

ALEXIS NAKOTA SIOUX NATION
Consolidated Financial Statements
Year Ended March 31, 2022

ALEXIS NAKOTA SIOUX NATION
Index to Consolidated Financial Statements
Year Ended March 31, 2022

	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	3
INDEPENDENT AUDITOR'S REPORT	4 - 5
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	6
Consolidated Statement of Revenues and Expenditures	7
Consolidated Statement of Changes in Accumulated Surplus	8
Consolidated Statement of Changes in Net Financial Assets	9
Consolidated Statement of Cash Flow	10
Consolidated Schedule of Total Expenses by Object (<i>Schedule 1</i>)	11
Notes to Consolidated Financial Statements	12 - 30
ANNEX A - UNAUDITED SCHEDULES	
Administration and Tribal Government (<i>Schedule 2</i>)	31 - 32
Education (<i>Schedule 3</i>)	33 - 34
Capital Projects (<i>Schedule 4</i>)	35 - 36
Social Assistance (<i>Schedule 5</i>)	37 - 38
Economic Development (<i>Schedule 6</i>)	39 - 40
Infrastructure (<i>Schedule 7</i>)	41 - 42
Health (<i>Schedule 8</i>)	43 - 44
Other Programs (<i>Schedule 9</i>)	45
Housing (<i>Schedule 10</i>)	46 - 47
Northern ISGA (<i>Schedule 11</i>)	48
Health Supplemental Schedules (<i>Schedule 12</i>)	49-87

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Alexis Nakota Sioux Nation have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Alexis Nakota Sioux Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

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

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 satisfying themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The consolidated financial statements have been audited on behalf of the members by Kingston Ross Pasnak LLP, in accordance with Canadian public sector accounting standards (PSAS).


CHIEF

Alexis Nakota Sioux Nation, AB
August 22, 2022



KINGSTON
ROSS
PASNAK^{LLP}

CHARTERED PROFESSIONAL ACCOUNTANTS

Suite 1500, 9888 Jasper Avenue NW
Edmonton, Alberta T5J 5C6
T. 780.424.3000 | F. 780.429.4817 | W. krpgroup.com

August 31, 2022
Edmonton, Alberta

INDEPENDENT AUDITOR'S REPORT

To the Members of Alexis Nakota Sioux Nation

Report on the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Alexis Nakota Sioux Nation (the Nation), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of revenues and expenditures, changes in accumulated surplus, changes in net financial assets and cash flow for the year then ended, consolidated schedule of total expenses by object, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2022, and the consolidated results of its operations and consolidated cash flow for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Qualified Opinion

Investments in government business enterprises and long term investments, which are accounted for by the modified equity method, are carried on the consolidated statement of financial position as at March 31, 2022 and March 31, 2021. The Nation's share of these enterprises' net income is included in the Nation's consolidated surplus of revenue over expenditures for the years then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the Nation's investment and equity in these enterprises as at March 31, 2022 and March 31, 2021 and the Nation's share of these enterprises' net income for the years then ended. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. Our audit opinion on the consolidated financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

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 Nation in accordance with 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 audit opinion.

Emphasis of Matter

We draw attention to Note 2 to the financial statements, which explains that comparative information regarding deferrals for the year ended March 31, 2021 have been restated. Explanation of the reason for the restatement is outlined in Note 2 and explains the adjustments made. In our opinion such adjustments are appropriate and have been properly applied.

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

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

(continues)

Independent Auditor's Report to the Members of Alexis Nakota Sioux Nation *(continued)*

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

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

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

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

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

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



Kingston Ross Pasnak LLP
Chartered Professional Accountants

ALEXIS NAKOTA SIOUX NATION
Consolidated Statement of Financial Position
March 31, 2022

