

LISTUGUJ MI'GMAQ GOVERNMENT
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2022

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LISTUGUJ MI'GMAQ GOVERNMENT

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FOR THE YEAR ENDED MARCH 31, 2022

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1.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Listuguj Mi'gmaq Government are the responsibility of management and have been approved by the Chief and a Councillor on behalf of Council.

The consolidated financial statements have been prepared by management in accordance with the significant accounting policies outlined in Note 1 to the consolidated financial statements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The Listuguj Mi'gmaq Government maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Listuguj Mi'gmaq Government's assets are appropriately accounted for and adequately safeguarded.

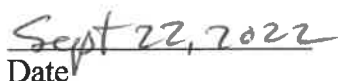
The Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

Council also 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 annual report, the consolidated financial statements and the external auditors' report.

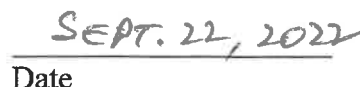
The consolidated financial statements have been audited by Allen, Paquet & Arseneau LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. Allen, Paquet & Arseneau LLP have full and free access to the Chief and Council, and have been properly engaged as the external auditors.

Listuguj, Québec


Chief


Date


Senior Financial officer


Date

207, rue Roseberry Street
Campbellton, NB

625, ave St. Peter Ave
Bathurst, NB



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2.

INDEPENDENT AUDITORS' REPORT

To The Chief and Councillors
Listuguj Mi'gmaq Government

Opinion

We have audited the consolidated financial statements of the Listuguj Mi'gmaq Government, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statement of operations, change in net financial assets (debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Listuguj Mi'gmaq Government as at March 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for Public Sector Accounting (PSAB).

Basis of Opinion

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 those 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 PSAB, 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.

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 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.

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INDEPENDENT AUDITORS' REPORT (continued)

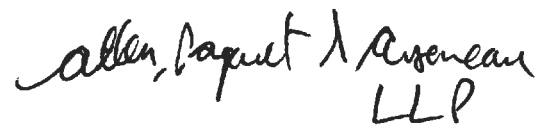
We also:

- 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.

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.

Campbellton, N.B.

September 22, 2022



Chartered Professional Accountants

LISTUGUJ MI'GMAQ GOVERNMENT
Consolidated Statement of Financial Position
As at March 31

2022 **Restated**
2021

FINANCIAL ASSETS

| | | |
|---|-------------------|-------------------|
| Cash (Unrestricted) | \$ 40,864,489 | \$ 29,714,743 |
| Land Settlement Trust Fund (Restricted) (Note 19) | 17,048,934 | 17,230,534 |
| Accounts Receivable (Note 3) | 7,446,134 | 8,933,037 |
| Due From Governments (Note 4) | 15,589,292 | 9,375,386 |
| Funds on Deposit with ISC (Note 12) | 20,072 | 19,562 |
| Replacement Reserve Fund (Note 5) | 1,067,678 | 791,340 |
| Operating Reserve Fund (Note 6) | 484,475 | 483,513 |
| Investment (Note 7) | 3,101,365 | 1,328,648 |
| | 85,622,439 | 67,876,763 |

LIABILITIES

| | | |
|---|-------------------|-------------------|
| Accounts Payable and Accrued Liabilities (Note 8) | 7,119,752 | 4,602,828 |
| Due to Governments (Note 9) | 1,367,388 | 1,663,959 |
| Deferred Revenue (Note 10) | 14,057,232 | 12,132,822 |
| Funds on Deposit with ISC (Note 12) | 20,072 | 19,562 |
| Reserve for Future Funding | 96,694 | 83,698 |
| Reserve for Unexpended Funding | 16,476,676 | 12,124,910 |
| Land Settlement Trust Fund Payable (Note 19) | 17,048,934 | 17,230,534 |
| Long Term Debt (Note 11) | 14,408,431 | 15,353,969 |
| | 70,595,179 | 63,212,282 |

NET ASSETS (Note 2) **15,027,260** **4,664,481**

NON-FINANCIAL ASSETS

| | | |
|-----------------------------------|-------------------|-------------------|
| Tangible Capital Assets (Note 14) | 82,307,121 | 65,394,035 |
| Prepaid Expenses | 915,179 | 603,614 |
| | 83,222,300 | 65,997,649 |

ACCUMULATED SURPLUS (Note 2) **\$ 98,249,560** **\$ 70,662,130**

Contingent Liabilities (Note 15)

Approved On Behalf of Listuguj Mi'gmaq Government

x Darcy Hay Chief

x Dariffot Senior Financial officer

LISTUGUJ MI'GMAQ GOVERNMENT
Consolidated Statement of Operations
For the Year Ended March 31

| | 2022 | 2022 | Restated 2021 |
|---|---------------------|----------------------|----------------------|
| | Budget (Note 21) | Actual | Actual |
| REVENUE | | | |
| Federal Government Transfers for Operating | \$ 37,575,314 | \$ 33,388,787 | \$ 31,988,160 |
| Federal Government Transfers for Capital | 33,755,557 | 19,720,446 | 13,010,569 |
| Provincial Government Transfers for Operating | 2,598,041 | 2,266,573 | 2,798,422 |
| Provincial Government Transfers for Capital | 256,988 | 256,988 | 256,052 |
| Rent | 749,004 | 1,294,604 | 1,420,545 |
| Other | 30,757,342 | 41,499,709 | 27,323,666 |
| | 105,692,246 | 98,427,107 | 76,797,414 |
| EXPENDITURES | | | |
| Band Administration | 6,433,902 | 6,373,205 | 6,069,821 |
| Capital Operations | 8,763,122 | 4,452,799 | 6,550,849 |
| Economic Development | 5,067,088 | 2,290,451 | 2,938,070 |
| Education | 17,577,515 | 19,422,109 | 16,322,964 |
| Commercial Fisheries | 11,332,793 | 7,151,367 | 5,866,902 |
| Forestry | 3,313,544 | 4,364,366 | 3,130,609 |
| Health | 7,541,952 | 4,819,175 | 4,303,248 |
| Housing (Capital and Section 95) | 24,489,916 | 2,053,914 | 1,580,285 |
| Police Operations | 2,848,678 | 2,195,446 | 1,690,906 |
| Public Security | 100,068 | 663,384 | 659,360 |
| Social Services | 11,715,170 | 9,738,383 | 8,851,915 |
| | 99,183,748 | 63,524,599 | 57,964,929 |
| ANNUAL SURPLUS BEFORE OTHERS | | | |
| REVENUES (EXPENSES) | 6,508,498 | 34,902,508 | 18,832,485 |
| OTHERS REVENUES (EXPENSES) | | | |
| Amortization | - | (7,041,266) | (5,938,285) |
| Unrealized Gain (Loss) on Investment | - | (273,812) | 64,363 |
| | - | (7,315,078) | (5,873,922) |
| ANNUAL SURPLUS | \$ 6,508,498 | \$ 27,587,430 | \$ 12,958,563 |
| ACCUMULATED SURPLUS, Beginning of Year | | 70,662,130 | 57,703,567 |
| ACCUMULATED SURPLUS, End of Year | | \$ 98,249,560 | \$ 70,662,130 |

