



Consolidated Financial Statements

Membertou Reserve Band Council

March 31, 2021

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of the **Membertou Reserve Band Council** and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.


The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

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

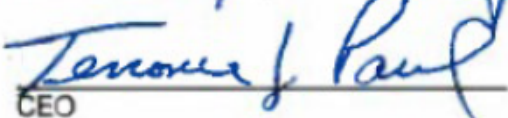
The Band Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report.

The consolidated financial statements have been audited by Grant Thornton LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. Grant Thornton LLP has full and free access to the Council.



Chief Financial Officer



CEO

Independent Auditor's Report

To the Chief and Councillors of the
Membertou Reserve Band Council

Opinion

We have audited the consolidated financial statements of the Membertou Reserve Band Council (the "Band"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, changes in net financial liabilities 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 consolidated financial statements present fairly, in all material respects, the financial position of the Band as at March 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

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

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the 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 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 Band'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 company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Band'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 Band's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Band to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Band to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

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

Sydney, Canada
July 30, 2021

Grant Thornton LLP

Chartered Professional Accounts

Membertou Reserve Band Council

Consolidated Statement of Operations

Year ended March 31	Budget	2021	2020
Revenues			
Fisheries	\$ 4,341,705	\$ 5,619,944	\$ 4,075,384
Rental	2,517,525	2,240,674	2,201,787
Commercial sales	32,343,373	27,486,015	40,403,753
(Loss) gain on disposal of property	-	2,515	169,014
Government transfers (Note 22)	12,659,424	17,396,165	16,489,969
Income (loss) from government business partnership	-	344,767	(159,984)
Other revenues	268,500	2,318,932	758,126
	<u>52,130,527</u>	<u>55,409,012</u>	<u>63,938,049</u>
Expenditures			
Administrative	3,140,248	2,949,406	3,565,363
Community expenses	3,248,371	2,706,604	3,821,960
Core funding and benefits	1,012,800	974,458	1,010,903
Cost of sales – commercial	13,920,021	11,714,012	17,424,951
Education and training	1,295,162	1,144,234	1,434,708
Fishing	403,235	1,414,699	400,543
Health programs	800,833	973,319	1,023,545
Insurance	613,108	821,675	611,324
Interest	2,151,218	2,067,382	2,639,777
Other	1,788,496	1,665,909	2,612,769
Professional fees	319,350	449,558	369,630
Repairs and maintenance	3,599,681	3,800,187	5,084,164
Salaries and benefits	15,090,636	13,005,035	16,650,856
Security and policing	262,100	727,302	397,175
Social	3,894,768	4,142,622	3,692,536
	<u>51,540,027</u>	<u>48,556,402</u>	<u>60,740,204</u>
Less: transfers/recoveries	<u>(1,627,836)</u>	<u>(2,035,107)</u>	<u>(2,146,222)</u>
	49,912,191	46,521,295	58,593,982
Annual surplus before depreciation	2,218,336	8,887,717	5,344,067
Depreciation	<u>4,503,419</u>	<u>6,023,752</u>	<u>5,771,097</u>
Annual surplus	<u>\$ (2,285,083)</u>	<u>2,863,965</u>	<u>(427,030)</u>
Accumulated surplus, beginning of year		<u>65,587,724</u>	<u>66,014,754</u>
Accumulated surplus, end of year		<u>\$ 68,451,689</u>	<u>\$ 65,587,724</u>

See accompanying notes to the consolidated financial statements.

Membertou Reserve Band Council

Consolidated Statement of Financial Position

March 31

2021

2020

Financial assets

Cash	\$ 3,971,045	\$ 2,869,736
Receivables (Note 2)	6,920,745	5,412,803
Inventory (Note 3)	499,184	470,744
Restricted cash	9,977,934	2,915,317
Due from related party	4,158,727	5,063,487
Investments (Note 4)	10,579,955	9,977,033
Investment in government business enterprise (Note 5)	<u>701,683</u>	<u>356,916</u>
	<u>36,809,273</u>	<u>27,066,036</u>

Financial liabilities

Payables and accruals (Note 9)	3,990,981	4,702,710
Deferred revenue (Note 10)	6,109,723	2,792,449
Long term debt (Note 12)	206,044,487	81,470,784
Deferred trust contributions (Note 14)	6,582,707	6,513,207
Capital lease obligations (Note 13)	<u>1,282,625</u>	<u>1,572,698</u>
	<u>224,010,523</u>	<u>97,051,848</u>

Net financial liabilities (Page 7) (187,201,250) (69,985,812)

Non-financial assets

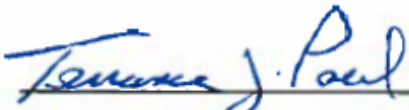
Purchased fishing licenses and permits (Note 11)	118,114,205	3,447,743
Capital assets (Note 7)	136,795,787	131,448,999
Prepays (Note 6)	<u>742,947</u>	<u>676,794</u>
	<u>255,652,939</u>	<u>135,573,536</u>

Accumulated surplus (Page 5) **\$ 68,451,689** **\$ 65,587,724**

Contingencies (Note 18)

Commitments (Note 19)

On behalf of the Band Council

 Chief

 Councillor

See accompanying notes to the consolidated financial statements.

