

Pasqua First Nation
(First Nations Trust Funding)
Schedule of Revenue and Expenditures
March 31, 2021

Pasqua First Nation
(First Nations Trust Funding)
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For the year ended March 31, 2021

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

To the members of Pasqua First Nation:

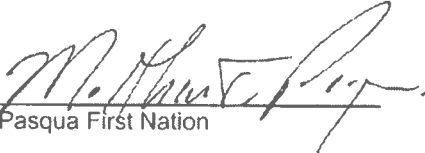
The accompanying financial statements of Pasqua First Nation (First Nation Trust Funding) are the responsibility of management and have been approved by Chief and Council.

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with the First Nation Trust Indenture dated May 26, 2003. 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 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 financial statements.

Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the financial statements. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Chalupiak & Associates CPA Professional Corporation, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.


Pasqua First Nation

Date: November 19, 2021



Chalupiak & Associates CPA Professional Corporation
Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

INDEPENDENT AUDITOR'S REPORT

To the members of Pasqua First Nation

Opinion

We have audited the financial statements of Pasqua First Nation (First Nations Trust Funding)(the "Entity"), which comprise the statement of revenue and expenditures for the year ended March 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the statement of revenue and expenditures of the Pasqua First Nation (First Nations Trust Funding) for the year ended March 31, 2021 in accordance with the financial reporting provisions of section 5.01 of the First Nation Trust Indenture dated May 26, 2003.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the 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.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Entity to comply with the financial reporting provisions of the Trust Indenture. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for First Nations Trust and should not be distributed to, or used by, parties other than First Nations Trust.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with financial reporting provisions of the Trust Indenture, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 entity'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 entity'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 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 entity to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ♦ 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.

Regina, Saskatchewan
November 22, 2021

Chalupiak & Associates
Chalupiak & Associates

Pasqua First Nation
(First Nations Trust Funding)
Statement of Revenue and Expenditures
For the year ended March 31, 2021

	2021	2020
Revenue		
First Nations Trust	\$ 527,168	\$ 724,714
Expenditures		
Development and operation of recreational facilities	-	1,407
Governance activities	527,168	723,307
	527,168	724,714
Excess of revenue over expenditures	\$ -	\$ -

Approved on behalf of the Pasqua First Nation:

Pasqua First Nation
(First Nations Trust Funding)
Notes to Schedule of Revenue and Expenditures
For the year ended March 31, 2021

1. General

The Federation of Sovereign Indigenous Nations (FSIN) and the Government of Saskatchewan entered into the "2002 Framework Agreement" which provided for a distribution of net profits from casinos developed and operated under the Framework Agreement.

The FSIN established a trust fund for the purpose of receiving monies under the Framework Agreement and distributing monies to the First Nations. The Trust was established by the First Nations Trust Indenture dated May 26, 2003.

Pasqua First Nation receives money from the First Nations Trust.

2. Basis of accounting and significant accounting policy

This schedule is prepared to assist the First Nation in complying with the reporting requirements of the First Nations Trust Indenture dated May 26, 2003.

Distribution of Trust Property

Section 5.01 of the First Nations Trust Indenture specifies the purpose for which the funds received by the First Nation may be used as follows:

- (a) economic development
- (b) social programs
- (c) justice initiatives
- (d) education and education facilities
- (e) the development and operation of recreational facilities
- (f) senior and youth programs
- (g) cultural and spiritual development
- (h) the development and maintenance of community infrastructure
- (i) health initiatives
- (j) governance activities
- (k) treaty protection
- (l) any other charitable purpose

**Pasqua First Nation
(CMHC Housing (Section 95))
Financial Statements
*March 31, 2021***

Pasqua First Nation
(CMHC Housing (Section 95))
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For the year ended March 31, 2021

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

To the Members of Pasqua First Nation:

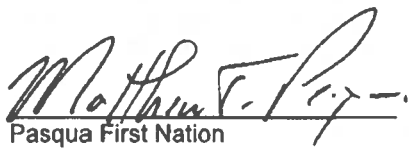
The accompanying financial statements of Pasqua First Nation (CMHC Housing (Section 95)) are the responsibility of management and have been approved by the Chief and Council.

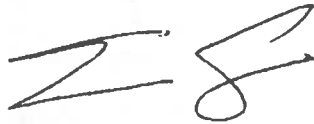
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with the funding agreements between Pasqua First Nation and Canada Mortgage and Housing Corporation (CMHC). 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 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 financial statements.

Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the financial statements. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Chalupiak & Associates CPA Professional Corporation, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.


Matthew T. Roy
Pasqua First Nation



Date: August 17, 2021



Chalupiak & Associates CPA Professional Corporation

Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

INDEPENDENT AUDITORS' REPORT

To the Members of Pasqua First Nation

Opinion

We have audited the financial statements of Pasqua First Nation (CMHC Housing (Section 95)) (the "Entity"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Pasqua First Nation (CMHC Housing (Section 95)) as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with the funding agreements between Pasqua First Nation and Canada Mortgage and Housing Corporation (CMHC).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the management in accordance with the ethical requirements that are relevant to our audit of the 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.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Entity to comply with the funding agreements between Pasqua First Nation and Canada Mortgage and Housing Corporation (CMHC). As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the members of Pasqua First Nation and CMHC and should not be used by parties other than members of Pasqua First Nation and CMHC.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the funding agreements between Pasqua First Nation and Canada Mortgage and Housing Corporation (CMHC), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Chief and Council is responsible for assessing the management'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT, continued

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the 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 Entity'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 Entity'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 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 Entity to cease to continue as a going concern.
- 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.

Report on Other Agreement Obligations

At March 31, 2021, the replacement reserve was underfunded and the operating reserve was overfunded. All interest earned on the replacement reserve has been accrued and maintained within the reserve. We verify that withdrawals from the replacement reserve were made in accordance with the funding agreements.


Regina, Saskatchewan
August 17, 2021

Chalupiak & Associates
Chalupiak & Associates

Pasqua First Nation
(CMHC Housing (Section 95))
Statement of Financial Position
March 31, 2021

	2021	2020
Assets		
Current assets		
Cash	\$ 52,265	\$ 81,004
Restricted cash - notes 2 and 9	894,738	875,115
Accounts receivable - note 3	75,735	69,606
	1,022,738	1,025,725
Houses - notes 1.b and 4	8,354,479	8,668,337
	\$ 9,377,217	\$ 9,694,062
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities - note 5	\$ 140,551	\$ 107,021
Current portion of CMHC mortgages - note 6	640,885	633,224
	781,436	740,245
Long-term liabilities		
CMHC mortgages - note 6	7,713,594	8,035,114
Due to Pasqua First Nation - note 7	108,380	213,035
Reserves		
Replacement reserve - note 8	916,545	816,030
Operating reserve - Post-1996 - note 8	(142,738)	(110,362)
	773,807	705,668
Total reserves - note 8	773,807	705,668
	\$ 9,377,217	\$ 9,694,062

Approved on behalf of the First Nation:

Matthew T. Pop 

Pasqua First Nation
(CMHC Housing (Section 95))
Statement of Operations
and Changes in Net Assets
For the year ended March 31, 2021

	2021	2020
Revenues		
CMHC subsidies	\$ 800,226	\$ 785,425
Rental revenue	146,949	280,941
Rent revenue shortfall - note 7	229,321	101,297
	<u>1,176,496</u>	<u>1,167,663</u>
Expenditures		
Administration fees	64,030	62,830
Depreciation	632,480	614,278
Insurance premiums	146,350	113,174
Interest on long-term debt	148,907	154,736
Professional fees	24,000	22,800
Repairs and maintenance	77,905	114,233
Replacement reserve	115,200	116,760
	<u>1,208,872</u>	<u>1,198,811</u>
Surplus (deficit) before transfer from (to) operating reserve fund - Post-1996	(32,376)	(31,148)
Transfer from (to) operating reserve fund - Post-1996	32,376	31,148
Surplus (deficit)	-	-
Balance, beginning of year	-	-
Balance, end of year	<u>\$ -</u>	<u>\$ -</u>

Pasqua First Nation
(CMHC Housing (Section 95))
Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash flows from (used in) operating activities		
Surplus (deficit)	\$ -	\$ -
Item not involving cash		
Depreciation	632,480	614,278
Changes in non-cash operating items		
Accounts receivable	(6,129)	(3,324)
Accounts payable and accrued liabilities	33,530	15,866
	659,881	626,820
Cash flows from (used in) investing activities		
Restricted cash	(19,623)	(19,993)
Purchase of houses	(318,622)	(388,037)
	(338,245)	(408,030)
Cash flows from (used in) financing activities		
Repayment of CMHC mortgages	(632,481)	(614,278)
Proceeds of CMHC mortgages	318,622	388,037
Due to Pasqua First Nation	(104,655)	85,272
Replacement reserve	100,515	33,843
Operating reserve - Post-1996	(32,376)	(29,148)
	(350,375)	(136,274)
(Decrease) increase in cash (bank indebtedness)	(28,739)	82,516
Cash (bank indebtedness), beginning of year	81,004	(1,512)
Cash, end of year	\$ 52,265	\$ 81,004

1. Significant accounting policies

The financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the reporting requirements of the CMHC funding agreements. The basis of accounting used in these financial statements materially differs from Canadian generally accepted accounting principles.

(a) Revenue and expenses

Revenue and expenses are recorded according to the accrual basis of accounting.

(b) Houses

Houses are reported on the balance sheet at the same value as the outstanding mortgage liabilities. This has the effect of reducing the carrying value of the houses and the corresponding band equity to zero over the depreciation of each phase. The reduction in band equity (which is equal to the principal reduction in mortgages) is recorded as "depreciation" expense.

(c) Replacement reserve fund - Post-1996 projects

A replacement reserve fund has been established for replacement of capital equipment and for major repairs to houses. The reserve is credited annually in amounts approved by CMHC until the reserve accumulates to the amount specified in the agreements. Any applicable expense is charged against the reserve. Interest income attributable to this reserve fund is credited directly to the replacement reserve fund.

(d) Operating reserve fund – Post-1996 projects

Any operating surpluses are retained in an operating reserve fund, which can be used to recover future operating deficits.

(e) Long-term debt

Loan payments including principle and interest are charged to current operations. The principle reduction is recorded as a depreciation expense.

(f) Economic dependence

The projects' capacity to make loan payments is dependent upon CMHC subsidies.

(g) Post-1996 Rent Shortfall

The First Nation is required to contribute any rent shortfall as per the CMHC operating agreements. Rent shortfall is the difference between actual rent collected and the minimum rent contribution as per the CMHC agreements for each phase.

(h) Prior year's figures

Prior year's figures have been restated, where applicable, to conform to current year's presentation.

