# GLOOSCAP FIRST NATION

## CONSOLIDATED FINANCIAL STATEMENTS
## FOR THE YEAR ENDED MARCH 31, 2021

Glooscap First Nation
Financial Statements
For the year ended March 31, 2021

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## GLOOSCAP FIRST NATION

### Management's Responsibility for the Consolidated Financial Statements
### March 31, 2021

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

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board. Management is responsible 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.

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

The external auditors, BDO Canada LLP, conduct an audit, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have access to management of Glooscap First Nation and meet when required.

On behalf of Glooscap First Nation:

| | |
|---|---|
| Chief | July 22/21 Date |
| Councilor | July 22/21 Date |
| Councilor | JULY 22, 2021 Date |
| Councilor | July 22/2021 Date |
| Management | July 22/21 Date |
| Chief | July 22/21 |

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# INDEPENDENT AUDITOR'S REPORT

## To the Members of Glooscap First Nation

**Opinion**
We have audited the consolidated financial statements of Glooscap First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, change in net financial debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2021 and its results of operations, changes in its financial debts 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 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.

**Emphasis of Matter - Prior Period Adjustment**
We draw attention to Note 2 of the financial statements, which explains that certain comparative information presented for the year ended March 31, 2020 has been restated. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**
Management is responsible for the preparation and fair presentation of these 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 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.



BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

**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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

*BDO Canada LLP*

**Chartered Professional Accountants**
Dartmouth, Nova Scotia
July 28, 2021



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# GLOOSCAP FIRST NATION
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT MARCH 31, 2021

| | 2021 (Note 3) | 2020 Restated (Note 2) |
|---|---|---|
| **FINANCIAL ASSETS** | | |
| Cash (Note 5) | $ 5,668,678 | $ 2,674,346 |
| Temporary investments | - | 2,458 |
| Accounts receivable | 74,260 | 210,989 |
| HST recoverable | 245,691 | 437,510 |
| Grants receivable (Note 4) | 138,388 | 233,525 |
| Inventory | 86,097 | 62,857 |
| Investments in government business enterprises (Note 6) | 3,449,995 | 3,124,131 |
| Due from government business enterprises (Note 6) | 382,646 | 5,584,822 |
| | 10,045,755 | 12,330,638 |
| **LIABILITIES** | | |
| Accounts payable and accrued liabilities | 696,841 | 512,070 |
| Deferred revenue | 15,725 | 2,344 |
| Due to related party (Note 11) | 261,836 | 240,225 |
| Grant payable (Note 7) | 768,602 | - |
| Long-term debt (Note 8) | 20,817,125 | 18,502,843 |
| | 22,560,129 | 19,257,482 |
| **NET FINANCIAL DEBT** | (12,514,374) | (6,926,844) |
| **NON-FINANCIAL ASSETS** | | |
| Tangible capital assets (Note 10) | 16,782,064 | 12,672,504 |
| Intangibles (Note 18) | 348,000 | 340,000 |
| | 17,130,064 | 13,012,504 |
| **ACCUMULATED SURPLUS** (Note 9) | $ 4,615,690 | $ 6,085,660 |

APPROVED ON BEHALF OF GLOOSCAP FIRST NATION:

Chief

Councillor

Councillor

Councillor

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

# GLOOSCAP FIRST NATION
## CONSOLIDATED STATEMENT OF OPERATIONS
## FOR THE YEAR ENDED MARCH 31, 2021

| | Budget 2021 | Actual 2021 | Actual 2020 (Restated Note 2) |
|---|---|---|---|
| **REVENUE** | | | |
| Indigenous Services Canada (Note 19) | $ 1,756,065 | $ 2,042,312 | $ 1,355,791 |
| Atlantic Integrated Commercial Fish Initiative (Note 19) | 44,000 | 170,000 | 247,200 |
| Mi'kmaq Employment Training Secretariat | 68,990 | 62,258 | 236,547 |
| Mi'kmaw Kina'matnewey | 169,003 | 199,424 | 144,077 |
| Province of Nova Scotia (Note 19) | 21,771 | 104,501 | 141,385 |
| Department of Fisheries and Oceans (Note 19) | - | 149,957 | 87,445 |
| Canadian Mortgage and Housing Corporation "CMHC" (Note 19) | 57,761 | 104,723 | 54,053 |
| Confederacy of Mainland Mi'kmaq | - | 67,579 | 11,565 |
| Glooscap Corner | 2,692,682 | 2,563,111 | 3,854,959 |
| Commercial Fisheries | 1,627,532 | 1,178,445 | 1,431,328 |
| Rent (Note 6) | - | 84,568 | 34,271 |
| Management fees (Note 6) | - | 114,682 | - |
| Federal government COVID-19 related programs | - | 237,499 | - |
| Amounts earned and held in trust by federal government (Note 13) | - | 392 | 822 |
| Other revenue | 879,885 | 755,476 | 131,185 |
| | 7,317,689 | 7,834,927 | 7,730,628 |
| **EXPENSES** | | | |
| Administration | 1,356,089 | 2,593,334 | 2,511,715 |
| Commercial Fisheries | 1,209,725 | 1,145,868 | 1,622,285 |
| Community Fisheries | 73,997 | 98,342 | 94,232 |
| Community Health | 350,558 | 318,816 | 361,407 |
| Economic Development | 785,712 | 1,745,685 | - |
| Education | 358,363 | 133,094 | 120,035 |
| Feta Cheese | 177,518 | 485,654 | 2,336,218 |
| Gaming | 154,521 | 121,954 | 371,918 |
| Glooscap Corner | 2,146,522 | 1,853,182 | 2,901,534 |
| Glooscap Landing operations and maintenance | 226,202 | 192,242 | - |
| Operations, Capital & Maintenance | 129,272 | 545,335 | 324,195 |
| Other projects | - | - | 112,795 |
| Social Services | 793,350 | 235,546 | 306,791 |
| | 7,761,829 | 9,469,052 | 11,063,125 |
| **LOSS FROM OPERATIONS** | (444,140) | (1,634,125) | (3,332,497) |
| **INCOME (LOSS) FROM GOVERNMENT BUSINESS ENTERPRISES** (Note 6) | (346,439) | 164,155 | (674,338) |
| **ANNUAL DEFICIT** | (790,579) | (1,469,970) | (4,006,835) |
| **ACCUMULATED SURPLUS** - beginning of year | 6,085,660 | 6,085,660 | 9,752,495 |
| **CHANGE IN ACCOUNTING POLICY** (Note 18) | | - | 340,000 |
| **ACCUMULATED SURPLUS** - end of year (Note 9) | $ 5,295,081 | $ 4,615,690 | $ 6,085,660 |

