

Athabasca Chipewyan First Nation
Consolidated Financial Statements
For the year ended March 31, 2021

Athabasca Chipewyan First Nation

Contents

For the year ended March 31, 2021

Page

Management's Responsibility

Independent Auditor's Report

Consolidated Financial Statements

Consolidated Statement of Financial Position.....	4
Consolidated Statement of Operations and Accumulated Surplus.....	5
Consolidated Statement of Remeasurement Gains and Losses.....	7
Consolidated Statement of Changes in Net Financial Assets.....	8
Consolidated Statement of Cash Flows.....	9

Notes to the Consolidated Financial Statements..... 11

Schedules

Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	25
Schedule 2 - Schedule of Consolidated Expenses by Object.....	27
Schedules 3 to 15 of Revenue and Expenses	28

Management's Responsibility

To the Members of the Athabasca Chipewyan First Nation:

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

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

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

The Athabasca Chipewyan First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP is appointed by the Chief and Council on behalf of the members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

August 30, 2021

signed by "Maggie Farrington"

Chief Executive
Officer

signed by "Larry Hewko"

Chief Financial
Officer

To the Members of Athabasca Chipewyan First Nation:

Opinion

We have audited the consolidated financial statements of Athabasca Chipewyan First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations, its consolidated remeasurement gains and losses, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Fort McMurray, Alberta

August 30, 2021

MNP LLP

Chartered Professional Accountants

Athabasca Chipewyan First Nation
Consolidated Statement of Financial Position
As at March 31, 2021

	2021	2020
Financial assets		
Cash and cash equivalents (Note 3)	5,445,373	5,792,027
Marketable securities	205,000	-
Accounts receivable (Note 4)	7,164,395	9,645,604
Tax receivable	827,483	759,493
Inventory for resale	387,263	537,263
Investments (Note 5)	12,435,140	10,537,494
Investment in First Nation business entities (Note 6)	67,146,351	51,002,199
Funds held in trust and restricted investments (Note 7)	67,620,290	47,459,078
Investment in Cree Chip Development Corporation (Note 8)	2,639,350	2,639,350
Investment in joint venture and partnership (Note 9)	1,906,116	711,967
Total assets	165,776,761	129,084,475
Liabilities		
Accounts payable and accruals (Note 10)	2,629,313	4,282,076
Deferred revenue (Note 11)	2,810,463	3,591,679
Advances from related First Nation entities and departments	70,480	88,513
Long-term debt (Note 12)	22,406,425	20,570,620
Distributions due to minors (Note 16)	3,306,975	3,393,449
Total liabilities	31,223,656	31,926,337
Net financial assets	134,553,105	97,158,138
Guarantees (Note 14)		
Contingent liabilities (Note 15)		
Significant event (Note 20)		
Non-financial assets		
Tangible capital assets (Schedule 1)	32,411,000	33,205,882
Prepaid expenses	63,568	83,361
Total non-financial assets	32,474,568	33,289,243
Accumulated surplus	167,027,673	130,447,381
Accumulated surplus is comprised of:		
Accumulated surplus	158,132,917	136,755,789
Accumulated remeasurement gains (losses)	8,894,756	(6,308,409)
	167,027,673	130,447,380

Approved on behalf of the Council

signed by "Allan Adam"

Chief

signed by "Florence Cyprean"

**Council
Member**

Athabasca Chipewyan First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2021