Pasqua First Nation
(CMHC Housing (Section 95))
Notes to Financial Statements
For the year ended March 31, 2021

2. Restricted cash

	2021	2020
Bank - Replacement reserve	\$ 89,378	\$ 73,108
Bank - Operating reserve	22,965	19,612
Term deposits	782,395	782,395
	\$ 894,738	\$ 875,115

3. Accounts receivable

	2021	2020
Subsidy receivable	\$ 68,433	\$ 66,555
Rent receivable	691	691
Other	6,611	2,360
	\$ 75,735	\$ 69,606

4. Houses

	2021		2020	
	Cost	Accumulated depreciation	Net	Net
CMHC housing assets	\$ 14,095,048	\$ 5,740,569	\$ 8,354,479	\$ 8,668,337

Pasqua First Nation
(CMHC Housing (Section 95))
Notes to Financial Statements
For the year ended March 31, 2021

4. Houses, continued

			2021	2020
	Cost	Accumulated depreciation	Net	Net
CMHC housing assets consists of:				
Phase 4	\$ 150,960	\$ 150,960	\$ -	-
Phase 5	157,352	157,352	-	-
Phase 6	477,002	396,762	80,240	98,706
Phase 7	243,000	170,209	72,791	83,388
Phase 8	240,000	154,769	85,231	96,431
Phase 9	462,626	336,773	125,853	139,537
Phase 10	879,586	664,671	214,915	256,458
Phase 11	1,603,243	979,321	623,922	680,521
Phase 12	441,273	216,909	224,364	242,776
Phase 13	872,139	423,329	448,810	485,641
Phase 14	2,283,135	760,154	1,522,981	1,592,382
Phase 15	249,489	54,964	194,525	203,440
Phase 16	1,536,637	468,027	1,068,610	1,166,842
Phase 17	889,514	269,672	619,842	676,821
Phase 18	229,516	68,800	160,716	175,421
Phase 19	1,625,803	302,683	1,323,120	1,417,349
Phase 20	574,316	72,857	501,459	534,596
Phase 21	472,798	69,460	403,338	429,991
Phase 22	388,037	22,897	365,140	388,037
Phase 23	318,622	-	318,622	-
	\$ 14,095,048	\$ 5,740,569	\$ 8,354,479	\$ 8,668,337

5. Accounts payable and accrued liabilities

	2021	2020
Trade payables	\$ 128,284	\$ 93,846
Accrued mortgage interest	12,267	13,175
	\$ 140,551	\$ 107,021

Pasqua First Nation
(CMHC Housing (Section 95))
Notes to Financial Statements
For the year ended March 31, 2021

6. CMHC mortgages

		Maturity date	Renewal date	Interest rate	Monthly payment	2021	2020
6	CMHC	06/01/2025	06/01/2025	0.68%	1,597 \$	80,240 \$	98,707
7	CMHC	08/01/2027	09/01/2022	1.84%	1,003	72,791	83,388
8	CMHC	02/01/2028	04/01/2023	2.41%	1,115	85,231	96,431
9	CMHC	01/01/2030	03/01/2026	0.96%	1,239	125,853	139,537
10	CMHC	03/01/2026	06/01/2021	1.14%	3,687	214,915	256,458
11	CMHC	07/01/2031	06/01/2021	1.14%	5,336	623,922	680,521
12	CMHC	06/01/2032	06/01/2022	1.30%	1,787	224,364	242,776
13	CMHC	06/01/2032	06/01/2022	1.30%	3,575	448,810	485,641
14	CMHC	12/01/2038	01/01/2024	2.22%	8,651	1,522,981	1,592,382
15	CMHC	08/01/2039	03/01/2025	1.72%	1,027	194,525	203,440
16	CMHC	05/01/2031	05/01/2021	1.21%	9,312	1,068,610	1,166,842
17	CMHC	05/01/2031	05/01/2021	1.21%	5,401	619,842	676,821
18	CMHC	06/01/2031	06/01/2021	1.14%	1,385	160,716	175,421
19	CMHC	03/01/2033	03/01/2023	2.39%	10,571	1,323,120	1,417,349
20	CMHC	10/01/2033	10/01/2023	2.68%	3,913	501,459	534,596
21	CMHC	10/01/2033	10/01/2023	2.68%	3,147	403,338	429,991
22	CMHC	03/01/2035	03/01/2025	1.72%	2,446	365,140	388,037
23	CMHC					318,622	-
						8,354,479	8,668,338
<u>Less current portion</u>						<u>640,885</u>	<u>633,224</u>
<u>Due beyond one year</u>						<u>\$ 7,713,594</u>	<u>\$ 8,035,114</u>

7. Due to Pasqua First Nation

The "Due to Pasqua First Nation" reflects the balance owed to the CMHC Housing program from Pasqua First Nation. This includes amounts owed by the band for contributions to the Post-1996 rental income shortfall as well as amounts owed to the band for payments made on behalf of CMHC operations such as insurance, repairs and maintenance, administration and cash contributions to the replacement reserve

In 2021 the rent shortfall is \$229,321 (2020 - \$101,297).

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

Pasqua First Nation
(CMHC Housing (Section 95))
Notes to Financial Statements
For the year ended March 31, 2021

8. Reserve funds

Replacement reserve fund - Post - 1996 (phases 4-23)

	2021	2020
Balance, start of the year	\$ 816,029	\$ 780,187
Allocation for the year	115,200	114,760
Interest earned	19,526	19,915
Replacement reserve allocation - adjustment	-	2,000
Replacements for the year	(34,210)	(100,833)
Balance, end of the year	\$ 916,545	\$ 816,029

Operating reserve fund - Post-1996 (phases 4-23)

	2021	2020
Balance, start of the year	\$ (110,362)	\$ (79,214)
Transfer from operations - adjustment	-	(2,000)
Transfer to operations - current year	(32,376)	(29,148)
Balance, end of the year	\$ (142,738)	\$ (110,362)

9. Funding of reserves

Under the terms of the agreement with CMHC, reserve funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The reserves are funded as follows:

	Reserve Amount	Funded Amount	Over (Under) Funded
Replacement reserve - post - 1996	\$ 916,545	\$ 871,773	\$ (44,772)
Operating reserve - post - 1996	(142,738)	22,965	165,703
	\$ 773,807	\$ 894,738	\$ 120,931

10. Compliance with CMHC operating agreements

The operating agreements require confirmation that the First Nation has complied with certain aspects of the operating agreements.

Post-1996 agreements

Operating reserve (Paragraph 10 (2) (g))

The First Nation has complied with the requirements.

Replacement reserve (paragraph 10 (2) (e))

The First Nation has complied with the requirements and is not fully funded.

Disbursements from the replacement reserve fund (paragraph 10 (2) (f))

The First Nation has complied with the requirements in regards to the disbursements from the replacement reserve fund.

11. Economic dependence

The Entity's capacity to make loan payments is dependent upon CMHC subsidies, and funding and financing from the Pasqua First Nation.

The subsidies will continue to be provided as long as the program is managed and operated within the terms and conditions of the operating agreements entered into by the parties

12. Prior period adjustment

The comparative figures have been retroactively restated to reflect the balances as reported in the CMHC audit review letter.

Pasqua TLE Holdings Inc.
Financial Statements
December 31, 2021

Pasqua TLE Holdings Inc.
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For the year ended December 31, 2021

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

To the Board of Directors of Pasqua TLE Holdings Inc.:

The accompanying financial statements of Pasqua TLE Holdings Inc. are the responsibility of management and have been approved by the Board of Directors.

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting 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 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 financial statements.

The Board of Directors are responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the financial statements. The Board of Directors fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Chalupiak & Associates CPA Professional Corporation, an independent firm of Chartered Professional Accountants, is appointed by the Board of Directors to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board of Directors and management to discuss their audit findings.



Pasqua TLE Holdings Inc.

Date: May 2, 2023



Chalupiak & Associates CPA Professional Corporation

Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Pasqua TLE Holdings Inc.

Opinion

We have audited the financial statements of Pasqua TLE Holdings Inc., which comprise the statement of financial position as at December 31, 2021, and the statements of income, comprehensive income and changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT, continued

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

We also:

- ♦ Identify and assess the risks of material misstatement of the 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 Corporation'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 Corporation'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 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 Corporation to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ♦ 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.


Regina, Saskatchewan
May 8, 2023


Chalupiak & Associates
Chalupiak & Associates

Pasqua TLE Holdings Inc.
Statement of Financial Position
December 31, 2021

	2021	2020
Assets		
Current assets		
Cash	\$ 565,777	\$ 400,910
Accounts receivable	5,111	4,373
	570,888	405,283
Property, plant and equipment		
Land	190,845	190,845
	\$ 761,733	\$ 596,128
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities - note 6	\$ 19,107	\$ 39,990
Due to Pasqua First Nation TLE Revenue account - note 7	742,626	556,138
	\$ 761,733	\$ 596,128

Approved on behalf of the Board of Directors:


 _____ Director


 _____ Director

Pasqua TLE Holdings Inc.
Statement of Income, Comprehensive Income
and Changes in Equity
For the year ended December 31, 2021

	2021	2020
Revenue		
TLE land rental revenue	\$ 203,602	\$ 271,929
Interest income	464	219
	204,066	272,148
Expenses		
Bank charges	226	180
Consultants and contractors	-	20,325
Land taxes	20,243	40,627
Professional fees	6,500	5,200
	26,969	66,332
Income before undernoted item	177,097	205,816
Other expense		
Due to Pasqua First Nation TLE Revenue account - note 5.j	177,097	205,816
Net income and comprehensive income	-	-
Retained earnings, beginning of year	-	-
Retained earnings, end of year	\$ -	\$ -

Pasqua TLE Holdings Inc.
Statement of Cash Flows
For the year ended December 31, 2021

	2021	2020
Cash flows from (used in) operating activities		
Net income and comprehensive income	\$ -	\$ -
Changes in non-cash operating items		
Accounts receivable	(738)	-
Accounts payable and accrued liabilities	(20,881)	21,878
Due to Pasqua First Nation TLE Revenue account	186,486	205,816
Increase in cash (bank indebtedness)	164,867	227,694
Cash, beginning of year	400,910	173,216
Cash, end of year	\$ 565,777	\$ 400,910

1. Nature of operations

Pasqua TLE Holdings Inc. is wholly owned by Pasqua First Nation. The purpose of establishing the Corporation was to provide a vehicle to hold title to properties purchased by the Pasqua First Nation Treaty Land Entitlement Trust Fund until such time as the properties become reserve status and ownership is transferred to Pasqua First Nation. The Corporation will collect rental revenue and pay expenses related to the land until it is converted to reserve status.

The Corporation is physically located on Pasqua First Nation I.R. 79 and the registered mailing address is P.O. Box 79, Pasqua, Saskatchewan, S0G 5M0, Canada.

2. Going concern

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Corporation be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The accompanying financial statements do not include any adjustments relating to the recoverability of assets and to the reclassification of asset and liability amounts that might be necessary should the Corporation be unable to continue its operations.

3. Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors on behalf of the Shareholders and authorized for issue on May 2, 2023.

4. Change in accounting policies

(a) Adoption of new and revised IFRS Standards

Adoption of amendments to IFRS standards and interpretations:

In the current year, the Corporation has adopted the following amendments. Adoption of these amendments had no effect on the Corporation's financial statements.

Amendment to IFRS 16: *COVID-19 related rent concessions*:

In March 2021, the IASB amended IFRS 16 *Leases*, extending the practical expedient in order to permit lessees to apply it to rent concessions for which reductions in lease payments affect payments originally due on or before June 30, 2022. This amendment is applicable for annual reporting periods beginning on or after April 1, 2021.

Amendments to IFRS 9: *Interest rate benchmark reform phase 2*:

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The Corporation does not have any transactions that meet the criteria under the IFRS amendments mentioned above therefore, no changes have been made to the financial statements as a result of this application.

(b) New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Corporation has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

IFRS 17 Insurance Contracts

Amendments to IAS 37: Onerous contracts: Cost of fulfilling a contract;

Amendments to IAS 16: Property, Plant and Equipment: Proceeds before intended use;

Amendments to IAS 1: Classification of liabilities as current or non-current;

Amendments to IAS 8: Definition of accounting estimate.

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Corporation in future periods.

5. Significant accounting policies

These financial statements are prepared in accordance with International Financial Reporting Standards. The significant accounting policies are detailed as follows:

(a) Basis of presentation

These financial statements reflect only the assets, liabilities, revenue and expenses of the Corporation and therefore do not include any other assets, liabilities, revenues or expenses of the Board of Directors or the liability of the Board of Directors for income taxes on earnings of the Corporation.

Basis of measurement:

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- ♦ Financial instruments at fair value through profit or loss are measured at fair value.

Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is also the Corporation's functional currency.

Significant accounting judgements, estimates and assumptions:

The preparation of the Corporation's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainties about these assumptions and estimates could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date are discussed below:

- ♦ Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary;
- ♦ Depreciation is based on the estimated useful lives of property, plant and equipment;
- ♦ Impairment of property, plant and equipment is based on the estimated recoverable amount of the assets; and,
- ♦ The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5. Significant accounting policies, continued

(b) Financial instruments

Financial assets and financial liabilities are initially measured at fair value. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL") are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss. Transactions to purchase or sell these items are recorded on the trade date. During the year, there has been no reclassification of financial instruments.