	2022	2021
		<i>(Restated)</i> Note 2
FINANCIAL ASSETS		
Cash (Note 4)	\$ 9,312,914	\$ 13,506,748
Restricted cash (Note 4)	485,567	640,464
Term deposits (Note 5)	836,064	809,017
Accounts receivable (Note 6)	945,742	441,837
Restricted capital and revenue trust funds (Note 8)	656,355	449,189
Investment in Alexis owned enterprises	1,019	1,019
Alexis Settlement Trust (Note 7)	11,512,198	11,308,789
Due from Alexis owned enterprises (Note 15)	46,175,229	31,541,541
TOTAL FINANCIAL ASSETS	69,925,088	58,698,604
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	1,311,922	3,749,440
Long term debt (Note 11)	11,347,672	11,869,268
Deferred revenue (Note 10)	12,737,138	13,311,334
TOTAL FINANCIAL LIABILITIES	25,396,732	28,930,042
CONTINGENT LIABILITY (Note 12)		
NET FINANCIAL ASSETS	44,528,356	29,768,562
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	51,860,708	49,995,344
Prepaid expenses	93	65,538
	51,860,801	50,060,882
ACCUMULATED SURPLUS (Note 14)	\$ 96,389,149	\$ 79,829,436

ON BEHALF OF THE NATION

ALEXIS NAKOTA SIOUX NATION
Consolidated Statement of Revenues and Expenditures
Year Ended March 31, 2022

	Budget 2022	2022	2021 (Restated) Note 2
REVENUE			
Indigenous Services Canada			
Block funding	\$ 8,636,764	\$ 8,827,501	\$ 8,671,079
Fixed funding	4,173,261	11,878,821	18,448,593
Flexible funding	-	2,291,602	2,316,735
Set funding	-	-	431,197
Indigenous Services Canada - Health	2,353,176	5,139,895	6,288,795
Northern ISGA Foundation	727,677	1,432,339	1,639,043
Other revenue	1,494,744	1,856,381	1,611,321
Government of Alberta and Federal grants	786,799	1,661,513	1,342,464
Consultation revenue	300,000	1,033,515	941,826
Yellowhead Tribal Council grants	378,202	273,240	539,625
Canada Mortgage and Housing Corporation	180,340	408,374	468,304
Alexis Settlement Trust (Note 7)	509,280	685,005	393,843
Administration fees - ISC COVID -19 funding	-	-	91,967
Lapsed Indigenous Services Canada (Note 9)	-	(41,569)	(93,639)
Administration fees	1,388,799	-	-
Contributions carried forward from prior year	2,069,238	11,712,161	5,002,267
Contributions carried forward to next year	-	(11,177,512)	(11,712,161)
	22,998,280	35,981,266	36,381,259
EXPENSES			
Education	5,681,136	7,071,101	5,073,756
Economic development	1,360,389	6,859,529	3,444,663
Administration	3,207,269	6,127,825	5,039,228
Social assistance	3,297,147	5,444,400	3,851,152
Health	2,687,130	4,973,910	3,234,170
Housing	3,903,552	2,927,802	2,310,068
Infrastructure	1,134,332	1,590,108	1,273,010
Capital projects	-	1,195,807	2,469,321
Northern ISGA Foundation	-	866,618	722,409
Other	157,963	367,029	21,200
	21,428,918	37,424,129	27,438,977
(DEFICIT) SURPLUS FROM OPERATIONS	1,569,362	(1,442,863)	8,942,282
OTHER INCOME (EXPENSES)			
Income from Alexis owned enterprises	-	17,433,410	9,912,519
ISC band funds capital and revenue account income (Note 8)	-	362,000	420,000
Net change in revenue and capital trust funds	-	207,166	(171,713)
Loss on disposal of tangible capital assets	-	-	(259,642)
	-	18,002,576	9,901,164
SURPLUS OF REVENUES OVER EXPENSES	\$ 1,569,362	\$ 16,559,713	\$ 18,843,446

ALEXIS NAKOTA SIOUX NATION
Consolidated Statement of Changes in Accumulated Surplus
Year Ended March 31, 2022

	2022	2021 <i>(Restated)</i> Note 2
ACCUMULATED SURPLUS - BEGINNING OF YEAR		
As previously reported	78,710,548	60,985,990
Adjustment as a result of prior restatement <i>(Note 2)</i>	1,118,888	-
As restated	79,829,436	60,985,990
SURPLUS FOR THE YEAR <i>(Note 2)</i>	16,559,713	18,843,446
ACCUMULATED SURPLUS - END OF YEAR	\$ 96,389,149	\$ 79,829,436

ALEXIS NAKOTA SIOUX NATION
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2022