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

# GLOOSCAP FIRST NATION
## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL DEBT
## FOR THE YEAR ENDED MARCH 31, 2021

| | Budget 2021 | Actual 2021 | Actual 2020 (Restated Note 2) |
|---|---|---|---|
| ANNUAL DEFICIT | (790,579) | **$ (1,469,970)** | $ (4,006,835) |
| Loss on impairment of capital assets | | - | 2,109,365 |
| Acquisition of tangible capital assets | | **(96,602)** | (967,177) |
| Amortization of tangible capital assets | | **846,723** | 756,740 |
| Consumption of prepaid expense | | - | 8,647 |
| Loss on disposal of capital assets, net of transfers | | - | 186,585 |
| Change in status of government business enterprises tangible capital assets (Note 3) | | **(4,867,681)** | - |
| | | **(4,117,560)** | 2,094,160 |
| CHANGE IN NET FINANCIAL ASSETS | | **(5,587,530)** | (1,912,675) |
| NET FINANCIAL DEBT - beginning of year | | **(6,926,844)** | (5,014,169) |
| NET FINANCIAL DEBT - end of year | | **$ (12,514,374)** | $ (6,926,844) |

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

# GLOOSCAP FIRST NATION
## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED MARCH 31, 2021

| | 2021 | 2020 (Restated Note 2) |
|---|---|---|
| CASH FLOWS FROM: | | |
| OPERATING ACTIVITIES | | |
| Annual deficit | **$ (1,469,970)** | $ (3,666,835) |
| Items in earnings not involving cash | | |
| Amortization of tangible capital assets | **846,723** | 756,740 |
| Loss on disposal of capital assets, net of transfers | **-** | 186,585 |
| Loss (gain) from government business enterprises | **(164,155)** | 674,338 |
| Impairment of capital assets | **-** | 2,109,365 |
| | **(787,402)** | 60,193 |
| Net changes in working capital balances | | |
| Accounts receivable | **136,729** | (187,461) |
| HST recoverable | **191,819** | (57,315) |
| Grants receivable, net | **863,739** | 135,311 |
| Inventory | **(23,239)** | 56,704 |
| Accounts payable and accrued liabilities | **184,771** | 107,839 |
| Deferred revenue | **13,381** | (8,597) |
| Prepaids | **-** | 8,647 |
| | **579,798** | 115,321 |
| CAPITAL ACTIVITY | | |
| Purchase of tangible capital assets | **(96,602)** | (967,177) |
| Transfer of tangible capital assets (Note 3) | **(4,859,682)** | - |
| Purchase of intangible assets | **(8,000)** | (340,000) |
| | **(4,964,284)** | (1,307,177) |
| INVESTING ACTIVITIES | | |
| Increase in restricted cash | **(120,825)** | (312,165) |
| Redemption (purchase) of temporary investments | **2,458** | (6) |
| Repayments from (advances to) government business enterprises | **5,040,467** | (419,716) |
| | **4,922,100** | (731,887) |
| FINANCING ACTIVITIES | | |
| Repayments of long-term debt | **(331,317)** | (491,833) |
| Advances of long-term debt | **2,645,599** | 2,566,290 |
| Advances from related party | **21,611** | 116,182 |
| | **2,335,893** | 2,190,639 |
| INCREASE (DECREASE) IN CASH DURING THE YEAR | **2,873,507** | 266,896 |
| CASH - UNRESTRICTED - beginning of year | **1,634,624** | 1,367,728 |
| CASH - UNRESTRICTED - end of year (Note 5) | **$ 4,508,131** | $ 1,634,624 |

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

## 1. SIGNIFICANT ACCOUNTING POLICIES

### (a) Nature of Operations

Glooscap First Nation (the "First Nation") operates under the authority of the Indian Act.

The mandate of the First Nation is to provide services to band members and the community. These services are grouped into the following key areas: Band Administration, Social Services, Community Health, Education, Operations, Capital and Maintenance, Variety Store, Gaming & Gas, Fisheries, Economic Development and ther Projects.

The First Nation is exempt from income taxes under the Income Tax Act.

### (b) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

### (c) Reporting Entity

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

All controlled entities are fully consolidated in the First Nation's consolidated financial statements except for entities that meet the definition of a government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Accounting policies of consolidated entities are conformed to those of the First Nation and inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only the First Nation's investment in the entity and the First Nation's portion of the entity's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the entity that are different from those of the First Nation and inter-organizational balances and transactions are not eliminated.

Entities accounted for through consolidation:

- Glooscap Ilia Gourmet Foods Limited Partnership - ceased operations in 2020
- Glooscap Landing #1 Limited Partnership ("Landing #1") - Owns land and building for the Landing convenience store and gas bar
- Glooscap Economic Development Corporation Limited ("Economic Development") - development of band-owned business opportunities

Entities accounted for on a modified equity basis include:

- Glooscap Landing #2 Limited Partnership ("Landing #2") - operates the Landing convenience store
- Glooscap Energy Limited Partnership ("Glooscap Energy") - invests in renewable energy projects
- Seakist Lobster Limited ("Seakist Lobster") - operates a lobster pound
- Yarmouth Bar Fisheries Limited ("Yarmouth Bar") - seafood processor (52% ownership)

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Cash**

Cash consist of cash on hand, bank balances, unrestricted operating and housing cash, and externally restricted replacement reserve cash, and the debt reserve fund.

**(e) Temporary Investments**

Temporary investments are recorded at cost, unless the market value of temporary investments has declined below cost, in which case they are written down to market value.

**(f) Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost 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 assets.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

| | |
|---|---|
| CMHC Housing | 25 years |
| Band Owned Housing | 25 years |
| Commercial Buildings | 25 - 40 years |
| Computer Equipment | 4 years |
| Land & Improvements | 30 years |
| Land | Not Depreciated |
| Roads | 15 - 40 years |
| Underground Networks | 50 years |
| Vehicles, equipment and vessels | 5 - 10 years |

Tangible capital assets are written down when conditions indicate that they no longer contribute to the 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 statement of operations.

