------------------|------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Flexible Contribution | \$ - | \$ 892,698 | \$ 1,216,900 |
| ISC - Fixed Contribution | - | 168,191 | 143,747 |
| Meadow Lake Tribal Council | 128,720 | 145,158 | 113,746 |
| Northern Lights Community Development | - | 35,116 | 82,891 |
| First Nations Trust | - | 217,215 | 307,472 |
| Other revenue | - | 957 | - |
| Recognition (deferral) of unexpended funding | - | (892,698) | (1,316,900) |
| | 128,720 | 566,637 | 547,856 |
| Expenses | | | |
| Other operating expenses | - | 804,495 | - |
| Community events | - | 111,003 | 1,000 |
| Rent | - | 106,500 | - |
| Salaries and benefits | 108,393 | 83,654 | 470,011 |
| Band member assistance | - | 37,065 | 11,784 |
| Supplies | - | 7,589 | 451 |
| Administration fees | 9,754 | 7,565 | - |
| Travel | 3,851 | 5,349 | 1,255 |
| Meetings & workshops | 4,000 | 5,000 | - |
| Insurance | - | 2,382 | - |
| Interest and bank charges | - | 12 | - |
| | 125,998 | 1,170,614 | 484,501 |
| Current surplus (deficit) | \$ 2,722 | \$ (603,977) | \$ 63,355 |

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

Ministikwan Lake Cree Nation

Schedule #8

Reserves & Trusts

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 Budget | 2022 Actual | 2021 Actual |
|--|----------------|-----------------|-----------------|
| Revenue | | | |
| ISC - Fixed Contribution | \$ 9,879 | \$ 9,879 | \$ 9,879 |
| Ottawa Trust | - | 4,929 | 3,900 |
| Recognition (deferral) of unexpended funding | - | (3,079) | (8,279) |
| | 9,879 | 11,729 | 5,500 |
| Expenses | | | |
| Salaries and benefits | 9,879 | 6,800 | 1,600 |
| Current surplus (deficit) | \$ - | \$ 4,929 | \$ 3,900 |

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

Ministikwan Lake Cree Nation

Schedule #9

Social Assistance

Schedule of Operations

For the Year Ended March 31, 2022

| | 2022 | 2022 | 2021 |
|--|-----------------|---------------------|---------------------|
| | Budget | Actual | Actual |
| Revenue | | | |
| ISC - Flexible Contribution | \$ 215,378 | \$ 253,386 | \$ 199,948 |
| Meadow Lake Tribal Council | 195,348 | 5,030,442 | 4,219,779 |
| Recognition (deferral) of unexpended funding | - | (217,956) | (109,135) |
| | 410,726 | 5,065,872 | 4,310,592 |
| Expenses | | | |
| Social Assistance | - | 2,859,679 | 2,533,613 |
| Contracted Services | - | 200,606 | 78,000 |
| Salaries and benefits | 133,855 | 185,591 | 183,124 |
| Supplies | - | 13,887 | 19,630 |
| Administration fees | 18,406 | 12,486 | 5,549 |
| Travel | 19,000 | 6,814 | 6,371 |
| Band member assistance | - | 6,581 | 2,035 |
| Professional Development | 225,378 | 1,039 | 6,673 |
| Repairs and maintenance | - | 260 | - |
| Interest and bank charges | - | 175 | - |
| Office expenses | 2,500 | - | 1,641 |
| Professional fees | 6,218 | - | - |
| | 405,357 | 3,287,118 | 2,836,636 |
| Current surplus (deficit) | \$ 5,369 | \$ 1,778,754 | \$ 1,473,956 |

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