	Budget 2022	2022	2021 (Restated) Note 2
SURPLUS OF REVENUE OVER EXPENSES	\$ 1,569,362	\$ 16,559,713	\$ 18,843,446
Amortization of tangible capital assets <i>(Note 13)</i>	-	3,491,620	2,626,354
Purchase of tangible capital assets <i>(Note 13)</i>	-	(5,356,984)	(12,315,551)
Disposal of tangible capital assets <i>(Note 13)</i>	-	-	526,899
Loss on disposal of assets <i>(Note 13)</i>	-	-	259,641
Acquisition of prepaid expense	-	65,445	(23,429)
	-	(1,799,919)	(8,926,086)
INCREASE IN NET FINANCIAL ASSETS	1,569,362	14,759,794	9,917,360
NET FINANCIAL ASSETS - BEGINNING OF YEAR	29,768,562	29,768,562	19,851,202
NET FINANCIAL ASSETS - END OF YEAR	\$ 31,337,924	\$ 44,528,356	\$ 29,768,562

ALEXIS NAKOTA SIOUX NATION
Consolidated Statement of Cash Flow
Year Ended March 31, 2022

	2022	2021 (Note 2)
OPERATING ACTIVITIES		
Annual surplus for the year	\$ 16,559,713	\$ 18,843,446
Items not affecting cash:		
Amortization of tangible capital assets	3,491,620	2,626,354
Income from Alexis owned enterprises (Note 15)	(17,433,410)	(9,912,519)
Loss (gain) on disposal of tangible capital assets	-	259,644
	2,617,923	11,816,925
Changes in non-cash working capital:		
Accounts receivable	(503,905)	(218,293)
Accounts payable and accrued liabilities	(2,437,520)	1,026,707
Deferred revenue	(574,196)	5,882,468
Prepaid expenses	65,445	(23,429)
	(3,450,176)	6,667,453
Cash flow from (used by) operating activities	(832,253)	18,484,378
INVESTING ACTIVITIES		
Cash distribution from Alexis owned enterprises (Note 15)	2,799,722	1,952,148
Net changes in Alexis Settlement Trust	(203,409)	109,782
Purchase of term deposits	(27,047)	-
Redemption of term deposits	-	511,759
Restricted capital and revenue trust funds	(207,166)	171,712
Cash flow from investing activities	2,362,100	2,745,401
FINANCING ACTIVITIES		
Repayment of long term debt	(521,594)	(418,355)
Proceeds from long term financing	-	316,004
Cash flow used by financing activities	(521,594)	(102,351)
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(5,356,984)	(12,315,551)
Proceeds on disposal of tangible capital assets	-	-
	(5,356,984)	(12,315,551)
INCREASE (DECREASE) IN CASH FLOW	(4,348,731)	8,811,877
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	14,147,212	5,335,335
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 9,798,481	\$ 14,147,212

ALEXIS NAKOTA SIOUX NATION

Consolidated Schedule of Total Expenses by Object

(Schedule 1)

Year Ended March 31, 2022

	Budget 2022	2022	2021
Wages and casual labour	\$ 7,753,398	\$ 9,980,333	\$ 8,391,162
Own source support (Alexis owned enterprises)	-	3,609,311	1,257,071
Amortization expense	-	3,478,141	2,626,355
Contract services	599,212	2,064,061	1,299,855
Special cultural and recreational events	1,112,829	1,905,945	493,200
Social assistance benefits	1,065,600	1,627,157	1,435,861
Utilities	885,461	1,625,317	1,220,462
Northern ISGA expenses	487,677	844,859	684,189
Other program delivery	-	1,262,040	588,931
Travel and meetings	655,255	1,245,164	845,898
Per capita distributions	-	1,226,505	929,668
Professional services	804,523	1,119,019	1,011,855
Honoraria	885,080	996,958	1,023,910
Materials and supplies	656,661	697,270	795,519
Assessments	162,432	605,647	473,177
Miscellaneous	111,425	582,728	369,800
Insurance	304,175	555,952	582,991
Tuition fees	600,166	549,188	756,860
Office and general	121,246	512,163	338,604
Emergency / Covid band member assistance	-	491,175	591,794
Repairs and maintenance	216,490	363,799	439,067
Transportation	285,333	315,232	273,771
Interest on long term debt	302,340	309,129	333,057
Training and development	324,179	285,402	42,186
Pension benefits	332,556	232,955	232,542
Nutritional supplement	108,500	204,503	56,208
Capital Purchases	2,385,111	183,179	216,360
Special health events	118,836	153,479	100,740
Fuel	82,413	131,255	107,200
Workers compensation premiums	57,491	102,924	46,936
Bad debts expense (recovery)	-	85,650	(299,254)
Interest and bank charges	49,580	56,242	48,659
Rent expense	9,429	21,447	32,376
Administration fees	951,520	-	91,967
	\$ 21,428,918	\$ 37,424,129	\$ 27,438,977

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

Alexis Nakota Sioux Nation ("the Nation") is committed to developing an effective governance structure to enhance the community services, culture, education, wellness and economic prosperity while retaining the Treaty Rights of Alexis Nakota Sioux Nation members.