	<i>Schedules</i>	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Revenue				
Department of Indigenous Services Canada		2,613,447	1,831,693	1,672,480
Store revenue		4,567,297	3,273,072	3,067,948
Other revenue		883,801	599,810	146,277
First Nations Development Fund		-	-	449,872
Nutrition North Canada		558,000	625,381	328,010
Canada Mortgage and Housing Corporation		547,716	294,804	293,013
Employment and Social Development Canada		150,000	137,800	137,080
Industry grants and other revenue		6,145,199	2,309,078	13,455,493
Income from joint venture and partnership (Note 9)		-	1,277,531	3,567,664
Industry contributions		1,682,000	13,621,891	10,916,716
Earnings from investment in First Nation business entities (Note 6)		1,300,000	19,831,704	2,259,421
Investment income		3,789,920	3,169,014	3,958,791
Athabasca tribal council		-	-	275,963
Province of Alberta		-	160,000	77,970
Rental income		-	113,477	159,669
Deferred revenue - current year		-	-	(170,665)
Deferred revenue - prior year		-	170,665	159,363
		22,237,380	47,415,920	40,755,065
Program expenses				
Athabasca Chipewyan First Nation - Administration	3	8,665,558	12,941,841	12,079,783
Social Development	4	-	158,414	716,936
Education and Training	5	-	40,705	521,438
Housing	6	1,247,315	556,020	2,048,973
First Nations Development Fund	7	-	63,967	586,744
850450 Alberta Ltd.	8	-	55,710	65,761
1497161 Alberta Ltd.	9	891,051	442,092	619,287
Agriculture Benefits Settlement Trust	10	-	411,420	468,782
K'ai Taile Denesoline Trust	12	-	211,049	184,546
K'ai Taile Market Ltd.	13	5,049,952	5,045,442	4,518,399
Settlement Funds	14	3,528,000	1,928,795	2,494,281
ACFN Dene Lands and Resources Management	15	-	3,823,593	4,482,100
Total expenses		19,381,876	25,679,048	28,787,030
Surplus before other items		2,855,504	21,736,872	11,968,035

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Athabasca Chipewyan First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2021

	2021 Budget	2021	2020
Surplus before other items <i>(Continued from previous page)</i>	2,855,504	21,736,872	11,968,035
Other income (expense)			
Gain on disposal of tangible capital assets	-	21,251	1,413
Loss on write-down of tangible capital assets	-	(750,000)	-
Gain (loss) on disposal of investments <i>(Note 5), (Note 7)</i>	-	369,005	(439,773)
	-	(359,744)	(438,360)
Surplus	2,855,504	21,377,128	11,529,675
Accumulated surplus, beginning of year	136,755,788	136,755,789	125,226,114
Accumulated surplus, end of year	139,611,292	158,132,917	136,755,789

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

Athabasca Chipewyan First Nation
Consolidated Statement of Remeasurement Gains and Losses
For the year ended March 31, 2021

	2021	2020
Accumulated remeasurement gains (losses), beginning of year	(6,308,409)	916,842
Unrealized gains (losses) attributable to:		
Trust and restricted investments <i>(Note 7)</i>	12,933,508	(6,125,997)
Investments <i>(Note 5)</i>	2,269,657	(1,099,254)
Change in remeasurement gains (losses), for the year	15,203,165	(7,225,251)
Accumulated remeasurement gains (losses), end of year	8,894,756	(6,308,409)

Athabasca Chipewyan First Nation
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2021

	<i>2021 Budget</i>	<i>2021</i>	<i>2020</i>
Annual surplus	2,495,504	21,377,128	11,529,675
Purchases of tangible capital assets	(7,708,745)	(1,319,120)	(199,343)
Amortization of tangible capital assets	-	1,364,002	1,106,776
Change in construction in progress	-	-	(5,928,855)
Gain on disposal of tangible capital assets	-	(21,251)	(1,413)
Proceeds of disposal of tangible capital assets	-	21,253	11,500
Non-cash acquisition of tangible capital assets (Note 6)	-	-	(1,072,450)
Loss on write-down of tangible capital assets	-	750,000	-
Net changes of tangible capital assets	(7,708,745)	794,884	(6,083,785)
Acquisition of prepaid expenses	-	-	(26,240)
Use of prepaid expenses	-	19,790	-
Change in remeasurement gains (losses) for the year	-	15,203,165	(7,225,250)
Net changes of prepaid expenses and remeasurement gains (losses)	-	15,222,955	(7,251,490)
Changes in net financial assets	(5,213,241)	37,394,967	(1,805,600)
Net financial assets, beginning of year	97,158,138	97,158,138	98,963,738
Net financial assets, end of year	91,944,897	134,553,105	97,158,138