Membertou Reserve Band Council

Consolidated Statement of Cash Flows

Year ended March 31

2021

2020

Increase in cash and cash equivalents

Operating		
Excess (deficiency) of revenue over expenditures	\$ 2,863,965	\$ (427,030)
Depreciation	6,023,752	5,771,097
Gain on disposal of capital assets	(2,515)	(169,014)
Share of limited partnership income	<u>-</u>	<u>(120,827)</u>
	8,885,202	5,054,226
Change in non-cash operating working capital		
Receivables	(1,507,942)	(19,210)
Prepays	(66,153)	(188,833)
Inventory	(28,440)	67,895
Payables and accruals	(711,729)	(1,205,689)
Net change from government business entity	904,760	137,275
Deferred revenue	<u>3,317,274</u>	<u>1,722,425</u>
	<u>10,792,972</u>	<u>5,568,089</u>
Investing		
Decrease in deficiency in government business enterprise	(344,767)	(19,723)
Purchase of investments	<u>(603,032)</u>	<u>(7,156,000)</u>
	<u>(947,689)</u>	<u>(7,175,723)</u>
Financing		
New deferred trust contributions	69,500	33,000
Repayment of long-term capital lease obligation	(290,073)	(251,207)
Receipt of capital lease	-	253,000
Receipt of long-term debt	132,796,832	15,664,302
Repayment of long-term debt	<u>(8,223,129)</u>	<u>(5,302,186)</u>
	<u>124,353,130</u>	<u>10,396,909</u>
Capital		
Proceeds on disposal of assets	-	196,599
Licence and permit assets acquired	(114,666,462)	(1,383,406)
Capital assets acquired	<u>(11,368,025)</u>	<u>(8,898,019)</u>
	<u>(126,034,487)</u>	<u>(10,084,826)</u>
Net increase (decrease) in cash and cash equivalents	8,163,926	(1,295,551)
Cash and cash equivalents, beginning of year	<u>5,785,053</u>	<u>7,080,604</u>
Cash and cash equivalents, end of year	<u>\$ 13,948,979</u>	<u>\$ 5,785,053</u>
<hr/>		
Cash and cash equivalents consist of:		
Cash	\$ 3,971,045	\$ 2,869,736
Restricted cash	<u>9,977,934</u>	<u>2,915,317</u>
	<u>\$ 13,948,979</u>	<u>\$ 5,785,053</u>

See accompanying notes to the consolidated financial statements.

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

1. Summary of significant accounting policies

Reporting entity and principles of financial reporting

These financial statements have been prepared in accordance with Public Sector Accounting Standards (PSAS), which encompass the principles common with First Nations.

The consolidated financial statements of the Membertou Reserve Band Council are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The focus of PSAB financial statements is on the financial position of the Band and the changes thereto. The consolidated statement of financial position includes all the assets and liabilities of the Band.

Significant aspects of the accounting policies adopted by the Band are as follows:

Principles of consolidation

The consolidated financial statements include the accounts of all funds and operations in which the Band has a controlling interest, after the elimination of inter-fund transactions and balances. The entities include the following Membertou Reserve Band Council Funds - Operating Fund, Housing Fund, Public Works Fund, Capital Fund, Economic Development Fund, Enterprise Fund, Employment Development Fund, Health Fund, AFS Program Fund, Social Fund, Enterprise Fund, and Education Fund, as well as, the Membertou Development Corporation, 3306129 Nova Scotia Limited (operating as the Membertou Market), the Membertou Trade & Convention Centre Limited, the Membertou Gaming Commission Inc., 3237395 Nova Scotia Limited (Operating as Membertou Insurance Brokers), Membertou Commercial Fisheries, Membertou Entertainment Centre, the Membertou Business Centre, the Membertou Cultural and Heritage Centre Foundation Inc., Membertou Data Centre, Membertou Geomatics, Membertou Sport and Wellness Centre, Lanes @ Membertou and 35.71% of First Nations Fisheries Interest Group in the current year.

Membertou Properties Limited Partnership has met the definition of a government business enterprise, which is included in the consolidated financial statements on a modified equity basis (Note 5).

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks, and term deposits net of bank overdraft.

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

1. Summary of significant accounting policies (continued)

Revenue recognition

Membertou Reserve Band Council follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses or capital expenditures are incurred. Unrestricted contributions are recognized as revenue when recovered or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Rental revenue is recognized when received or receivable and collection is reasonably assured.

Gaming revenue from video lottery net of corresponding direct expenses are recognized at the time of play and are recorded net of commissions and credits paid out. Other gaming revenues are recognized as earned when received or receivable as long as collection is reasonably assured.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated depreciation and impairment.

Depreciation

Rates and bases of depreciation applied to write off the cost of property and equipment over their estimated lives are as follows:

Buildings	4%, declining balance
Housing properties	25-year, straight line
Infrastructure	4%, declining balance
Fishing vessels	15%, declining balance
Fishing equipment	20%, declining balance
Equipment	20%, declining balance
Motor vehicles	20%, declining balance
Moveable equipment	20%, declining balance
School buses	20%, declining balance
Computer hardware and software	20%, declining balance
Office equipment and furniture	20%, declining balance
Parking lots	4-20%, declining balance
Equipment under capital lease	20%, declining balance

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

1. Summary of significant accounting policies (continued)

Purchased fishing licenses and permits

Purchased fishing licenses and permits assets are intangible capital assets. These indefinite-lived fishing licenses and permits are recognized at cost and are not amortized.

The Band evaluates the carrying value of its licenses and permits annually for impairment. Should a permanent impairment be identified, the impairment will be recognized as a reduction in the carrying value and as a charge against income on the statement of operations in the period the impairment occurred.

The Band also owns other communal fishing licenses and permits which were not purchased by the Band but were given to or granted to the Band.

Investments

Investments are valued at the lower of cost and net realizable value.

Use of estimates

In preparing the Band's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the period. Actual results could differ from these estimates.

Income taxes

The Band Council is exempt from income taxes under Section 149(l) (c) of the *Canadian Income Tax Act*.

Government transfers

Government transfers received are recognized in the financial statements as revenue when the transfers are authorized, and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers to individuals and other entities are recognized as an expenditure when the transfers are authorized and all eligibility criteria have been met.