Financial assets at fair value through profit or loss

The Corporation has classified cash and cash equivalents as a financial asset at fair value through profit or loss. Any gain/loss arising as a result of the difference between the carrying amount and fair value is recognized in total comprehensive income.

Financial instruments at fair value through profit or loss are subsequently measured at their fair value.

Loans and receivables

The Corporation has classified accounts receivable and due from related parties as loans and receivables.

Loans and receivables are subsequently measured at their amortized cost. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, plus or minus any reduction for impairment or uncollectability. Net gains and losses arising from changes in fair value are recognized in total comprehensive income upon de-recognition or impairment.

Financial liabilities measured at amortized cost

The Corporation has classified accounts payable and accruals, and due to related parties as financial liabilities measured at amortized cost.

Financial liabilities measured at amortized cost are measured at their amortized cost subsequent to initial recognition. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount. Net gains and losses arising from changes in fair value are recognized in total comprehensive income upon de-recognition or impairment.

5. Significant accounting policies, continued

(c) Financial asset impairment

The Corporation assesses impairment of all its financial assets, except those classified as fair value through profit and loss. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Impairment is measured as the difference between the asset's carrying value and its fair value. Any impairment, which is not considered temporary, is included in current year earnings.

(d) Fair value measurements

The Corporation classifies fair value measurements recognized in the 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 Corporation 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.

(e) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(f) Revenue recognition

Revenue from lease and rental agreements is recognized over the lease term pursuant to the rental agreements. Receipts of rental fees for future monthly periods are deferred and recognized as revenue when each respective monthly period commences. Interest is recognized as it is earned.

(g) Income taxes

Pasqua TLE Holdings Inc. is a Corporation subject to income taxes. Due to no income being reported, there are no taxes payable. Accordingly, no provision for income taxes has been provided for in the financial statements.

5. Significant accounting policies, continued

(h) Comprehensive income

Comprehensive income includes all changes in equity of the Corporation. Comprehensive income is the total of net earnings and other comprehensive income. Other comprehensive income comprises revenues, expenses, gains and losses that, in accordance with International Financing Reporting Standards, require recognition, but are excluded from net earnings. The Corporation does not have any items giving rise to other comprehensive income, nor is there any accumulated balance of other comprehensive income. All gains and losses, including those arising from measurement of all financial instruments have been recognized in total comprehensive income for the period.

(i) Land value

No amount has been recorded on the statement of financial position for land held in trust for the Pasqua First Nation.

(j) Net revenue disbursement

The excess of revenue over expenses is reported as "Due to Pasqua First Nation TLE Revenue account."

(k) Measurement uncertainty

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

(l) Comparative figures

Certain figures presented for comparative purposes have been reclassified to conform to the current year's presentation.

6. Accounts payable and accrued liabilities

	2021	2020
Trade payables	\$ 12,999	\$ 14,782
GST payable	6,108	25,208
	\$ 19,107	\$ 39,990

7. Due to Pasqua First Nation TLE Revenue account

Amounts "Due to Pasqua First Nation TLE Revenue account" are unsecured, non-interest bearing and have no fixed repayment schedules. Transactions with related parties are in normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

	2021	2020
Pasqua First Nation TLE Revenue account	\$ 742,626	\$ 556,138

8. Related party transactions

The related parties are as follows:

Pasqua First Nation which owns 100% of the entity.

Pasqua Group of Companies Limited Partnership is related with the entity through common ownership through Pasqua First Nation who is the limited partner in the Partnership and owns 99.9% of the Partnership unit.

In the year, there were no related party transactions occurred.

9. Share capital

The Corporation has issued one Class "A" share which is held in trust for the Pasqua First Nation by the Chief or other authorized representatives of the Band Council.

10. Land held in trust for the Pasqua First Nation

The Corporation holds 8,991 acres of land in trust for the Pasqua First Nation. The land was purchased at a cost of \$8,209,300.

11. Financial instruments

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

(a) Risk management policy

The Corporation does not have a formal risk management policy.

(b) Fair value of financial instruments

The carrying amount of cash and cash equivalents, accounts receivable, and accounts payable and accruals approximate their fair value due to their short-term nature.

The fair value of amounts due from (to) related parties is not determinable as timing of future cash flows cannot be estimated.

Financial assets at fair value through profit or loss:

Cash and cash equivalents are recorded at fair value, which is approximated by the initial carrying value, due to their short-term nature. Cash and cash equivalents are measured at level 1 in the fair value hierarchy.

Loans and receivables:

Accounts receivable and due from related parties are recorded at their amortized cost.

Financial liabilities measured at amortized cost:

Accounts payable and accruals and due to related parties are recorded at their amortized cost.

(c) 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 Corporation's accounts receivable best represents the maximum exposure to credit risk.

The Corporation manages its credit risk by performing regular credit assessments of its customers, providing allowances for potentially uncollectible accounts receivable and considering credit ratings of counterparties. The Corporation does not require collateral or other security relating to accounts receivable.

11. Financial instruments, continued

(d) Concentration risk

The Corporation does have concentration risk. Concentration risk is the risk that a customer has more than ten percent of the total accounts receivable balance and thus there is a higher risk to the business in the event of a default by one of these customers. Concentrations of credit risk relates to groups of counterparties that have similar economic or industry characteristics that cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

At December 31, 2021, receivables are made up of land lease receivables. The amounts are below materiality on an individual basis. Furthermore, the Corporation reduces this risk by regularly assessing the credit risk associated with these accounts and closely monitoring any overdue balances.

At December 31, 2021, the concentration risk exposure to the Corporation is low and is not material.

(e) Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Corporation enters into transactions to purchase goods and services on credit for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Corporation's future net cash flows for the possibility of negative net cash flow.

Pasqua First Nation (TLE Revenue Account)
Financial Statements
December 31, 2021

Pasqua First Nation (TLE Revenue Account)

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For the year ended December 31, 2021

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

To the members of Pasqua First Nation:

The accompanying financial statements of Pasqua First Nation (TLE Revenue Account) are the responsibility of management and have been approved by Chief and Council.

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Disclosed Basis of Accounting. 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 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 financial statements.

Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the financial statements. Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Chalupiak & Associates CPA Professional Corporation, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.



Pasqua First Nation

Date: May 2, 2023



Chalupiak & Associates CPA Professional Corporation

Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Pasqua First Nation (TLE Revenue Account)

Opinion

We have audited the financial statements of Pasqua First Nation (TLE Revenue Account), which comprise the statement of financial position as at December 31, 2021, and the statements of income and retained earnings and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Disclosed Basis of Accounting.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the 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.

Emphasis of Matter - Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Entity to comply with the financial reporting requirements of the Trust Agreement. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the members of Pasqua First Nation and should not be distributed to, or used by parties other than the members of Pasqua First Nation.

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

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

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT, continued

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

We also:

- ◆ Identify and assess the risks of material misstatement of the 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 organization'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 organization'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 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 organization to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ 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.


Regina, Saskatchewan
May 8, 2023



Chalupiak & Associates

Pasqua First Nation (TLE Revenue Account)
Statement of Financial Position
December 31, 2021

	2021	2020
Assets		
Current assets		
Cash - note 3	\$ 164,571	\$ 159,044
GST receivable	98	98
Due from related parties - notes 4 and 5	766,935	575,177
	\$ 931,604	\$ 734,319
Liabilities		
Current liabilities		
Bank indebtedness - note 3	\$ -	\$ 2,784
Accounts payable and accrued liabilities	39,898	33,113
Due to related parties - note 4	374,286	305,303
	414,184	341,200
Shareholders' equity		
Retained earnings	517,420	393,119
	\$ 931,604	\$ 734,319

Approved on behalf of the TLE Board:





Pasqua First Nation (TLE Revenue Account)

**Statement of Income
and Retained Earnings**

For the year ended December 31, 2021

	2021	2020
Net income (loss) by schedule		
TLE Revenue account, Schedule 1	\$ 187,732	\$ 188,217
Administration, Schedule 2	(63,431)	(110,220)
Total net income for the year	124,301	77,997
Retained earnings, beginning of year	393,119	315,122
Retained earnings, end of year	<u>\$ 517,420</u>	<u>\$ 393,119</u>

Pasqua First Nation (TLE Revenue Account)

Statement of Cash Flows

For the year ended December 31, 2021

	2021	2020
Cash flows from (used in) operating activities		
Total net income for the year	\$ 124,301	\$ 77,997
Change in non-cash working capital items		
GST receivable	-	(98)
Accounts payable and accrued liabilities	6,785	15,749
	131,086	93,648
Cash flows from (used in) financing activities		
Due from related parties	(191,758)	(91,006)
Due to related parties	68,983	4,540
	(122,775)	(86,466)
Increase in cash	8,311	7,182
Cash, beginning of year	156,260	149,078
Cash, end of year	\$ 164,571	\$ 156,260

Pasqua First Nation (TLE Revenue Account)

Notes to Financial Statements

For the year ended December 31, 2021

1. Nature of operations

The Pasqua First Nation Treaty Land Entitlement Trust was established to manage funds received pursuant to a Settlement Agreement dated May 18, 2008. Royal Trust Corporation of Canada is the appointed Trustee of the Pasqua First Nation Treaty Land Entitlement Trust.

The agreement stipulates that the First Nation is to establish a "TLE Revenue Account." The TLE Revenue Account does not form part of the Trust, but is instead the personal property of the First Nation. The purpose of the TLE Revenue Account is to receive and disburse monies transferred from the TLE Trust Capital Account in accordance with the trust agreement, and to receive and disburse one hundred percent of the "Annual Income" of the TLE Trust.

These financial statements also include the net income as reported in the financial statements of Pasqua TLE Holdings Inc. TLE Holdings Inc. holds title to the land that is purchased by the Pasqua TLE Trust until it is converted to reserve status.

The agreement requires that a separate audit of the TLE Revenue Account be completed and provides further details on the administration of the TLE Revenue Account.

The Pasqua TLE Revenue Account's mailing address is P.O. Box 79, Pasqua, Saskatchewan, S0G 5M0, Canada.

These financial statements include only the financial transactions of the TLE Revenue Account.

2. Significant accounting policies

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the reporting requirements prescribed by the Pasqua First Nation Treaty Land Entitlement Trust Agreement.

(a) Basis of presentation

These financial statements include only the operations of Pasqua First Nation TLE Revenue Account. They do not include revenues, expenditures, assets or liabilities related to other operations of the Pasqua First Nation.

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognize revenues as they become receivable and measurable; expenditures 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.

(b) Revenue recognition

Income is recognized on an accrual basis. Annual income is recognized once it is determined and collectibility is reasonably assured. Interest and other income is recognized as it is earned.

(c) Measurement uncertainty

The preparation of financial statements in conformity with Disclosed Basis of Accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Pasqua First Nation (TLE Revenue Account)

Notes to Financial Statements

For the year ended December 31, 2021

3. Cash (bank indebtedness)

	2021	2020
PHT - operating	\$ 165	\$ (2,784)
RBC - TLE Peguis operating	164,406	159,044
	<u>\$ 164,571</u>	<u>\$ 156,260</u>

4. Due from (to) related parties

Amounts "Due from (to) related parties" are unsecured, non-interest bearing and have no fixed repayment schedules. Transactions with related parties are in normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

(a) Due from related parties

	2021	2020
Due from Pasqua First Nation TLE Trust	\$ 24,310	\$ 19,039
Due from Pasqua TLE Holdings Inc.	742,625	556,138
	<u>\$ 766,935</u>	<u>\$ 575,177</u>

(b) Due to related party

	2021	2020
Due to Pasqua First Nation	<u>\$ 374,286</u>	<u>\$ 305,303</u>

5. Receivable from the Capital and Revenue Trust Accounts

One hundred percent of the "Annual Income" of the Pasqua First Nation TLE Trust less authorized expenses is due to the Pasqua First Nation TLE Revenue Account as per the Trust Agreement. The December 31, 2021 financial statements of the Pasqua First Nation TLE Trust recorded a payable of \$24,310 (2020 - \$19,039) to the Pasqua First Nation TLE Revenue Account.