LISTUGUJ MI'GMAQ GOVERNMENT**Consolidated Statement of Changes in Net Financial Assets (Debt)
For the Year Ended March 31****2022****Restated
2021**

| | | |
|--|----------------------|---------------------|
| Surplus for the Year | \$ 27,587,430 | \$ 12,958,563 |
| Acquisition of Tangible Capital Assets | (24,044,298) | (13,545,842) |
| Amortization of Tangible Capital Assets | 7,041,266 | 5,938,285 |
| Loss on Disposal of Lease to Own Houses Transferred to Tenants | 89,946 | 150,246 |
| Loss on Disposal of Tangible Capital Assets | - | 582,492 |
| Decrease (Increase) in Prepaid Expenses | (311,565) | 394,501 |
| CHANGE IN NET FINANCIAL ASSETS (DEBTS) | 10,362,779 | 6,478,245 |
| NET FINANCIAL ASSETS (DEBT), Beginning of Year | 4,664,481 | (1,813,764) |
| NET FINANCIAL ASSETS, End of Year | \$ 15,027,260 | \$ 4,664,481 |

LISTUGUJ MI'GMAQ GOVERNMENT
Consolidated Statement of Cash Flows
For the Year Ended March 31

2022 **Restated**
2021

OPERATING ACTIVITIES

| | | |
|--|-------------------|-------------------|
| Cash Receipts From Funding Agreements and Others | \$ 99,443,064 | \$ 82,722,047 |
| Cash Paid to Suppliers and Employees | (60,937,180) | (55,010,882) |
| Interest Received | 247,466 | 147,189 |
| Interest Paid | (410,467) | (462,898) |
| | 38,342,883 | 27,395,456 |

FINANCING ACTIVITIES

| | | |
|---------------------------------------|-------------------|---------------------|
| Proceeds From Long Term Debt | 285,750 | 451,200 |
| Principal Repayment of Long Term Debt | (1,231,296) | (1,336,605) |
| Increase in Funded Reserves | 70,384 | 77,065 |
| Increase in Contributed Surplus | 140,098 | 131,713 |
| Loss on Disposal of Capital Assets | (89,946) | (732,740) |
| | (825,010) | (1,409,367) |

INVESTING ACTIVITIES

| | | |
|--|----------------------|----------------------|
| Acquisition of Tangible Capital Assets | (24,044,298) | (13,545,842) |
| Proceeds From Sale of Capital Assets | - | 152,000 |
| Increase in Restricted Funds | (277,300) | (140,674) |
| Increase in Investments | (2,046,529) | - |
| | (26,368,127) | (13,534,516) |

INCREASE IN CASH AND CASH EQUIVALENTS

11,149,746 **12,451,573**

CASH AND CASH EQUIVALENTS, Beginning of Year

29,714,743 **17,263,170**

CASH AND CASH EQUIVALENTS, End of Year (Note 16)

\$ 40,864,489 **\$ 29,714,743**

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Operations

The Listuguj Mi'gmaq Government (the "First Nation" or the "LMG") is a First Nations government located in the province of Québec. The First Nation is responsible for the well-being of its community and enacts legal policies and programs in the areas of Administration, Capital, Economic Development, Lands, Education, Health, Housing, Social Services and others Investments. The First Nation is also mandated to take actions to protect the well-being of members and the community and to establish cultural programs and undertake initiatives in economic development.

(b) Basis of Presentation

These financial statements have been prepared in accordance with the Canadian generally accepted accounting principles for governments outlined in the Public Sector Accounting Board (PSAB) of CPA Canada.

(c) Accounting for Tangible Capital Assets

Tangible capital assets (TCA) are items that can be physically touched, are used to provide First Nation services, are used for First Nation administration purposes or are used for the construction and/or maintenance of other TCA owned by the First Nation, will be useful for a period of greater than one year, will be used by the First Nation on a regular basis and are not surplus properties held for resale or disposal.

Amortization is calculated using methods which will reduce the original cost of capital assets to estimated residual values over the useful life of each asset using the following annual rates:

| | |
|-------------------------|-------------------------|
| Buildings | 4% Straight Line Basis |
| Infrastructure | 4% Straight Line Basis |
| Paving | 4% Straight Line Basis |
| Heavy Equipment | 10% Straight Line Basis |
| Equipment and Furniture | 20% Straight Line Basis |
| Boats | 20% Straight Line Basis |
| Vehicles | 20% Straight Line Basis |

In the year of acquisition, 50% of the normal amortization is recorded.

(d) Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to financial statements. These estimates are based on management's best knowledge of current events and actions that the First Nation may undertake in the future. Actual results may differ from those estimates.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Revenue Recognition

Major sources of revenue are recorded on an accrual basis and matched to the fiscal year when the related expenditures for that particular program are incurred. Certain other sources of revenue are recorded on a cash basis.

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.

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.

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

(f) Expenditure Recognition

Commitments for goods and services relating to the current fiscal period are accrued at the statement of financial position date.

(g) Social Housing Program

The Replacement Reserve Fund is funded by an annual charge against earnings rather than an appropriation of surplus.

(h) Pension Plan

Some employees of Listuguj Mi'gmaq Government are members of a Defined Contribution Plan to which the First Nation contributes up to 9% for Natives and up to 5.5% for Non-Natives.

(i) Interests in joint arrangement and limited partnership

Listuguj Mi'gmaq Government has interests in a joint controlled enterprise and in a limited partnership. It has elected to recognize interests in the joint arrangement and the limited partnership (which constitutes a government business partnership) at cost.

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Investments

Investments in shares of business enterprises in which the First Nation holds less than 20% interest are recorded at cost, less any distribution from the business enterprises for return of capital.

Investments in shares of corporations publicly traded and quoted in an active market are recorded at fair market value.

All investments are reviewed by management for impairment and if a decline in the value is considered other than temporary, the investment is written down to reflect the impairment with a charge to income.

