

Paul First Nation

Consolidated Financial Statements

March 31, 2022

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Paul First Nation

Management's Responsibility for Financial Reporting

March 31, 2022

The accompanying consolidated financial statements of Paul First Nation are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the 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 to review the consolidated financial statements and the external auditor's report.

The external auditors, Crowe MacKay LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Paul First Nation and meet when required.

On behalf of Paul First Nation:

Original signed by _____
Executive Director

Date

Original signed by _____
Finance Director

Date

Original signed by _____

Date

Original signed by _____

Date

Original signed by _____

Date

Independent Auditors' Report

To the Members of Paul First Nation

Qualified Opinion

We have audited the consolidated financial statements of Paul First Nation, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, change 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of Paul First Nation as at March 31, 2022 and the results of its consolidated operations, the changes in its consolidated net financial assets and its consolidated cash flows for the year for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Paul First Nation's investments in related First Nation entities, represents a significant amount of the assets of the consolidated financial statements as at March 31, 2022. We were unable to obtain sufficient appropriate evidence about the carrying amount of the Paul First Nation investments, equity and net income for the year ended March 31, 2021. Consequently, we were unable to determine whether adjustments to the results of the consolidated operations and cash flows might be necessary for the year ended March 31, 2021.

The opinion on the current year's consolidated operations and cash flows for the year ended March 31, 2022 was modified because of the possible effects of the limitations in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report (continued)

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

- ♦ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ♦ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the 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.

Edmonton, Canada
March 30, 2023


Chartered Professional Accountants

Paul First Nation

Consolidated Statement of Financial Position

| March 31 | 2022 | 2021 |
|----------|------|------|
|----------|------|------|

Financial Assets

| | | |
|-----------------------------------|-------------------|-------------------|
| Cash (Note 2) | \$ 24,394,046 | \$ 7,854,198 |
| Accounts receivable (Note 3) | 3,239,931 | 239,975 |
| Loan receivable (Note 4) | - | 2,539,688 |
| Investments and advances (Note 5) | 5,835,175 | 1,004,975 |
| Trust funds (Note 7) | 7,644,447 | 11,151,116 |
| | 41,113,599 | 22,789,952 |

Liabilities

| | | |
|----------------------------|-------------------|-------------------|
| Operating loan (Note 8) | - | 954,617 |
| Accounts payable (Note 9) | 2,630,810 | 2,291,338 |
| Deferred revenue (Note 10) | 27,832,870 | 7,274,724 |
| Long-term debt (Note 11) | 6,710,468 | 8,173,421 |
| | 37,174,148 | 18,694,100 |

| | | |
|-----------------------------|------------------|------------------|
| Net financial assets | 3,939,451 | 4,095,852 |
|-----------------------------|------------------|------------------|

Non-financial Assets

| | | |
|--------------------------|-------------------|-------------------|
| Capital assets (Note 12) | 72,832,991 | 73,766,845 |
| Prepaid expenses | 8,550 | 8,550 |
| | 72,841,541 | 73,775,395 |

| | | |
|--------------------------------------|----------------------|----------------------|
| Accumulated Surplus (Note 13) | \$ 76,780,992 | \$ 77,871,247 |
|--------------------------------------|----------------------|----------------------|

Accumulated Surplus consists of

| | | |
|--|------------|------------|
| Accumulated operating surplus | 76,463,846 | 77,434,309 |
| Accumulated remeasurement gains, end of year | 317,146 | 436,938 |

| | | |
|----------------------------|-------------------|-------------------|
| Accumulated Surplus | 76,780,992 | 77,871,247 |
|----------------------------|-------------------|-------------------|

Contingent liabilities (Note 14)

Approved on behalf of the Council

Original signed by _____, Chief

Original signed by _____, Councillor

Original signed by _____, Councillor

Original signed by _____, Councillor

Original signed by _____, Councillor

Original signed by _____, Councillor

Paul First Nation

Consolidated Statement of Remeasurement Gains and Losses

| For the year ended March 31 | 2022 | 2021 |
|--|------------|------------|
| Accumulated remeasurement gains, beginning of year | \$ 436,938 | \$ 177,572 |
| Gains/losses consists of: | | |
| Unrealized gain (loss) on Trust Funds | (5,933) | 301,659 |
| Realized (gain) loss on Trust Funds | (113,859) | (42,293) |
| Net remeasurement gains and (losses) | (119,792) | 259,366 |
| Accumulated remeasurement gains, end of year | \$ 317,146 | \$ 436,938 |

Paul First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31

| | 2022 Budget | 2022 Actual | 2021 Actual |
|---|-------------------|----------------------|----------------------|
| Revenue | | | |
| Indigenous Services Canada (ISC) | \$ 9,297,042 | \$ 16,546,330 | \$ 20,330,645 |
| Indigenous Services Canada - Health | 1,861,159 | 3,209,142 | 2,090,653 |
| CMHC | - | 880,278 | 208,860 |
| First Nations Development Fund | 541,431 | 695,271 | 247,577 |
| Service Canada (ISETS) | 245,457 | 492,288 | 665,318 |
| Ottawa Trust revenue | - | 159,426 | 248,740 |
| Wapta Mnodai Developments Ltd. | - | 5,000 | 6,800 |
| Industry and other revenue | 2,387,535 | 1,583,004 | 3,308,854 |
| Net income (loss) from Band owned Enterprises | - | 1,493,936 | 1,540,589 |
| | 14,332,624 | 25,064,675 | 28,648,036 |
| Expenses | | | |
| Band Government | 1,825,025 | 6,247,154 | 5,173,084 |
| Education | 4,606,556 | 5,205,101 | 5,010,544 |
| Health | 1,712,391 | 3,211,588 | 2,013,545 |
| Economic Development | 95,708 | 92,770 | 262,813 |
| Public Works | 2,048,066 | 1,753,012 | 2,195,504 |
| Community Services | 1,054,224 | 843,411 | 23,988 |
| Social Services | 2,990,654 | 3,406,948 | 3,303,477 |
| Employment Programs | - | 319,952 | 372,700 |
| Housing | - | 120,986 | 283,964 |
| Capital Projects | - | 777,317 | 332,794 |
| Amortization | - | 3,984,936 | 3,024,610 |
| Wapta Mnodai Developments Ltd. | - | 71,964 | 92,864 |
| | 14,332,624 | 26,035,139 | 22,089,887 |
| Excess (deficiency) of revenue over expenses | - | (970,464) | 6,558,149 |
| Accumulated surplus, beginning of year | - | 77,871,247 | 71,053,732 |
| Remeasurement gains (losses) | - | (119,792) | 259,366 |
| Accumulated surplus, end of year | \$ - | \$ 76,780,991 | \$ 77,871,247 |