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

Athabasca Chipewyan First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Surplus	21,377,128	11,529,675
Non-cash items		
Amortization (Schedule 1)	1,364,002	1,106,776
Bad debts	169,031	87,240
Loss (gain) on disposal of portfolio investments	(369,005)	439,773
Earnings from investment in First Nation Business entities (Note 6)	(19,831,704)	(2,259,421)
Non-cash expenses paid by First Nation Business entities (Note 6)	1,607,445	2,003,372
Earnings net of distributions from investment in joint venture and partnership (Note 9)	(1,194,149)	(3,461)
Gain on disposal of tangible capital assets	(21,251)	(1,413)
Net non-cash investment income earned on restricted investments (Note 7)	(9,369,700)	(6,993,652)
Net non-cash investment income earned on investments (Note 5)	(285,058)	(404,782)
Loss on write-down of tangible capital assets (Schedule 1)	750,000	-
Accrued penalties on payout of fixed loan (Note 12)	364,114	-
	(5,439,147)	5,504,107
Changes in working capital accounts		
Accounts receivable	2,312,178	(6,581,719)
Tax receivable	(67,991)	(51,220)
Inventory	(150,000)	(189,177)
Accounts payable and accruals	(1,551,468)	929,425
Deferred revenue	(781,216)	786,743
Prepaid expenses	19,790	(26,240)
Distributions due to minors (Note 16)	(174,669)	(113,320)
	(5,832,523)	258,599
Financing activities		
Advances of long-term debt	2,456,122	-
Repayment of long-term debt	(984,430)	(903,037)
Net advances (repayments) from related First Nation entities and departments	(18,033)	23,352
	1,453,659	(879,685)
Capital activities		
Purchases of tangible capital assets (Note 6) (Schedule 1)	(1,319,120)	(199,343)
Proceeds of disposal of tangible capital assets	21,253	11,500
Increase in construction in progress (Schedule 1)	-	(5,928,855)
	(1,297,867)	(6,116,698)
Investing activities		
Net proceeds on sale and disposal of restricted investments (Note 7)	2,369,643	4,028,253
Purchase of marketable securities	205,000	-
Net proceeds on sale and disposal of investments (Note 5)	675,327	1,136,720
Investment in Nation business entities (Note 6)	(3,080)	-
Distributions from investment in First Nation business entities (Note 6)	2,083,187	1,150,000
	5,330,077	6,314,973
Decrease in cash resources	(346,654)	(422,811)

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Athabasca Chipewyan First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Decrease in cash resources	(346,654)	(422,811)
Cash resources, beginning of year	5,792,027	6,214,838
Cash resources, end of year	5,445,373	5,792,027
Supplementary cash flow information		
Interest paid	1,173,475	825,926

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

Athabasca Chipewyan First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2021

1. Operations

The Athabasca Chipewyan First Nation (the "First Nation") is located in the province of Alberta, and provides various services to its members. Athabasca Chipewyan First Nation includes the Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Athabasca Chipewyan First Nation.

2. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards set out in the CPA Canada Handbook - Public Sector Accounting and are consistent with accounting policies set out by the Department of Indigenous Services Canada ("ISC"). Significant aspects of the accounting policies adopted by the First Nation are as follows:

Reporting entity and principles of consolidation

The consolidated financial statements consolidate the financial activities of all entities and departments comprising Athabasca Chipewyan First Nation, except for First Nation business entities.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Athabasca Chipewyan First Nation - Administration
- Social Development
- Education and Training
- Housing
- First Nation Development Fund
- 850450 Alberta Ltd.
- 1497161 Alberta Ltd.
- K'ai Taile Market Ltd.
- ACFN Agriculture Benefits Settlement Trust
- Settlement Funds
- K'ai Taile Denesoline Trust
- ACFN Dene Land & Resource Management
- Ottawa Trust Fund

Nation business entities accounted for by the modified equity basis include:

- Acden Business Trust
- ACFN Business Trust
- 2160415 Alberta Ltd.
- 2216328 Alberta Ltd.
- ACFN Industry Investments Limited Partnership

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

The First Nation's business entities, which are owned or controlled by the Nation but not dependent on the First Nation for their continuing operations, are included in the First Nation's consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the Nation's investment in these entities are recorded at acquisition cost and are increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable under the terms of applicable funding agreements; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Asset classification

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

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Funds held in trust and restricted investments

Funds held in trust consist of cash and investments which are restricted in use. Gains and losses resulting from a change in fair value of restricted financial assets and any interest and dividend income are recorded as an increase or decrease to the associated asset until the resources are used in accordance with their specified purposes.