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

1. Summary of significant accounting policies (continued)

Moveable Capital Asset Reserve

The Band is required to maintain a Moveable Capital Asset Reserve in accordance with the consolidated contribution agreement with the Department of Indigenous Services Canada – First Nations and Inuit Health Branch. The reserve is for the maintenance or replacement of capital assets transferred to the Band by the Department of Indigenous Services Canada – First Nations and Inuit Health Branch. Expenditures of capital funds under the reserve are restricted to expenditures on these assets only and there can be no transfer of these funds to the operating budget.

Inventory

The cost of inventories is comprised of directly attributable costs and includes the purchase price plus other costs incurred in bringing the inventories to their present location and condition, such as freight. The cost is reduced by the value of rebates and allowances received from vendors. The Band estimates net realizable value as the amount that inventories are expected to be sold. Inventories are written down to net realizable value when the cost of inventories is not estimated to be recoverable due to obsolescence, damage, or declining selling prices. When circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in selling price, the amount of the write-down previously recorded is reversed. Costs that do not contribute to bringing inventories to their present location and condition, such as storage and administrative overheads, are specifically excluded from the cost of inventories and are expensed in the period incurred.

The cost of inventory recognized as an expense during fiscal 2021 was \$11,714,012 (2020 - \$12,956,225). No write-down of inventories below their cost to their net realizable value was made in fiscal 2021. There were no reversals of inventories written down previously that are no longer estimated to sell below cost.

Leases

Leases are classified as either capital or operating in nature. Capital leases are those which transfer substantially all the benefits and risks of ownership to the lessee. If the lease contains a term that allows ownership to pass to the Band or there is a bargain purchase option, the capitalized value is depreciated over the estimated useful life of the related asset. Otherwise, the capitalized value is depreciated on a straight-line basis over the lesser of the lease term and its estimated useful life. Obligations recorded under capital leases are reduced by the principal portion of lease payments as incurred and the imputed interest portion of capital lease payments is charged to expenditures and amortized straight-line over the life of the lease. Operating lease payments are charged to expenditures.

Net debt

The Band's financial statements are presented to highlight net debt as the measurement of financial position. The net debt of the Band is determined by its liabilities less its financial assets.

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

1. Summary of significant accounting policies (continued)

Hedge accounting

The Band uses derivative instruments to manage the Band's exposure to interest rate risks. When derivative instruments are used, the Band determines whether hedge accounting can be applied. Where hedge accounting can and will be applied, the hedge is documented at inception, detailing the hedging relationship, identifying the hedged item, the related hedging item, the nature of the specific risks being hedged and the intended term of the hedging relationship. Both at the inception of the hedging relationship, and throughout the term, the Band has reasonable assurance that the critical terms of the hedging item and the hedged item are, and will remain, the same. For all hedged items which are anticipated transactions, the Band has determined that it is probable that the transaction will occur at the time and in the amount documented at the inception of the hedging relationship.

The Band has elected to use hedge accounting for the following qualifying hedging relationships:

A prime plus 1.5% mortgage has been hedged with a 3.495% fixed interest rate swap to mitigate the effect of changes in interest rates.

2. Receivables	<u>2021</u>	<u>2020</u>
Department of Indigenous Services Canada	\$ 196,103	\$ 760,592
Housing rents	624,000	655,434
Mi'kmaq Employment Training Secretariat	-	25,294
Commodity sales tax	191,912	268,883
Department of Fisheries and Oceans	242,678	352,732
Atlantic Integrated Commercial Fisheries Initiative	15,951	687,219
Province of Nova Scotia	-	155,270
Atlantic Canada Opportunities Agency	-	105,322
Mi'kmaw Kina'matnewey	7,560	420,008
Sundry	449,382	194,450
Canada Mortgage and Housing Corporation	123,665	95,565
Kwilmuk Maw-Klusuaqn	673,200	-
Trade less allowance for doubtful accounts	<u>4,396,294</u>	<u>1,692,034</u>
	<u>\$ 6,920,745</u>	<u>\$ 5,412,803</u>

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

3. Inventory	<u>2021</u>	<u>2020</u>
Membertou Sports and Wellness	\$ 10,211	\$ 20,261
Membertou Trade and Convention Centre Limited	43,870	62,626
Membertou Entertainment Centre	21,154	32,229
Membertou Cultural and Heritage Centre Foundation Inc.	72,307	100,306
Membertou Market	211,031	156,248
Membertou Enterprise Fund	-	5,560
Membertou Public Works	118,838	74,633
Lanes at Membertou	<u>21,773</u>	<u>18,881</u>
	<u>\$ 499,184</u>	<u>\$ 470,744</u>

4. Investments	<u>2021</u>	<u>2020</u>
Membertou Hotel Limited Partnership	\$ 2,803,638	\$ 2,801,023
Encyt Technologies Incorporated	76,000	76,000
Sydney Harbour Investment Partners Inc.	<u>7,700,317</u>	<u>7,100,010</u>
	<u>\$10,579,955</u>	<u>\$ 9,977,033</u>

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

5. Investment in government business enterprise

The commercial government business enterprise that is included in the Band's reporting entity, as described in Note 1 to these financial statements includes:

Membertou Properties Limited Partnership

The following table presents condensed financial information for the commercial enterprise:

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 639,370	\$ 1,268,011
Accounts receivables	5,785	15,417
Prepays	201,152	67,410
Capital assets	<u>16,147,659</u>	<u>16,713,129</u>
Total Assets	<u>16,993,966</u>	<u>18,063,967</u>
Liabilities		
Payables and accruals	131,840	180,186
Deferred revenue	12,761	-
Due to related parties	<u>4,158,727</u>	<u>5,063,487</u>
Long term debt	11,988,955	12,463,378
Equity	<u>701,683</u>	<u>356,916</u>
Total liabilities and equity	<u>16,993,966</u>	<u>18,063,967</u>
Revenue	2,965,849	2,772,330
Expenditures	<u>2,621,082</u>	<u>2,932,314</u>
Net Income	<u>\$ 344,767</u>	<u>\$ (159,984)</u>