**(g) Intangible Assets**

Purchased intangible assets are initially recorded at cost.

Intangible assets with an indefinite life, which includes the First Nation's fishing licences, are not amortized. They are tested for impairment when events or circumstances indicate that the value of future economic benefits associated with the intangible assets are less than their carrying value. When an impairment exists, an impairment loss is recognized in net income.

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(h) Inventory**

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value using the first-in first-out costing method.

**(i) Revenue Recognition**

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

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

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor, and are recognized as revenue when used for the purpose specified.

Revenue on goods held for sale is recognized when the significant risks and rewards of ownership are transferred to the customer, which generally coincides with the time of purchase, collectibility is reasonably assured, persuasive evidence of an arrangement exists and the sales price is fixed and determinable.

Rent from tenant leases is recognized at the beginning of each month.

**(j) Non-Financial Assets**

Non-financial assets are used to provide the First Nation's services in future periods. These assets do not normally provide resources to discharge the liabilities of the First Nation unless they are sold. The First Nation's non-financial assets include tangible capital assets and intangibles.

**(k) Pension Plan**

The First Nation provides a defined contribution plan for its employees. The pension costs are charged to operations as incurred. Contributions are a defined amount based on a set percentage of salary.

## 2. PRIOR PERIOD ADJUSTMENT

During the year, management became aware of an prior year error in the recognition of professional fees incurred on the purchase of investments. The professional fees were incorrectly expensed instead of capitalized. Consequently, the First Nation's investment in government business enterprises and accumulated surplus were understated. The result of this correction to the previously reported March 31, 2020 balances is as follows:

| | |
|---|---|
| Increase in investment in government business enterprises | $73,267 |
| Increase in opening accumulated surplus | $(73,267) |

## 3. CHANGE IN STATUS OF GOVERNMENT BUSINESS ENTERPRISES

During the year, Economic Development and Landing #1 ceased to meet the criteria to be accounted for as government business enterprises as they are no longer deemed able to maintain operations and meet liabilities from revenues outside of the government reporting entity.

As at April 1, 2020, these amounts have been fully consolidated in the First Nation's financial statements.

| | Economic Development | Landing #1 |
|---|---|---|
| Financial Assets | | |
| Cash | $ 11,808 | $ 20,269 |
| Accounts receivable | 3,993 | - |
| HST recoverable | 12,639 | 224,682 |
| Due from related party | 2,826,001 | - |
| | 2,854,441 | 244,951 |
| Liabilities | | |
| Accounts payable | 73,827 | 1,764 |
| Due to related parties | 3,014,301 | 5,030,891 |
| | 3,088,128 | 5,032,655 |
| Non-Financial Assets | | |
| Tangible capital assets | 3,834 | 4,855,848 |

## 4. GRANTS RECEIVABLE

| | 2021 | 2020 |
|---|---|---|
| Indigenous Services Canada | **$ 15,906** | $ 79,564 |
| Province of Nova Scotia - casino profit share | **23,392** | 53,667 |
| Mi'kmaq Employment Training Secretariat | **3,753** | 45,195 |
| Mi'kmaw Kina'matnewey | **17,845** | - |
| Canadian Mortgage and Housing Corporation | **39,272** | - |
| Department of Fisheries and Oceans | **18,800** | 12,445 |
| Other | **19,420** | 42,654 |
| | **$ 138,388** | $ 233,525 |

## 5. CASH

| | 2021 | 2020 |
|---|---|---|
| Unrestricted | | |
| Operating | **$ 4,508,131** | $ 1,634,624 |
| Externally Restricted | | |
| CMHC Replacement Reserve | **117,939** | 117,572 |
| Trust funds held by Federal Government (Note 13) | **20,639** | 20,247 |
| First Nation Finance Authority: Debt Reserve Fund | **1,021,969** | 901,903 |
| | **1,160,547** | 1,039,722 |
| Total cash | **$ 5,668,678** | $ 2,674,346 |

Under the terms of an agreement with Canada Mortgage and Housing Corporation ("CMHC"), the 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 CMHC with any interest earned to be credited as revenue to the CMHC Replacement Reserve.

The First Nation is required to have trust funds held by Federal Government in a separate bank account. These funds increase annually by the interest earned. They can be withdrawn for their intended purposes if requested.

The First Nation Finance Authority holds back 5% on loans advanced into a debt reserve fund to cover any default payments.

## 6. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

| | 2021 | 2020 |
|---|---|---|
| Economic Development (Note 2) | $ - | (229,853) |
| Landing #1 (Note 2) | - | 68,144 |
| Landing #2 | (155,153) | (136,297) |
| Glooscap Energy | 138,807 | (3,681) |
| Yarmouth Bar | 2,258,591 | 2,117,606 |
| Seakist Lobster | 1,207,750 | 1,308,212 |
| | $ 3,449,995 | 3,124,131 |

**Transactions**

During the year, the following transactions occurred between the government business enterprises and the First Nation. These transactions are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties:

- The First Nation earned $74,460 (2020 - $124,536) in pizza sales from Landing #2
- The First Nation earned $52,687 (2020 - $77,712) in rent from Landing #2
- The First Nation earned $114,682 (2020 - nil) in management fees from Landing #2 and Glooscap Energy
- The First Nation paid $2,951 (2020 - nil) in grants to Landing #2
- The First Nation paid $168,836 (2020 - nil) in grants to Glooscap Energy
- The First Nation earned $1,095,528 (2020 - $1,362,052) in revenue from the sale of fish to Yarmouth Bar

**6. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES (continued)**

The following presents important notes for the government business enterprises.

Landing #2
Scheduled repayments on long-term debt are as follows:

| | |
|---|---|
| 2022 | $25,000 |
| 2023 | $14,583 |

Seakist Lobster Limited
Scheduled repayments on long-term debt are as follows:

| | |
|---|---|
| 2022 | $53,333 |
| 2023 | $53,333 |
| 2024 | $53,333 |
| 2025 | $53,333 |
| 2026 | $53,333 |

The amounts due from government business enterprises are:

| | 2021 | 2020 |
|---|---|---|
| Economic Development (Note 2) | $ - | $ 4,412,626 |
| Landing #1 (Note 2) | - | 990,003 |
| Landing #2 | 188,496 | 129,841 |
| Glooscap Energy | 194,150 | 52,352 |
| | $ 382,646 | 5,584,822 |

These amounts are unsecured, interest-free, with no set terms of repayment.