6. Financial instruments

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

(a) Fair value

The carrying value of cash, GST receivable, due from related parties and accounts payable and accrued liabilities approximates their fair value due to the short-term nature of these items.

Pasqua First Nation (TLE Revenue Account)

Notes to Financial Statements

For the year ended December 31, 2021

6. Financial instruments, continued

(b) Interest rate risk

Interest rate risk is the risk that the value of 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 flow 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.

(c) Risk management

The entity manages the risk by following the guidelines set out by the Trust Agreement.

Schedule 1
Pasqua First Nation (TLE Revenue Account)
 Schedule of TLE Revenue account
 For the year ended December 31, 2021

	2021	2020
Revenue		
Pasqua TLE Trust annual income	\$ 24,309	\$ 19,038
Pasqua TLE Holdings Inc. annual income	177,097	205,816
Interest	334	365
	201,740	225,219
Expenses		
Band development	13,657	13,657
Bank charges	351	5,345
Professional fees	-	18,000
	14,008	37,002
Net income	\$ 187,732	\$ 188,217

Schedule 2
Pasqua First Nation (TLE Revenue Account)
Schedule of Administration
For the year ended December 31, 2021

	2021	2020
Revenue		
Interest	\$ 19	\$ -
Expenses		
Bank charges	607	165
Consultants and contractors	24,000	51,870
Cultural events	27	-
Miscellaneous	2,912	5,500
Office rent	-	200
Professional fees	12,500	22,375
Supplies	751	1,026
Telephone	1,700	1,400
Travel and per diem	20,953	27,684
	63,450	110,220
Net loss	\$ (63,431)	\$ (110,220)

**Pasqua First Nation
Consolidated Financial Statements
March 31, 2021**

Pasqua First Nation
Consolidated Financial Statements
March 31, 2021

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Pasqua First Nation
Management's Responsibility for Financial Reporting
March 31, 2021

To the Members of Pasqua First Nation:

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

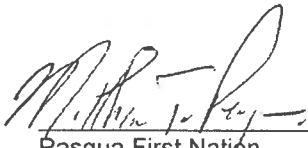
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate 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.

Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the consolidated financial statements. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Chalupiak & Associates CPA Professional Corporation, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

On behalf of Pasqua First Nation:



Pasqua First Nation

April 20, 2022
Date



Chalupiak & Associates CPA Professional Corporation

Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

Independent Auditors' Report

To the Members of
Pasqua First Nation

Opinion

We have audited the consolidated financial statements of Pasqua First Nation, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, accumulated surplus, change in net 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 First Nation as at March 31, 2021, and the results of its consolidated operations, its changes in its consolidated net debt, 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

We also:

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

**Regina, Saskatchewan
April 20, 2022**

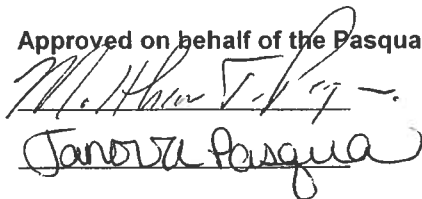
Chalypiak & Associates

Chartered Professional Accountants

Pasqua First Nation
Consolidated Statement of Financial Position
 March 31, 2021

	2021	2020
Financial Assets		
Cash (Note 3)	\$ 615,540	\$ 3,733,700
Restricted cash - capital projects (Note 3)	19,748	176,338
Restricted cash - CMHC reserves (Note 3)	894,739	875,116
Trust funds held by federal government (Notes 3 and 4)	45,012	62,877
Accounts receivable (Notes 5 and 6)	764,362	659,143
Due from related parties (Note 7)	11,251,223	9,366,990
Portfolio investments (Note 8)	71,319	71,319
Investment in government business enterprises (Notes 9 and 10)	(3,822,808)	(3,499,181)
	9,839,135	11,446,302
Liabilities		
Bank indebtedness (Notes 3 and 11)	1,140,770	587,615
Accounts payable (Note 12)	2,349,966	1,527,567
Deferred revenue - unexpended funds - ISC (Note 13)	3,830,410	747,094
Deferred revenue (Note 14)	4,499,441	7,089,982
Current portion of long-term debt (Note 15)	1,707,118	1,699,846
Current portion of CMHC mortgages (Note 16)	640,885	633,224
Long-term debt (Note 15)	4,704,357	4,939,025
CMHC mortgages (Note 16)	7,924,463	8,035,114
	26,797,410	25,259,467
Net debt	(16,958,275)	(13,813,165)
Non-financial Assets		
Capital assets (Note 17)	42,543,052	37,753,546
Prepaid expenses (Note 18)	127,245	122,727
Inventory (Note 19)	82,805	79,646
	42,753,102	37,955,919
Accumulated Surplus (Note 20)	\$ 25,794,827	\$ 24,142,754

Approved on behalf of the Pasqua First Nation:



The accompanying notes are an integral part of the financial statements

Pasqua First Nation
Consolidated Statement of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada (ISC)	\$ 12,418,027	\$ 19,733,516	\$ 7,559,649
ISC - First Nations & Inuit Health Branch (FNIHB)	1,568,760	1,651,283	591,787
Trust funds held by federal government	-	142,135	190,467
CMHC	-	916,200	948,873
CMHC - rental income	-	273,392	280,941
First Nations Trust	527,168	527,168	724,714
Pasqua Legacy Trust - annual income	-	4,189,000	684,419
Pasqua TLE Holdings Inc - annual income	-	205,816	159,477
Pasqua TLE - annual income	-	19,039	25,532
SITAG - Labour Force Development	297,521	189,227	40,000
SIIT	43,499	43,499	-
Touchwood Child & Family Services	27,500	27,500	120,104
CIBC 1906 Land Claim loan proceeds	2,270,148	2,270,148	19,201,727
Contribution from Pasqua TLE Revenue	-	-	30,000
FHQ Tribal Council	520,663	546,219	494,903
Paskwa Pit Stop (sales less cost of sales)	-	439,578	433,708
Paskwa Pit Stop - other revenue	-	14,509	21,154
Equity gain (loss) in related business entities	-	(323,627)	(4,031,428)
CDC revenue	47,764	34,980	40,268
Interest revenue	-	19,890	19,915
Keseechiwan Holdings LP	60,000	60,000	60,000
Other revenue	8,826,335	630,721	299,924
Administration fees - internal allocation	282,561	309,959	145,445
Unexpended funds transferred - prior year	-	747,094	668,272
Deferred revenue - prior year	-	7,089,982	3,266,852
Deferred revenue - current year	-	(4,499,441)	(7,089,982)
	26,889,946	35,257,787	24,886,721
Expenses			
Treaties and Indigenous Government (Schedule 1)	51,500	342,534	8,793,755
Community Infrastructure (Schedule 2)	7,853,721	1,702,295	2,224,373
Economic Development (Schedule 3)	108,792	82,293	89,424
Education (Schedule 4)	5,205,876	5,936,845	4,928,437
Indigenous Government Support (Schedule 5)	7,752,291	7,070,533	1,639,527
Land Management (Schedule 6)	134,092	134,875	157,699
Social Development (Schedule 7)	1,274,460	1,236,969	1,316,504
Registration and Membership (Schedule 8)	18,930	18,930	18,312
Health Services (Schedule 9)	783,483	6,177,519	634,560
CMHC Operations (Schedule 10)	-	436,371	781,138
Band Projects (Schedule 11)	4,083,742	4,620,369	5,750,572
Depreciation (Schedule 12)	-	2,015,772	1,957,188
	27,266,887	29,775,305	28,291,489
Current surplus (deficit) before other items	(376,941)	5,482,482	(3,404,768)

The accompanying notes are an integral part of the financial statements

Pasqua First Nation
Consolidated Statement of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
<hr/>			
Other items			
Unexpended funds transferred to deferred revenue	-	(3,830,410)	(747,094)
<hr/>			
Current surplus (deficit)	\$ (376,941)	\$ 1,652,072	\$ (4,151,862)
<hr/>			

The accompanying notes are an integral part of the financial statements

Pasqua First Nation
Consolidated Statement of Accumulated Surplus
For the year ended March 31, 2021

	2021	2020
Surplus at beginning of year	\$ 24,142,754	\$ 28,294,616
Current surplus (deficit)	1,652,072	(4,151,862)
Surplus at end of year	<u>\$ 25,794,826</u>	<u>\$ 24,142,754</u>

The accompanying notes are an integral part of the financial statements

Pasqua First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Current surplus (deficit)	\$ (376,941)	\$ 1,652,072	\$ (4,151,862)
Acquisition of tangible capital assets	-	(6,805,280)	(3,291,523)
Depreciation of tangible capital assets	-	2,015,775	1,957,191
	-	(4,789,505)	(1,334,332)
Acquisition of prepaid asset	-	(127,245)	(122,727)
Use of prepaid asset	-	122,727	22,243
	-	(4,518)	(100,484)
Acquisition of inventory	-	(82,806)	(79,647)
Use of inventory	-	79,647	85,867
	-	(3,159)	6,220
Decrease in net financial assets	(376,941)	(3,145,110)	(5,580,458)
Net debt at beginning of year	(13,813,165)	(13,813,165)	(8,232,707)
Net debt at end of year	\$ (14,190,106)	\$ (16,958,275)	\$ (13,813,165)

The accompanying notes are an integral part of the financial statements

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

	2021	2020
Cash flows from		
Operating activities		
Current surplus (deficit)	\$ 1,652,072	\$ (4,151,862)
Items not affecting cash		
Depreciation	2,015,775	1,957,188
Loss in investment in government business enterprises	323,627	4,031,428
	3,991,474	1,836,754
Change in non-cash operating working capital		
Accounts receivable	(105,219)	51,072,212
Inventory	(3,159)	6,220
Prepaid expenses	(4,518)	(100,484)
Accounts payable	822,400	(2,344,240)
Deferred revenue - unexpended funds - ISC	3,083,316	120,962
Deferred revenue	(2,590,541)	3,897,809
	5,193,753	54,489,233
Capital activities		
Acquisition of capital assets	(6,805,280)	(3,291,519)
Financing activities		
Due from related entities	(1,884,233)	(2,604,610)
Long-term debt - repayment	(227,397)	(45,233,508)
CMHC mortgages - repayment	(632,480)	(614,277)
CMHC mortgages - proceeds	529,490	388,037
	(2,214,620)	(48,064,358)
Investing activities		
Trust funds held by federal government	17,865	109,532
Restricted cash - CMHC reserves	(19,623)	(19,994)
	(1,758)	89,538
Increase in cash and cash equivalents	(3,827,905)	3,222,894
Cash and cash equivalents, beginning of year	3,322,423	99,529
Cash and cash equivalents, end of year	\$ (505,482)	\$ 3,322,423
Represented by		
Cash	\$ 615,540	\$ 3,733,700
Bank indebtedness	(1,140,770)	(587,615)
Restricted cash - capital projects	19,748	176,338
	\$ (505,482)	\$ 3,322,423

The accompanying notes are an integral part of the financial statements

Pasqua First Nation

Notes to Consolidated Financial Statements

March 31, 2021

1. General

The Pasqua First Nation ("the First Nation") is a First Nation band located in the province of Saskatchewan and provides services to its members. Pasqua First Nation is subject to the provisions of the Indian Act. These financial statements include the Pasqua 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 do not include the Treaty Land Entitlement (TLE) Trust or the Pasqua First Nation Legacy Trust; separate audited financial statements are prepared for these Trusts.

The band office address is P.O. Box 79, Pasqua, Saskatchewan, S0G 5M0, Canada.

2. Basis of presentation and significant accounting policies

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

(a) Reporting entity

The Pasqua First Nation reporting entity includes the Pasqua First Nation government and all related entities that are controlled by the First Nation.

(b) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Pasqua First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Pasqua First Nation.