(k) Reporting Entity and Principles of Financial Reporting

The Listuguj Mi'gmaq Government First Nation reporting entity includes the Listuguj Mi'gmaq Government First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

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

- Listuguj Mi'gmaq Government Land Acquisition Corporation
- Listuguj Mi'gmaq Government Development Center

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

(l) Trust Funds

Trust funds and their related operations administered by Listuguj Mi'gmaq Government First Nation are not included in these financial statements other than those described below:

- Land Settlement Trust Fund

2. COMPARATIVES FIGURES

Certain comparative figures as at March 31, 2021 and for the year then ended have been restated to conform to the presentation adopted for the current year. Additionally, some amounts related to ISC and Health Canada have been restated following reviews of prior year results in accordance with each respective review reports. The effect on prior period net assets (debt) and accumulated surplus are as follows:

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

2. COMPARATIVE FIGURES (Continued)

| Net Assets (Debt) and Accumulated Surplus | March 31, 2021 - Restated | |
|--|----------------------------------|--------------------------------|
| | Net Assets (Debt) | Accumulated Surplus |
| As Previously Reported | \$ 4,927,246 | \$ 70,924,895 |
| Add (Deduct) Adjustments | | |
| Reverse Recoverable By ISC (Program Q2BG) | (132,042) | (132,042) |
| Reverse Recoverable From ISC (Program Q2BF) | 234,954 | 234,954 |
| Record Recoverable By ISC (Program Q2BJ) | (9,947) | (9,947) |
| Record Recoverable By ISC (Program QZ9P) | (36,230) | (36,230) |
| Record Recoverable By ISC (Program QZ9P) | (25,000) | (25,000) |
| Record Recoverable By ISC (Program NGBL) | (7,775) | (7,775) |
| Reverse Recoverable By ISC (Program Q32H) | 2,349 | 2,349 |
| Record Transfer of Unexpended Funds (Program Q2EQ) | (793,211) | (793,211) |
| Record Transfer Unexpended Funds (Program Q24F) | (1,036,714) | (1,036,714) |
| Record Transfer of Unexpended Funds (Programs Q2BX, Q2A6, Q29W, Q2AO, Q2C0, Q2D2, Q2BF and Q2BG) | (2,283,101) | (2,283,101) |
| Record Transfer of Unexpended Funds (Program Q3FP) | 946,821 | 946,821 |
| Record Transfer of Unexpended Funds (Programs Q31U and Q31V) | (11,933) | (11,933) |
| Record Transfer of Unexpended Funds (Program Q3B7) | 165,585 | 165,585 |
| Record Transfer of Unexpended Funds (Program Q3IW) | 8,980 | 8,980 |
| Record Transfer of Unexpended Funds (Program Q35E, Q35A and Q35B) | (1,323,990) | (1,323,990) |
| Reverse Deferred Revenue per ISC (Program QZ9P) | 61,230 | 61,230 |
| Reverse Deferred Revenue per ISC (Program NGBL) | 7,775 | 7,775 |
| Reverse Deferred Revenue per ISC (Program QZF7) | 1,407,308 | 1,407,308 |
| Reverse Deferred Revenue per ISC (Program Q29W, Q2AO and Q2A6) | 1,476,456 | 1,476,456 |
| Reverse Deferred Revenue per ISC (Program Q24F and Q2AO) | 1,896,403 | 1,896,403 |
| Reverse Deferred Revenue per ISC (Program Q37V, Q37N and Q36Q) | 43,203 | 43,203 |
| Record Deferred Revenue per ISC (Program Q32N) | (2,349) | (2,349) |
| Record Deferred Revenue per ISC (Program Q3FQ) | 281,865 | 281,865 |
| Record Deferred Revenue per ISC (Program Q3FP) | (779,628) | (779,628) |
| Record Deferred Revenue per Minister (Police) | (293,774) | (293,774) |
| Reverse Internal Contribution to Land corporation from Revenue | (60,000) | (60,000) |
| As Restated | \$ 4,664,481 | \$ 70,662,130 |

3. ACCOUNTS RECEIVABLE

| | 2022 | 2021 |
|-------------------------|--------------|--------------|
| Due from members | | |
| Rent - Lease to Own | \$ 3,511,191 | \$ 3,493,824 |
| Rent - Section 95 | 736,271 | 652,247 |
| Advances | 49,143 | 35,470 |
| | 4,296,605 | 4,181,541 |
| Balance Carried Forward | 4,296,605 | 4,181,541 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

3. ACCOUNTS RECEIVABLE (Continued)

| | 2022 | 2021 |
|---------------------------------------|--------------|--------------|
| Balance Brought Forward | \$ 4,296,605 | \$ 4,181,541 |
| Due from others | | |
| Services | 1,412,190 | 670,798 |
| Other | 9,640,768 | 11,281,719 |
| | 11,052,958 | 11,952,517 |
| | 15,349,563 | 16,134,058 |
| Less: Allowance for Doubtful Accounts | (7,903,429) | (7,201,021) |
| Total Accounts Receivable | \$ 7,446,134 | \$ 8,933,037 |

4. DUE FROM GOVERNMENTS

| | 2022 | 2021 |
|---|---------------|--------------|
| Federal Government | | |
| Indigenous Services Canada (ISC) | \$ 7,059,413 | \$ 3,261,611 |
| Indigenous Services Canada (ISC) - LMDC | 592,763 | 106,400 |
| Health Canada | 42,440 | 42,440 |
| Fisheries and Oceans Canada | 2,374,562 | 2,962,866 |
| Other - Government of Canada | 1,094,709 | 1,317,881 |
| Province of New Brunswick | 1,087,635 | 457,851 |
| Province of Québec | 713,565 | 238,861 |
| CMHC | 2,624,205 | 987,476 |
| | \$ 15,589,292 | \$ 9,375,386 |

5. REPLACEMENT RESERVE FUND

Program 16-202-699

Under the agreement with Canada Mortgage and Housing Corporation, an amount must be credited to the replacement reserve. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. Any use of the funds from the account must be approved by CMHC. At the end of the fiscal year the replacement reserve included term savings of \$29,392 (\$58,737 in 2021).

Program 19-072-537

Under the agreement with Canada Mortgage and Housing Corporation, an amount set forth in Appendix B of the operating agreement must be credited to the replacement reserve. The annual amount may be increased by the First Nation. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. At the end of the fiscal year the replacement reserve included term savings of \$1,038,286 (\$732,603 in 2021).

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

6. OPERATING RESERVE FUND (Program 19-072-537)

Once all costs and expenses are paid, particularly the allocation to the replacement reserve, the First Nation keeps all excess income in an operating reserve. The First Nation agrees to keep the funds and accrued interest in the operating fund in a separate bank account or to invest in only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as agreed by common consent by the First Nation and CMHC. The housing project's operating reserve is to be used only for the operating expenses of housing projects that made undertakings as part of the 1997 On-Reserve Housing Program. The reserve may thus be used to cover deficits from previous years. Withdrawals are first applied to interest, then to the principal. At the end of the fiscal year the operating reserve included term savings of \$484,475 (\$483,513 in 2021).