Investments in joint venture and partnership and investment in Cree Chip Development Corporation

Investments in a joint venture and partnership, subject to joint control are accounted for using the equity method, less any provisions for permanent impairment. The investment in Cree Chip Development Corporation is accounted for using the cost method, less any provisions for permanent impairment.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Construction in progress is recorded at the construction costs of the related housing project. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Tangible capital assets are amortized annually, unless otherwise disclosed, using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<i>Method</i>	<i>Rate</i>
Buildings	declining balance	4 %
Vehicles	declining balance	30 %
Computer equipment	declining balance	45 %
Equipment	declining balance	20 %

Amortization is not recorded on buildings under construction as they are not yet in use.

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

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 consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

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

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in operations for the year; impairment of tangible capital assets is reflected in accumulated surplus when impairment occurs. Prices for similar items are used to measure fair value of long-lived assets.

Deferred revenue

Funding received under funding arrangements relating to projects that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt. These amounts are recognized in revenue in the year the project costs are incurred.

Net financial assets

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

Measurement uncertainty (use of estimates)

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. Deferred revenue is based upon estimates of expended amounts and amounts required to complete specific projects. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in operations in the periods in which they become known.

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Revenue recognition

Funding

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

- i. The Department of Indigenous Services ("DISC") and First Nations and Inuit Health ("FNIH")
The Athabasca Chipewyan First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.
- ii. Band Capital and Revenue Funds
The Athabasca Chipewyan First Nation recognizes revenue of the Capital and Revenue Fund as income is received and reported by the federal government.
- iii. Canada Mortgage and Housing Corporation ("CMHC")
CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements, and is decreased for amounts anticipated to be repaid at year end.
- iv. Rental income
Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.
- v. Employment and Social Development Canada ("ESD")
ESD provides funding for Aboriginal skills and employment training. These funds are reported as revenue in the year the specific expenses are incurred. Funds which have not been expended by the fiscal year end are recorded as deferred revenue and appear as a liability on the consolidated statement of financial position.
- vii. First Nation Development Fund ("FNDF")
FNDF provides funding for specific projects. These funds are reported as revenue in the year the specific expenses are incurred. Funds which have not been expended by the fiscal year end are recorded as deferred revenue and appear as a liability on the consolidated statement of financial position.
- viii. HSG Resources
The Athabasca Chipewyan First Nation recognizes revenue from HSG Resources as income is received and reported by the federal government.
- ix. Other revenue, industry contributions, administration fees, and investment income
All other revenue received that are not subject to funding agreements are recorded in the year in which they are earned and collection is reasonably assured.

Externally restricted revenue

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purposes specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

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

Segments

The First Nation conducts its business through 13 reportable segments: See "reporting entity" accounting policy note for list of all segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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.

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

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the consolidated statement of remeasurement gains and losses while interest income is recognized in the consolidated statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the consolidated statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the consolidated statement of operations.

Fair value measurements

The First Nation classifies fair value measurements recognized in the consolidated statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Quoted prices (unadjusted) are available in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the First Nation to develop its own assumptions.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy.

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Liability for contaminated site

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

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. No liabilities have been recorded as of March 31, 2021.

Consolidated Statement of remeasurement gains and losses

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in government business entities are distinguished from revenue and expenses reported in the consolidated statement of operations. The consolidated statement of operations reports the extent to which revenue raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the consolidated statement of remeasurement gains and losses. Taken together, the two statements account for changes in a First Nation's net assets in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest and dividends attributable to all financial instruments are reported in the consolidated statement of operations.

3. Cash and cash equivalents

Included in cash and cash equivalents is \$265,173 (2020 - \$265,173) restricted for capital housing projects (Note13).