## 6. INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES (continued)

The following table presents the condensed financial information for these commercial enterprises.

| | Landing #2 | Glooscap Energy | Yarmouth Bar (1) | Seakist Lobster | 2021 Total | 2020 Total |
|---|---|---|---|---|---|---|
| **Financial Position** | | | | | | |
| Cash | $ 120,216 | $ 43,176 | $ 31,246 | $ - | $ 194,638 | $ 124,909 |
| Recievables | 2,205 | 13,578 | 1,075,281 | 9,521 | 1,100,585 | 1,563,223 |
| HST & taxes recoverable | - | - | - | 2,906 | 2,906 | 262,113 |
| Prepaids | 2,527 | - | 30,997 | 1,370 | 34,894 | 42,312 |
| Inventory | 101,847 | - | 347,879 | - | 449,726 | 471,037 |
| Investment tax credits | - | - | - | 19,371 | 19,371 | 19,371 |
| Future income taxes | - | - | 7,956 | 12,926 | 20,882 | 35,558 |
| Property, plant and equipment | 81,053 | 279,238 | 331,176 | 1,278,691 | 1,970,158 | 6,737,187 |
| Total assets | 307,848 | 335,992 | 1,824,535 | 1,324,785 | 3,793,160 | 9,255,710 |
| Bank indebtedness | - | - | 228,241 | 39,768 | 268,009 | 1,448,392 |
| Accounts payable | 172,533 | - | 289,666 | 11,301 | 473,500 | 331,775 |
| HST & taxes payable | 22,493 | 3,034 | 37,780 | - | 63,307 | 26,645 |
| Long-term debt | 79,583 | - | 30,000 | 564,722 | 674,305 | 669,305 |
| Due to related parties | 188,392 | 194,141 | - | 173,681 | 556,214 | 5,746,420 |
| Total liabilities | 463,001 | 197,175 | 585,687 | 789,472 | 2,035,335 | 8,222,537 |
| Capital | 19,570 | 10 | 121 | 200 | 19,901 | 160,012 |
| Surplus (deficit) | (174,723) | 138,807 | 1,238,727 | 535,113 | 1,737,924 | 873,161 |
| Total liabilities and equity | $ 307,848 | $ 335,992 | $ 1,824,535 | $ 1,324,785 | $ 3,793,160 | $ 9,255,710 |
| **Results of Operations** | | | | | | |
| Revenue | $ 2,643,286 | $ 189,570 | $ 15,073,784 | $ 96,666 | $ 18,003,306 | $ 20,910,195 |
| Expenses | (2,662,145) | (47,082) | (14,610,031) | (160,910) | (17,480,169) | (21,411,517) |
| Amortization of purchase price | - | - | (100,165) | (36,218) | (136,383) | 183,790 |
| Net income attributed to minority shareholders | - | - | (222,601) | - | (222,601) | (10,774) |
| Net income (loss) | $ (18,859) | $ 142,488 | $ 140,987 | $ (100,462) | $ 164,155 | $ (674,338) |

(1) The condensed financial information of Yarmouth Bar includes 100% of the assets, liabilities, equity and results of operations for this government business enterprise. The net income not attributable to the First Nation is included as a separate line within the results of operations for Yarmouth Bar.

## 7. GRANT PAYABLE

In fiscal 2018/19, the Economic Development Corporation received a grant from Indigenous Services Canada (ISC) for Glooscap Ilia Gourmet Foods GP Ltd., (Ilia) to enable Ilia to purchase feta cheese production equipment at a total cost of $2,750,184. The grant agreement required the equipment to be delivered by March 31, 2020. Only $432,095 of equipment was delivered to Ilia and the remaining equipment is the subject of litigation proceedings. ISC has applied $231,398 as eligible expenditures under this grant, leaving a balance of $768,602 that will be required to to be repaid by March 31, 2022 if no new approved projects are undertaken by the First Nation. At this time, there are no approved projects planned, therefore, the amounts are considered to be repayable in full.

## 8. LONG-TERM DEBT

| | 2021 | 2020 |
|---|---|---|
| 1.43% first mortgage payable to CMHC, secured by two housing units constructed in 1995/96 and by Ministerial guarantee to lending institution. This mortgage matures in March 2022. Repayable in blended monthly payments of $796. | **$ 9,481** | $ 18,830 |
| 1.30% first mortgage payable to CMHC, secured by a single family housing unit constructed in 1996/97 and by Ministerial guarantee to lending institution. This mortgage matures in June 2022. Repayable in blended monthly payments of $408. | **5,670** | 10,463 |
| 2.39% first mortgage payable to CMHC, secured by a single family housing unit constructed in 1997/98 and by Ministerial guarantee to lending institution. This mortgage matures December 2022. Repayable in blended monthly payments of $473. | **9,263** | 14,647 |
| 0.68% first mortgage payable to CMHC, secured by a single family housing unit constructed in 2004/2005 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing April 2020 and amortized to 2030. Repayable in blended monthly payments of $290. | **30,604** | 33,839 |
| 1.44% first mortgage payable to CMHC, secured by two - 2 unit housing units acquired in 2006/2007 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing February 2022 and amortized to 2032. Repayable in blended monthly payments of $1,258. | **151,321** | 164,146 |
| 1.43% first mortgage payable to CMHC, secured by one housing unit acquired in 2010/2011 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing April 2022 and amortized to 2037. Repayable in blended monthly payments of $361. | **62,174** | 65,591 |