These consolidated financial statements reflect the financial assets, non-financial assets, liabilities, revenues and expenses of Alexis Nakota Sioux Nation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements include the accounts of the Nation and its subsidiaries:

- Northern ISGA Foundation
- Alexis Board of Education

As a result, figures as at March 31, 2022 or for the years then ended include the financial position of those subsidiaries and the results of their operations for the years then ended. The results of operations of the subsidiaries are included in the consolidated financial statements from the respective dates of acquisition or incorporation.

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards established for local governments recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant accounting policies observed in the preparation of the consolidated financial statements are summarized below.

Revenue recognition

Funding received under the terms of agreements is recognized as revenue in the relevant funding period when the funding agreements are approved. Restricted contributions are recognized as revenue when the revenue is approved and the related expenditures are incurred. Restricted contributions which are not yet expended for the intended purpose are included in the consolidated statement of financial position as deferred revenue.

Revenue earned from oil and gas royalties and lease revenue in the trust funds is recognized when a Band Council Resolution requesting to withdraw the amounts from the respective trust fund accounts is approved. Approved withdrawals which are not yet expended for the intended purpose are recognized in the statement of financial position as deferred revenue. The uncommitted balance in the trust fund accounts is recognized in the statement of financial position as accumulated surplus.

Income earned from Alexis Settlement Trust is recognized in the period in which the events occurred that gave rise to the revenue. Withdrawals are made when the related Band Council Resolution requesting to withdraw the amounts from the respective trust fund account is approved. Approved withdrawals which are not yet expended for the intended purpose are recognized in the statements of financial position as deferred revenue.

Other revenues are recognized when persuasive evidence of an arrangement exists, delivery of goods has occurred or services have been rendered, the selling price is fixed or determinable, and collection is reasonably assured. Revenue is measure at fair value of the consideration received.

(continues)

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

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

Northern ISGA Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. In addition, revenue is only recognized if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions which are not yet expended for the intended purpose are included in the consolidated statement of financial position as deferred revenue.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They may have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year together with the excess of revenues over expenses and the change in trust funds provides the change in net financial assets for the year.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit less cheques issued and outstanding and net of draws on the overdraft facility. On occasion, the overdraft facility is drawn upon to meeting short term cash needs.

Term deposits

Term deposits, which consist primarily of commercial paper with original maturities at date of purchase are carried at amortized cost.

Goods and Services Tax

Expenses are recoverable at 50% as a rebate, and are not recognized until cash is received.

Investment and due from government business enterprises

The investment and advances due from government business enterprises are accounted for using the modified equity method whereby the investment is initially recorded at cost and adjusted thereafter to include the post acquisition earnings of the enterprise. The accounting policies of the government business enterprise have not been adjusted to conform with those of Alexis Nakota Sioux Nation and inter-entity balances are not eliminated. Inter-entity gains and losses are eliminated on assets remaining within the government reporting entities at the reporting date.

(*continues*)

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

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

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Band buildings	4%	straight-line method
Housing/Mobile homes	5%	straight-line method
Water treatment plant	4%	straight-line method
Sewage lagoon	4%	straight-line method
General equipment	20%	straight-line method
Subdivision	4%	straight-line method
Roads	4%	straight-line method
Solar panels	50%	declining balance method
Vehicle	30%	declining balance method
Furniture and fixtures	20%	declining balance method
Computer equipment	55%	declining balance method

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

All additions made during the year are amortized at one half of the above rates.