Organizations consolidated in Pasqua First Nation's financial statements include:

Paskwa Pit Stop

Organizations accounted for on a modified equity basis include:

Pasqua TLE Holdings Inc.

PFN Group of Companies Limited Partnership (includes consolidation of Pro Metal Industries Ltd.)

PFN Group of Companies Inc.

(c) Asset classification

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

2. Basis of presentation and significant accounting policies, continued

(d) Net debt or net financial assets

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

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

(f) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2021. No contaminated sites have been identified as at March 31, 2021.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

2. Basis of presentation and significant accounting policies, continued

(g) Tangible capital assets

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

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

Depreciation is provided for on a straight-line basis over their estimated useful lives.

Buildings	5-40 years Straight line
Equipment	3-5 years Straight line
Vehicles	3-5 years Straight line
CMHC - houses	25 years Straight line
Roads	40 years Straight line
Infrastructure	10-40 years Straight line
Band houses	20 years Straight line
Paskwa Pit Stop	2-25 years Straight line

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

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

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

(h) Portfolio investments

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

2. Basis of presentation and significant accounting policies, continued

(i) Trust funds

Funds earned and held in trust on behalf of First Nation members by the Government of Canada. Trust moneys consist of:

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

Revenues from Trust moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are reported on by the Government of Canada.

(j) Use of estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(k) Segments

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

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

(l) Internal charges and transfers

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

2. Basis of presentation and significant accounting policies, continued

(m) Revenue recognition

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

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

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

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

(n) Expense recognition

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

(o) Comparative figures

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

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

3. Cash and cash equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Pasqua First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement and Subsidy Fund.

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

Funds held in trust are held by the federal government in trust for the First Nation.

	2021	2020
Unrestricted cash		
General operations	\$ 615,540	\$ 3,733,700
<hr/>		
Bank indebtedness		
General operations	(1,140,770)	(587,615)
<hr/>		
Restricted cash - capital projects		
Capital projects	19,748	176,338
<hr/>		
Restricted cash - CMHC reserves		
CMHC Replacement Reserve	871,774	855,504
CMHC Operating Reserve	22,965	19,612
<hr/>		
	894,739	875,116
<hr/>		
Trust funds held by the federal government		
Capital funds	11,545	11,545
Revenue funds	33,467	51,332
<hr/>		
	45,012	62,877
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	\$ 2,715,809	\$ 5,435,646
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Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

4. Trust funds held by federal government

The Trust funds held by federal government arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada. The management of these funds are primarily governed by the Sections 63 to 69 of the Indian Act.

	2021	2020
Capital funds held in trust	\$ 11,545	\$ 11,545
Revenue funds held in trust	33,467	51,332
	\$ 45,012	\$ 62,877

		2021		2021		2021		2020
		Revenue		Capital		Total		Total
Surplus, beginning of year	\$	51,332	\$	11,545	\$	62,877	\$	172,409
Withdrawals		(160,000)		-		(160,000)		(300,000)
Interest earnings		1,029		-		1,029		4,368
Land leases		141,106		-		141,106		186,100
Surplus, end of year	\$	33,467	\$	11,545	\$	45,012	\$	62,877

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

5. Accounts receivable

	2021	2020
Due from members		
Staff/member advances and loans	\$ 35,117	\$ 48,869
Due from others		
Living Sky Community Development Corporation	-	12,785
Keeseechiwan Holdings Inc.	60,000	-
FHQ Tribal Council	132,022	239,153
Other receivables	69,926	-
Paskwa Pit Stop (net of allowance)	61,525	94,758
	323,473	346,696
Due from government and other government organizations		
Indigenous Services Canada (ISC)	390,657	244,040
ISC - First Nations & Inuit Health Branch (FNIHB)	-	28,000
CMHC - subsidy	68,433	66,555
GST	34,000	25,831
	493,090	364,426
	851,680	759,991
Allowance for doubtful accounts	(87,318)	(100,848)
Total accounts receivable	\$ 764,362	\$ 659,143

6. Accounts receivable - ISC

	2021	2020
Wastewater	\$ 183,585	\$ -
Water	87,072	-
Band employee benefits	-	27,740
Medical transport clerk	-	35,000
Food security	120,000	-
IR80A claim	-	181,300
	\$ 390,657	\$ 244,040

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

7. Due from related parties

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

Amounts due from related parties are unsecured, non-interest bearing and have no fixed repayment schedules.

	2021	2020
Pasqua TLE Holdings Inc.	\$ 365,293	\$ 159,477
PFN Group of Companies Limited Partnership	7,887,101	7,188,062
Pasqua TLE Trust	19,039	133,849
Pasqua TLE Revenue	17,805	-
Pro Metal Industries Ltd.	2,961,985	1,885,602
	\$ 11,251,223	\$ 9,366,990

8. Portfolio investments

	2021	2020
Kinookimaw Beach Association	\$ 579	\$ 579
TIPI-IMI Brokerage Company Ltd. (4.5% ownership)	9,800	9,800
First Nations Bank	940	940
Keseechiwan Holdings LP (8.3% ownership)	60,000	60,000
	\$ 71,319	\$ 71,319

The First Nation has a 8.3% interest in FHQTC Developments LP. The First Nation's equity at the end of March 31, 2021 is \$444,215 (2020 - \$461,811).

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

9. Investment in government business enterprises

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principle activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

The First Nation has investments in the following entities:

	Investment, beginning of the year	Contributions	Withdrawals	Share of Earnings (Loss)	2021 Investment, end of the year
Pasqua TLE Holdings Inc. (100%)	\$ -	\$ -	\$ -	\$ -	\$ -
PFN Group of Companies Limited Partnership (99.9%)	(5,211,850)	-	-	(325,512)	(5,532,151)
PFN Group of Companies Inc. (100%)	1,712,669	-	-	(3,326)	1,709,343
	<u>\$ (3,499,181)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (328,838)</u>	<u>\$ (3,822,808)</u>

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

10. Investment in government business enterprises - summary of activity

The financial summary of the activities of the investments is as follows:

	Pasqua TLE Holdings Inc. As at December 31, 2020	PFN Group of Companies Limited Partnership. As at December 31, 2020	PFN Group of Companies Inc. As at December 31, 2020	2021 Total	2020 Total
Cash	\$ 400,910	\$ -	\$ -	\$ 400,910	\$ 173,216
Accounts receivable	4,373	1,237,243	-	1,241,616	549,893
Prepaid expenses	-	84,067	-	84,067	69,246
Inventory	-	644,935	-	644,935	396,029
Deposits	-	203,285	-	203,285	-
Investments	-	6,200,000	-	6,200,000	6,200,000
Tangible capital assets	190,845	10,810,924	-	11,001,769	2,071,220
Due from related parties	-	-	1,723,880	1,723,880	1,773,880
Income taxes recoverable	-	222,725	-	222,725	193,695
Total assets	\$ 596,128	\$ 19,403,179	\$ 1,723,880	\$ 21,723,187	\$ 11,427,179
Bank indebtedness	\$ -	\$ 1,111,129	\$ -	\$ 1,111,129	\$ 1,307,438
Accounts payable	39,990	779,677	9,000	828,667	1,782,306
Current portion of long-term debt	-	183,535	-	183,535	163,424
Unearned revenues	-	704,091	-	704,091	-
Due to related parties	556,138	12,434,958	-	12,991,096	11,199,980
Long-term debt	-	175,591	-	175,591	274,306
Deferred taxes	-	222,725	-	222,725	193,695
Reserve for losses in significantly influenced entities	-	-	5,537	5,537	5,211
Total liabilities	596,128	15,611,706	14,537	16,222,371	14,926,360
Contributed surplus	-	9,329,161	-	9,329,161	-
Operating deficit	-	(5,537,688)	-	(5,537,688)	(3,499,181)
Total equity	-	3,791,473	1,709,343	5,500,816	(3,499,181)
Total liabilities and equity	\$ 596,128	\$ 19,403,179	\$ 1,723,880	\$ 21,723,187	\$ 11,427,179

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

10. Investment in government business enterprises - summary of activity, continued

	Pasqua TLE Holdings Inc. As at December 31, 2020	PFN Group of Companies Limited Partnership. As at December 31, 2020	PFN Group of Companies Inc. As at December 31, 2020	2021 Total	2020 Total
Revenue	\$ 272,148	\$ 11,318,307	\$ (326)	\$ 11,590,129	\$ 2,961,859
Cost of sales	-	8,843,501	-	8,843,501	2,006,859
Expenses	272,148	2,800,644	3,000	3,075,792	4,986,428
Total expenses	272,148	11,644,145	3,000	11,919,293	6,993,287
Net income	\$ -	\$ (325,838)	\$ (3,326)	\$ (329,164)	\$ (4,031,428)

11. Bank indebtedness

On March 31, 2021 the First Nation had an approved overdraft limit and line of credit with Peace Hills Trust as follows:

General operations - Line of credit limit of \$100,000 at a rate of prime plus 2% and overdraft limit of \$150,000 at an annual interest rate of 24%. The bank balance as at March 31, 2021 is overdrawn by \$284,730 (2020 - nil).

Housing - Line of credit of \$400,000 at a rate of prime plus 2% - balance March 31, 2021 is overdrawn by \$397,921 (2020 - \$395,913).

Payroll advances- Line of credit of \$20,000 at a rate of 8% - balance March 31, 2021 is overdrawn by \$nil (2020 - \$19,867).

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

12. Accounts payable

	2021	2020
Due to others		
General suppliers	\$ 2,040,680	\$ 1,297,659
Accrued interest - long-term debt	89,707	91,815
Paskwa Pit Stop - trade payables	91,685	36,125
Pension payable	63,111	49,690
	2,285,183	1,475,289
Due to government and other government organizations		
Indigenous Services Canada (ISC)	23,195	23,195
CRA payroll deductions	41,588	29,083
	64,783	52,278
	\$ 2,349,966	\$ 1,527,567

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

13. Deferred revenue - unexpended funds - ISC

Indigenous Services Canada (ISC) funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds - ISC" on the financial statements.

	2021	2020
P&ID financial management	\$ 18,941	\$ 11,689
Needs assessment - emergency measures	3,423	15,831
Treaty benefits claim	4,318	181,300
FN school formula	334,029	117,239
Jordan's Principle - allied services	42,073	19,149
RLEMP	46,673	5,688
P&ID 10 year readiness	50,000	50,000
Welfare administrator	-	37,342
Basic needs	81,704	20,234
Basic needs - COVID-19	96,562	-
Special needs	33,159	31,834
Special needs - COVID-19	46,858	18,500
Immediate needs renovations	-	54,496
Employment & training	143,573	82,906
Community safety plan	7,136	7,136
Community involvement	63,750	63,750
P&ID HR management	30,000	30,000
Second level services	408,094	-
Sanitation	129,044	-
Structural readiness	137,629	-
Community development	14,590	-
Capacity development risk management	42,500	-
Prevention	310,456	-
Mental health	37,457	-
COHI	4,083	-
Prenatal	6,581	-
MH wellness-detox	50,000	-
Support services	8,136	-
Telehealth deployment	5,310	-
Health capital investments	926,649	-
Buffalo grasslands	26,500	-
Water	158,349	-
Summer students	8,587	-
COVID-19 - LEDSP	124,984	-
COVID-19 - Post secondary	166,672	-
Community health rep	49,508	-
CCC supplies & equipment	213,082	-
	\$ 3,830,410	\$ 747,094

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

14. Deferred revenue

	March 31, 2020	Funding received, 2021	Revenue recognized, 2021	March 31, 2021
Lagoon expansion	\$ 1,669,608	\$ -	\$ (11,330)	\$ 1,658,278
Capacity Development Infrastructure	87,024	-	-	87,024
Subdivision	1,251,925	-	-	1,251,925
Headstart	74,151	249,242	(91,265)	232,128
Daycare	27,474	243,590	(188,426)	82,638
Capacity development	33,342	-	-	33,342
Elders Centre	3,319,194	-	(2,696,231)	622,963
Emergency Measures	348,264	164,717	(512,981)	-
High School Construction	179,000	-	-	179,000
Fire Protection	100,000	100,000	-	200,000
Backup Well	-	1,375,000	(1,242,857)	132,143
School Expansion	-	20,000	-	20,000
	\$ 7,089,982	\$ 2,152,549	\$ (4,743,090)	\$ 4,499,441