**8. LONG-TERM DEBT (continued)**

| | 2021 | 2020 |
|---|---|---|
| 1.35% first mortgage payable to CMHC, secured by one housing unit acquired in 2011/2012 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing May 2022 and amortized to 2037. Repayable in blended monthly payments of $357. | **62,228** | 65,653 |
| 2.22% first mortgage payable to CMHC, secured by one duplex acquired in 2013/2014 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing January 2024 and amortized to 2038. Repayable in blended monthly payments of $569. | **100,225** | 104,793 |
| 0.98% first mortgage payable to CMHC, secured by one housing unit acquired in 2014/2015 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing April 2025 and amortized to 2039. Repayable in blended monthly payments of $321. | **65,340** | 68,503 |
| 0.46% first mortgage payable to CMHC, secured by one duplex acquired in 2015/2016 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing July 2021 and amortized to 2041. Repayable in blended monthly payments of $381. | **86,624** | 90,533 |
| 1.97% first mortgage payable to CMHC, secured by two housing units acquired in 2017/18 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing December 2022 and amortized to 2042. Repayable in blended monthly payments of $1,013. | **215,023** | 222,884 |
| 1.73% first mortgage payable to CMHC, secured by one housing unit acquired in 2019/20 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing February 2025 and amortized to 2035. Repayable in blended monthly payments of $1,191. | **176,652** | 187,797 |
| 0.80% first mortgage payable to CMHC, secured by two housing units acquired in 2020/21 and by Ministerial guarantee to lending institution. This mortgage is for a 5 year term maturing May 2025 and amortized to 2045. Repayable in blended monthly payments of $680. | **179,441** | - |
| 2.88% mortgage payable to Bank of Nova Scotia, secured by one housing unit. This mortgage is for a 5 year term maturing August 2024 and amortized to 2037. Repayable in monthly payments of $1,610. | **253,162** | 265,052 |

**8. LONG-TERM DEBT (continued)**

| | 2021 | 2020 |
|---|---|---|
| 3.50% fixed rate term loan payable to the Royal Bank of Canada, secured by accounts receivable and specific equipment. This loan is for a 5 year term maturing January 2022. Repayable in blended monthly payments of $1,010. | **32,446** | 43,250 |
| Prime plus 3.25% variable rate loan payable to Bank of Nova Scotia, secured by one fishing vessel. This mortgage is for a 5 year term maturing June 2023 and amortized to 2028. Repayable in monthly payments of $3,279 plus interest. | **311,553** | 339,092 |
| Atlantic Canada Opportunities Agency, loan matured January 2020 but has not been repaid by March 31, 2021. | **907,074** | 907,074 |
| First Nations Finance Authority 30 year loan, repayable in blended annual payments of $688,991, bearing interest at an annual rate of 3.41%. This loan is for a 5 year term maturing June 2028 and amortized to 2047. | **11,724,883** | 11,872,817 |
| First Nations Finance Authority 30 year loan, repayable in blended annual payments of $115,039 bearing interest at an annual rate of 3.65%. This loan is for a 5 year term maturing June 2028 and amortized to 2048. | **1,898,692** | 1,921,879 |
| First Nations Finance Authority 30 year loan, repayable in annual payments of $93,249 bearing interest at an annual rate of 2.15%. This loan is for a 10 year term maturing June 2030 and amortized to 2050. | **2,070,023** | 2,106,000 |
| First Nations Finance Authority loan due on demand, bearing interest at the Prime Lending Rate, currently 2.45%. | **2,263,160** | **-** |
| Ulnooweg Development Group Inc., the manager of the Mi'kmaq Major Resourse & Energy Development Fund ("MRED"), 10 year unsecured loan, repayable in blended monthly payments of $980 bearing interest at an annual rate of 4% and maturing November 2030. | **82,234** | - |
| Ulnooweg Development Group Inc., the manager of the Mi'kmaq Major Resourse & Energy Development Fund ("MRED"), interest only repayable annually bearing interest at an annual rate of 4%. Principal to be repaid from remainder of Environment Canada Low Carbon Economy Challenge grant. | **39,852** | - |

**8. LONG-TERM DEBT (continued)**

| | 2021 | 2020 |
|---|---|---|
| Canada Emergency Business Accounts ("CEBA") for Corner and Economic Development, interest free until December 31, 2022 and bearing interest at 5% per annum thereafter. The loans have a forgiveness option of 25% if 75% is repaid by December 2022. | **80,000** | - |
| | **$ 20,817,125** | $ 18,502,843 |

Principal payments for the next 5 years are as follows:

| | |
|---|---|
| 2022 | $ 3,671,666 |
| 2023 | $ 550,927 |
| 2024 | $ 486,659 |
| 2025 | $ 478,184 |
| 2026 | $ 479,841 |

Included in the principal repayments for 2022 is the Atlantic Canada Opportunites Agency demand loan in the amount of $907,074 which was due January 31, 2020, but not yet repaid.

Also included in the approximate principal repayments for 2022 is the First Nations Finance Authority interim financing loan in the amount of $2,263,160, which is due on demand.

| | 2021 | 2020 |
|---|---|---|
| Interest expense for the year on long-term debt | **$ 592,826** | $ 512,198 |

During the year, the First Nation received $399,646 (2020 - nil) in interest recoveries from the First Nations Finance Authority as part of COVID-19 recovery relief. This recovery was recorded within revenue.

**9. ACCUMULATED SURPLUS**

| | 2021 | 2020 |
|---|---|---|
| CMHC Replacement Reserve (Note 12) | **$ 133,725** | $ 117,823 |
| Unrestricted Surplus | **4,461,326** | 5,607,590 |
| Trust funds held by Federal Government (Note 13) | **20,639** | 20,247 |
| Change in accounting policy (Note 18) | **-** | 340,000 |
| | **$ 4,615,690** | $ 6,085,660 |

## 10. TANGIBLE CAPITAL ASSETS

| | Cost | | | | | Accumulated Amortization | | | | Net Book Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Opening Balance | Additions | Disposals | Transfers of Assets | Closing Balance | Opening Balance | Amort. | Disposals, W/O & Other Adj. | Closing Balance | 2021 | 2020 |
| CMHC Housing | $ 2,387,954 | $ - | $ - | $ - | $ 2,387,954 | $ 567,920 | $ 95,518 | $ - | $ 663,438 | $ 1,724,516 | $ 1,832,688 |
| Band Owned Housing | 1,577,866 | - | - | - | 1,577,866 | 686,505 | 63,520 | - | 750,025 | 827,841 | 879,311 |
| Commercial Buildings | 8,296,361 | - | - | - | 8,296,361 | 1,424,461 | 244,298 | - | 1,668,759 | 6,627,602 | 4,355,868 |
| Computer Equipment | 197,293 | 9,485 | - | - | 206,778 | 139,129 | 26,382 | - | 165,511 | 41,267 | 55,840 |
| Land Improvements | 3,113,158 | - | - | - | 3,113,158 | 482,944 | 97,063 | - | 580,007 | 2,533,151 | 803,249 |
| Land | 487,897 | 35,000 | - | - | 522,897 | - | - | - | - | 522,897 | 81,769 |
| Roads | 1,219,510 | - | - | - | 1,219,510 | 497,255 | 36,461 | - | 533,716 | 685,794 | 722,255 |
| Underground Networks | 3,386,021 | - | - | - | 3,386,021 | 939,029 | 67,720 | - | 1,006,749 | 2,379,272 | 2,446,994 |
| Vehicles & Equipment | 3,058,789 | 52,117 | - | - | 3,110,906 | 1,455,421 | 215,761 | - | 1,671,182 | 1,439,724 | 1,494,530 |
| | 21,336,895 | 96,602 | - | - | 21,433,497 | 5,624,744 | 751,205 | - | 6,375,949 | 15,057,548 | 10,839,816 |
| **Total** | $23,724,849 | $ 96,602 | $ - | $ - | $23,821,451 | $ 6,192,664 | $ 846,723 | $ - | $ 7,039,387 | $16,782,064 | $ 12,672,504 |