6. Prepays

	<u>2021</u>	<u>2020</u>
Core funding	\$ 62,159	\$ 85,121
Insurance	288,226	252,268
Miscellaneous	<u>392,562</u>	<u>339,405</u>
	<u>\$ 742,947</u>	<u>\$ 676,794</u>

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

Year ended March 31, 2021

7. Capital assets

	Cost, beginning of year	Additions	Transfers	Disposals	Cost, end of year	Accumulated depreciation, beginning of year	Depreciation	Depreciation on Disposal	Accumulated depreciation, end of year	2021 Net book value	2020 Net book value
Land	13,373,262	96,986	-	-	13,470,248	-	-	-	-	13,470,248	13,373,262
Buildings	69,960,439	330,712	-	-	70,291,151	17,376,031	2,085,502	-	19,461,533	50,829,618	52,584,408
Infrastructure	36,492,753	-	-	-	36,492,753	8,929,669	783,661	-	9,713,330	26,779,423	27,563,084
Housing Properties	33,905,559	2,028,817	-	-	35,934,377	14,978,636	1,263,056	-	16,241,692	19,692,685	18,926,923
Fishing vessels	2,639,107	-	-	-	2,639,107	1,092,278	489,945	-	1,582,223	1,056,884	1,546,829
Fishing equipment	395,426	74,737	-	-	470,163	339,979	11,089	-	351,068	119,095	55,447
Equipment	9,004,361	494,298	-	13,566	9,485,093	5,172,377	795,415	-	5,967,792	3,517,301	3,831,984
Motor Vehicles	1,165,452	130,126	-	24,010	1,271,568	753,218	116,503	(22,525)	847,196	424,372	412,235
Computer hardware & software	1,620,192	67,308	-	-	1,687,500	1,737,276	47,761	-	1,785,037	(97,537)	(117,084)
Office equipment	1,001,564	-	-	-	1,001,564	752,611	73,215	-	825,826	175,738	248,953
Parking lots	1,416,963	-	-	-	1,416,963	380,785	80,680	-	461,465	955,498	1,036,178
Leasehold improvements	2,973,637	1,193,307	-	-	4,166,944	2,360,226	144,731	-	2,504,957	1,661,987	613,411
Signage	437,046	-	-	-	437,046	352,066	132,194	-	484,260	(47,214)	84,980
Assets under construction	11,288,391	9,948,335	-	2,979,035	18,257,691	-	-	-	-	18,257,691	11,288,391
	185,674,151	14,364,626	-	3,016,611	197,022,166	54,225,152	6,023,752	(22,525)	60,226,379	136,795,787	131,448,999

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

8. Bank indebtedness

The Band Council has an established line of credit of \$2,500,000. The line of credit bears interest at a rate of prime plus 1%. At the year end, the line of credit had a balance outstanding of nil (2020 - nil).

9. Payables and accruals	<u>2021</u>	<u>2020</u>
Trade	\$ 2,165,839	\$ 3,885,048
Accrued liabilities	1,825,142	765,543
Commodity tax	-	35,613
Employee benefits	-	16,506
	<u>\$ 3,990,981</u>	<u>\$ 4,702,710</u>

10. Deferred revenue	<u>2021</u>	<u>2020</u>
Tui'kn Partnership	\$ -	\$ 101,699
Department of Indigenous Services Canada	2,860,038	1,618,759
Health Canada	1,815,519	-
Department of Fisheries and Oceans	-	126,524
Province of Nova Scotia	61,828	-
Atlantic Canada Opportunities Agency	-	88,534
Miscellaneous	1,372,338	856,933
	<u>\$ 6,109,723</u>	<u>\$ 2,792,449</u>

11. Purchased fishing licenses and permits	<u>2021</u>	<u>2020</u>
Purchased fishing licenses and permits	<u>\$118,114,205</u>	<u>\$ 3,447,743</u>

The Band records all purchased commercial fishing licenses and permits as intangible assets. All other permits and licenses owned by Membertou Reserve Band Council have been granted for a nil consideration and therefore have not been capitalized.

During the current year an entity that is part of the government reporting group purchased fishing licenses from a related party. These licenses were recorded at the transaction amount of \$250,000,000 and had a fair value of \$323,000,000. The Band's portion of the of the license upon consolidation was \$89,653,006.

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

12. Long term debt	<u>2021</u>	<u>2020</u>
Canada Mortgage and Housing Corporation		
1.39% - 2.84% mortgages, repayable under various terms by September 2042.	\$ 5,771,950	\$ 6,152,692
First Nation Finance Authority		
1.9% - 3.79% loans, repayable under various terms, maturing June 2030.	158,142,900	39,207,441
Royal Bank of Canada		
2.21% - 5.25% mortgages, repayable under various terms by September 20, 2032.	667,373	756,720
Ford Credit		
4.89% retail instalment contract repayable in monthly instalments of \$610 on account of principal and interest maturing in October 2020.	-	3,182
4.89% retail instalment contract repayable in monthly instalments of \$610 on account of principal and interest maturing in October 2020.	-	3,164
6.29% retail instalment contract repayable in monthly instalments of \$3,126 on account of principal and interest maturing in January 2025.	11,917	19,959
2.99% loan repayable in monthly instalments of \$707 of principal and interest maturing in October 2023.	21,078	29,131
2.99% loan repayable in monthly instalments of \$684 of principal and interest maturing in October 2023.	20,377	28,162
2.99% loan repayable in monthly instalments of \$687 of principal and interest maturing in September 2022.	12,853	20,270
2.49% loan repayable in monthly instalments of \$725 of principal and interest maturing in January 2026.	38,935	-
2.49% loan repayable in monthly instalments of \$753 of principal and interest maturing in January 2026.	40,437	-
Bank of Montreal		
Prime plus 1.25% mortgage, repayable in equal monthly Instalments of \$5,378, including interest, matures July 2023.	141,577	198,946