Pension expenditures

Alexis Nakota Sioux Nation sponsors a defined contribution pension plan for certain employees. Under the plan the Nation matches the employee's contribution of 8.95% of earnings. During the year the Nation contributed \$232,955 (2021 - \$232,542) to the pension plan. The employer's portion of the payment is recorded as employee benefits in the period when the benefit is earned.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Items requiring the use of significant estimates include the valuation of accounts receivable, accrued liabilities and estimated useful life of capital assets. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

All financial instruments are initially measured at fair value, and, unless otherwise noted, the Nation subsequently measures its financial instruments at amortized cost.

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

2. PRIOR PERIOD ADJUSTMENT

During the current year, the Nation identified that two projects for which deferred revenue was overstated. The deferred revenue related to the ISC Water Supply project for \$788,099 and Government of Alberta Community School Language for the amount of \$330,789. The Nation adjusted the deferred revenue, which resulted in a increase to prior period surplus and impact on the accumulated opening surplus.

	Previously reported	Restated	Change
2021 Accumulated opening surplus	\$ 78,710,548	\$ 79,829,438	\$ 1,118,890
2021 Net financial assets beginning of year	28,649,674	29,768,562	1,118,890
2021 Deferred revenue	14,430,222	13,311,334	1,118,890

3. COVID-19

The Coronavirus Disease 2019, or COVID-19 has spread across the globe and continues to impact worldwide economic activity. This global pandemic poses the risk that the Nation or its employees, contractors, suppliers, and other partners may experience periodic interruptions to their regular business activities. While it is not possible at this time to estimate the impact that COVID-19 will have on the Nation's business in the coming fiscal year, the continued spread of COVID-19 and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the Nation's business, financial condition and/or the results of its operations. Specifically, the Nation's Government Business Enterprises have also encountered difficulties to complete contracted services which reduces the Nation's ability to generate self-source revenues through its various subsidiaries. Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

Despite widespread shutdowns of local and national economies caused by COVID-19, Alexis Nakota Sioux Nation continued to and continues to offer essential services to its members through program delivery. Chief and Council of the Nation has concluded that the costs of these services are the responsibility of the federal government as part of its Treaty obligations.

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

4. CASH

	2022	2021
Cash	\$ 8,786,523	\$ 13,009,572
Internally restricted cash	526,391	497,176
	9,312,914	13,506,748
Restricted cash	485,567	640,464
	\$ 9,798,481	\$ 14,147,212

Restricted cash includes \$485,567 of cash that is set aside for repairs, maintenance and replacement of homes under the terms of an agreement with Canada Mortgage and Housing Corporation. The replacement reserve is under funded at year end as reflected in note 17.

Internally restricted cash includes \$19,750 for the Minors' trust which is to be used for the trust liability for minor children and is payable to the minors when they attain the age of 18 years, \$277,677 for the construction of a new multi-purpose facility and \$228,964 for the Northern ISGA Foundation.

The Nation has an overdraft facility which bears interest at prime plus 2% (2021 - prime plus 2%). The overdraft is authorized to a maximum outstanding balance of \$600,000 (2021 - \$600,000). The bank indebtedness is collateralized by a Band Council Resolution redirecting ISC funding.

5. TERM DEPOSITS

Included in term deposits are \$836,064 (2021 - \$809,017) of Guaranteed Investment Certificates held by Northern Isga Foundation which bear interest between 3.050% and 1.025% and mature between July 10, 2022 and November 14, 2023.

6. ACCOUNTS RECEIVABLE

	2022	2021
Various organizations and entities	\$ 2,161,620	\$ 1,540,875
Band members loans and advances	742,307	734,837
CMHC receivable	25,545	25,370
Indigenous Services Canada	-	26,324
	2,929,472	2,327,406
Allowance for doubtful accounts	(1,983,730)	(1,885,569)
	\$ 945,742	\$ 441,837

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

7. ALEXIS SETTLEMENT TRUST

The Alexis Settlement Trust retains settlement funds received from the Government of Canada pursuant to the Alexis Treaty Land Entitlement Agreement entered into in March 1995. Under the Trust Deed, only 80% of the annual investment income earned on the trust assets can be used for program delivery in any year; the remaining balance is restricted and is therefore not available for any other current use. These settlement funds are recorded at cost and are comprised of the following:

	2022	2021
Cash and cash equivalents	\$ 403,351	\$ 328,786
Fixed income securities	6,771,180	6,026,258
Equity securities	4,337,667	4,953,745
	\$ 11,512,198	\$ 11,308,789

The market value of the above settlement funds is \$13,817,234 (2021 - \$13,676,220).