## 11. DUE TO RELATED PARTY

| | 2021 | 2020 |
|---|---|---|
| Ilia Gourmet Canada Inc. *(minority partner of Glooscap Ilia Gourmet Foods Limited Partnership)* | **$ 261,836** | $ 240,225 |

The amounts are unsecured, interest-free, with no set terms of repayment.

## 12. CMHC REPLACEMENT RESERVE

| | 2021 | 2020 |
|---|---|---|
| Balance - beginning of year | **$ 117,823** | $ 106,417 |
| Current year allocation | **17,746** | 15,775 |
| Maturing units adjustments | **(2,258)** | (6,483) |
| Additional allocation for prior year | **-** | 2,068 |
| Interest earned | **414** | 46 |
| Balance - end of year | **$ 133,725** | $ 117,823 |

The First Nation operates 13 (2020 - 12) CMHC subsidized housing projects as at March 31, 2021. These funds, plus accumulated interest, must be held in a separate bank account and used for future repairs or other expenditures only as approved by CMHC.

As at March 31, 2021, the First Nation has provided funding of reserves as follows:

| | **Amount of Reserve** | **Amount Funded (Note 5)** |
|---|---|---|
| CMHC Replacement Reserve | **$ 133,725** | **$ 117,939** |

## 13. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

| | March 31, 2020 | **Additions 2021** | **Withdrawals 2021** | **March 31, 2021** |
|---|---|---|---|---|
| Revenue | $ 19,743 | **$ 392** | **$ -** | **$ 20,135** |
| Capital | 504 | **-** | **-** | **504** |
| **Total** | $ 20,247 | **$ 392** | **$ -** | **$ 20,639** |

The trust funds 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. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

## 14. PENSION PLAN

The First Nation offers a defined contribution pension plan to certain employees. An expense is recorded in the period when the First Nation is obligated to make contributions for services rendered by participating employees. During the year, the First Nation contributed $135,777 (2020 - $83,141) for retirement benefits.

The First Nation determined that errors have been made in the past with respect to the terms of the Pension Plan respecting mandatory enrollment, mandatory employee deductions and employer contributions. The First Nation has calculated the extent of the obligation and recorded a liability for $146,688 as of March 31, 2021, which is included in accounts payable and accrued liabilities. Management is still assessing the impact of the errors and is unable to calculate or estimate the full extent of any remaining liability at this time.

## 15. CONTINGENT LIABILITIES

The 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.

## 16. FUNDING - ECONOMIC DEPENDENCE

The First Nation receives its principal source of funding under a funding arrangement with Indigenous Services Canada. The present agreement is for a ten year term ending March 31, 2029.

## 17. MATERIAL UNCERTAINTY RELATED TO COVID-19

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic. On March 22, 2020, the Province of Nova Scotia issued Emergency Orders to close all gaming, and most commercial offices and activities, other than essential services. The operations of Glooscap Corner, commercial fisheries and Landing #2 resumed in accordance with provincial regulations, but are operating at a more limited capacity. It is unclear the extent to which those business units will be impacted by any future waves of the virus.

## 18. CHANGE IN ACCOUNTING POLICY

Effective April 1, 2023, with early adoption permitted, PSAS has allowed the recognition of intangible assets. In 2018, the First Nation acquired a swordfish license for $340,000 in an arm's length transaction, which has been previously expensed in accordance with PSAS. This asset has been retrospectively capitalized in accordance with the new standard. This change has increased 2020 opening retained earnings and non-financial assets by the cost of the licences.

## 19. GOVERNMENT TRANSFERS

| | 2021 | | | 2020 | | |
|---|---|---|---|---|---|---|
| | **Operating** | **Capital** | **Total** | Operating | Capital | Total |
| Federal government transfers: | | | | | | |
| Indigenous Services Canada | **$ 1,970,734** | **$ 71,578** | **$ 2,042,312** | $ 1,284,367 | $ 71,305 | $ 1,355,672 |
| Canada Mortgage and Housing Corporation | **104,723** | **-** | **104,723** | 54,053 | - | 54,053 |
| Department of Fisheries and Oceans | **149,957** | **-** | **149,957** | 87,445 | - | 87,445 |
| Atlantic Integrated Commercial Fisheries Initiative | **-** | **170,000** | **170,000** | - | 247,200 | 247,200 |
| | **2,225,414** | **241,578** | **2,646,433** | 1,425,984 | 318,505 | 1,744,489 |
| Province of Nova Scotia | **104,501** | **-** | **104,501** | 141,385 | - | 141,385 |
| Total | **$ 2,329,915** | **$ 241,578** | **$ 2,750,934** | $ 1,567,369 | $ 318,505 | $ 1,885,874 |

Subsequent to year-end, the First Nation received $1,000,000 from Indigenous Service Canada for the purchase of commercial fishing licences which had not been recognized as of March 31, 2021. Please refer to Note 20 for further disclosure on subsequent events.

## 20. SUBSEQUENT EVENTS

On March 31, 2021, the First Nation entered into purchase & sale agreements with four individuals and one estate for the accusition of 5 Lobster Fishing Area 34 licenses for a total cost of $3,500,000, supported by a $1,000,000 grant from Indigenous Service Canada which was received subsequent to year-end. On that date, the First Nation also entered into 5 Designation Agreements with Yarmouth Sea Products Limited ("Yarmouth Sea"), which designates the fishing rights under these 5 licenses to Yarmouth Sea for 11 years at an annual fee of $350,000. As of March 31, 2021, these transactions have not been recorded within the financial statements as the closing date of the sale had not occured, nor has the Department of Oceans and Fisheries approved the purchase.