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

12. Long term debt (continued)	<u>2021</u>	<u>2020</u>
2.79% term loan, due on demand, maturing in February 2037, repayable in monthly instalments of \$38,770.	5,956,567	6,251,540
Prime plus 1% term loan, due on demand, maturing May 2024, repayable in principal instalments of \$10,252 including interest.	372,185	487,158
3.4% term loan, due on demand, repayable in monthly Instalments of \$5,360, including interest, maturing May 2035	722,316	346,221
Prime plus 0.75% term loan, due on demand, repayable in monthly instalments of \$2,115, including interest, maturing August 2024	81,242	105,651
2.97% mortgage repayable in monthly instalments of \$7,310 on account of principal and interest maturing on December 2038, secured by a Department of Indigenous Services Canada Ministerial Guarantee.	1,204,582	1,255,785
3.59% mortgage repayable in monthly instalments of \$5,338 on account of principal and interest maturing on May 2020, secured by a Department of Indigenous Services Canada Ministerial Guarantee. Loan will be repayable over 25 years.	850,947	884,170
Prime plus 3.29% mortgage repayable in monthly instalments of \$15,988 on account of principal and interest maturing on July 2041, secured by a Department of Indigenous Services Canada Ministerial Guarantee.	2,838,428	2,935,391
4.26% repayable in monthly instalments of \$18,593, maturing in November of 2038.	2,761,787	2,883,609
Prime plus 2.75% mortgage repayable in monthly instalments of \$15,198 on account of principal and interest maturing on May 2027, secured by a Department of Indigenous Services Canada Ministerial Guarantee. Loan will be repayable over 25 years.	1,033,688	1,185,361
Prime plus 0.75% term loan advance	-	1,000,000
Prime plus 0.75% term loan advance.	1,073,154	1,118,099
Prime plus 0.75% term loan advance	1,421,121	1,462,724
Prime plus 0.75% term loan advance	2,681,500	924,875

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

12. Long term debt (continued)	<u>2021</u>	<u>2020</u>
3.0% loan payable, repayable in monthly instalments of \$4,165, maturing March 2025.	395,154	-
3.0% loan payable, repayable in monthly instalments of \$6,377, maturing March 2024.	597,105	1,083,500
3.0% loan payable, repayable in monthly instalments of \$8,808, maturing March 2025.	747,930	842,000
Prime plus 0.75% mortgage repayable in monthly instalments, including interest.	5,812,109	-
Peace Hills Trust		
4.25% mortgage repayable in monthly instalments of \$17,162, matures July 2028.	1,259,216	1,408,590
4 % mortgage, repayable in monthly instalments of \$15,140, matures May 2028.	1,112,624	1,246,872
4.25% mortgage, repayable in monthly instalments of \$5,095, matures May 2022.	59,763	117,043
4.25% mortgage, repayable in monthly instalments of \$4,703, matures September 2022.	81,407	133,185
4.0% loan, repayable in monthly instalments of \$6,104, matures June 2034.	769,354	800,000
Bank of Nova Scotia		
Prime plus 0.5% repayable in monthly instalments of \$7,908, matures July 2023.	124,205	211,877
4.62% repayable in monthly instalments of \$1,112 matures in March 2023.	48,799	59,619
1.49% loan, repayable in biweekly instalments of \$281, Including interest. maturing October 2024.	25,372	32,152
1.49% loan, repayable in biweekly instalments of \$281, Including interest. maturing October 2024.	25,737	32,614

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

12. Long term debt (continued)	<u>2021</u>	<u>2020</u>
Atlantic Canada Opportunities Agency		
5.75% repayable loan, payments begin July 2015, repayable in monthly instalments of \$6,479, matures June 2021.	74,878	97,071
Non-interest bearing, repayable in annual instalments of 30% gross annual lease income from the related property commencing one year after the project is complete	750,000	750,00
Nova Scotia Lands		
Non-interest-bearing lease, repayable in annual instalments of \$74,000 plus HST, maturing March 2024.	222,000	296,000
Ulnooweg		
Non-interest-bearing loan, repayable in monthly instalments of \$5,833, maturing August 2026.	280,000	-
4% loan amortized over 10 years, repayable in monthly Instalments of \$928, including interest	91,603	-
Bridging Finance Inc.		
12.5% loan, repayable in monthly instalments of interest only commencing January 2022. One-time payment of outstanding loan balance will be paid January 2025.	<u>7,700,317</u>	<u>7,100,010</u>
	206,044,487	81,470,784
Current portion of long term debt Principal payments due within one year.	<u>7,219,517</u>	<u>3,917,836</u>
	<u>\$ 198,824,970</u>	<u>\$ 77,552,948</u>

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

12. Long term debt (continued)

As security, the Band has provided a Band Council Resolution providing an irrevocable authorization to the Department of Indigenous Services Canada to assign all funding until all loans are repaid to the bank and a floating charge on the assets of the Band Council.

As security, the Bank of Montreal has been given a general security agreement constituting a first ranking security interest in all personal property of the Membertou Reserve Band Council, Membertou Gaming Commission and the Membertou Trade and Convention Centre, as well as guarantees in the amount of \$2,700,000 from each entity.