	2021	2020
Cash and cash equivalents	4,975,327	5,298,854
Restricted cash	265,173	265,173
GIC	204,873	228,000
	5,445,373	5,792,027

4. Accounts receivable

	2021	2020
Accounts receivable	8,704,976	11,120,264
Less: Allowance for doubtful accounts	1,540,581	1,474,660
	7,164,395	9,645,604

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

5. Investments

Short term investments are carried at fair market value:

	2021	2020
Cash and cash equivalents	67,804	212,837
Equities	8,593,122	6,786,958
Fixed income	3,774,214	3,537,699
	12,435,140	10,537,494

During the year the investments earned investment income of \$330,629 (2020 - \$454,930) and incurred investment related expenses of \$45,571 (2020 - \$49,148) and the net amount was re-invested into investments. The cost of investments is \$11,281,985. (2020 - \$11,653,996). The realized gains during the year was \$18,257 (2020 - realized losses during the year was \$88,002). The change in fair value at year-end resulted in an unrealized gain of \$2,269,657 (2020 - loss of \$1,099,254).

Proceeds on disposal of investments and acquisition of investment are shown on a net basis on the consolidated statement of cash flows as its impracticable for management to show the gross amounts.

6. Investments in First Nation business entities

The First Nation has investments in the following entities:

	<i>Opening net investment</i>	<i>Current draws</i>	<i>Investment in business enterprises</i>	<i>Current earnings</i>	<i>2021 Total investment</i>
Investments held at modified equity method					
ACFN Business Trust	51,650,988	(3,207,445)	-	14,348,219	62,791,762
2160415 Alberta Ltd.	21,450	-	-	(120,227)	(98,777)
2216328 Alberta Ltd.	(670,239)	(483,187)	-	5,603,712	4,450,286
ACFN Industry Investments Limited Partnership	-	-	3,080	-	3,080
	51,002,199	(3,690,632)	3,080	19,831,704	67,146,351

	<i>Opening net investment</i>	<i>Current draws</i>	<i>Investment in business enterprises</i>	<i>Current earnings</i>	<i>2020 Total investment</i>
Investments held at modified equity method					
ACFN Business Trust	52,958,400	(4,225,822)	-	2,918,410	51,650,988
2160415 Alberta Ltd.	-	-	100	21,350	21,450
2216328 Alberta Ltd.	-	10,000	100	(680,339)	(670,239)
	52,958,400	(4,215,822)	200	2,259,421	51,002,199

Continued on next page

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

6. Investments in First Nation business entities *(Continued from previous page)*

Summary financial information for each First Nation business enterprise, accounted for using the modified equity method, for the respective year-end is as follows:

	<i>ACFN Business Trust</i>	<i>2160415 Alberta Ltd.</i>	<i>2216328 Alberta Ltd.</i>	<i>ACFN Industry Investments Limited Partnership</i>
	<i>As at March 31, 2021</i>	<i>As at March 31, 2021</i>	<i>As at March 31, 2021</i>	<i>As at March 31, 2021</i>
Assets	110,665,670	2,910,654	40,127,832	3,080
Liabilities	47,873,908	3,009,431	21,875,790	-
Net Assets (debt)	62,791,762	(98,777)	18,252,042	3,080
Total revenue	82,383,845	46,083	21,895,310	-
Total expenses	68,035,626	166,310	2,479,643	-
Net income	14,348,219	(120,227)	19,415,667	-

During the year the ACFN Business Trust paid for \$1,607,445 (2020 - \$2,003,372) of expenses on behalf of the First Nation. As well the Trust sold to the First Nation a building during the year for \$nil (2020 - \$1,072,450) which was settled through a distribution through the Trust. These amounts were settled through a non-cash distribution from the ACFN Business Trust.