15. Long-term debt

	2021	2020
PHT Loan #41 - TLE litigation, Child & Family Welfare Services and Fort Qu'Appelle Hospital Lands Term Loan - bearing interest at 5.00%, monthly interest payments, principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	\$ 500,000	\$ 500,000
PHT Loan #42 - Post Secondary Term Loan - bearing interest at 5.00%, monthly interest payments, principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	300,000	300,000
PHT Loan #43 - Vehicle purchases Term Loan - bearing interest at 5.00%, monthly blended payments of \$1,770 maturing April 1, 2020, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	-	1,528
RBC demand loan bearing interest at 5.99% per annum, repayable in monthly blended payments of \$530, matures in September 30, 2021.	3,128	9,104
PHT Loan #37 - Surrender Claim and Debt Consolidation Term Loan - bearing interest at prime plus 0%, monthly interest payments, principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	674,203	674,203

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

15. Long-term debt, continued

	2021	2020
PHT Loan #39 - Bridge legal costs regarding TLE litigation - bearing interest at prime plus 0%, monthly interest payments and annual principle due upon maturity, maturing April 1, 2021, secured by assignment of First Nations Trust, ISC and assets of Paskwa Pit Stop.	189,935	220,000
PHT Loan #46 - Band hall renovations, ratification costs, share purchase, Pow Wow arbour repairs - bearing interest at 6.0%, quarterly blended payments of \$120,000 maturing July 1, 2023, secured by assignment of First Nations Trust, ISC and band owned entities and assets.	4,744,209	4,934,036
	6,411,475	6,638,871
Less current portion	1,707,118	1,699,846
	\$ 4,704,357	\$ 4,939,025

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

2022	\$ 1,707,118
2023	242,047
2024	255,058
2025	268,869
2026	283,527
2027 and thereafter	3,654,856
	\$ 6,411,475

	2021	2020
Interest expense for the year on long-term debt	\$ 363,026	\$ 373,420

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

16. CMHC mortgages

	Phase number	Renewal date	Interest rate	Monthly payment	2021	2020
CMHC	6	6/1/2025	0.68%	\$ 1,597	\$ 80,241	\$ 98,706
CMHC	7	9/1/2022	1.84%	1,003	72,791	83,388
CMHC	8	4/1/2023	2.41%	1,115	85,231	96,431
CMHC	9	3/1/2026	0.96%	1,239	125,853	139,537
CMHC	10	6/1/2021	1.14%	3,687	214,915	256,458
CMHC	11	6/1/2021	1.14%	5,336	623,922	680,521
CMHC	12	6/1/2022	1.30%	1,787	224,364	242,776
CMHC	13	6/1/2022	1.30%	3,575	448,810	485,641
CMHC	14	1/1/2024	2.22%	8,651	1,522,981	1,592,382
CMHC	15	3/1/2025	1.72%	1,027	194,525	203,440
CMHC	16	5/1/2021	1.21%	9,312	1,068,610	1,166,842
CMHC	17	5/1/2021	1.21%	5,401	619,842	676,821
CMHC	18	6/1/2021	1.14%	1,385	160,716	175,421
CMHC	19	3/1/2023	2.39%	10,571	1,323,120	1,417,349
CMHC	20	10/1/2023	2.68%	3,913	501,459	534,596
CMHC	21	10/1/2023	2.68%	3,147	403,338	429,991
CMHC	22	3/1/2025	1.72%	2,446	365,140	388,037
CMHC advance	23				318,622	-
CMHC advance	24				210,868	-
					8,565,348	8,668,337
Less current portion					640,885	633,223
					\$ 7,924,463	\$ 8,035,114

Interest paid for the year was \$150,129 (2020 - \$184,292)

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

17. Tangible capital assets

	Cost	Additions	Accumulated depreciation	2021 Net book value
Land	\$ 8,209,300	\$ -	\$ -	\$ 8,209,300
Buildings	17,202,907	185,000	8,132,351	9,255,556
Equipment	1,580,361	127,609	1,213,808	494,161
Vehicles	818,716	15,540	744,254	90,002
CMHC - houses	15,048,247	-	6,127,291	8,920,956
Roads	3,594,117	-	539,703	3,054,414
Infrastructure	3,932,968	-	1,649,598	2,283,369
Band houses	10,224,556	-	9,584,329	640,227
Paskwa Pit Stop	596,893	41,668	540,399	98,162
Assets Under Construction	3,061,440	6,435,462	-	9,496,902
	<u>\$ 64,269,505</u>	<u>\$ 6,805,279</u>	<u>\$ 28,531,733</u>	<u>\$ 42,543,049</u>

	Cost	Additions	Accumulated depreciation	2020 Net book value
Land	\$ 8,209,300	\$ -	\$ -	\$ 8,209,300
Buildings	15,687,832	1,515,075	7,400,741	9,802,166
Equipment	1,207,135	373,226	995,418	584,943
Vehicles	579,794	238,922	602,788	215,928
CMHC - houses	14,641,893	406,354	5,521,458	9,526,789
Roads	1,639,635	1,954,482	449,850	3,144,267
Infrastructure	3,625,922	307,046	1,535,969	2,396,998
Band houses	10,224,556	-	9,504,301	720,255
Paskwa Pit Stop	586,518	10,375	505,434	91,459
Assets Under Construction	4,575,398	(1,513,958)	-	3,061,440
	<u>\$ 60,977,983</u>	<u>\$ 3,291,522</u>	<u>\$ 26,515,959</u>	<u>\$ 37,753,545</u>

18. Prepaid expenses

	2021	2020
Insurance	\$ -	\$ 4,283
Post Secondary living allowance	120,050	110,215
Paskwa Pit Stop insurance	7,195	8,229
	<u>\$ 127,245</u>	<u>\$ 122,727</u>

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

19. Inventory

	2021	2020
Fuel	\$ 38,173	\$ 37,519
Cigarettes and tobacco	20,366	22,276
Other	24,266	19,851
Total	\$ 82,805	\$ 79,646

20. Accumulated surplus

	2021	2020
Restricted		
Invested in tangible capital assets	\$ 33,974,576	\$ 29,074,603
Trust funds held by federal government	45,012	62,877
Portfolio investments	71,319	71,319
Invested in business ventures	(3,822,808)	(3,499,181)
CMHC reserves	894,738	875,116
Unrestricted		
Operating surplus (deficit)	(5,368,010)	(2,441,980)
Total	\$ 25,794,827	\$ 24,142,754

Capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services.

Investments in related entities represents amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

Trust funds held by federal government are monies held by the federal government for use by the First Nation for specific purposes.

Operating surplus (deficit) represents future revenue required for past operational activities.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

21. ISC contributions

	2021	2020
ISC revenue per agreement	\$ 21,374,861	\$ 8,310,617
Prior period revenue (recovery)		
Economic development	-	(52,908)
Band employee benefits - 18/19	-	(33,002)
Band employee benefits	9,938	(4,354)
Institutional care	-	(16,487)
NGBM - SCTA	-	(56,975)
Current year receivable (payable)		
Band employee benefits	-	27,741
Institutional care	-	(23,195)
	\$ 21,384,799	\$ 8,151,437

22. Contingent liabilities

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

In addition, in the normal course of its operations, Pasqua First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Pasqua First Nation's financial statements.

23. Contractual Obligations

The nature of Pasqua First Nation's activities can result in some multi-year contracts whereby it will be obligated to make future payments when the goods or services are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

	2021 Monthly payments	2020 Monthly payments
Finning CAT - Caterpillar 160M BR	\$ 4,424	\$ 4,424
RCAP Leasing	180	180
Sasktel	464	464
Wells Fargo	1,585	1,585
Xerox	559	559
	\$ 7,212	\$ 7,212

24. CMHC reserves and restricted cash

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts; as of March 31, 2021 the replacement reserve fund was underfunded by \$44,772 (2020 - fully funded) and the operating reserve fund was fully funded (2020 - fully funded).

25. Employee benefit obligations

Vacation and overtime

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year. There is no liability recorded in these statements for vacation or overtime.

Post-employment benefits

Pasqua First Nation does not provide extended health, dental and life insurance benefits to retired employees and therefore has no obligations with regards to post employment benefits.

Pension plan

Pasqua First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 9% of their salary up to a maximum of 10% of their basic salary. Pasqua First Nation contributes a matching portion which is directed to the member's contribution account. Pasqua First Nation does not have any other obligations with regards to the pension plan as at March 31, 2021.

26. Fair value

The fair value of the financial assets (except the investments), and current liabilities approximates their carrying value due to their short term nature. It is not practical to determine fair value for the investments with sufficient reliability because of the limited market for them. The fair value of the First Nation's long-term debt approximates cost due to either the short-term nature (either to term or to renewal) or has interest floating at market rates.

27. Interest rate risk

The First Nation is not exposed to significant interest rate risk on its monetary assets and current liabilities, due to their short term maturity. The First Nation is exposed to interest rate price risk on its long-term debt that has a fixed interest rate.

28. Budgeted figures

Budgeted figures are unaudited and have been provided for comparison purposes and derived from the estimates approved by the Pasqua First Nation.

29. Economic dependence

Pasqua First Nation receives a substantial amount of its funding from Indigenous Services Canada and FNIHB as a result of treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

30. COVID-19

In early March 2020, the global outbreak of COVID-19 (corona virus) began to have a significant impact on the First Nation due to office closures, travel restrictions, cancellation of events and increased cost of compliance with other guidelines and regulations. The First Nation received additional funding from ISC to assist with COVID-19 related costs. However, the First Nation received less funding from First Nation's Trust due to the closure of SIGA casinos. Revenues from the Nation business entities were also negatively impacted. These impacts are expected to continue until the end of the COVID-19 pandemic.

31. Expenses by object

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Administration fees - internal allocation	\$ 292,561	\$ 319,479	\$ 163,292
Assistance - band members	456,522	465,794	426,960
Assistance - social development	822,656	692,308	637,138
Bad debts (recovery)	-	14,470	8,092
Band development	-	13,657	57,471
Bank charges and supplier interest	45,361	52,622	156,157
Capital - equipment purchases	3,849	3,849	-
Capital transactions	385,024	385,024	1,487,065
Consultants and contractors	8,449,550	12,084,834	4,457,416
Contribution to PFN Land Acquisition Ltd.	-	-	9,379,161
Cost share - allocated from other programs	3,050	3,050	-
COVID-19 expenses	-	5,567,250	-
Cultural programs	1,128,386	1,063,484	879,520
Depreciation	-	2,015,772	1,957,188
Fuel	87,647	87,746	72,380
Governance	681,735	687,082	895,003
Graduation, awards, prizes	11,610	11,610	52,732
Insurance	114,564	265,197	218,395
Janitorial supplies	760	760	14,433
Land tax	-	1,850	-
Last Mountain IR#80A claim expenses	-	38,405	48,331
Long term debt - payments (principle & interest)	-	303,979	229,453
Long term debt - principle repayment	76,055	72,621	311,000
Long term debt - mortgage principle repayment	-	148,907	154,736
Other expenses	26,526	23,895	63,896
PFN gravel purchases	165,723	165,723	-
Paskwa Pit Stop	-	413,589	504,175
Per capita distribution	3,000	43,000	(856,792)
Prior year unexpended funds	-	-	116,819
Professional fees	296,067	594,446	419,920
Program expenses	5,739	6,619	129,810
Recreational activities	91,655	92,245	340,069
Registration fees	899	899	-
Repairs and maintenance	517,581	603,709	962,725
Student allowance	945,699	990,566	973,763

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

31. Expenses by object, continued

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Supplies	2,679,670	672,164	795,712
Telephone	18,138	19,438	18,588
Training	33,384	33,384	42,397
Travel - medical transportation	52,516	39,132	41,471
Travel, meetings and per diems	191,595	187,331	500,519
Tuition	565,110	558,971	576,764
Utilities	269,976	204,976	203,077
Wages and benefits	8,830,435	7,575,235	5,059,334
Winter/summer games	-	-	28,644
Youth initiatives	13,844	13,844	45,821
Transfer to capital assets	-	(6,763,611)	(3,281,146)
	\$ 27,266,887	\$ 29,775,305	\$ 28,291,489

32. Segmented information

As previously discussed in note 2(k) the First Nation conducts its business through reportable segments as follows:

Treaties and Indigenous Government:

Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

Community Development:

Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

Economic Development:

Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

32. Segmented information, continued

Education:

Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with ISC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labor market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

Indigenous Government Support:

Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

Land Management:

Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

Social Development:

First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

Registration and Membership:

Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as a member of the First Nation under the Indian Act.