Repayments in each of the next five (5) years are as follows:

2021	\$ 7,219,517
2022	7,074,802
2023	7,015,134
2024	6,835,505
2025	7,314,571
Thereafter	<u>170,584,958</u>
	<u>\$206,044,487</u>

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

13. Capital lease obligations	<u>2021</u>	<u>2020</u>
John Deere		
2.9% capital lease, repayable in monthly instalments of \$7,694 including interest, maturing in October 2021.	\$ 45,775	\$ 135,361
4.17% capital lease, repayable in monthly instalments of \$1,690 including interest, maturing in June 2022.	24,684	43,564
4.99% capital lease, repayable in monthly instalments of \$4,787 including interest, maturing in June 2022.	172,029	227,299
Bank of Nova Scotia		
5.31% capital lease repayable in monthly instalments of \$3,050, including interest, maturing December 2023.	93,442	124,184
5.45% capital lease repayable in monthly instalments of \$12,503, including interest, maturing December 2023.	<u>946,695</u>	<u>1,042,290</u>
	1,282,625	1,572,698
Less: current portion	<u>248,542</u>	<u>282,153</u>
	<u>\$ 1,034,083</u>	<u>\$ 1,290,545</u>

Repayments in each of the next four (4) years are as follows:

2022	\$ 248,542
2023	199,101
2024	821,084
2025	<u>13,898</u>
	<u>\$ 1,282,625</u>

14. Deferred trust contributions	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 6,513,207	\$ 6,480,207
Contributions during the year	(676,000)	(706,500)
Deferrals during the year	<u>745,500</u>	<u>739,500</u>
	6,582,707	6,513,207
Contributions due within one year	<u>(742,500)</u>	<u>(650,000)</u>
Deferred trust contributions	<u>\$ 5,840,207</u>	<u>\$ 5,863,207</u>

The Membertou Reserve Band Council has setup a Children's Trust Fund for all children on the Membertou Reserve Band Council list. An annual contribution is made on each child's behalf to the trust fund.

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

15. Accumulated surplus

The Band segregates its accumulated surplus into the following categories:

	<u>2021</u>	<u>2020</u>
Unallocated	\$ 67,837,812	\$ 65,079,347
Health Canada Moveable Capital Asset Reserve (Note 16)	112,042	106,542
Tangible Capital Asset Reserve (Note 17)	<u>501,835</u>	<u>401,835</u>
	<u>\$ 68,451,689</u>	<u>\$ 65,587,724</u>

The funds on deposits have been set aside to be spent on specific projects.

16. Moveable Capital Asset Reserve

	<u>2021</u>	<u>2020</u>
Opening balance	\$ 106,542	\$ 101,042
Allocations during the year	5,500	7,237
Withdrawals	<u>-</u>	<u>(1,737)</u>
	<u>\$ 112,042</u>	<u>\$ 106,542</u>

17. Tangible Capital Asset Reserve

	<u>2021</u>	<u>2020</u>
Opening balance	\$ 401,835	\$ 401,835
Allocations during the year	100,000	-
Withdrawals	<u>-</u>	<u>-</u>
	<u>\$ 501,835</u>	<u>\$ 401,835</u>

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

18. Contingencies

- a) The Band has entered into an alternative funding arrangement with the Department of Indigenous Services Canada, effective April 1, 2013. These funds may be repayable if any of the following conditions are not met:
- 1) minimum program requirements are not met;
 - 2) capital funds are not expended for capital purposes; and
 - 3) any mandatory capital projects are not completed.
- b) As at March 31, 2021, the Band has provided a guarantee for mortgages payable by Band members, totalling \$2,358,415 (2020 - \$1,594,963), which were obtained under Section 10 of the *Indian Act*. In the event that the individual is unable to meet its obligations at some future date and the Band is required to honour its guarantee, any payments will be accounted for as a charge to operations in the year such payments are made.
- c) The Band's pension plan contributions are funded by the Indigenous and Department of Indigenous Services Canada. Any unexpended portion of these funds is repayable by the band.
- d) The Band has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if the band fails to comply with the terms and conditions of the agreements.
- e) Under an agreement with the Bank of Nova Scotia, the Band is jointly and severally liable for loans provided by the Bank of Nova Scotia to Membertou Properties Limited Partnership. The Band has provided the Bank of Nova Scotia with a General Security Agreement providing a 2nd security interest in all present and future personal property subject with appropriate insurance coverage, loss if any, payable to the Bank and including specific charges over equipment financed. At March 31, 2021, outstanding loan balances were \$11,988,955.

19. Commitments

- a) Membertou Entertainment Centre has entered into an agreement to lease handsets which expires in November 2025. The annual rent of the handsets consists of a minimum monthly payment. Minimum lease payments for the next five (5) years are as follows:

2022	\$ 290,304
2023	\$ 290,304
2024	\$ 290,304
2025	\$ 193,536

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

19. Commitments (continued)

- b) Membertou Reserve Band Council has entered into an agreement to lease video lottery terminals (VLTs) from Eskasoni First Nation which expires in June 2022. The annual rent of the VLTs consists of a minimum monthly payment. Minimum lease payments for next year is as follows:

2022	\$ 62,500
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- c) An entity that is part of the government reporting unit, First Nation Fisheries Interest Group "FNFIG" has made a commitment to purchase subordinated debt from a related party over a 30 year term. As a partner of FNFIG the Band's portion of this commitment is \$2,590,432 annually.

20. Replacement reserve fund

Under the terms of the agreement with the CMHC, the replacement reserve account is to be increased by annual charges to equity. The charge in the current year is \$110,257 (2020 - \$109,751). These 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 the CMHC from time to time. The funds in the account may only be used as approved by the CMHC. Withdrawals are credited to interest first and then principal.