Paul First Nation

Consolidated Statement of Change in Net Financial Assets

| For the year ended March 31 | 2022 | 2021 |
|---|---------------------|---------------------|
| Excess (deficiency) of revenue over expenses | \$ (970,464) | \$ 6,558,149 |
| Acquisition of tangible capital assets | (3,052,081) | (8,672,044) |
| Amortization of tangible capital assets | 3,650,459 | 3,057,413 |
| Impairment of tangible capital assets | 334,477 | - |
| Remeasurement gains (losses) on trust funds | (119,792) | 259,366 |
| Disposal of tangible capital assets | 1,000 | - |
| | 814,063 | (5,355,265) |
| Use of prepaid asset | - | 99,474 |
| Increase in net financial assets | (156,401) | 1,302,358 |
| Net financial assets, beginning of year | 4,095,852 | 2,793,494 |
| Net financial assets, end of year | \$ 3,939,451 | \$ 4,095,852 |

Paul First Nation

Consolidated Statement of Cash Flow

| For the year ended March 31, 2022 | 2022 | 2021 |
|---|----------------------|---------------------|
| Cash flows from | | |
| Operating activities | | |
| Excess (deficiency) of revenue over expenses | \$ (970,464) | \$ 6,558,149 |
| Items not affecting cash | | |
| Amortization | 3,650,459 | 3,057,413 |
| Impairment | 334,477 | - |
| | 3,014,472 | 9,615,562 |
| Change in non-cash operating working capital | | |
| Accounts receivable | (2,999,956) | 530,663 |
| Loans receivable | - | 183,906 |
| Prepaid expenses | - | 99,473 |
| Accounts payable | 339,472 | (1,442,318) |
| Deferred revenue | 20,558,146 | 1,479,045 |
| | 20,912,134 | 10,466,331 |
| Capital activities | | |
| Capital asset additions | (3,052,081) | (8,672,044) |
| Capital asset disposals | 1,000 | - |
| | (3,051,081) | (8,672,044) |
| Financing activities | | |
| Repayment of long-term debt | (1,839,843) | (468,959) |
| Proceeds from long-term debt | 376,890 | 163,503 |
| | (1,462,953) | (305,456) |
| Investing activities | | |
| Change in investments | (2,290,512) | (185,199) |
| Change in funds held in trust | 3,386,877 | (2,129,290) |
| | 1,096,365 | (2,314,489) |
| Increase in cash and cash equivalents | 17,494,465 | (825,658) |
| Cash and cash equivalents, beginning of year | 6,899,581 | 7,725,239 |
| Cash and cash equivalents, end of year | \$ 24,394,046 | \$ 6,899,581 |
| Represented by | | |
| Cash | \$ 24,394,046 | \$ 7,854,198 |
| Operating loan | - | (954,617) |
| | \$ 24,394,046 | \$ 6,899,581 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

1. Basis of Presentation and Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting entity principles of financial reporting

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

The modified equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform with those of the First Nation. Thus, the First Nation's investment in these enterprises is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses. Enterprises accounted for by the modified equity basis include:

1. Alberta Groups GP Ltd.
2. Paul Band Business Trust
3. Paul Band Land Holdings Ltd.
4. Paul First Nation Cascade (GP) Inc.
5. Paul First Nation Industry Relations Corporation
6. Paul First Nation Renewable Energy (GP) Inc.
7. PFN Development Corporation
8. PFN Land Holdings Inc.
9. Weh-Hnim-Nay Energy (GP) Inc.
10. Wihneme Industrial Closure Services (GP) Inc.
11. 399250 Alberta Ltd.

Enterprises accounted for by full consolidation include:

1. Wapta Mnodai Developments Ltd. (o/a Ironhead Golf Course)

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.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

1. Basis of Presentation and Significant Accounting Policies (continued)

(b) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and 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 the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Investment and other income are recorded on an accrual basis.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, operating loans and broker investment accounts.

(d) Portfolio investments

Portfolio investments are carried at fair market value.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

1. Basis of Presentation and Significant Accounting Policies (continued)

(e) Tangible capital assets

Capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Infrastructure includes certain roads and bridges disclosed at a nominal amount. The First Nation holds works of art and historical treasures of a cultural value, which have not been included in capital assets due to their inability of estimating future benefits associated with such property. The cost of the capital assets are amortized over their expected useful life using the following rates and methods:

| | |
|--------------------------------|--|
| Buildings and Housing | 20/25 years Straight line/4% Declining balance |
| Housing | 20 years Straight line |
| Automotive equipment | 5-10 years Straight line/20% Declining balance |
| Computer equipment | 4 years Straight line |
| Office furniture and equipment | 20% Declining balance |
| Infrastructure | 10-75 years Straight line |
| Paving | 8% Declining balance |

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

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

Certain assets, including interest in reserve lands and natural resources, as well as 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.