On June 13, 2017, the First Nation passed a Band Council Resolution to begin the Additions to Reserve (“ATR”) process for three parcels of land owned by Landing #1. On January 12, 2021 the members of the First Nation voted to designate the ATR land for leasing purposes, and on January 19, 2021, a Band Council Resolution authorizing the Indemnity Agreement with Her Majesty the Queen in Right of Canada was signed. The Minister of Indigenous Services had not approved, by Ministerial Order, the ATR as of March 31, 2021. Subsequent to year end, on June 30, 2021, the First Nation received conditional approval from the Minister of Indigenous Services for the ATR.

## 21. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassed to conform with current year presentation.

## 22. SEGMENT DISCLOSURE

The First Nation is a diversified community that provides a wide range of services to its members. For management reporting purposes the First Nation's operations and activities are organized and reported by program. Programs were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations. The activities can also be categorized into segments. The following segments have been identified and as such are separately disclosed.

**Band Administration**
The administration department oversees the delivery of all government services and the day-to-day operations of the First Nation.

**Community Health**
The community health department provides medical services to band members.

**Social Services**
The social services department is responsible for administering assistance payments as well as providing social services to board members.

**Education**
The education department provides education serviced to band members including primary and secondary schooling, and sponsorship to attend post secondary institutions.

**Glooscap Commercial Fisheries**
The Commercial Fisheries operates three lobster fishing boats and receive occasional funding from the Aboriginal Fisheries Strategy Agreement with the Department of Fisheries and Oceans.

**22. SEGMENT DISCLOSURE (continued)**

**Gaming Commission**
The Gaming Commission was set up to enter into an agreement with Atlantic Lottery Corporation for the operation of video lottery terminals on the First Nation.

**Operations, Capital and Maintenance**
The operations and maintenance department provides public services that contribute to community development and sustainability through the provision of operating services such as roads, water and sanitation, fire protection, electrical and community buildings.

**Capital (Band Housing & CMHC Housing)**
This department is responsible for all capital asset activities occurring in the First Nation during the year, including housing construction and renovations.

**Glooscap Corner**
The Glooscap Corner operates a convenience store, gaming facility and gas bar on the First Nation.

**Other Projects**
The First Nation provides a wide array of other services, including youth employment projects, economic development, social housing activities, feta cheese business and other.

**Feta Cheese**
The First Nation invested in a partnership to process and sell feta cheese. This operation ceased during the year.

**Economic Development**
Economic Development is a corporation aimed to enhance the quality of life of the community through the development of band-owned business opportunities and provide assistance to individuals interested in creating oppertunities for themselves through business activities.

**Landing #1**
Landing #1 owns the assets which facilitates the operation of Exit 8A Landing fuel gas bar and Sweetgrass convenience store.

## 22. SEGMENT DISCLOSURE (continued)

**For the year ended March 31, 2021**

| | Band Administration | Social Services | Community Health | Education | Operations, Capital & Maintenace | Community Fisheries & Resources | Band Housing | CMHC Housing | Glooscap Corner | Glooscap Landing | Gaming Commission | Commercial Fisheries | Economic Development | Feta Cheese | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | | | | | | | | | |
| ISC | $ 483,910 | $ 442,894 | $ 568,410 | $ - | $ 217,924 | $ - | $ - | $ - | $ 161,898 | $ - | $ - | $ 147,276 | $ 20,000 | $ - | $ 2,042,312 |
| CMM | - | - | 23,629 | - | - | - | - | - | - | - | - | - | 43,950 | - | 67,579 |
| AICFI | - | - | - | - | - | 100,000 | - | - | - | - | - | 70,000 | - | - | 170,000 |
| CMHC | - | - | - | - | - | - | 10,301 | 94,422 | - | - | - | - | - | - | 104,723 |
| DFO | - | - | - | - | - | 142,757 | - | - | - | - | - | - | 7,200 | - | 149,957 |
| PNS | 24,609 | - | 50,000 | 5,000 | - | - | - | - | - | - | 23,391 | - | 1,500 | - | 104,500 |
| MET | - | 62,258 | - | - | - | - | - | - | - | - | - | - | - | - | 62,258 |
| MK | - | - | - | 199,424 | - | - | - | - | - | - | - | - | - | - | 199,424 |
| Corner | - | - | - | - | - | - | - | - | 2,563,111 | - | - | - | - | - | 2,563,111 |
| Fisheries | - | - | - | - | - | - | - | - | - | - | - | 1,178,445 | - | - | 1,178,445 |
| Rent | 31,881 | - | - | - | - | - | - | - | - | 52,687 | - | - | - | - | 84,568 |
| Management Fee | - | - | - | - | - | - | - | - | - | - | - | - | 114,682 | - | 114,682 |
| Gov't COVID Grants | - | - | - | - | - | - | - | - | 30,000 | - | - | - | 207,499 | - | 237,499 |
| Trust | 392 | - | - | - | - | - | - | - | - | - | - | - | - | - | 392 |
| Other | 262,407 | - | 403,896 | 5,000 | - | - | - | 420 | (620) | 16,500 | - | - | 67,874 | - | 755,477 |
| | 803,199 | 505,152 | 1,045,935 | 209,424 | 217,924 | 242,757 | 10,301 | 94,842 | 2,754,389 | 69,187 | 23,391 | 1,395,721 | 462,705 | - | 7,834,927 |
| **Expenditure** | | | | | | | | | | | | | | | |
| Amortization | 405,614 | - | - | - | - | - | - | 95,518 | 64,753 | 127,571 | - | 151,086 | 2,181 | - | 846,723 |
| Bank charges | 516,846 | - | - | - | - | - | - | 17,994 | 10,421 | 89 | 284 | 21,067 | 552 | 42,671 | 609,924 |
| Professional fees | 166,058 | - | - | - | - | 19,950 | - | 14,528 | 294 | 3,321 | (4,200) | 3,957 | 114,845 | 9,327 | 328,080 |
| R & M | 226 | - | - | - | 5,767 | - | 28,014 | 45,960 | 12,519 | 30,324 | - | 31,057 | 5,572 | - | 159,439 |
| Salaries | 1,011,257 | 44,439 | 117,903 | 33,497 | 52,723 | 56,165 | 239 | - | 389,643 | - | - | 709,890 | 695,706 | - | 3,111,462 |
| Supplies | 224,274 | 1,198 | 191,135 | 72,356 | 262,691 | 22,227 | - | 25,655 | 1,375,552 | 30,937 | - | 228,811 | 149,128 | 11,820 | 2,595,784 |
| Other | 171,787 | 261,287 | 14,171 | 27,241 | - | - | - | 17,746 | - | - | 125,870 | - | 777,701 | 421,837 | 1,817,640 |
| | 2,496,062 | 306,924 | 323,209 | 133,094 | 321,181 | 98,342 | 28,253 | 217,401 | 1,853,182 | 192,242 | 121,954 | 1,145,868 | 1,745,685 | 485,655 | 9,469,052 |
| **Total** | $(1,692,863) | $ 198,228 | $ 722,726 | $ 76,330 | $ (103,257) | $ 144,415 | $ (17,952) | $ (122,559) | $ 901,207 | $ (123,055) | $ (98,563) | $ 249,853 | $(1,282,980) | $ (485,655) | $(1,634,125) |