During the year, the investment income available for distribution was \$789,806 (2021 - \$489,598) and the investment management fees and other costs paid were \$104,801 (2021 - \$95,755).

8. RESTRICTED CAPITAL AND REVENUE TRUST FUNDS

Trust funds are considered restricted assets and are controlled directly by Indigenous Services Canada (ISC). The expenditure of trust funds is limited to purposes identified in the Indian Act. Information relating to the income earned in the trust fund accounts from oil and gas royalties, leases and rentals was obtained directly from Aboriginal Affairs and Northern Development Canada.

	2022	2021
Capital Trust		
Balance, beginning of year	\$ 158,316	\$ 158,560
Income from royalties	305,650	119,756
Transfer to Nation programs	(112,000)	(120,000)
	351,966	158,316
Revenue Trust		
Balance, beginning of year	290,873	462,341
Income from royalties and interest	263,516	128,532
Transfer to Nation programs	(250,000)	(300,000)
	304,389	290,873
	\$ 656,355	\$ 449,189

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Accounts payable and accrued liabilities	\$ 1,184,937	\$ 3,637,601
Indigenous Services Canada - Health	79,051	79,051
Indigenous Services Canada	29,734	14,588
Minors trust liability	18,200	18,200
	\$ 1,311,922	\$ 3,749,440

The balance to Indigenous Services Canada includes \$14,588 (Income assistance) for overpaid arrangement and \$15,146 (Basic needs) for overpaid arrangement.

The balance to First Nations Inuit Health Branch includes, \$8,699 (HCD-Pub Health NS & CHRs) \$17,635 (Brighter futures), \$3,077 (Suicide prevention), \$19,495 (Abor.Diabetes Init), \$16,111 (CDE planning and response), \$19,415 (Drinking water and wastewater) \$8,622 (HCC service delivery), \$22,854 (Client insured services), \$6,117 (Mental health care), \$1,909 (Health planning mgmt-gov) and \$11,582 (Accreditation services).

Included in accounts payable and accrued liabilities is a related party balance of \$nil (2021-\$nil).

10. DEFERRED REVENUE

	Opening balance	Contributions received	Revenue recognized	Ending balance
Indigenous Services Canada (ISC) (Note 2)	\$ 5,933,684	\$ 22,997,924	\$ 23,806,969	\$ 5,124,639
Indigenous Services Canada - Health	3,642,539	5,139,895	3,146,358	5,636,063
Northern ISGA Foundation	980,881	-	120,081	860,800
Northern ISGA capital contributions	273,466	80,537	-	354,003
Government of Alberta (Note 2)	1,043,729	1,557,890	2,184,810	416,808
Multi purpose facility	1,437,035	-	1,092,209	344,826
	\$ 13,311,334	\$ 29,776,246	\$ 30,350,426	\$ 12,737,138

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

DEFERRED REVENUE *(continued)*

2022

Indigenous Services Canada (ISC)

Administration

QZBA - Constitution	\$ 4,543
Q32I-001 - Law Making Gov Cap Dev	6,599
Q036-001 - AFA Bloc Core Fun Reg&Mem	745

Education

Q26G-001 - FN & Inuit - Skill Link Prog	146,644
Q24M - School Project Formula	145,330
Q28N-001 - FN Sch Targeted HCSE	10,335
Q274 - EPP Structural Readiness	11,926
FN School Formual (COVID-19)	3,050
Reg Education Agreements	125,968
Q26F-001 - FN & Inuit - Summer Work Exp	8,474
Q24N-001 - FN Sch Protect 2nd Level	245,837
Q2JB-001 - COVID-19 Safe Re Ele/Sec	236,889
Q24A-001 - Elementary/Secondary	37,815
Q36G-001 - Edu - Facilities O&M	4,093

Capital Projects

Q3R5 - Band Offices and Buildings	27,686
Q3R6 - Fire Halls	18,277
Q3R7 - Daycares	18,277

Social Assistance

Q2BW - Community Based Initiative	361,312
Q2BW - Community Based Initiative	95,871
Q2KQ-002 - Comm Based Inita Current	765,451
Q2KQ-001 - Comm Based Inita Retroac	1,170,871
Q2BA-001 - Assisted Living	122,407