7. Funds held in trust and restricted investments

	2021	2020
Ottawa Trust - Funds held in trust		
Balance, beginning of year	6,485	6,359
Compensation payments	83	126
Balance, end of year	6,568	6,485
Agricultural Benefits Trust - Restricted investments		
Cash and cash equivalents	375	2,409,785
Equities	30,046,390	15,088,720
Fixed income	20,491,265	22,118,129
Balance, end of year	50,538,030	39,616,634
K'ai Taile Densoline Trust - Restricted investments		
Cash and cash equivalents	413,740	238,477
Equities	11,392,803	5,448,753
Fixed income	5,269,149	2,148,729
Balance, end of year	17,075,692	7,835,959
	67,620,290	47,459,078

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

7. Funds held in trust and restricted investments *(Continued from previous page)*

During the year the restricted investments earned investment income of \$9,894,268 (2020 - \$7,459,928) and incurred investment related expenses of \$524,568 (2020 - \$466,276) and the net amount was re-invested into restricted investments. The cost of restricted investments is \$60,136,512. (2020 - \$53,599,035). The realized gains during the year was \$350,748 (2020 - realized losses during the year was \$351,771). The change in fair value at year-end resulted in an unrealized gain of \$12,933,508 (2020 - loss of \$6,125,997).

Proceeds on disposal of restricted investments and acquisition of restricted investment are shown on a net basis on the consolidated statement of cash flows as its impracticable for management to show the gross amounts.

The Ottawa trust accounts arise from moneys derived from capital or revenue sources as outlined in Section 62 of the *Indian Act*. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. Sections 63 to 69 of the *Indian Act* primarily govern the management of these funds.

8. Investment in Cree Chip Development Corporation

Loans advanced to Cree Chip Development Corporation, other governmental organization of the First Nation. The First Nation owns 50% (2020 - 50%) of the related entity. The advance bears no interest and has no fixed terms of repayment.

9. Investment in joint venture and partnership

During the year the income earned from the investment in the joint venture and the partnership was \$1,277,531 (2020 - \$3,567,664) and cash distributions were \$83,382 (2020 - \$3,564,203).

10. Accounts payable and accruals

	2021	2020
Accounts payable and accruals	2,453,168	3,787,512
Government remittances	90,772	409,191
Holdbacks payable	85,373	85,373
	2,629,313	4,282,076

11. Deferred revenue

	2021	2020
ACFN Dene Land & Resource Management	2,682,946	3,293,497
First Nation	78,463	249,128
Social Development	4,523	4,523
Education and Training	44,531	44,531
	2,810,463	3,591,679

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

12. Long-term debt

	2021	2020
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$1,439 including interest at 1.30%, renewing December 2025.	156,885	172,213
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$888 including interest at 1.30%, renewing December 2025.	96,762	106,215
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$955 including interest at 2.39%, renewing March 2023.	74,006	83,611
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$2,315 including interest at 1.39%, renewing December 2025.	356,570	380,390
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$828 including interest at 1.03%, renewing October 2021.	51,567	60,926
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$1,068 including interest at 0.96%, renewing August 2021.	5,332	18,046
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$3,866 including interest at 1.05%, renewing August 2021.	853,155	890,457
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$2,236 including interest at 2.50%, renewing June 2023.	376,753	394,050
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$9,214.19 including interest at 0.96%, renewing March 2026.	2,459,260	-
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$313 including interest at 1.03%, renewing October 2021.	37,428	40,787
CMHC, mortgage secured by property disclosed below and a guarantee from the Minister of the Department of Indigenous Services Canada, payable in monthly installments of \$5,496 including interest at 2.70%, renewing November 2023.	1,121,279	1,156,814
Bank of Montreal demand loan, secured by \$2,000,000.00 Corporate guarantee by 850450 Alberta Ltd. Interest is at prime rate plus 1.00%, renewing October 2024.	568,414	700,000
Bank of Montreal demand loan, secured by \$660,000 Corporate guarantee from Athabasca Chipewyan First Nation payable in monthly installments of \$2,750 plus interest at prime plus 1.25%, renewing October 2024.	517,314	550,000
Bank of Montreal demand loan, secured by the assets of K'ai Taile Market Ltd. and a full coverage guarantee from Athabasca Chipewyan First Nation, which is interest only for the 24 month post construction period and then its converted to a 18 year mortgage subsequent to the 24 month post construction. Interest is at prime rate plus 1.25% or the fixed rate term of the advance plus 1.25%.	3,385,314	3,465,536