Health Services

Reports on costs associated with the development of safe and healthy communities.

Canada Mortgage and Housing Corporation (CMHC)

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth.

Pasqua First Nation
Notes to Consolidated Financial Statements
March 31, 2021

32. Segmented information, continued

Band Projects

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

Inter-segment transfers are recorded at their exchange amount. Details of the segment revenues and expenses are provided in the accompanying schedules. There are no revenues or expenses that have not been allocated to a segment.

Schedule #1
Pasqua First Nation
Treaties and Indigenous Government
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada	\$ 64,943	\$ -	\$ -
ISC - fixed	-	64,943	181,300
ISC - prior period revenue (recovery)	-	-	(56,975)
Pasqua Legacy Trust - annual income	-	-	684,419
CIBC 1906 Land Claim loan proceeds	-	-	19,201,727
Other revenue	-	1,830	7,458
Unexpended funds transferred - prior year	-	181,300	43,176
	64,943	248,073	20,061,105
Expenses			
Administration fees - internal allocation	-	-	5,000
Bank charges and supplier interest	-	42	25,081
Consultants and contractors	48,500	181,300	1,320
Contribution to PFN Land Acquisition Ltd.	-	-	9,379,161
Last Mountain IR#80A claim expenses	-	38,405	48,331
Long term debt - interest paid	-	-	159,905
Per capita distribution	3,000	43,000	(856,792)
Professional fees	-	79,787	30,913
Travel, meetings and per diems	-	-	837
	51,500	342,534	8,793,756
Current surplus (deficit) before other items	13,443	(94,461)	11,267,349
Other items			
Unexpended funds transferred to deferred revenue	-	(4,318)	(181,300)
Current surplus (deficit) before transfers	13,443	(98,779)	11,086,049
Transfers			
Transfer - Community Infrastructure	-	-	(3,899,250)
Transfer - Indian Government Support	-	-	(750,000)
Current surplus (deficit)	\$ 13,443	\$ (98,779)	\$ 6,436,799

The accompanying notes are an integral part of the financial statements

Schedule #2
Pasqua First Nation
Community Infrastructure
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Indigenous Services Canada	\$ 120,000	\$ -	\$ -
ISC - fixed	903,035	751,998	423,224
ISC - flexible	96,047	2,012,741	1,062,741
CMHC	-	7,475	12,656
FHQ Tribal Council	9,550	-	-
CIBC 1906 Land Claim loan proceeds	2,270,148	2,270,148	-
Other revenue	2,851,464	50,322	35,838
Unexpended funds transferred - prior year	-	54,496	21,249
Deferred revenue - prior year	-	6,640,093	3,163,715
Deferred revenue - current year	-	(4,184,675)	(6,640,093)
	6,250,244	7,602,598	(1,920,670)
Expenses			
Bank charges and supplier interest	22,422	22,052	529
Capital - equipment purchases	3,849	3,849	-
Consultants and contractors	6,424,456	6,174,974	1,385,559
Fuel	54,674	54,674	69,062
Insurance	1,512	1,512	85,174
Other expenses	-	-	2,000
Repairs and maintenance	417,942	436,913	650,634
Student allowance	-	-	1,191
Supplies	8,319	4,881	6,361
Telephone	3,000	3,000	3,350
Travel, meetings and per diems	18,257	18,257	80,455
Utilities	155,489	90,489	125,041
Wages and benefits	743,801	703,141	815,070
Transfer to capital assets	-	(5,811,446)	(1,000,051)
	7,853,721	1,702,296	2,224,375
Current surplus (deficit) before other items	(1,603,477)	5,900,302	(4,145,045)
Other items			
Unexpended funds transferred to deferred revenue	-	(287,393)	(54,496)
Current surplus (deficit) before transfers	(1,603,477)	5,612,909	(4,199,541)
Transfers			
Transfer - Claims and Indian Government	-	-	3,899,250
Transfer - Depreciation	-	(456,817)	(457,064)
Current surplus (deficit)	\$ (1,603,477)	\$ 5,156,092	\$ (757,355)

The accompanying notes are an integral part of the financial statements

Schedule #3
Pasqua First Nation
Economic Development
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - fixed	\$ -	\$ 151,484	\$ -
ISC - flexible	26,500	-	-
ISC - prior period revenue (recovery)	-	-	(52,908)
FHQ Tribal Council	86,411	86,411	86,411
	<u>112,911</u>	<u>237,895</u>	<u>33,503</u>
Expenses			
Administration fees - internal allocation	8,641	8,641	-
Assistance - band members	47,943	47,944	69,559
Consultants and contractors	27,500	1,000	9,750
Program expenses	-	-	111
Repairs and maintenance	24,708	24,708	-
Travel, meetings and per diems	-	-	10,004
	<u>108,792</u>	<u>82,293</u>	<u>89,424</u>
Current surplus (deficit) before other items	4,119	155,602	(55,921)
Other items			
Unexpended funds transferred to deferred revenue	-	(151,484)	-
Current surplus (deficit) before transfers	4,119	4,118	(55,921)
Transfers			
Transfer - Depreciation	-	(2,829)	(2,829)
Current surplus (deficit)	<u>\$ 4,119</u>	<u>\$ 1,289</u>	<u>\$ (58,750)</u>

The accompanying notes are an integral part of the financial statements

Schedule #4
Pasqua First Nation
Education
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - fixed	\$ 7,619,470	\$ 5,044,593	\$ 3,734,935
ISC - set	100,816	-	-
ISC - flexible	115,265	82,504	63,776
FHQ Tribal Council	53,094	3,382	62,665
SITAG - Labour Force Development	182,650	74,356	40,000
Other revenue	286	286	100
Unexpended funds transferred - prior year	-	136,388	247,674
	8,071,581	5,341,509	4,149,150
Expenses			
Administration fees - internal allocation	147,992	147,992	3,682
Assistance - band members	-	-	8,593
Consultants and contractors	582,160	641,754	429,651
COVID-19 expenses	-	586,625	-
Cultural programs	20,809	20,809	8,802
Fuel	-	-	3,319
Graduation, awards, prizes	11,610	11,610	52,732
Insurance	5,612	5,612	4,173
Janitorial supplies	760	760	12,786
Program expenses	2,851	2,230	61,507
Recreational activities	-	-	2,125
Repairs and maintenance	32,406	9,534	50,380
Student allowance	945,699	990,566	972,572
Supplies	343,011	297,378	169,601
Telephone	2,250	2,250	1,950
Training	24,660	24,660	6,771
Travel, meetings and per diems	26,234	26,234	61,598
Tuition	562,852	556,713	576,187
Utilities	80,735	80,735	51,586
Wages and benefits	2,416,235	2,541,400	2,468,059
Transfer to capital assets	-	(10,016)	(17,637)
	5,205,876	5,936,846	4,928,437
Current deficit before other items	2,865,705	(595,337)	(779,287)
Other items			
Unexpended funds transferred to deferred revenue	-	(1,097,084)	(136,388)
Current deficit before transfers	2,865,705	(1,692,421)	(915,675)
Transfers			
Transfer - Depreciation	-	(253,115)	(249,777)
Current deficit	\$ 2,865,705	\$ (1,945,536)	\$ (1,165,452)

The accompanying notes are an integral part of the financial statements

Schedule #5
Pasqua First Nation
Indigenous Government Support
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - grant	\$ 638,829	\$ 638,829	\$ 638,829
ISC - fixed	149,864	85,000	135,000
ISC - set	152,574	-	-
ISC - flexible	509,760	1,804,192	189,046
ISC - prior period revenue (recovery)	-	-	(4,354)
ISC - current year receivable (payable)	-	-	27,741
FHQ Tribal Council	17,170	-	-
Other revenue	837,693	134,495	27,238
Administration fees - internal allocation	-	-	25
Unexpended funds transferred - prior year	-	178,406	165,608
Deferred revenue - prior year	-	348,264	-
Deferred revenue - current year	-	-	(348,264)
	2,305,890	3,189,186	830,869
Expenses			
Administration fees - internal allocation	8,500	8,500	8,500
Bank charges and supplier interest	-	-	38,276
Consultants and contractors	604,060	286,308	150,793
COVID-19 expenses	-	2,953,021	-
Cultural programs	22,625	-	236
Fuel	32,874	32,974	-
Insurance	355	355	8,878
Other expenses	135	135	1,020
Professional fees	67,640	224,857	65,676
Program expenses	638	638	5,630
Repairs and maintenance	36,089	36,089	40,512
Supplies	2,130,842	160,234	502,760
Telephone	5,074	5,024	4,850
Training	500	500	20,162
Travel, meetings and per diems	65,141	29,938	64,142
Wages and benefits	4,777,818	3,336,174	794,603
Transfer to capital assets	-	(4,213)	(66,511)
	7,752,291	7,070,534	1,639,527
Current deficit before other items	(5,446,401)	(3,881,348)	(808,658)
Other items			
Unexpended funds transferred to deferred revenue	-	(230,340)	(178,406)
Current deficit before transfers	(5,446,401)	(4,111,688)	(987,064)

The accompanying notes are an integral part of the financial statements

Schedule #5, continued
Pasqua First Nation
Indigenous Government Support
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Transfers			
Transfer - Community Infrastructure	-	-	750,000
Transfer - Health Services	-	1,520,917	-
Transfer - Depreciation	-	(24,687)	(23,282)
Current deficit	\$ (5,446,401)	\$ (2,615,458)	\$ (260,346)

The accompanying notes are an integral part of the financial statements

Schedule #6
Pasqua First Nation
Land Management
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - fixed	\$ 175,860	\$ 175,860	\$ 110,893
Unexpended funds transferred - prior year	-	5,688	52,494
	<u>175,860</u>	<u>181,548</u>	<u>163,387</u>
Expenses			
Administration fees - internal allocation	12,087	12,087	11,089
Bank charges and supplier interest	500	-	-
Consultants and contractors	4,818	4,818	41,373
Professional fees	3,000	-	-
Registration fees	899	899	-
Repairs and maintenance	67	67	78
Supplies	1,239	1,240	1,227
Telephone	-	-	350
Training	1,480	1,480	115
Travel, meetings and per diems	1,068	1,068	5,370
Tuition	2,138	2,138	-
Wages and benefits	106,796	111,078	98,097
	<u>134,092</u>	<u>134,875</u>	<u>157,699</u>
Current surplus before other items	41,768	46,673	5,688
Other items			
Unexpended funds transferred to deferred revenue	-	(46,673)	(5,688)
Current surplus	<u>\$ 41,768</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