(f) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

(g) Use of estimates

The preparation of financial statements in accordance with Public Sector Accounting Board Standards requires management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

1. Basis of Presentation and Significant Accounting Policies (continued)

(h) Impairment of Long-Lived Assets

The First Nation tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

2. Cash

| | 2022 | 2021 |
|-----------------------|---------------|--------------|
| Externally restricted | | |
| Province of Alberta | \$ 751,708 | \$ 255,459 |
| Internally restricted | | |
| Capital projects | 1,202,671 | 77,847 |
| Legal | 8,014 | 17,225 |
| | 1,210,685 | 95,072 |
| Unrestricted | | |
| General accounts | 22,431,653 | 7,503,667 |
| | \$ 24,394,046 | \$ 7,854,198 |

3. Accounts receivable

| | 2022 | 2021 |
|--|--------------|------------|
| Indigenous Services Canada (ISC) | \$ 2,457,296 | \$ 83,531 |
| Canada Mortgage and Housing Corporation (CMHC) | 640,000 | - |
| Province of Alberta | 61,824 | 137,877 |
| GST receivable | 80,811 | 17,667 |
| Advances to members | 262,853 | 283,352 |
| Other | 198,585 | 130,746 |
| | 3,701,369 | 653,173 |
| Allowance for doubtful accounts | (461,438) | (413,198) |
| | \$ 3,239,931 | \$ 239,975 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

4. Loan receivable

| | 2022 | 2021 |
|--|------|--------------|
| Weh-Hnim-Nay Energy Limited Partnership loan receivable, repaid during the year. | \$ - | \$ 2,539,688 |

5. Investments and advances

| | 2022 | 2021 |
|--|---------------------|---------------------|
| Investments | | |
| Paul Band Business Trust (Note 6) | \$ 3,197,350 | \$ 1,353,421 |
| Paul First Nation Renewable Energy (GP) Inc. | 78 | (383) |
| Weh-Hnim-Nay Energy (GP) Inc. | 945 | 884 |
| PFN Development Corporation | (55,279) | (56,428) |
| Paul Band Land Holdings Ltd. | 100 | 100 |
| 399250 Alberta Ltd. | 100 | 100 |
| Paul First Nation Industry Relations Corporation | 606,752 | 937,528 |
| Paul First Nation Cascade (GP) Inc. | 92 | 96 |
| Wihname Industrial Closure Services (GP) Corp. | 279 | - |
| PFN Land Holdings Inc. | (19,962) | - |
| | 3,730,455 | 2,235,318 |
| Advances | | |
| Paul Band Business Trust (Note 6) | 977,807 | (1,456,460) |
| Paul Band Land Holdings Ltd. | (100) | (100) |
| Paul First Nation Industry Relations Corporation | 226,523 | 226,523 |
| PFN Land Holdings Inc. | 900,896 | - |
| Paul First Nation Renewable Energy (GP) Inc. | (100) | (100) |
| Weh-Hnim-Nay Energy (GP) Inc. | (6) | (6) |
| Paul First Nation Cascade (GP) Inc. | (100) | (100) |
| Wihname Industrial Closure Services (GP) Corp. | (100) | - |
| 399250 Alberta Ltd. | (100) | (100) |
| | 2,104,720 | (1,230,343) |
| | \$ 5,835,175 | \$ 1,004,975 |

Paul Band Land Holdings Ltd., Paul First Nation Cascade (GP) Inc., Paul First Nation Industry Relations Corporation, Paul First Nation Renewable Energy (GP) Inc., PFN Development Corporation, PFN Land Holdings Inc., Weh-Hnim-Neh Business Development Corporation, Weh-Hnim-Nay Energy (GP) Inc., Wapta Mnodai Developments Ltd. (o/a Ironhead Golf Course), Wihname Industrial Closure Services (GP) Corp. and 399250 Alberta Ltd. are owned 100% by Paul First Nation.

Unaudited financial statements for Paul First Nation Cascade (GP) Inc., Paul First Nation Renewable Energy (GP) Inc., Weh-Hnim-Nay Energy (GP) Inc., Wihname Industrial Closure Services (GP) Corp., PFN Development Corporation, Paul Band Land Holdings Ltd. and 399250 Alberta Ltd. have been prepared for the year ended March 31, 2022.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

6. Investment in and advances to/from Paul First Nation Entities

Paul Band Business Trust include the following entities:

Alberta Groups Limited Partnership
Alberta Groups GP Ltd.
Paul Band Business Trust
Paul Band Developments Limited Partnership
Paul First Nation Cascade Limited Partnership
Paul First Nation Renewable Energy Limited Partnership
Weh-Hnim-Nay Energy Limited Partnership
Wihname Industrial Closure Services Limited Partnership

Paul Band Corporations include the following companies:

399250 Alberta Ltd.
Paul Band Land Holdings Ltd.
PFN Developments Corporation
PFN Land Holdings Inc.
Paul First Nation Cascade (GP) Inc.
Paul First Nation Industry Relations Corporation
Paul First Nation Energy (GP) Inc.
Weh-Hnim-Nay Energy (GP) Inc.
Wihname Industrial Closure Services (GP) Corp.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

6. Investment in and advances to/from Paul First Nation Entities (continued)

Balance Sheet

| | Paul Band Business Trust | Paul Band Corporations | 2022 Total | 2021 Total |
|--------------------------|-----------------------------|---------------------------|----------------------|---------------------|
| Cash | \$ 3,055,516 | \$ 58,504 | \$ 3,114,020 | \$ 1,192,680 |
| Accounts receivable | 2,776,956 | 544,032 | 3,320,988 | 843,416 |
| Prepaid expenses | 50,000 | - | 50,000 | - |
| Due from related parties | 4,083,194 | 317,437 | 4,400,631 | 4,012,192 |
| Investments | 220,279 | 3,204 | 223,483 | 3,875,626 |
| Capital assets | 45,606 | 847,728 | 893,334 | 10,707 |
| Total assets | \$ 10,231,551 | \$ 1,770,905 | \$ 12,002,456 | \$ 9,934,621 |

| | | | | |
|------------------------|--------------|-----------|--------------|------------|
| Accounts payable | \$ 3,757,030 | \$ 52,976 | \$ 3,810,006 | \$ 402,211 |
| Note payable | - | - | - | 4,121,315 |
| Due to related parties | 833,921 | 1,184,824 | 2,018,745 | 560,606 |
| Loan payable | 2,443,250 | - | 2,443,250 | 2,571,750 |
| Deferred revenues | - | - | - | 43,421 |