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Bank of Montreal demand loan, secured by the assets of K'ai Taile Market Ltd. and a full coverage guarantee from Athabasca Chipewyan First Nation, payable in monthly installments of \$10,694 (2020 - payable in monthly installments of \$10,694) including interest at prime plus 1.25% (2020 - prime plus 1.25%) until 2023.	64,167	192,500
Bank of Montreal demand loan, secured by assets of K'ai Taile Market Ltd. and a full coverage guarantee from Athabasca Chipewyan First Nation, payable in monthly installments of \$6,404 (2020 - payable in monthly installments of \$7,024) including interest at prime plus 1.25% (2020 - prime plus 1.25%) until 2026.	345,857	422,714
Bank of Montreal letter of credit, monthly installments of \$nil (2020 - monthly installments \$nil), and an interest rate of 0.00% (2020 - 0.00%).	100,000	100,000
Bank of Montreal demand loan, secured by the ACFN Agriculture Benefits Settlement Trust with a fair market value of \$37,623,337 and effective April 1, 2018 was payable in monthly installments of \$60,585 including interest at 3.2%, renewing August 2023.	11,836,362	11,836,361
	22,406,425	20,570,620

The prime rate as at March 31, 2021 is 2.45% (2020 - 2.45%).

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2022	1,172,467
2023	1,118,808
2024	1,134,617
2025	1,151,176
2026	920,469
Thereafter	16,544,773

Security pledged on all mortgages, loans and finance contracts consists of Government of Canada ministerial guarantees, guarantees by the Athabasca Chipewyan First Nation, assignment of fire insurance, a guarantee by the Ottawa Trust accounts and specific equipment.

Included in Schedule 1, total Buildings of \$20,158,764 (2020 - \$12,741,065) are pledged as security for CMHC mortgages above.

The terms of the Bank of Montreal credit facility, including demand loans of \$3,385,314, \$64,167 and \$345,857 as at March 31, 2021, requires that certain measurable covenants be met. As at March 31, 2021, the First Nation was in violation of certain covenants and accordingly the amounts owing have been reflected as current liabilities.

Subsequent to year end the First Nation transferred all debt from BMO to RBC with an effective date of April 1, 2021. The new facilities are payable in monthly installments of \$3,760 to \$21,186, including interest at prime plus 1.25%, over a term of 1 to 19 years. The facilities are secured by assets of the First Nation, 850450 Alberta Ltd, K'ai Taile Market and a guarantee of postponement of claim from the First Nation. The First Nation incurred total penalties of \$554,073 resulting from the early payout of the BMO fixed term loans. This amount is partially accrued at March 31, 2021 in the amount of \$500,450 in Bank charges and interest - Athabasca Chipewyan First Nation - Administration.

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

13. Replacement reserves

Under conditions of agreements with CMHC, the First Nation is required to maintain certain reserves related to on-reserve housing projects estimated at \$300,872 (2020 - \$246,668). As at March 31, 2021, the First Nation has funded \$265,173 (2020 - \$265,173). The First Nation is in violation of their agreements with CMHC. The possible effect of the violation has not yet been determined.

14. Guarantees

As of March 31, 2021, the First Nation and its business enterprises have assumed a joint and several obligation on a loan with Royal Bank of Canada, secured by property held by the First Nation's business enterprises up to a maximum amount of \$2,460,443 (December 31, 2019 - \$2,460,443), of which \$1,243,049 (December 31, 2019 - \$1,920,242) was drawn as of year-end. As at March 31, 2021, the Borrower is in compliance with all financial covenants. The guarantees remain in place for the duration of the loan, which matures March 23, 2023. Payments under these guarantees, which will remain in place until March 23, 2023, are triggered upon event of default, consisting of an inability to service the debt by the borrower; failure to comply with or to perform any provision under the loan agreement; the borrower becomes insolvent or generally fails to pay or admits in writing their inability or refusal to pay their debts as they become due. As at March 31, 2021, no liability has been recorded associated with this guarantee.

15. Contingent liabilities

The First Nation is involved in a lawsuit. The First Nation originally filed a claim against the defendants, but was counterclaimed by the defendants. This lawsuit remains at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of these lawsuits or to estimate the loss, if any, which may result. Any amount awarded as a result of this action will be recorded when reasonably estimable.