7. INVESTMENTS

| | 2022 | 2021 |
|--|---------------------|---------------------|
| Cost | | |
| Les Crevettiers Marinard Inc, 100 class "H" preferred shares, non-voting, at cost | \$ 100 | \$ 100 |
| Terres Notre-Dame Inc., 100 class "A" common shares, voting, at cost (1) | 1,117,289 | - |
| E. Gagnon & Fils, at cost (2) | 1,948,845 | 1,019,605 |
| Mi'gmawei Mawiommi Business Corporation Inc., joint arrangement, 1 common share, at cost | 1 | 1 |
| Fair Value | | |
| Hexo Corp, 45,620 shares trading as HEXO.TSX, voting, at fair market value of \$0.77 per share (3) | 35,130 | 308,942 |
| | \$ 3,101,365 | \$ 1,328,648 |

(1) On December 17, 2021, Listuguj Mi'gmaq Government acquired 100% of the common shares of Terres Notre-Dame Inc.

(2) During the year, an additional investment of \$929,240 was made. This investment shall generate a return of \$0.10 per pound on the resource's price for the quantity of crab delivered by Listuguj Mi'gmaq Government, plus an additional return equal to and calculated according to the prime rate of E.Gagnon & Fils' bank, plus 2%.

(3) On June 1, 2021, Hexo Corp. acquired all of the issued and outstanding common shares of Zenabis. Under the terms of the arrangement, each former Zenabis shareholder received 0.01772 of a common share in the capital of Hexo Corp. This resulted in Listuguj Mi'gmaq Government's shares in Zenabis being converted to 45,620 shares in Hexo Corp. On March 31, 2021, Listuguj Mi'gmaq Government had 2,574,513 shares of Zenabis Global Inc. trading as ZENA.TO, voting, at fair market value of \$0.12 per share.

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | 2022 | 2021 |
|---------------------------------------|---------------------|---------------------|
| Trade Payables | \$ 7,051,526 | \$ 4,539,188 |
| Accrued Salaries and Benefits Payable | 68,226 | 63,640 |
| | \$ 7,119,752 | \$ 4,602,828 |

9. DUE TO GOVERNMENTS

| | 2022 | 2021 |
|---------------------------|---------------------|---------------------|
| Province of New Brunswick | \$ 336,807 | \$ 636,807 |
| Province of Québec | 467,295 | 566,021 |
| ISC Contributions Payable | 563,286 | 461,131 |
| | \$ 1,367,388 | \$ 1,663,959 |

10. DEFERRED REVENUE

| | 2022 | 2021 |
|---|----------------------|----------------------|
| Flood Recovery and Reserve - Q3FQ | \$ 1,797,571 | \$ 1,856,063 |
| Health Service Integration Fund - Q30T | 42,548 | - |
| AGS Expansion - Q3XH | 530,704 | 786,042 |
| PSSSP Covid - Q29A | 33,339 | - |
| Covid 19 Safe Ret Ele/Sec - Q2JB | 2,935 | - |
| Roads & Bridges Repairs - Q3HD | 1,797,461 | - |
| Water - Listuguj Hill - Q3TE and Q3TG | 284,795 | - |
| Caplin Road Infra. Drainage - Q3TD, Q35Q, Q35T and Q35P | 604,476 | 605,355 |
| Water Reservoir Upgrade - Q35N | 4,733,594 | 814,473 |
| Drinking Water and Transfer Station - Q3OF | 132,104 | 369,709 |
| Fire Smart - Wildland Fire - Q3FS | 73,188 | - |
| Composting Project - QZI8 | - | 96,583 |
| Housing Communication - Q3AD | - | 41,616 |
| Action Plan/Finance Management - Q32N (NG1E) | 22,921 | 43,921 |
| Response - Q3FP | - | 779,628 |
| Social Other Supplier - Q2AK, Q2AL and Q2AM | 683,993 | 377,983 |
| Discussion Table - QZ90 | 14,612 | - |
| Admin - Other Infr. O & M - Q3BW | 475,954 | - |
| Police Operations - Gov. of Canada and Province of Quebec | - | 293,774 |
| CMHC - Rapid Housing Initiative | - | 2,584,549 |
| Minister of Fisheries and Oceans (DFO) | - | 1,512,237 |
| QC MCC Language Project Developer | 44,817 | 88,429 |
| FNHRDCQ and FNRAEC | 349,907 | 324,573 |
| LMDC and Others | 2,432,313 | 1,557,887 |
| | \$ 14,057,232 | \$ 12,132,822 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

11. LONG TERM DEBT

| | 2022 | 2021 |
|---|----------------|----------------|
| RBC Mortgage, repaid during the year | \$ - | \$ 11,241 |
| CMHC Mortgage, repaid during the year | - | 1,462 |
| CMHC Mortgage, 0.65%, repayable in equal monthly installments of \$1,330, principal and interest, due in May 2024, secured by a ministerial guarantee (#31361) | 33,025 | 48,810 |
| CMHC Mortgage, 1.97%, repayable in equal monthly installments of \$1,264, principal and interest, renewable in December 2022, due in November 2026, secured by a ministerial guarantee (#31557) | 66,412 | 80,126 |
| CMHC Mortgage, 2.5%, repayable in equal monthly installments of \$1,406, principal and interest, renewable in June 2023, due in May 2027, secured by a ministerial guarantee (#31558) | 80,466 | 95,133 |
| CMHC Mortgage, 0.68%, repayable in equal monthly installments of \$514, principal and interest, renewable in August 2025, due in August 2028, secured by a ministerial guarantee (#31718) | 38,236 | 44,124 |
| CMHC Mortgage, 0.68%, repayable in equal monthly installments of \$1,068, principal and interest, renewable in August 2025, due in August 2028, secured by a ministerial guarantee (#31719) | 79,414 | 91,794 |
| CMHC Mortgage, 1.13%, repayable in equal monthly installments of \$814, principal and interest, renewable in June 2026, due in June 2029, secured by a ministerial guarantee (#31780) | 67,243 | 76,200 |
| CMHC Mortgage, 1.84%, repayable in equal monthly installments of \$1,784, principal and interest, renewable in September 2022, due in July 2030, secured by a ministerial guarantee (#31897) | 163,821 | 182,049 |
| Balance Carried Forward | 528,617 | 630,939 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