| | | | | |
|--------------------------|------------------|------------------|------------------|------------------|
| Total liabilities | 7,034,201 | 1,237,800 | 8,272,001 | 7,699,303 |
|--------------------------|------------------|------------------|------------------|------------------|

| | | | | |
|---------------|------------------|----------------|------------------|------------------|
| Equity | 3,197,350 | 533,105 | 3,730,455 | 2,235,318 |
|---------------|------------------|----------------|------------------|------------------|

| | | | | |
|---------------------|------------------|----------------|------------------|------------------|
| Total equity | 3,197,350 | 533,105 | 3,730,455 | 2,235,318 |
|---------------------|------------------|----------------|------------------|------------------|

| | | | | |
|-------------------------------------|----------------------|---------------------|----------------------|---------------------|
| Total liabilities and equity | \$ 10,231,551 | \$ 1,770,905 | \$ 12,002,456 | \$ 9,934,621 |
|-------------------------------------|----------------------|---------------------|----------------------|---------------------|

Revenue and Expenses

| | Paul Band Business Trust | Paul Band Corporations | 2022 Total | 2021 Total |
|--------------------------|-----------------------------|---------------------------|---------------------|---------------------|
| Revenue | \$ 3,480,862 | \$ 1,651,293 | \$ 5,132,155 | \$ 3,264,485 |
| Expenses | 1,637,933 | 2,000,286 | 3,638,219 | 1,723,896 |
| Net income (loss) | \$ 1,842,929 | \$ (348,993) | \$ 1,493,936 | \$ 1,540,589 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

6. Investment in and advances to/from Paul First Nation Entities (continued)

| | 2022 | 2021 |
|--|--------------|--------------|
| Advances from Paul Band Developments Limited Partnership | \$ (357,068) | \$ (379,364) |
| Advances from Paul Band Business Trust | (100) | (100) |
| Advances to Paul First Nation Cascade Limited Partnership | 4,075 | 75 |
| Advances to Paul First Nation Renewable Energy Limited Partnership | 14,000 | - |
| Advances to (from) Weh-Hnim-Nay Energy Limited Partnership | 1,316,900 | (1,077,071) |
| Accumulated surplus (deficit) in Paul Band Business Trust | 3,197,350 | 1,353,421 |
| Investment and advances in Paul Band Business Trust | \$ 4,175,157 | \$ (103,039) |

7. Trust funds

| | March 31, 2021 | Income 2022 | Withdrawals 2022 | Gains/(losses) 2022 | March 31, 2022 |
|------------------------------|-------------------|----------------|---------------------|------------------------|-------------------|
| Ottawa Trust Funds - Capital | \$ 1,730,525 | \$ - | \$ - | \$ - | \$ 1,730,525 |
| Ottawa Trust Funds - Revenue | 849,097 | 159,426 | - | - | 1,008,523 |
| Settlement Trust Funds | 4,265,287 | 216,355 | (246,066) | (119,792) | 4,115,784 |
| Community Trust | 4,306,207 | 412,707 | (3,929,299) | - | 789,615 |
| | \$ 11,151,116 | \$ 788,488 | \$ (4,175,365) | \$ (119,792) | \$ 7,644,447 |

The Ottawa Trust Funds in the amount of \$2,739,048 (2021: \$2,579,622) arise from monies derived from capital and revenue sources which the Crown considers are described in Section 62 of the Indian Act. These funds are held in trust by the Government of Canada and the Crown treats these funds as primarily governed by section 64 and 69 of the Indian Act. The Funds earn interest pursuant to section 61(2) of the Indian Act.

The Settlement Trust Funds are held in the form of short-term notes and fixed income Canadian government and corporate bonds with various terms. Under the terms of the agreement, the First Nation can withdraw up to 80% of the income earned annually for use in its operations. During the year, \$246,066 (2021: \$16,241) was withdrawn. The cost of the Settlement Trust Funds at March 31, 2022 was \$3,798,972 (2021: \$3,828,349).

The Community Trust Funds are held in the form of cash and mutual funds. During the year, \$3,929,299 (2021: \$nil) was withdrawn. The cost of the Community Trust Funds at March 31, 2022 was \$789,615 (2021: \$4,306,207).

8. Operating loan

During the year, the Canadian Mortgage and Housing Corporation (CMHC) phase 7 project was completed and the operating loan was converted into a mortgage with an interest adjustment date of October 1, 2021.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

9. Accounts payable

| | 2022 | 2021 |
|---------------------------|--------------|--------------|
| Accounts payables - trade | \$ 2,238,250 | \$ 2,046,402 |
| Government remittances | 72,479 | 57,482 |
| Per Capita Distribution | 35,800 | 35,800 |
| Wages payable | 284,281 | 151,654 |
| | <hr/> | <hr/> |
| | \$ 2,630,810 | \$ 2,291,338 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

10. Deferred revenue

Deferred revenue represents funds received, that will be recognized as revenue in the next fiscal year, when the related expenses are incurred, or when the terms of the funding have been completed. The deferred revenue relates to the following programs and funders:

| | March 31, 2021 | Funding received, 2022 | Revenue recognized, 2022 | March 31, 2022 |
|---|-------------------|------------------------------|--------------------------------|-------------------|
| Assisted Living - ISC | \$ 17,585 | \$ 216,701 | \$ (30,572) | \$ 203,714 |
| Capital Projects: Road Upgrade - ISC | 598,844 | 4,776,000 | (2,707,828) | 2,667,016 |
| Child and Family Services - ISC | 215,278 | 7,323,677 | (376,084) | 7,162,871 |
| Community Health Services - Health | 2,245,761 | 5,040,038 | (3,183,527) | 4,102,272 |
| COVID-19 program - ISC | 867,251 | 3,676,251 | (2,352,702) | 2,190,800 |
| Daycare - ISC | 213,622 | 123,120 | (129,510) | 207,232 |
| Daycare - ISETS | - | 305,418 | (232,217) | 73,201 |
| Economic Development - ISC | 94,147 | 113,128 | (92,770) | 114,505 |
| Education Partners Program (EPP) - ISC | 119,412 | 209,668 | (161,761) | 167,319 |
| Elementary and Junior High School - ISC | 895,324 | 4,858,501 | (3,332,960) | 2,420,865 |
| Enhanced Service Delivery - ISC | 255,071 | 135,446 | (390,517) | - |
| Gas Station and Market Feasibility Study - ISC | - | 131,414 | (131,214) | 200 |
| Housing - ISC | 25,289 | 1,700,000 | (8,821) | 1,716,468 |
| Indigenous Skills and Employment Training Strategy - ISETS | 82,386 | 665,296 | (260,071) | 487,611 |
| Municipal Services - ISC | - | 3,499,782 | (1,165,488) | 2,334,294 |
| Post Secondary Education - ISC | 100,966 | 895,280 | (700,392) | 295,854 |
| Social Assistance - ISC | 355,928 | 3,115,960 | (1,319,540) | 2,152,348 |
| Social Assistance to Employment & Training - ISC | 71,104 | 332,152 | (217,655) | 185,601 |
| Social Development - Service Delivery - ISC | 927,698 | 597,370 | (352,349) | 1,172,719 |
| Specific Claims - ISC | - | 175,530 | (101,865) | 73,665 |
| Treaty Days - ISC | - | 41,575 | (22,984) | 18,591 |
| Urban Support - ISC | - | 402,500 | (375,370) | 27,130 |
| | 7,085,666 | 38,334,807 | (17,646,197) | 27,774,276 |
| Provincial Government | | | | |
| First Nation Development Fund | 189,058 | 564,807 | (695,271) | 58,594 |
| | \$ 7,274,724 | \$ 38,899,614 | \$ (18,341,468) | \$ 27,832,870 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

11. Long-term debt

| | 2022 | 2021 |
|---|---------------------|---------------------|
| Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$1,939 including interest at 0.52%, maturing May 2025. Secured by Band Funds and housing units. | \$ 71,117 | \$ 93,333 |
| Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$709 including interest at 1.22%, maturing November 2034. Secured by Band Funds and housing units. | 99,822 | 107,133 |
| Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,448 including interest at 1.22%, maturing November 2034. Secured by Band Funds and housing units. | 485,420 | 520,968 |
| Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,551 including interest at 1.97%, maturing November 2037. Secured by Band Funds and housing units. | 574,334 | 605,347 |
| Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,722 including interest at 2.50%, maturing May 2038. Secured by Band Funds and housing units. | 594,059 | 623,549 |
| Royal Bank of Canada demand loan, repaid during the year. | - | 13,166 |
| Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$4,334 including interest at 1.12%, maturing December 2044. Secured by Band Funds and housing units. | 1,117,541 | - |
| Royal Bank of Canada demand loan due September 2023, repayable in monthly instalments of \$3,208 including interest at 4.85%. Secured by Band Funds and housing units. | 214,225 | 241,632 |
| Royal Bank of Canada demand loan due February 2023, repayable in monthly instalments of \$8,481 including interest at 4.85%. Secured by Band Funds and housing units. | 522,317 | 596,762 |
| Royal Bank of Canada term loan bearing interest at prime plus 0.50%, interest only payments, maturing January 2023. Secured by a general security agreement. | 3,031,633 | 2,831,843 |
| Royal Bank of Canada term loan, repaid during the year. | - | 2,539,688 |
| | \$ 6,710,468 | \$ 8,173,421 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

11. Long-term debt (continued)

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

| | |
|---------------------|--------------|
| 2023 | \$ 3,752,158 |
| 2024 | 357,721 |
| 2025 | 175,044 |
| 2026 | 158,564 |
| 2027 and thereafter | 2,266,981 |
| | <hr/> |
| | \$ 6,710,468 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

12. Tangible Capital Assets

| | Cost | | | | Accumulated amortization | | | | |
|-----------------------------------|----------------------------------|--------------|------------|-------------------------|----------------------------------|--------------|-------------------------|------------------------|--|
| | Balance, beginning of year | Additions | Disposals | Balance, end of year | Balance, beginning of year | Amortization | Balance, end of year | 2022 net book value | |
| Land | \$ 2,158,907 | \$ - | \$ (1,000) | \$ 2,157,907 | \$ - | \$ - | \$ - | \$ 2,157,907 | |
| Buildings | 57,925,759 | 182,805 | - | 58,108,564 | 19,079,067 | 1,787,716 | 20,866,783 | 37,241,781 | |
| Automotive equipment | 8,505,557 | 810,431 | - | 9,315,988 | 7,220,691 | 546,513 | 7,767,204 | 1,548,784 | |
| Computer equipment | 468,726 | - | - | 468,726 | 408,041 | 50,572 | 458,613 | 10,113 | |
| Office furniture and equipment | 47,054 | - | - | 47,054 | 45,237 | 1,817 | 47,054 | - | |
| Infrastructure | 45,098,842 | 2,058,844 | - | 47,157,686 | 13,736,886 | 1,546,394 | 15,283,280 | 31,874,406 | |
| Paving | 180,097 | - | - | 180,097 | 128,175 | 51,922 | 180,097 | - | |
| | \$ 114,384,942 | \$ 3,052,080 | \$ (1,000) | \$ 117,436,022 | \$ 40,618,097 | \$ 3,984,934 | \$ 44,603,031 | \$ 72,832,991 | |