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

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

Athabasca Chipewyan First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

16. Distributions due to minors

Upon the settlement of the Agriculture Benefits Claim, the Athabasca Chipewyan First Nation Agriculture Benefits Settlement Trust was created to hold the funds received and distribute amounts to minors once one of the following conditions have been met:

- i) reaching the age of eighteen (18) years with a Grade 12 education, or its equivalency; or
- ii) completing a Grade 12 education, or its equivalency, or enrolled in an apprenticeship or other post secondary program at any time during the ages of 18, 19, or 20 years; or
- iii) attaining the age of 21 years.

Subject to these conditions, each minor member that was alive at the date of ratification will be eligible to receive a single payment from the minors trust account in the amount of:

- i) \$10,000; plus
- ii) an inflation adjustment at a rate determined by reference to the CPI - All Items, published by Statistics Canada for Alberta for each year ended December 31, after 2017; plus
- iii) an investment adjustment at a rate of 2%, compounded annually, for each year ended December 31, after 2017.

At March 31, 2021 there were a total of 298 (2020 - 314) minors who had not yet been paid out. The minor's distributions were estimated based on a calculation which assumed no inflation and no investment adjustment has yet occurred. Total distributions made to minors in the year were \$174,669 (2020 - \$113,320).

17. Financial instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments, except as otherwise disclosed.

Risk management policy

The First Nation, as part of operations, has established management objectives such as avoidance of undue concentrations of risk. In seeking to meet these objectives, the First Nation follows a risk management policy approved by Chief and Council.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The carrying amount of the First Nation's financial instruments best represents the maximum exposure to credit risk. An allowance for doubtful accounts has been recorded as outlined in Note 4. As of March 31, 2021 one (2020 - one) customer accounted for 61% (2020 - 83%) of the accounts receivable balance.

Risk management

The First Nation manages its credit risk by providing allowances for potentially uncollectible accounts receivable.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The First Nation is exposed to interest rate risk with respect to certain long-term debt amounts, which are subject to floating interest rates. The First Nation is exposed to interest rate price risk with respect to certain long-term debt amounts which bear interest at rates agreed upon at the time of issuance. The First Nation is also exposed to interest rate price risk with respect to its funds held in trust and restricted investments assets which earn interest.

18. Financial instruments *(Continued from previous page)*

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The First Nation enters into transactions to purchase portfolio investments through investments and funds held in trust and restricted investments, for which the market price fluctuates.

Other price risk is measured using standard deviation which measures a portfolio investment's volatility regardless of the cause. The First Nation manages its other price risk by utilizing investment managers and custodians to monitor the volatility of the portfolio investments held and manage the investments in accordance to the investment guidelines.

18. Budget information

The disclosed budget information has been approved by the Chief and Council of the Athabasca Chipewyan First Nation at the Chief and Council meeting held on May 12, 2020.

19. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

20. Significant event

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses and organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID19

outbreak may have on the Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence.

These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is

unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Nation's operations and financial condition.

Canada Emergency Wage Subsidy ("CEWS")

Under the CEWS program, certain organizations experiencing revenue reductions during the COVID-19 pandemic are eligible to receive a subsidy for a portion of employee wages paid during those periods. This program is expected to continue until June 2021. Included in the statement of operations in the Earnings from investment in First Nation business entities is \$1,217,637 which the First Nation's business enterprises claimed under the CEWS program.

Temporary Wage Subsidy ("TWS")

Under the TWS program, qualifying organizations could receive up to a \$25,000 credit towards payroll remittances on remuneration paid for the period of March 18 to June 19, 2020. This was a temporary measure intended to provide immediate relief for employers due to the restrictions put in place for COVID-19 and is not expected to continue into the future. Included in government wage subsidies is \$22,000 (2020 - \$nil) related to the TWS.

The First Nation received funding specifically for expenses incurred related to COVID-19. Included in the consolidated statement of operations and accumulated surplus is revenue of \$379,863 and expenses of \$552,634 related to COVID-19.