Infrastructure

Q3BH-001 Roads and Bridges	112,591
Q3BI-001 Electrical Systems	6,211
Q3BK-001 - Community Buildings	4,043
Q3XL-001 - Lot Servicing	150,000

Housing

Q3XJ-001 - Construction	1,121,219
Q3AA - Construction	141,660

Economic Development

Q3TO-001 - COVID-19 OSR Com Serv FN	20,515
-------------------------------------	--------

\$ 5,124,639

Indigenous Services Canada - Health Contributions

Health Planning Mgmt (Flexible funding) - Dept 401	\$ 5,034
Operations and Maintenance (Flexible funding) - Dept 402	25,252
CHR (Flexible funding) - Dept 403	55,749
Prenatal Nutrition (Flexible funding) - Dept 404	65,752
Building Healthier Communities/ Mental Wellness (Flexible funding) - Dept 405	498,822
NNADAP/Mental Wellness (Flexible funding) - Dept 406	144,578
CDE Planning and Response (Flexible funding) - Dept 407	54,832

(continues)

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

DEFERRED REVENUE *(continued)*

Indigenous Services Canada - Health Contributions

Brighter Futures (Flexible funding) - Dept 409	25,013
Public Health Care (Flexible funding) - Dept 410	9,005
Medical Transportation Administration (Fixed funding) - Dept 411	59,889
Medical Transportation - Client Insured Services (Fixed funding) - Dept 412	59,131
Mental Health Care (Fixed funding) - Dept 413	1,550
Home and Community Care (Flexible funding) - Dept 415	430,297
FASD/MCH (Flexible funding) - Dept 416	25,486
Health Services Accreditation (Flexible funding) - Dept 417	-
Headstart on Reserve (Flexible funding) - Dept 418	225,669
HIV/AIDS (Flexible funding) - Dept 420	80,942
Drinking Water and Wastewater (Flexible funding) - Dept 421	53,340
TB Prevention Program (Fixed funding) - Dept 422	51,319
Aboriginal Diabetes Initiative (Flexible funding) - Dept 423	19,094
Nurse Practitioner (Flexible funding) - Dept 426	12,956
Health Services Assistant (Flexible funding) - Dept 428	25,792
Suicide Prevention (Flexible funding) - Dept 429	57,031
MH- Opioid Treatment Program (Flexible funding) - Dept 430	27,248
Climate Change (Flexible funding) - Dept 436	100
MCH - Traditional Healer (Flexible funding) - Dept 437	8,118
Support for Preschool (Flexible funding) Dept 439	54,859
COHI- Child Oral Health INIT (Flexible funding) - Dept 441	114,500
HIV/AIDS Surveil & Research (Flexible funding) - Dept 442	81,562
COVID Funding (Flexible funding) - Dept 444	3,202,214
JP Social Services (Flexible funding) - Dept 455	160,929

\$ 5,636,063

Government of Alberta

Administration

Continuing Care Needs	\$ 7,320
Seeking Peace for First Nations Children	140,116

Health

BCOFC	4,550
-------	-------

Economic development

Consultation Capacity	155,795
Log Home Training Program	8,953
Alberta Indigenous EPP	25,327
Indigenous Advisory and Monitoring	49,999
Other	21,610
Aquatic Habitat Restoration	2,091