| | Cost | | | | Accumulated amortization | | | | |
|-----------------------------------|----------------------------------|--------------|-------------|-------------------------|----------------------------------|--------------|-------------------------|------------------------|--|
| | Balance, beginning of year | Additions | Disposals | Balance, end of year | Balance, beginning of year | Amortization | Balance, end of year | 2021 Net book value | |
| Land | \$ 2,158,907 | \$ - | \$ - | \$ 2,158,907 | \$ - | \$ - | \$ - | \$ 2,158,907 | |
| Buildings | 51,943,512 | 6,078,688 | (96,441) | 57,925,759 | 17,817,414 | 1,261,653 | 19,079,067 | 38,846,692 | |
| Automotive equipment | 7,788,359 | 717,198 | - | 8,505,557 | 6,820,981 | 399,710 | 7,220,691 | 1,284,866 | |
| Computer equipment | 420,579 | 48,147 | - | 468,726 | 357,469 | 50,572 | 408,041 | 60,685 | |
| Office furniture and equipment | 47,054 | - | - | 47,054 | 44,783 | 454 | 45,237 | 1,817 | |
| Infrastructure | 43,174,390 | 1,924,452 | - | 45,098,842 | 12,396,377 | 1,340,509 | 13,736,886 | 31,361,956 | |
| Paving | 180,097 | - | - | 180,097 | 123,660 | 4,515 | 128,175 | 51,922 | |
| | 105,712,898 | \$ 8,768,485 | \$ (96,441) | \$ 114,384,942 | \$ 37,560,684 | \$ 3,057,413 | \$ 40,618,097 | \$ 73,766,845 | |

During the year, the Nation incurred an impairment loss of \$334,477 as a result of the continued closure of the Wapta Mnodai Developments Ltd. (o/a Ironhead Golf Course).

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

13. Accumulated surplus

| | 2022 | 2021 |
|--------------------------|----------------------|----------------------|
| Operating fund | \$ (6,493,487) | \$ (5,858,220) |
| Enterprise fund | 5,835,175 | 1,004,975 |
| Capital asset fund | 69,155,157 | 70,964,956 |
| Trust fund | 7,327,300 | 10,714,178 |
| CMHC replacement reserve | 639,701 | 608,420 |
| Remeasurement gain | 317,146 | 436,938 |
| | \$ 76,780,992 | \$ 77,871,247 |

14. Contingent Liabilities

Legal proceedings:

Paul First Nation has been named as defendant in certain legal proceedings. The Nation is actively defending all lawsuits. Since the amount of loss, if any, cannot be reasonably estimated, no provision has been recorded in these financial statements. Should a loss be incurred, it will be expensed in the year the liability is determined.

Government contributions:

Government contributions related to the projects of the entity are subject to conditions regarding the expenditure of funds. The entity's accounting records are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective funding agencies.

Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

15. Budget Information

Budget information for the year ended March 31, 2022 is unaudited and has been provided by management.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

16. Expenses

| For the year ended March 31 | 2022 Budget | 2022 Actual | 2021 Actual |
|------------------------------|----------------|----------------|----------------|
| Amortization | \$ - | \$ 3,650,459 | \$ 3,057,413 |
| Bad debt (recovery) | - | 49,140 | (30,184) |
| Co-Management fees | - | 293,424 | 328,811 |
| Community events | 903,565 | 87,420 | - |
| Cultural events | 114,484 | 402,434 | 531,801 |
| Economic development | 469,947 | 696,761 | 917,359 |
| Education and tuition fees | 529,766 | 220,582 | 181,373 |
| Feasibility studies | - | 47,160 | - |
| Human Resources Development | - | 90,423 | 98,539 |
| Impairment of capital assets | - | 334,477 | - |
| Insurance | 254,000 | 327,325 | 290,876 |
| Interest and bank charges | 16,678 | 204,993 | 278,196 |
| Materials and supplies | 669,310 | 1,224,998 | 1,152,709 |
| Meeting and travel expenses | 461,747 | 1,237,407 | 596,844 |
| Office expenses | 540,853 | 398,739 | 392,289 |
| Professional fees | 274,758 | 1,352,847 | 1,178,197 |
| Program costs | 4,000 | 90,841 | 473,763 |
| Rent | 30,000 | 23,781 | 105,922 |
| Repairs and maintenance | 478,872 | 414,542 | 476,269 |
| Social Assistance | 1,588,877 | 2,335,764 | 2,020,836 |
| Subcontractors | 337,936 | 1,166,636 | 1,124,542 |
| Training | 287,450 | 548,892 | 251,515 |
| Utilities and telephone | 466,342 | 796,959 | 775,379 |
| Vehicle | 188,366 | 418,363 | 268,254 |
| Wages and benefits | 6,715,673 | 9,620,772 | 7,417,479 |
| Writedown of investments | - | - | 201,705 |
| | \$ 14,332,624 | \$ 26,035,139 | \$ 22,089,887 |

17. CMHC Replacement Reserve Fund

Under conditions of agreements with the Canada Mortgage and Housing Corporation, the First Nation is required to maintain certain reserves of \$639,701 (2021: \$608,420) related to on-reserve housing projects. These reserves are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement Reserve Fund. As of the March 31, 2022 year end, the Replacement Reserve Fund was underfunded by \$639,701 (2021: \$608,420).

18. Economic Dependence

Paul First Nation receives substantially all of its funding through contribution arrangements with the Department of Indigenous Services Canada. The ability of the First Nation to continue operations is dependant upon funding from Indigenous Services Canada.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

19. Pension Plan

The First Nation has established a defined contribution pension plan, in which all permanent full-time employees are required to participate. Pension contributions of 5.5% are matched by the First Nation. No significant changes were made to the pension plan during the year. The pension expense for the year was \$114,484 (2021: \$77,092).

20. Commitments

Paul First Nation is currently undertaking the construction of various capital projects which will continue into the next fiscal years.

21. Financial instruments

The Nation's financial instruments consist of cash, accounts receivable, band member receivables, long-term investments, trust funds, accounts payable and accrued liabilities, and long-term debt. Unless otherwise noted, the carrying value of its financial instruments approximates fair value.

It is management's opinion that the Nation is not exposed to significant currency risk from its financial instruments. The Nation is subject to credit risk with respect to other income. Credit risk arises from the possibility that the entities may experience financial difficulty and be unable to fulfil their obligations. The large amount of annual funding received from the Government of Canada minimizes credit risk.

22. Comparative figures

Certain comparative figures have been reclassified to conform with the presentation used in the current year.