Schedule #7
Pasqua First Nation
Social Development
Schedule of Operations

For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - fixed	\$ -	\$ 465,684	\$ 76,007
ISC - set	286,258	212,310	212,311
ISC - flexible	1,399,196	1,042,830	811,016
ISC - prior period revenue (recovery)	35,370	-	11,951
ISC - current year receivable (payable)	-	-	(23,195)
Touchwood Child & Family Services	27,500	27,500	46,904
Unexpended funds transferred - prior year	-	190,816	110,447
	1,748,324	1,939,140	1,245,441
Expenses			
Administration fees - internal allocation	22,626	22,626	18,082
Assistance - band members	-	-	10,148
Assistance - social development	820,213	689,865	637,138
Bank charges and supplier interest	-	1,800	3,123
Consultants and contractors	314,163	315,023	355,636
COVID-19 expenses	-	16,612	-
Cultural programs	1,200	1,200	664
Professional fees	-	-	139,360
Program expenses	245	866	54,672
Supplies	13,177	13,177	6,297
Telephone	1,200	1,200	1,100
Travel, meetings and per diems	15,275	15,275	17,861
Wages and benefits	86,361	159,325	72,423
	1,274,460	1,236,969	1,316,504
Current surplus (deficit) before other items	473,864	702,171	(71,063)
Other items			
Unexpended funds transferred to deferred revenue	-	(712,312)	(190,816)
Current deficit before transfers	473,864	(10,141)	(261,879)
Transfers			
Transfer - Depreciation	-	(5,283)	(5,283)
Current deficit	\$ 473,864	\$ (15,424)	\$ (267,162)

The accompanying notes are an integral part of the financial statements

Schedule #8
Pasqua First Nation
Registration and Membership
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - fixed	\$ 18,930	\$ 18,930	\$ 18,312
Expenses			
Administration fees - internal allocation	1,893	1,893	1,831
Consultants and contractors	13,520	13,520	-
Program expenses	-	-	625
Supplies	2,875	2,875	6,533
Training	530	530	-
Travel, meetings and per diems	112	112	9,323
	18,930	18,930	18,312
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #9
Pasqua First Nation
Health Services
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
ISC - FNIHB - fixed	\$ 106,260	\$ 71,260	\$ 29,260
ISC - FNIHB - set	-	-	35,000
ISC - FNIHB - flexible	1,462,500	1,580,023	527,527
ISC - fixed	-	5,310	-
ISC - flexible - Jordan's Principle Allied Services	5,310	7,176,308	-
Other revenue	121,497	110,000	-
Unexpended funds transferred - prior year	-	-	27,624
	1,695,567	8,942,901	619,411
Expenses			
Administration fees - internal allocation	55,874	54,223	16,737
Assistance - band members	15,600	15,600	-
Assistance - social development	2,443	2,443	-
Consultants and contractors	209,941	3,614,524	55,758
COVID-19 expenses	-	2,010,992	-
Cultural programs	119,548	68,572	128,330
Fuel	99	99	-
Insurance	5,350	5,350	3,176
Janitorial supplies	-	-	1,647
Other expenses	-	99	11,125
Professional fees	3,000	3,000	-
Repairs and maintenance	1,329	1,329	323
Supplies	39,784	62,130	37,039
Telephone	2,574	2,524	2,988
Training	6,214	6,214	160
Travel - medical transportation	52,516	39,132	41,471
Travel, meetings and per diems	15,463	15,462	22,256
Utilities	28,518	28,517	8,838
Wages and benefits	225,230	247,311	304,711
	783,483	6,177,521	634,559
Current surplus (deficit) before other items	912,084	2,765,380	(15,148)
Other items			
Unexpended funds transferred to deferred revenue	-	(1,300,806)	-
Current surplus (deficit) before transfers	912,084	1,464,574	(15,148)

The accompanying notes are an integral part of the financial statements

Schedule #9, continued
Pasqua First Nation
Health Services
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Transfers			
Transfer - Indian Government Support	-	(1,520,917)	-
Transfer - Depreciation	-	(43,579)	(43,579)
Current deficit	\$ 912,084	\$ (99,922)	\$ (58,727)

The accompanying notes are an integral part of the financial statements

Schedule #10
Pasqua First Nation
CMHC Operations
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
CMHC	\$ -	\$ 908,726	\$ 936,216
CMHC - rental income	-	273,392	280,941
Interest revenue	-	19,526	19,915
	-	1,201,644	1,237,072
Expenses			
Administration fees - internal allocation	-	4,520	61,840
Bank charges and supplier interest	-	479	990
Consultants and contractors	-	648,244	614,885
Insurance	-	146,350	113,174
Long term debt - interest paid	-	148,907	154,736
Professional fees	-	24,000	22,800
Repairs and maintenance	-	90,028	215,066
Transfer to capital assets	-	(626,157)	(402,354)
	-	436,371	781,137
Current surplus before transfers	-	765,273	455,935
Transfers			
Transfer - Depreciation	-	(605,833)	(604,400)
Current surplus (deficit)	\$ -	\$ 159,440	\$ (148,465)

The accompanying notes are an integral part of the financial statements

Schedule #11
Pasqua First Nation
Band Projects
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue			
Trust funds held by federal government	\$ -	\$ 142,135	\$ 190,467
First Nations Trust	527,168	527,168	724,714
SITAG - Labour Force Development	114,871	114,871	-
SIIT	43,499	43,499	-
Touchwood Child & Family Services	-	-	73,200
Pasqua TLE Holdings Inc - annual income	-	205,816	159,477
Pasqua TLE - annual income	-	19,039	25,532
Pasqua Legacy Trust - annual income	-	4,189,000	-
Contribution from Pasqua TLE Revenue	-	-	30,000
FHQ Tribal Council	354,438	456,427	345,827
Paskwa Pit Stop (sales less cost of sales)	-	454,087	454,862
Equity gain (loss) in related business entities	-	(323,628)	(4,031,428)
CDC revenue	47,764	34,980	40,268
Interest revenue	-	365	-
Keseechiwan Holdings LP	60,000	60,000	60,000
Other revenue	5,015,395	333,786	229,290
Administration fees - internal allocation	282,561	309,959	145,420
Deferred revenue - prior year	-	101,625	103,137
Deferred revenue - current year	-	(314,766)	(101,625)
	6,445,696	6,354,363	(1,550,859)

Expenses			
Administration fees - internal allocation	34,948	58,997	36,531
Assistance - band members	392,979	402,251	338,661
Bad debts (recovery)	-	14,470	8,092
Band development	-	13,657	57,471
Bank charges and supplier interest	22,439	28,251	88,156
Capital transactions	385,024	385,024	1,487,065
Consultants and contractors	220,432	203,369	1,412,692
Cost share - allocated from other programs	3,050	3,050	-
Cultural programs	964,204	972,904	741,488
Governance	681,735	687,082	895,003
Insurance	101,735	106,017	3,821
Land tax	-	1,850	-
Long term debt - interest paid	76,055	376,600	380,549
Other expenses	26,391	23,661	49,751
PFN gravel purchases	165,723	165,723	-
Paskwa Pit Stop	-	413,589	504,175
Prior year unexpended funds	-	-	116,819
Professional fees	222,427	262,802	161,171
Program expenses	2,005	2,885	7,265
Recreational activities	91,655	92,245	337,944
Repairs and maintenance	5,040	5,040	5,733

The accompanying notes are an integral part of the financial statements

Schedule #11, continued
Pasqua First Nation
Band Projects
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Supplies	140,423	130,251	65,889
Telephone	4,040	5,440	4,000
Training	-	-	15,190
Travel, meetings and per diems	50,045	80,986	228,674
Tuition	120	120	578
Utilities	5,234	5,234	17,612
Wages and benefits	474,194	476,805	506,369
Winter/summer games	-	-	28,644
Youth initiatives	13,844	13,844	45,821
Transfer to capital assets	-	(311,780)	(1,794,594)
	4,083,742	4,620,367	5,750,570
Current surplus (deficit) before transfers	2,361,954	1,733,996	(7,301,429)
Transfers			
Transfer - Depreciation	-	(623,631)	(570,975)
Current surplus (deficit)	\$ -	\$ 1,110,365	\$ (7,872,404)

The accompanying notes are an integral part of the financial statements

Schedule #12
Pasqua First Nation
Depreciation
Schedule of Operations
For the year ended March 31, 2021

	2021 Budget (unaudited)	2021 Actual	2020 Actual
Revenue	\$ -	\$ -	\$ -
Expenses			
Community Infrastructure	-	446,656	474,488
Economic Development	-	2,829	2,829
Education	-	253,115	249,776
Indian Government Support	-	34,849	5,859
Social Development	-	5,283	5,283
Health Services	-	43,579	43,579
CMHC	-	605,833	604,400
Band Projects	-	623,628	570,974
	-	2,015,772	1,957,188
Current deficit before transfers	-	(2,015,772)	(1,957,188)
Transfers			
Transfer - Programs	-	2,015,772	1,957,188
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation
Schedule of Remuneration and Expenses
Chief and Councillors
For the Year Ended March 31, 2021
(unaudited)**

Pasqua First Nation
Schedule of Remuneration and Expenses
Table of Contents
For the Year Ended March 31, 2021
(unaudited)

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Chalupiak & Associates CPA Professional Corporation
Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

Review Engagement Report

To the members of **Pasqua First Nation**

We have reviewed the accompanying **Schedule of Remuneration and Expenses - Chief and Councillors** of Pasqua First Nation for the year ended March 31, 2021. This schedule is the responsibility of the First Nation's management. Our responsibility is to issue a report on the schedule based on our review.

Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the First Nation.

A review does not constitute an audit and, consequently, we do not express an audit opinion on this schedule.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying schedule is not prepared, in all material respects, in accordance with the reporting requirements of the First Nations Financial Transparency Act.


Regina, Saskatchewan
May 3, 2022

Chalupiak & Associates
Chalupiak & Associates

Pasqua First Nation
Schedule of Remuneration and Expenses
Chief and Councillors
For the Year Ended March 31, 2021
(unaudited)

Name	Position	Number of Months	Remuneration	Other Remuneration	Travel and Meetings	Total
Peigan, Matthew Todd	Chief	12	\$ 107,500	\$ -	\$ 20,619	\$ 128,119
Chicoose, Beverly	Councillor	12	52,885	1,400	12,552	66,837
Cyr, Timothy	Councillor	12	52,885	400	8,163	61,448
Desnomie, Cynthia	Councillor	11	50,346	4,039	11,222	65,607
Gordon, Jessica	Councillor	11	50,346	4,039	9,924	64,309
Ironeagle, Fabian	Councillor	12	52,885	1,400	7,931	62,216
Kahnapace, Lindsay	Councillor	12	52,885	400	13,375	66,660
Pasqua, Janova	Councillor	12	52,885	400	11,372	64,657
Poitrass, Danielle	Councillor	11	50,346	4,039	6,151	60,536
Obey, Leroy	Councillor	1	2,538	-	748	3,286
Peigan, Murray	Councillor	1	2,538	-	1,499	4,037
Johns, Cathie	Councillor	1	2,538	-	1,469	4,007
Total:			\$ 530,577	\$ 16,117	\$ 105,025	\$ 651,719

Acknowledged and agreed on behalf of Pasqua First Nation by:

DocuSigned by:

 Per: Matthew T. Peigan
 202008071671438
 Pasqua First Nation

Date: May 2, 2022

Pasqua First Nation
Notes to the Schedule of Remuneration and Expenses
Chief and Councillors
For the Year Ended March 31, 2021
(unaudited)

1. General

The Schedule has been prepared in accordance with the First Nations Financial Transparency Act. The Schedule sets out the remuneration paid and the expenses reimbursed to its Chief and each of its Councillors - acting in their capacity as such and in any other capacity, including their personal capacity - by the First Nation and by any entity that, in accordance with generally accepted accounting principles, is required to be consolidated with the First Nation. The Schedule has been prepared in accordance with the First Nations Financial Transparency Act.

2. Basis of presentation

The information in this Schedule is presented according to the following definitions defined in the First Nations Financial Transparency Act.

a. Position

The nature of the position held by the elected person, e.g. Chief or Councillor.

b. Number of Months

The number of months during the fiscal year that the individual was a Chief or Councillor.

c. Remuneration and Other Remuneration

“Remuneration and Other Remuneration” means any salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary benefits - other than the reimbursement of expenses.

d. Travel and Meetings

“Travel and Meetings” includes the costs of transportation, accommodation, meals, hospitality and incidental expenses incurred by the individuals in fulfilling their duties.