11. LONG TERM DEBT (Continued)

| | 2022 | 2021 |
|---|-------------|-------------|
| Balance Brought Forward | \$ 528,617 | \$ 630,939 |
| CMHC Mortgage, 2.5%, repayable in equal monthly installments of \$1,523, principal and interest, renewable in June 2023, due in April 2031, secured by a ministerial guarantee (#31914) | 147,237 | 161,655 |
| CMHC Mortgage, 2.5%, repayable in equal monthly installments of \$541, principal and interest, renewable in June 2023, due in April 2031, secured by a ministerial guarantee (#31943) | 52,335 | 57,460 |
| CMHC Mortgage, 2.5%, repayable in equal monthly installments of \$1,182, principal and interest, renewable in June 2023, due in April 2031, secured by a ministerial guarantee (#31980) | 114,235 | 125,422 |
| CMHC Mortgage, 0.69%, repayable in equal monthly installments of \$700, principal and interest, renewable in June 2025, due in May 2033, secured by a ministerial guarantee (#32133) | 89,626 | 97,381 |
| CMHC Mortgage, 0.69%, repayable in equal monthly installments of \$1,395, principal and interest, renewable in June 2025, due in May 2035, secured by a ministerial guarantee (#32134) | 209,387 | 224,628 |
| CMHC Mortgage, 0.69%, repayable in equal monthly installments of \$713, principal and interest, renewable in June 2025, due in May 2035 secured by a ministerial guarantee (#32169) | 107,016 | 114,806 |
| CMHC Mortgage, 0.69%, repayable in equal monthly installments of \$1,331, principal and interest, renewable in June 2025, due in May 2034, secured by a ministerial guarantee (#32170) | 185,158 | 199,803 |
| Balance Carried Forward | 1,433,611 | 1,612,094 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

11. LONG TERM DEBT (Continued)

| | 2022 | 2021 |
|---|--------------|--------------|
| Balance Brought Forward | \$ 1,433,611 | \$ 1,612,094 |
| RBC Loan, 2.82%, repayable in equal monthly installments of \$3,495, principal and interest, renewable in May 2025, secured by a ministerial guarantee (#32135) | 440,463 | 469,533 |
| RBC Loan, repaid during the year | - | 70,534 |
| RBC Loan, 1.82%, repayable in equal monthly installments of \$4,050, principal and interest, renewable in November 2025 | 587,306 | 624,844 |
| RBC Loan, 2.82%, repayable in equal monthly installments of \$2,391, principal and interest, renewable in May 2025, secured by a ministerial guarantee (#32060) | 280,725 | 301,180 |
| RBC Loan, 3.09%, repayable in equal monthly installments of \$3,825, principal and interest, renewable in February 2027, secured by a ministerial guarantee (#1112-03-000167) | 565,044 | 595,619 |
| RBC Loan, 2.30%, repayable in equal monthly installments of \$4,386, principal and interest, renewable in March 2023, secured by a ministerial guarantee (#1617-QC-000121-GL) | 839,386 | 872,299 |
| CMHC Mortgage, 1.86%, repayable in equal monthly installments of \$1,190, principal and interest, renewable in August 2022, due in August 2037 | 190,539 | 201,186 |
| BMO Loan, 5%, repayable in equal monthly installments of \$2,237, principal and interest, due in April 2024 | 50,659 | 74,327 |
| CMHC Mortgage, 2.34%, repayable in equal monthly installments of \$1,361, principal and interest, renewable in April 2024, due in April 2044 | 285,750 | - |
| CMHC Mortgage, 2.27%, repayable in equal monthly installments of \$1,180, principal and interest, renewable in April 2027, due in March 2037 | 179,105 | 189,876 |
| Balance Carried Forward | 4,852,588 | 5,011,492 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

11. LONG TERM DEBT (Continued)

| | 2022 | 2021 |
|---|--------------|--------------|
| Balance Brought Forward | \$ 4,852,588 | \$ 5,011,492 |
| RBC Loan, repaid during the year | - | 42,640 |
| BMO Loan, 5%, repayable in equal monthly installments of \$8,020, principal and interest, due in April 2024 | 180,758 | 265,658 |
| RBC Loan, 2.24%, repayable in equal monthly installments of \$4,724, principal and interest, renewable in February 2025, secured by a ministerial guarantee (#1314-QC-000084) | 755,281 | 794,566 |
| BMO Loan, 5%, repayable in equal monthly installments of \$7,117, principal and interest, renewable in April 2024 | 765,202 | 811,105 |
| RBC Loan, 2.82%, repayable in equal monthly installments of \$3,478, principal and interest, renewable in May 2025, secured by a ministerial guarantee (#32070) | 408,498 | 438,249 |
| RBC Loan, 3.63%, repayable in equal semi-annual payments of \$31,346, principal and interest, renewable in May 2025 | 202,512 | 256,385 |
| RBC Loan, 2.82%, repayable in equal monthly installments of \$1,046, principal and interest, renewable in April 2025, secured by a ministerial guarantee (#32107) | 128,283 | 137,085 |
| RBC Loan, RBPR Plus 1%, repayable in equal monthly installments of \$4,359, principal plus interest, due in April 2022 | 4,359 | 56,659 |
| CMHC Mortgage, 2.7%, repayable in equal monthly installments of \$518, principal and interest, renewable in November 2023, due in September 2038, secured by a ministerial guarantee (#1213-03-000127-GL) | 82,613 | 86,368 |
| CMHC Mortgage, 1.84% repayable in equal monthly installments of \$1,073, principal and interest, renewable in September 2022, due in September 2042 | 219,084 | 227,853 |
| CMHC Mortgage, 1.75% repayable in equal monthly installments of \$1,407, principal and interest, renewable in October 2024, due in October 2044 | 314,566 | 325,402 |
| Balance Carried Forward | 7,913,744 | 8,453,462 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

11. LONG TERM DEBT (Continued)

| | 2022 | 2021 |
|--|---------------|---------------|
| Balance Brought Forward | \$ 7,913,744 | \$ 8,453,462 |
| RBC Loan, RBPR Plus 1%, repayable in equal monthly installments of \$14,852, principal plus interest, renewable in April 2022 | 2,509,895 | 2,688,119 |
| CMHC Mortgage, 0.68%, repayable in equal monthly installments of \$619, principal and interest, renewable in October 2025, due in October 2039 | 122,467 | 129,015 |
| RBC Loan, 3.21%, repayable in equal monthly installments of \$7,016, principal and interest, renewable in December 2022, secured by a ministerial guarantee (#31981) | 764,815 | 823,496 |
| RBC Loan, 3.21%, repayable in equal monthly installments of \$3,483, principal and interest, renewable in January 2023, secured by a ministerial guarantee (#32008) | 382,007 | 411,069 |
| RBC Loan, 3.31%, repayable in equal monthly installments of \$3,289, principal and interest, renewable in February 2023, secured by a ministerial guarantee (#1213-03-000125-GL) | 488,816 | 511,688 |
| RBC Loan, 3.51%, repayable in equal semi-annual installments of \$42,115, principal and interest, renewable in November 2023 | 473,149 | 539,033 |
| RBC Loan, 3.27%, repayable in equal monthly installments of \$4,877, principal and interest, renewable in December 2023, secured by a ministerial guarantee (#1819-QC-000060-GL) | 911,655 | 939,947 |
| CMHC Mortgage, 2.39%, repayable in equal monthly installments of \$2,147, principal and interest, renewable in February 2023, due in February 2041 secured by a ministerial guarantee (#60507) | 390,683 | 406,940 |
| CMHC Mortgage, 3.06%, repayable in equal monthly installments of \$2,145, principal and interest, renewable in April 2023, due in April 2043 | 451,200 | 451,200 |
| | \$ 14,408,431 | \$ 15,353,969 |