As of March 31, 2021, the reserve was fully funded.

21. Pension costs and obligations

The Band is required to match contributions to a group registered retirement savings plan for all full-time employees to a limit of 5.5% of the yearly maximum pensionable earnings for non-band members and 9% for band members. Total contributions during the year amounted to \$520,687 (2020 - \$522,565).

22. Government transfers

	Operating	2021 Capital	Total	Operating	2020 Capital	Total
Department of Indigenous Services						
Canada	\$ 6,550,261	\$ 1,360,254	\$ 7,910,515	\$ 6,170,983	\$ 356,924	\$ 6,527,907
Department of Indigenous Services						
Health Branch	2,101,790	-	2,101,790	2,204,143	-	2,204,143
Canada Mortgage and Housing						
Corporation	343,282	90,000	433,282	335,087	90,000	425,087
Mikmaw Kina'matnewey	4,969,815	-	4,969,815	4,207,182	-	4,207,182
Other	480,911	1,337,852	1,818,763	519,319	2,246,269	2,765,588
Total	14,446,059	2,788,106	17,234,165	13,436,714	2,693,193	16,129,907
Province of Nova Scotia	162,000	-	162,000	204,792	155,270	360,062
	<u>\$ 14,608,059</u>	<u>\$ 2,788,106</u>	<u>\$ 17,396,165</u>	<u>\$ 13,641,506</u>	<u>\$ 2,848,463</u>	<u>\$ 16,489,969</u>

Membertou Reserve Band Council

Notes to the Consolidated Financial Statements

March 31, 2021

23. Comparative figures

Certain comparative figures have been reclassified to conform to the current year financial

24. Segment disclosure

The Band provides a wide range of services to its members, including training, education, social, health care and housing. For management reporting purposes Membertou First Nation's operations and activities are organized and reported by divisions. The divisions were created for the purpose of recording activities to comply with specific regulations and requirements.

Divisions that have been separately disclosed in the consolidated schedules of revenues and expenditures on the following pages are:

- Social Development – social assistance provided to qualifying members.
- Band Government – all associated with the administration of the First Nation operations.
- Human Resources and Quality Management – associated with payroll, hiring, and HR
- Capital Projects – provides capital construction projects for the community.
- Operations and Maintenance – repairs and maintenance carried out during the year to the community buildings.
- Economic Development – specified development projects undertaken by the First Nation.
- Education – providing elementary, secondary and post-secondary tuition for qualifying members along with related programs and support.
- Employment Development – activities related to job training and skills.
- Health Canada – activity of the Health Centre which provides a variety of health care programs and support.
- Department of Fisheries and Oceans – AFS Program – management of the DFO fisheries operations.
- Miscellaneous – all other items not reported in a specified division.
- Housing Fund – Section 95 and non-subsidized housing operation.
- Public Works – infrastructure, maintenance and repairs
- Membertou Lands – land and waste management
- Commercial enterprises – Operating results from Membertou Development Corporation, Membertou Enterprise Fund, 3306129 Nova Scotia Limited (operating as the Membertou Market), the Membertou Trade & Convention Centre Limited, the Membertou Gaming Commission Inc., 3237395 Nova Scotia Limited (Operating as Membertou Insurance Brokers), Membertou Commercial Fisheries, the Membertou Business Centre, the Membertou Cultural and Heritage Centre Foundation Inc., Membertou Data Centre, Membertou Geomatics, Membertou Sport and Wellness Centre, and Lanes @ Membertou

See Schedule A – Schedule of Segment Disclosure for current year details.

Membertou Reserve Band Council

Schedule A – Segment Disclosure

Year ended March 31, 2021

25. Segment disclosure (continued)

	Social Development			Band Government			Human Resources/Quality Mgmt.			Capital Projects			Operations and Maintenance		
	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020
Revenues															
Federal government operating transfers	4,587,563	5,360,354	4,737,389	571,400	585,831	889,121	-	52,969	-	-	-	356,924	264,885	272,265	269,749
Federal government capital transfers	-	-	-	-	-	-	-	-	-	350,000	360,254	-	-	-	-
Provincial government operating transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial government capital transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income from investment in GBE's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4,587,563	5,360,354	4,737,389	571,400	585,831	889,121	-	52,969	-	360,254	356,924	264,885	272,265	269,749	
Expenses															
Salaries and benefits	764,931	710,648	730,254	1,721,460	1,614,446	1,847,016	413,335	346,778	413,305	-	-	-	636,265	764,593	797,907
Amortization	-	-	-	67,691	62,396	56,901	-	-	-	-	-	-	32,492	36,542	40,339
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	3,923,144	4,168,511	3,723,931	1,604,172	1,471,122	1,679,691	140,868	163,438	177,007	120,000	90,000	-	(401,160)	(440,078)	(362,932)
	4,688,075	4,879,159	4,454,185	3,393,323	3,147,964	3,583,608	554,203	510,216	590,312	120,000	90,000	-	267,597	361,057	475,314
Surplus (deficit) for the year	\$ (100,512)	\$ 481,195	\$ 283,204	\$ (2,821,923)	\$ (2,562,133)	\$ (2,694,487)	\$ (554,203)	\$ (510,216)	\$ (590,312)	\$ (120,000)	\$ 270,254	\$ 356,924	\$ (2,712)	\$ (88,792)	\$ (205,565)