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

23. Segmented information

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. The segment revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounts Policies as described in Note 1. The segment results for the period are as follows:

| | Band Government | | | Education | | | Health | | |
|----------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2022 Budget | 2022 Actual | 2021 Actual | 2022 Budget | 2022 Actual | 2021 Actual | 2022 Budget | 2022 Actual | 2021 Actual |
| Revenues | | | | | | | | | |
| Indigenous Services Canada (ISC) | \$ 910,998 | \$ 3,778,618 | \$ 3,726,158 | \$ 4,606,556 | \$ 4,636,194 | \$ 4,354,256 | \$ 15,061 | \$ - | \$ - |
| ISC - Health | - | - | - | - | 25,615 | 291,276 | 1,861,159 | 3,183,527 | 1,799,377 |
| Other revenue | 913,783 | 473,881 | 524,636 | - | 170,536 | 253,302 | (163,585) | 40,032 | 32,306 |
| Total revenue | 1,824,781 | 4,252,499 | 4,250,794 | 4,606,556 | 4,832,345 | 4,898,834 | 1,712,635 | 3,223,559 | 1,831,683 |
| Expenses | | | | | | | | | |
| Materials and supplies | - | 330,530 | 539,537 | 113,799 | 186,360 | 87,899 | 50,501 | 301,721 | 238,002 |
| Meeting and travel expenses | 235,708 | 750,343 | 365,372 | 53,806 | 162,829 | 100,290 | 83,593 | 81,958 | 42,247 |
| Professional fees | 136,937 | 1,014,232 | 689,385 | 72,821 | 145,226 | 421,431 | 5,000 | 9,500 | 8,728 |
| Social Assistance | - | 116,457 | 20,951 | - | - | - | 17,736 | 1,500 | - |
| Subcontractors | 48,000 | 162,222 | 85,233 | 28,500 | 136,942 | 210,607 | 81,915 | 331,374 | 85,212 |
| Training | 6,000 | 109,653 | 35,570 | 40,000 | 13,078 | 2,914 | 91,147 | 259,623 | 84,650 |
| Utilities and telephone | 181,644 | 261,833 | 218,161 | 77,320 | 172,552 | 108,968 | 36,746 | 38,161 | 20,959 |
| Wages and benefits | 908,136 | 2,832,872 | 1,973,288 | 2,784,404 | 3,165,629 | 2,641,181 | 1,051,206 | 1,318,414 | 916,450 |
| Other expenses | 308,600 | 669,012 | 1,245,587 | 1,435,906 | 1,222,485 | 1,437,254 | 294,547 | 869,337 | 617,297 |
| Total expenses | 1,825,025 | 6,247,154 | 5,173,084 | 4,606,556 | 5,205,101 | 5,010,544 | 1,712,391 | 3,211,588 | 2,013,545 |
| Annual surplus (deficit) | \$ (244)\$ | (1,994,655)\$ | (922,290)\$ | - \$ | (372,756)\$ | (111,710)\$ | 244 \$ | 11,971 \$ | (181,862) |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

23. Segmented information (continued)

| | Economic Development | | | Public Works | | | Community Services | | |
|--------------------------------|----------------------|----------------|----------------|----------------|----------------|----------------|--------------------|----------------|----------------|
| | 2022 Budget | 2022 Actual | 2021 Actual | 2022 Budget | 2022 Actual | 2021 Actual | 2022 Budget | 2022 Actual | 2021 Actual |
| Revenues | | | | | | | | | |
| ISC | \$ 95,708 | \$ 92,770 | \$ 61,109 | \$ 1,150,614 | \$ 1,524,943 | \$ 2,007,546 | \$ - | \$ - | \$ - |
| First Nations Development Fund | - | - | - | - | - | - | 541,431 | 695,271 | 247,577 |
| Other revenue | - | 1,513,936 | 1,559,389 | 897,452 | 205,739 | 202,768 | 512,793 | 6,392 | (147,124) |
| Total revenue | 95,708 | 1,606,706 | 1,620,498 | 2,048,066 | 1,730,682 | 2,210,314 | 1,054,224 | 701,663 | 100,453 |
| Expenses | | | | | | | | | |
| Materials and supplies | - | - | - | 342,200 | 162,362 | 96,225 | - | 5,539 | 14,150 |
| Meeting and travel expenses | - | 270 | 772 | 5,825 | 4,582 | 18,994 | 16,800 | 27,205 | - |
| Professional fees | 60,000 | - | 44,238 | - | 19,575 | - | - | - | - |
| Social Assistance | - | - | - | - | - | - | - | 368,896 | - |
| Subcontractors | - | 80,000 | 16,099 | 107,000 | 340,987 | 624,728 | - | 400 | - |
| Training | 35,708 | - | - | 46,264 | 7,069 | - | - | - | - |
| Utilities and telephone | - | - | - | 112,332 | 256,297 | 355,368 | 4,800 | 4,800 | - |
| Wages and benefits | - | 500 | - | 1,107,031 | 672,293 | 623,472 | 85,758 | 151,257 | 9,838 |
| Other expenses | - | 12,000 | 201,704 | 327,414 | 289,847 | 476,717 | 946,866 | 285,314 | - |
| Total expenses | 95,708 | 92,770 | 262,813 | 2,048,066 | 1,753,012 | 2,195,504 | 1,054,224 | 843,411 | 23,988 |
| Annual surplus (deficit) | \$ - | \$ 1,513,936 | \$ 1,357,685 | \$ - | \$ (22,330) | \$ 14,810 | \$ - | \$ (141,748) | \$ 76,465 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