Principal repayments of long term debt for the next five years are due as follows:

| | |
|------|--------------|
| 2023 | \$ 1,110,443 |
| 2024 | 1,131,335 |
| 2025 | 1,023,469 |
| 2026 | 989,549 |
| 2027 | 993,172 |
| | \$ 5,247,968 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

12. FUNDS ON DEPOSITS ISC

| | 2022 | 2021 |
|--|-------------|-------------|
| Capital Account | | |
| Balance, Beginning and End of Year | \$ 585 | \$ 585 |
| Revenue Account | | |
| Balance, Beginning of Year | 18,977 | 18,734 |
| Add: Interest Income | 510 | 243 |
| Less: Approved Transfers to Operations | - | - |
| Balance, End of Year | 19,487 | 18,977 |
| | \$ 20,072 | \$ 19,562 |

These amounts are on deposit with the Government of Canada and are audited by the Auditor General of Canada.

13. SUBSIDY SURPLUS RESERVE FUND

Under the agreement with the Canada Mortgage and Housing Corporation, surplus federal assistance payments received may be kept in a subsidy surplus reserve, the balance of which may not exceed \$500 per unit plus interest. The funds in this reserve must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. The funds in this account must only be used to make up the difference between the maximum federal assistance amount and the future subsidy needs of income-tested tenants. Withdrawals are first applied to interest, then to the principal. The current reserve balance is presently nil.

14. TANGIBLE CAPITAL ASSETS

| | Cost | Accumulated Amortization | Net Book Value 2022 | 2021 |
|-------------------------|----------------|-------------------------------------|--------------------------------|---------------|
| Land | \$ 1,719,376 | \$ - | \$ 1,719,376 | \$ 1,719,376 |
| Buildings | 79,555,531 | 33,668,320 | 45,887,211 | 35,006,668 |
| Infrastructure | 49,850,932 | 27,869,290 | 21,981,642 | 18,292,714 |
| Paving | 6,050,302 | 2,314,403 | 3,735,899 | 3,966,539 |
| Heavy Equipment | 9,315,100 | 8,134,946 | 1,180,154 | 1,517,463 |
| Equipment and Furniture | 8,924,884 | 5,735,223 | 3,189,661 | 3,319,892 |
| Boats | 12,789,674 | 8,981,499 | 3,808,175 | 452,044 |
| Vehicles | 4,317,041 | 3,512,038 | 805,003 | 1,119,339 |
| | \$ 172,522,840 | \$ 90,215,719 | \$ 82,307,121 | \$ 65,394,035 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

15. CONTINGENT LIABILITIES

- a) As at March 31, 2022 there are outstanding grievances against the First Nation for alleged breaches of contracts, workplace injury claim and wrongful dismissals. Listuguj Mi'gmaq Government is unable to determine the extent of liability, if any, which could result upon the resolution of these matters.
- b) As at March 31, 2022, the Band has provided a guarantee for mortgages payable by Band members through ISC, totalling \$1,091,366, which were obtained under Section 10 of the Indian Act. In the event that an individual member is unable to meet their obligations at some future date, the Band is required to honour its guarantee. Any payments will be accounted for as a charge to operations in the year such payments are made. The Band has also signed additional guarantees for Band members for home construction or renovations.
- c) The Band has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if the Band fails to comply with the terms and conditions of the agreement.
- d) These financial statements are subject to review by the First Nation's funding agents. It is possible that adjustments could be made based on the results of their review.

16. CASH AND CASH EQUIVALENTS, End of Year

| | 2022 | 2021 |
|---------------------|---------------|---------------|
| Cash (Unrestricted) | \$ 40,864,489 | \$ 29,714,743 |

The unrestricted cash includes \$1,397,046 designated by Listuguj Mi'gmaq Government itself to fund future fisheries vessels purchases.

17. ECONOMIC DEPENDENCE

The Listuguj Mi'gmaq Government receives a substantial portion of its revenues pursuant to a funding arrangement with Department of Indigenous Services Canada. Many of the program services carried out by the First Nation are dependent on the continued receipt of this funding.

18. FISHERIES FUND TRUST

The LMG and Her Majesty the Queen in Right of Canada executed the Rights Reconciliation Agreement on Fisheries, dated April 16, 2021, which aims to provide:

- a) Recognition and implementation of the Aboriginal Right and Treaty Right of the Listuguj Mi'gmaq First Nation in relation to fisheries governance and fishing;
- b) Predictability regarding the management and conduct of the LMG's Fishery;
- c) Increased access to Fisheries Resources for the LMG's Fishery, whether for food, social, ceremonial, or commercial purposes;
- d) And Governance capacity support to enable the LMG to exercise its fisheries governance and fishing rights.

LMG intends to use the funds pursuant to the Rights Reconciliation Agreement on Fisheries to achieve an increase in fisheries access, including licenses and/or quota, vessels and gear, and allow its increased participation in the Fishery. LMG and the trustee executed Fund Trust Agreement on September 21, 2021, to form the Listuguj Fisheries Fund Trust to fulfill these purposes. The Trustee shall hold and invest the Trust Property as defined in the Trust Agreement for the benefit of LMG, the Beneficiary of the Trust, and will transfer or release Trust Property as directed and authorised by the Trust Agreement. This trust fund has not been consolidated with the financial statements.

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
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19. LAND TRUST FUND

The Listuguj Mi'gmaq Government reached a land settlement with Government of Canada and in its role of Settlor of the trust, LMG has contracted The Royal Trust Company to act as trustee of the trust funds for Band members under the age of majority. Band members will receive their portion of the settlement once they turn 18 years of age.

An amount of \$614,576 was paid to band members during the year.

At March 31, 2022, the balance in the trust fund for adults was \$6,592,060 (\$6,353,505 in 2021) and \$10,456,874 (\$10,689,706 in 2021) for minors.

20. COMMITMENTS

The First Nation has entered into a number of leases commitments for office equipments requiring future leases payments totalling \$94,677 over the next five year period.

21. BUDGET FIGURES

Budget figures have been provided for comparison purposes and have been derived from the estimates approved by Listuguj Mi'gmaq Government Chief and Council and Senior Director of Operations.

22. UNSPENT FUNDS

Listuguj Mi'gmaq Government has unspent funds for the funding agreement with Health Canada. Listuguj Mi'gmaq Government and Health Canada are currently working on a utilization plan in order to spend these funds.