	Economic Development			Education			Employment Development			Health Canada			Department of Fisheries and Oceans		
	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020
Revenues															
Federal government operating transfers	93,000	134,617	143,628	4,410,956	4,969,815	4,207,182	434,580	480,911	519,319	1,785,040	2,101,790	2,204,143	162,000	162,000	204,792
Federal government capital transfers	-	-	-	-	305,193	-	-	-	-	-	-	-	-	-	-
Provincial government operating transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial government capital transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income from investment in GBE's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	93,000	134,617	143,628	4,410,956	5,275,008	4,207,182	434,580	480,911	519,319	1,785,040	2,101,790	2,204,143	162,000	162,000	204,792
Expenses															
Salaries and benefits	106,328.00	84,114.00	95,547.00	2,639,882.00	2,347,210.00	2,882,384.00	98,270.00	56,670.00	96,794.00	581,539.00	544,608.00	564,283.00	70,819.00	40,095.00	109,945.00
Amortization	-	-	-	362,000.00	362,777.00	383,733.00	-	-	-	14,500.00	14,504.00	15,152.00	3,408.00	3,408.00	4,260.00
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	88,000.00	88,000.00	114,727.00	1,868,037.00	1,553,875.00	1,872,219.00	338,812.00	348,851.00	452,839.00	1,104,173.00	1,264,297.00	1,271,044.00	44,603.00	108,514.00	97,981.00
	194,328	172,114	210,274	4,869,919	4,263,862	5,138,336	437,082	405,521	549,633	1,700,212	1,823,409	1,850,479	118,830	152,017	212,186
Surplus (deficit) for the year	\$ (101,328)	\$ (37,497)	\$ (66,646)	\$ (458,963)	\$ 1,011,146	\$ (931,154)	\$ (2,502)	\$ 75,390	\$ (30,314)	\$ 84,828	\$ 278,381	\$ 353,664	\$ 43,170	\$ 9,983	\$ (7,394)

Membertou Reserve Band Council

Schedule A – Segment Disclosure (continued)

Year ended March 31, 2021

	Miscellaneous			Housing Fund			Public Works			Membertou Lands			Enterprise		
	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020
Revenues															
Federal government operating transfers	-	-	-	301,164.00	343,282.00	335,087.00	-	-	-	-	144,225.00	131,096.00	-	-	-
Federal government capital transfers	-	-	-	-	90,000.00	90,000.00	-	-	-	-	-	-	-	-	-
Provincial government operating transfers	-	-	155,270.00	-	-	-	-	-	-	-	-	-	-	-	-
Provincial government capital transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income from investment in GBE's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	2,076,365.00	-	1,086,600.00	1,042,056.00	1,064,175.00	-	126,556.00	-	-	-	-	6,448,280.00	6,245,086.00	6,445,130.00
	-	2,076,365	155,270	1,387,764	1,475,338	1,489,262	-	-	-	-	144,225	131,096	6,448,280	6,245,086	6,445,130
Expenses															
Salaries and benefits	-	-	-	270,000.00	272,360.00	322,323.00	1,065,133.00	856,631.00	847,745.00	102,038.00	137,334.00	121,120.00	151,089.00	86,857.00	278,158.00
Amortization	-	-	-	-	1,249,616.00	1,144,368.00	1,186,313.00	1,155,298.00	1,003,835.00	-	-	-	-	-	-
Interest	1,575,972.00	1,034,303.00	1,484,926.00	-	405,826.00	454,525.00	16,848.00	7,998.00	17,158.00	-	-	-	-	-	-
Other	2,250,000.00	2,292,750.00	2,291,000.00	1,759,929.00	1,779,184.00	3,052,115.00	596,911.00	258,725.00	604,947.00	131,797.00	90,779.00	194,410.00	5,736,481.00	5,112,483.00	6,321,742.00
	3,825,972	3,327,053	3,775,926	2,029,929	3,706,986	4,973,331	2,865,205	2,278,652	2,473,685	233,835	228,113	315,530	5,887,570	5,199,340	6,599,900
Surplus (deficit) for the year	\$ (3,825,972)	\$ (1,250,688)	\$ (3,620,656)	\$ (642,165)	\$ (2,231,648)	\$ (3,484,069)	\$ (2,865,205)	\$ (2,278,652)	\$ (2,473,685)	\$ (233,835)	\$ (83,888)	\$ (184,434)	\$ 560,710	\$ 1,045,746	\$ (154,770)

	Commercial			Totals		
	Budget 2021	Actual 2021	Actual 2020	Budget 2021	Actual 2021	Actual 2020
Revenues						
Federal government operating transfers	-	-	-	12,610,588.00	14,608,059.00	14,353,213
Federal government capital transfers	-	2,032,659.00	2,246,269.00	350,000.00	2,788,106.00	4,811,047
Provincial government operating transfers	-	-	-	-	-	166,273
Provincial government capital transfers	-	-	-	-	-	-
Contributed assets	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000
Economic activities	-	-	-	-	-	-
Income from investment in GBE's	-	344,767.00	(159,984.00)	-	344,767.00	33,055
Other	31,585,059.00	28,085,502.00	40,048,759.00	39,119,939.00	37,575,565.00	47,704,098
	31,635,059	30,512,928	42,185,044	52,130,527	55,366,497	67,117,686
Expenses						
Salaries and benefits	6,567,817.00	5,142,691.00	7,544,075.00	15,188,906.00	13,005,035.00	15,313,004
Amortization	2,837,015.00	3,139,211.00	3,122,509.00	4,503,419.00	6,023,752.00	5,635,332
Interest	558,398.00	616,740.00	683,168.00	2,151,218.00	2,064,867.00	2,496,245
Other	13,266,300.00	13,058,427.00	17,812,628.00	32,572,067.00	31,408,878.00	40,117,632
	23,229,530	21,957,069	29,162,380	54,415,610	52,502,532	63,562,213
Surplus (deficit) for the year	\$ 8,405,529	\$ 8,555,859	\$ 13,022,664	\$ (2,285,083)	\$ 2,863,965	\$ 3,555,473