23. Segmented information (continued)

| | 2022 Budget | Social Services 2022 Actual | 2021 Actual | 2022 Budget | Employment Programs 2022 Actual | 2021 Actual | 2022 Budget | Housing 2022 Actual | 2021 Actual |
|-----------------------------|----------------|-----------------------------------|----------------|----------------|---------------------------------------|----------------|----------------|---------------------------|----------------|
| Revenues | | | | | | | | | |
| ISC | \$ 2,518,105 | \$ 3,191,597 | \$ 2,668,966 | - | \$ - | \$ - | - | \$ 8,821 | \$ 389,711 |
| CMHC | - | - | - | - | - | - | - | 880,278 | 208,860 |
| ISETS | 245,457 | 232,217 | 242,618 | - | 260,071 | 422,700 | - | - | - |
| Other revenue | 227,092 | 39,505 | 566,547 | - | 3,228 | (47,677) | - | 17,338 | 24,746 |
| Total revenue | 2,990,654 | 3,463,319 | 3,478,131 | - | 263,299 | 375,023 | - | 906,437 | 623,317 |
| Expenses | | | | | | | | | |
| Materials and supplies | 162,810 | 79,248 | 48,619 | - | - | - | - | 3,764 | 126,597 |
| Meeting and travel expenses | 66,015 | 185,519 | 50,860 | - | 17,900 | 18,309 | - | 6,800 | - |
| Professional fees | - | 12,406 | - | - | 4,500 | - | - | - | - |
| Social Assistance | 1,571,141 | 1,848,911 | 1,999,885 | - | - | - | - | - | - |
| Subcontractors | 72,521 | 67,860 | 87,520 | - | - | - | - | 20,850 | 15,142 |
| Training | 68,331 | 148,294 | 18,045 | - | 11,175 | 110,338 | - | - | - |
| Utilities and telephone | 53,500 | 20,600 | 28,491 | - | 3,183 | 5,492 | - | 2,021 | - |
| Wages and benefits | 779,138 | 966,726 | 885,224 | - | 169,081 | 129,249 | - | - | - |
| Other expenses | 217,198 | 77,384 | 184,833 | - | 114,113 | 109,312 | - | 87,551 | 142,225 |
| Total expenses | 2,990,654 | 3,406,948 | 3,303,477 | - | 319,952 | 372,700 | - | 120,986 | 283,964 |
| Annual surplus (deficit) | \$ - | \$ 56,371 | \$ 174,654 | - | \$ (56,653) | \$ 2,323 | - | \$ 785,451 | \$ 339,353 |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

23. Segmented information (continued)

| | 2022 Budget | Capital Projects 2022 Actual | 2021 Actual | 2022 Budget | Trust Funds 2022 Actual | 2021 Actual | 2022 Budget | Amortization 2022 Actual | 2021 Actual |
|--------------------------|----------------|------------------------------------|----------------|----------------|-------------------------------|----------------|----------------|--------------------------------|----------------|
| Revenues | | | | | | | | | |
| ISC | \$ - | \$ 3,313,387 | \$ 7,122,899 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other revenue | - | - | - | - | 765,779 | 2,129,290 | - | - | - |
| Total revenue | - | 3,313,387 | 7,122,899 | - | 765,779 | 2,129,290 | - | - | - |
| Expenses | | | | | | | | | |
| Materials and supplies | - | 155,475 | 1,681 | - | - | - | - | - | - |
| Professional fees | - | 141,242 | - | - | - | - | - | - | - |
| Subcontractors | - | 26,000 | - | - | - | - | - | - | - |
| Utilities and telephone | - | - | 12,775 | - | - | - | - | - | - |
| Wages and benefits | - | 344,000 | 232,739 | - | - | - | - | - | - |
| Other expenses | - | 110,600 | 85,599 | - | - | - | - | 3,984,936 | 3,024,610 |
| Total expenses | - | 777,317 | 332,794 | - | - | - | - | 3,984,936 | 3,024,610 |
| Annual surplus (deficit) | \$ - | \$ 2,536,070 | \$ 6,790,105 | \$ - | \$ 765,779 | \$ 2,129,290 | \$ - | \$ (3,984,936) | \$ (3,024,610) |

Paul First Nation

Notes to Consolidated Financial Statements

March 31, 2022

23. Segmented information (continued)

| | Wapta Mnodai Developments Ltd. | | | Consolidated totals | | |
|--------------------------------|--------------------------------|----------------|----------------|---------------------|----------------|----------------|
| | 2022 Budget | 2022 Actual | 2021 Actual | 2022 Budget | 2022 Actual | 2021 Actual |
| Revenues | | | | | | |
| ISC | \$ - | \$ - | \$ - | \$ 9,297,042 | \$ 16,546,330 | \$ 20,330,645 |
| ISC - Health | - | - | - | 1,861,159 | 3,209,142 | 2,090,653 |
| CMHC | - | - | - | - | 880,278 | 208,860 |
| First Nations Development Fund | - | - | - | 541,431 | 695,271 | 247,577 |
| ISETS | - | - | - | 245,457 | 492,288 | 665,318 |
| Other revenue | - | 5,000 | 6,800 | 2,387,535 | 3,241,366 | 5,104,983 |
| Total revenue | - | 5,000 | 6,800 | 14,332,624 | 25,064,675 | 28,648,036 |
| Expenses | | | | | | |
| Materials and supplies | - | - | - | 669,310 | 1,224,999 | 1,152,710 |
| Meeting and travel expenses | - | - | - | 461,747 | 1,237,406 | 596,844 |
| Professional fees | - | 6,166 | 14,415 | 274,758 | 1,352,847 | 1,178,197 |
| Social Assistance | - | - | - | 1,588,877 | 2,335,764 | 2,020,836 |
| Subcontractors | - | - | - | 337,936 | 1,166,635 | 1,124,541 |
| Training | - | - | - | 287,450 | 548,892 | 251,517 |
| Utilities and telephone | - | 37,511 | 25,165 | 466,342 | 796,958 | 775,379 |
| Wages and benefits | - | - | 6,038 | 6,715,673 | 9,620,772 | 7,417,479 |
| Other expenses | - | 28,287 | 47,246 | 3,530,531 | 7,750,866 | 7,572,384 |
| Total expenses | - | 71,964 | 92,864 | 14,332,624 | 26,035,139 | 22,089,887 |
| Annual surplus (deficit) | \$ - | \$ (66,964) | \$ (86,064) | \$ - | \$ (970,464) | \$ 6,558,149 |