23. GOVERNMENT TRANSFERS

| | 2022 | 2021 |
|-----------------------------|----------------------|----------------------|
| Indigenous Services Canada | \$ 38,417,245 | \$ 37,177,578 |
| Health Canada | 7,732,326 | 6,622,563 |
| Canada Mortgage and Housing | 3,112,173 | 904,951 |
| Other | 3,847,489 | 293,638 |
| Provincial Government | 2,523,561 | 3,054,474 |
| | \$ 55,632,794 | \$ 48,053,204 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
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24. SEGMENTED DISCLOSURE

Listuguj Mi'gmaq Government provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. For each segment separately reported, the segment revenue 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 Basis of Presentation and Significant Accounting Policies as described in Note 1. The segment results for the period are as follows:

| | Band Administration | | | Education | | | Health | | |
|---|-----------------------|-----------------------|---------------------|---------------------|-------------------|--------------------|-------------------|---------------------|---------------------|
| | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 |
| REVENUE | | | | | | | | | |
| Federal Government Operating Transfers | \$ 2,216,274 | \$ 1,613,030 | \$ 2,654,045 | \$ 13,745,950 | \$ 13,218,417 | \$ 11,915,072 | \$ 6,995,335 | \$ 7,422,808 | \$ 6,647,853 |
| Federal Government Capital Transfers | - | - | - | - | - | - | - | - | - |
| Provincial Government Operating Transfers | 130,000 | 130,000 | 177,938 | 1,039,358 | 707,890 | 847,293 | - | - | - |
| Provincial Government Capital Transfers | - | - | - | - | - | - | - | - | - |
| Rent | - | 19,544 | 15,699 | - | 230,250 | 286,200 | - | - | - |
| Other Revenue | 747,432 | 4,116,726 | 3,018,476 | 2,583,684 | 5,700,077 | 4,513,815 | 882,172 | 298,180 | 42,690 |
| Total Revenue | 3,093,706 | 5,879,300 | 5,866,158 | 17,368,992 | 19,856,634 | 17,562,380 | 7,877,507 | 7,720,988 | 6,690,543 |
| EXPENDITURES | | | | | | | | | |
| Salaries and Benefits | 3,573,849 | 3,868,968 | 3,918,763 | 8,136,815 | 8,675,633 | 8,176,662 | 3,234,277 | 2,709,677 | 2,429,098 |
| Amortization | - | 393,955 | 411,943 | - | 421,938 | 351,559 | - | 39,395 | 32,955 |
| Debt Servicing | - | - | - | - | - | - | - | - | - |
| Other Expenses | 2,860,053 | 2,504,237 | 2,151,058 | 9,440,700 | 10,746,476 | 8,146,302 | 4,307,675 | 2,109,498 | 1,874,150 |
| Total Expenditures | 6,433,902 | 6,767,160 | 6,481,764 | 17,577,515 | 19,844,047 | 16,674,523 | 7,541,952 | 4,858,570 | 4,336,203 |
| Unrealized Gain (Loss) on Investments | - | (273,812) | 64,363 | - | - | - | - | - | - |
| Annual Surplus (Deficit) | \$(3,340,196) | \$(1,161,672) | \$(551,243) | \$(208,523) | \$ 12,587 | \$ 887,857 | \$ 335,555 | \$ 2,862,418 | \$ 2,354,340 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
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24. SEGMENTED DISCLOSURE (Continued)

| | Social Services | | | Public Security | | | Forestry | | |
|---|-------------------|-------------------|---------------------|-----------------|---------------------|--------------------|-------------------|-------------------|--------------------|
| | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 |
| REVENUE | | | | | | | | | |
| Federal Government Operating Transfers | \$ 11,031,212 | \$ 8,152,238 | \$ 7,619,628 | \$ 100,045 | \$ 87,049 | \$ 198,366 | \$ - | \$ - | \$ 60,585 |
| Federal Government Capital Transfers | - | - | - | - | - | - | - | - | - |
| Provincial Government Operating Transfers | 143,000 | 143,000 | 133,000 | - | - | 484,796 | 100,000 | 100,000 | - |
| Provincial Government Capital Transfers | - | - | - | - | - | - | - | - | - |
| Rent | - | - | - | - | - | - | - | - | - |
| Other Revenue | 737,650 | 1,836,775 | 1,013,664 | - | 3,185 | 3,727 | 4,025,346 | 4,744,992 | 3,908,229 |
| Total Revenue | 11,911,862 | 10,132,013 | 8,766,292 | 100,045 | 90,234 | 686,889 | 4,125,346 | 4,844,992 | 3,968,814 |
| EXPENDITURES | | | | | | | | | |
| Salaries and Benefits | 2,847,981 | 2,292,414 | 2,227,963 | - | 566,719 | 386,540 | 407,600 | 399,612 | 353,556 |
| Amortization | - | 32,830 | 27,463 | - | 26,264 | 21,970 | - | 131,318 | 137,314 |
| Debt Servicing | - | 89,621 | 95,317 | - | - | - | - | - | - |
| Other Expenses | 8,867,189 | 7,356,348 | 6,528,635 | 100,068 | 96,665 | 272,820 | 2,905,944 | 3,964,754 | 2,777,053 |
| Total Expenditures | 11,715,170 | 9,771,213 | 8,879,378 | 100,068 | 689,648 | 681,330 | 3,313,544 | 4,495,684 | 3,267,923 |
| Unrealized Gain (Loss) on Investments | - | - | - | - | - | - | - | - | - |
| Annual Surplus (Deficit) | \$ 196,692 | \$ 360,800 | \$(113,086) | \$(23) | \$(599,414) | \$ 5,559 | \$ 811,802 | \$ 349,308 | \$ 700,891 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