## 22. SEGMENT DISCLOSURE (continued)

**For the year ended March 31, 2020**

| | Band Administration | Social Services | Community Health | Education | Operations, Capital & Maintenace | Community Fisheries & Resources | Other Projects | Band Housing | CMHC Housing | Glooscap Corner | Gaming Commission | Commercial Fisheries | Feta Cheese | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | | | | | | | | |
| ISC | $ 366,685 | $ 401,376 | $ 398,767 | $ - | $ 146,684 | $ 7,191 | $ - | $ - | $ - | $ 22,088 | $ 13,000 | $ - | $ - | $ 1,355,791 |
| CMM | - | - | 8,565 | - | - | - | 3,000 | - | - | - | - | - | - | 11,565 |
| AICFI | - | - | - | - | - | - | - | - | - | - | - | 247,200 | - | 247,200 |
| CMHC | - | - | - | - | - | - | - | - | 54,053 | - | - | - | - | 54,053 |
| DFO | - | - | - | - | - | 87,445 | - | - | - | - | - | - | - | 87,445 |
| PNS | - | - | - | - | - | - | 31,550 | - | - | - | 109,835 | - | - | 141,385 |
| KMK | 30,130 | - | - | - | - | - | - | - | - | - | - | - | - | 30,130 |
| MET | - | 236,547 | - | - | - | - | - | - | - | - | - | - | - | 236,547 |
| MK | - | - | - | 144,077 | - | - | - | - | - | - | - | - | - | 144,077 |
| Rent | - | - | - | - | 22,700 | - | - | - | - | - | - | - | - | 22,700 |
| Other | 51,583 | - | - | 3,238 | 10,245 | - | 14,754 | - | 46 | 3,854,959 | - | 1,431,328 | 33,582 | 5,399,735 |
| | 448,398 | 637,923 | 407,332 | 147,315 | 179,629 | 94,636 | 49,304 | - | 54,099 | 3,877,047 | 122,835 | 1,678,528 | 33,582 | 7,730,628 |
| **Expenditure** | | | | | | | | | | | | | | |
| Amortization | 408,261 | - | - | - | - | - | - | - | 92,268 | 87,152 | - | 191,457 | - | 779,138 |
| Bank charges | 470,260 | - | - | - | - | - | - | 10,139 | 15,922 | 6,198 | 438 | 20,119 | 4,965 | 528,041 |
| Professional fees | 195,742 | - | - | - | - | 2,000 | - | - | 17,700 | 9,894 | 3,500 | 30,971 | 85,959 | 345,766 |
| R & M | - | - | - | - | 13,327 | 7,187 | - | 27,023 | 40,854 | 22,818 | - | 118,264 | 106 | 229,579 |
| Salaries | 907,904 | 53,623 | 180,524 | 36,052 | 78,809 | 57,171 | 64,761 | - | 56,738 | 653,691 | - | 928,095 | 63,923 | 3,081,291 |
| Supplies | 232,378 | 1,486 | 180,883 | 76,051 | 224,847 | 27,874 | 48,034 | 7,570 | 6,809 | 1,521,781 | - | 333,379 | 22,012 | 2,683,104 |
| Other | 20,575 | 251,682 | - | 7,932 | 7,212 | - | - | - | 1,572 | 600,000 | 367,980 | - | 2,159,253 | 3,416,206 |
| | 2,235,120 | 306,791 | 361,407 | 120,035 | 324,195 | 94,232 | 112,795 | 44,732 | 231,863 | 2,901,534 | 371,918 | 1,622,285 | 2,336,218 | 11,063,125 |
| **Total** | $ (1,786,722) | $ 331,132 | $ 45,925 | $ 27,280 | $ (144,566) | $ 404 | $ (63,491) | $ (44,732) | $ (177,764) | $ 975,513 | $ (249,083) | $ 56,243 | $ (2,302,636) | $ (3,332,497) |

## 23. EXPENSES BY OBJECT

The following is a summary of expenses by object.

| | 2021 | 2020 |
|---|---|---|
| Administration | **$ 155,206** | $ 939,065 |
| Advertising | **7,350** | 28,511 |
| Amortization of tangible capital assets | **846,723** | 756,740 |
| Bank charges and interest | **15,977** | 25,969 |
| Bad debts | **421,838** | 51,460 |
| Employee benefits | **171,480** | 182,156 |
| Fees | **239** | 56,392 |
| Honorariums | **413,611** | 421,957 |
| Impairment of capital assets | **-** | 2,109,365 |
| Insurance | **79,985** | 64,249 |
| Interest on long-term debt | **592,826** | 512,198 |
| Loss on contract | **768,602** | - |
| Loss on disposal of capital assets | **-** | 42,484 |
| Professional fees | **269,922** | 293,845 |
| Repairs and maintenance | **561,046** | 578,505 |
| Salaries and wages | **2,371,677** | 2,357,589 |
| Supplies and services | **2,691,174** | 2,444,363 |
| Telephone | **29,166** | 35,133 |
| Training, travel and meetings | **30,109** | 112,755 |
| Utilities | **42,121** | 50,389 |
| | **$ 9,469,052** | $ 11,063,125 |