24. SEGMENTED DISCLOSURE (Continued)

| | Economic Development | | | Police Operations | | | Commercial Fisheries | | |
|---|----------------------|-------------------|--------------------|---------------------|--------------------|--------------------|----------------------|----------------------|---------------------|
| | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 |
| REVENUE | | | | | | | | | |
| Federal Government Operating Transfers | \$ 715,372 | \$ 277,579 | \$ 512,504 | \$ 1,225,990 | \$ 1,087,142 | \$ 1,193,177 | \$ 1,545,136 | \$ 1,530,524 | \$ 1,186,930 |
| Federal Government Capital Transfers | - | - | - | - | - | - | 2,150,000 | 2,149,999 | - |
| Provincial Government Operating Transfers | 54,000 | 54,000 | 54,000 | 1,131,683 | 1,131,683 | 1,101,395 | - | - | - |
| Provincial Government Capital Transfers | - | - | - | - | - | - | - | - | - |
| Rent | - | 725 | 8,700 | - | - | - | - | - | - |
| Other Revenue | 4,918,788 | 2,359,074 | 2,876,304 | 6,482 | 33,784 | 30,118 | 12,343,656 | 20,639,284 | 11,348,785 |
| Total Revenue | 5,688,160 | 2,691,378 | 3,451,508 | 2,364,155 | 2,252,609 | 2,324,690 | 16,038,792 | 24,319,807 | 12,535,715 |
| EXPENDITURES | | | | | | | | | |
| Salaries and Benefits | 1,442,937 | 1,264,216 | 1,506,483 | 1,874,625 | 1,333,854 | 1,232,357 | 3,044,371 | 2,452,225 | 2,274,096 |
| Amortization | - | 49,244 | 41,194 | - | 98,489 | 82,389 | - | 1,362,428 | 1,139,709 |
| Debt Servicing | - | - | - | - | - | - | - | - | - |
| Other Expenses | 3,624,151 | 1,026,235 | 1,431,587 | 974,053 | 861,592 | 458,549 | 8,288,422 | 4,699,142 | 3,592,806 |
| Total Expenditures | 5,067,088 | 2,339,695 | 2,979,264 | 2,848,678 | 2,293,935 | 1,773,295 | 11,332,793 | 8,513,795 | 7,006,611 |
| Unrealized Gain (Loss) on Investments | - | - | - | - | - | - | - | - | - |
| Annual Surplus (Deficit) | \$ 621,072 | \$ 351,683 | \$ 472,244 | \$(484,523) | \$(41,326) | \$ 551,395 | \$ 4,705,999 | \$ 15,806,012 | \$ 5,529,104 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

24. SEGMENTED DISCLOSURE (Continued)

| | Capital Operations | | | Housing | | |
|---|---------------------|---------------------|---------------------|------------------------|------------------|----------------------|
| | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 |
| REVENUE | | | | | | |
| Federal Government Operating Transfers | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Federal Government Capital Transfers | 17,408,166 | 14,441,164 | 11,911,897 | 14,197,391 | 3,129,283 | 1,098,672 |
| Provincial Government Operating Transfers | - | - | - | - | - | - |
| Provincial Government Capital Transfers | 97,046 | 256,988 | 256,052 | 159,942 | - | - |
| Rent | 65,004 | 44,800 | - | 684,000 | 999,285 | 1,109,946 |
| Other Revenue | 15,487 | 1,482,216 | 346,451 | 4,496,645 | 285,416 | 221,407 |
| Total Revenue | 17,585,703 | 16,225,168 | 12,514,400 | 19,537,978 | 4,413,984 | 2,430,025 |
| EXPENDITURES | | | | | | |
| Salaries and Benefits | 2,014,980 | 2,737,701 | 2,194,707 | 1,104,724 | 654,863 | 554,754 |
| Amortization | - | 2,133,923 | 2,044,017 | - | 2,351,482 | 1,647,772 |
| Debt Servicing | - | 40,224 | 87,184 | - | 280,622 | 280,397 |
| Other Expenses | 6,748,142 | 1,674,874 | 4,268,958 | 23,385,192 | 1,118,429 | 745,134 |
| Total Expenditures | 8,763,122 | 6,586,722 | 8,594,866 | 24,489,916 | 4,405,396 | 3,228,057 |
| Unrealized Gain (Loss) on Investments | - | - | - | - | - | - |
| Annual Surplus (Deficit) | \$ 8,822,581 | \$ 9,638,446 | \$ 3,919,534 | \$ (4,951,938) | \$ 8,588 | \$ (798,032) |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

24. SEGMENTED DISCLOSURE (Continued)

| | Total Before Adjustments | | | Consolidation Adjustments | | | Consolidated Totals | | |
|---|--------------------------|----------------------|----------------------|---------------------------|-------------|--------------------|---------------------|----------------------|----------------------|
| | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 | Budget 2022 | 2022 | (Restated) 2021 |
| REVENUE | | | | | | | | | |
| Federal Government Operating Transfers | \$ 37,575,314 | \$ 33,388,787 | \$ 31,988,160 | \$ - | \$ - | \$ - | \$ 37,575,314 | \$ 33,388,787 | \$ 31,988,160 |
| Federal Government Capital Transfers | 33,755,557 | 19,720,446 | 13,010,569 | - | - | - | 33,755,557 | 19,720,446 | 13,010,569 |
| Provincial Government Operating Transfers | 2,598,041 | 2,266,573 | 2,798,422 | - | - | - | 2,598,041 | 2,266,573 | 2,798,422 |
| Provincial Government Capital Transfers | 256,988 | 256,988 | 256,052 | - | - | - | 256,988 | 256,988 | 256,052 |
| Rent | 749,004 | 1,294,604 | 1,420,545 | - | - | - | 749,004 | 1,294,604 | 1,420,545 |
| Other Revenue | 30,757,342 | 41,499,709 | 27,323,666 | - | - | - | 30,757,342 | 41,499,709 | 27,323,666 |
| Total Revenue | 105,692,246 | 98,427,107 | 76,797,414 | - | - | - | 105,692,246 | 98,427,107 | 76,797,414 |
| EXPENDITURES | | | | | | | | | |
| Salaries and Benefits | 27,682,159 | 26,955,882 | 25,254,979 | - | - | - | 27,682,159 | 26,955,882 | 25,254,979 |
| Amortization | - | 7,041,266 | 5,938,285 | - | - | - | - | 7,041,266 | 5,938,285 |
| Debt Servicing | - | 410,467 | 462,898 | - | - | - | - | 410,467 | 462,898 |
| Other Expenses | 71,501,589 | 36,158,250 | 32,247,052 | - | - | - | 71,501,589 | 36,158,250 | 32,247,052 |
| Total Expenditures | 99,183,748 | 70,565,865 | 63,903,214 | - | - | - | 99,183,748 | 70,565,865 | 63,903,214 |
| Unrealized Gain (Loss) on Investments | - | (273,812) | 64,363 | - | - | - | - | (273,812) | 64,363 |
| Annual Surplus (Deficit) | \$ 6,508,498 | \$ 27,587,430 | \$ 12,958,563 | \$ - | \$ - | \$ - | \$ 6,508,498 | \$ 27,587,430 | \$ 12,958,563 |

LISTUGUJ MI'GMAQ GOVERNMENT
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2022

25. FINANCIAL INSTRUMENTS

(a) Credit Risk

The Listuguj Mi'gmaq Government is exposed to normal risk on its accounts receivable.

(b) Fair Values

The carrying amount of current assets and current liabilities approximates their fair value due to the short term maturities of these items.

The long term debt is carried at an amount which approximates the fair value as the outstanding interest rates are close to or at market rates.

(c) Interest rate risk

The Listuguj Mi'gmaq Government is exposed to interest rate risk due to the variable rate interest on their long-term debt. Changes in the lending rates may cause fluctuations in cash flows and interest expense.

(d) Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market.