Social

Ministry of Childrens Services	1,047
--------------------------------	-------

\$ 416,808

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

11. LONG TERM DEBT	2022	2021
CMHC 9001 mortgage bearing interest at 2.41% per annum, repayable in monthly blended payments of \$1,382. The loan renews on April 1, 2023 and matures on November 1, 2027 and is secured by a ministerial guarantee.	\$ 87,757	\$ 102,044
CMHC 9002 mortgage bearing interest at 1.5% per annum, repayable in monthly blended payments of \$1,233. The loan renews on January 1, 2027 and matures on October 1, 2031 and is secured by a ministerial guarantee.	132,034	144,789
CMHC 9003 mortgage bearing interest at 1.97% per annum, repayable in monthly blended payments of \$3,155. The loan renews on December 1, 2022 and matures on October 1, 2027 and is secured by a ministerial guarantee.	200,054	233,630
CMHC 9004 mortgage bearing interest at 2.14% per annum, repayable in monthly blended payments of \$1,285. The loan renews on March 1, 2024 and matures on March 1, 2034 and is secured by a ministerial guarantee.	163,110	174,913
CMHC 9005 mortgage bearing interest at 2.14% per annum, repayable in monthly blended payments of \$1,146. The loan renews on March 1, 2024 and matures on January 1, 2029 and is secured by a ministerial guarantee.	87,363	99,114
CMHC 9006 mortgage bearing interest at 1.87% per annum, repayable in monthly blended payments of \$1,316. The loan renews on May 1, 2024 and matures on May 1, 2034 and is secured by a ministerial guarantee.	171,819	184,285
CMHC 9007 mortgage bearing interest at 2.02% per annum, repayable in monthly blended payments of \$1,843. The loan renews on March 1, 2027 and matures on May 1, 2036 and is secured by a ministerial guarantee.	272,386	290,618
CMHC 9008 mortgage bearing interest at 1.5% per annum, repayable in monthly blended payments of \$2,062. The loan renews on January 1, 2027 and matures on February 1, 2036 and is secured by a ministerial guarantee.	310,736	332,197
CMHC 9009 mortgage bearing interest at 0.7% per annum, repayable in monthly blended payments of \$1,848. The loan renews on September 1, 2025 and matures on December 1, 2039 and is secured by a ministerial guarantee.	370,044	389,558
CMHC 9010 mortgage bearing interest at 0.7% per annum, repayable in monthly blended payments of \$1,796. The loan renews on September 1, 2025 and matures on December 1, 2039 and is secured by a ministerial guarantee.	359,703	378,671
CMHC 9011 mortgage bearing interest at 1.5% per annum, repayable in monthly blended payments of \$3,617. The loan renews on July 1, 2022 and matures on July 1, 2042 and is secured by a ministerial guarantee.	760,686	792,461

(continues)

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

11. LONG TERM DEBT <i>(continued)</i>	2022	2021
CMHC 9012 mortgage bearing interest at 0.68% per annum, repayable in monthly blended payments of \$4,807. The loan renews on August 1, 2025 and matures on August 1, 2045 and is secured by a ministerial guarantee.	1,248,498	1,297,523
BMO fixed rate term loan bearing interest at 3.6% per annum, repayable in monthly blended payments of \$40,640. The loan matures on November 30, 2024	7,183,482	7,449,465
	\$ 11,347,672	\$ 11,869,268

Principal repayment terms are approximately:

2023	\$ 7,439,254
2024	259,501
2025	275,743
2026	263,638
2027	271,079
Thereafter	<u>2,838,457</u>
	<u>\$ 11,347,672</u>

As at March 31, 2022, the Nation has total approved facility amount that shall not exceed \$8,929,311. This includes a fixed rate term loan repayable on demand for \$7,679,311 and a on reserve housing loan program for \$1,250,000. As of March 31, 2022 the on reserve housing loan program for \$1,250,000 has not been advanced.

Ministerial Loan Guarantees are used to build, purchase or renovate on-reserve housing. Section 89(1) of the Indian Act protects property on reserves so it cannot be mortgaged and used as collateral by a non-First Nation person. Indigenous Services Canada issues loan guarantees to lenders to secure on-reserve housing loans to minimize the risk in the event of a loan default.

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

12. CONTINGENT LIABILITY

Government contributions related to the programs of Alexis Nakota Sioux Nation entities are subject to conditions regarding the expenditure of funds. The accounting records are subject to audit by various funding agencies. Should any instances be identified in which the amounts charged to projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective agencies. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

The Nation is involved in claims and potential claims arising in the normal course of operations and is actively defending all lawsuits. Since the amount of loss, if any, cannot be reasonably estimated, no provision has been recorded in these financial statements. Any settlements, awards or determination of loss will be reflected in the accounts in the year in which they are reasonably estimable.

The Nation has guaranteed two non-revolving loans of Nakota Crossing Ltd. (related by virtue of common control) with maximum values of \$8,507,000. The facilities are secured by a general security agreement providing BMO with a security interest over all present and after-acquired personal/movable property of the Corporation. As at December 31, 2021 the total outstanding loan balance is \$6,535,326 (2021 - \$7,000,000).

Nakota Crossing Ltd. has been named as defendant in an on-going legal proceeding with the contractor it had engaged to construct its facility. The proceeding was commenced on March 12, 2021 and includes a claim for \$1,111,913 plus interest for alleged unpaid costs related to a change order, as well as \$250,000 for other damages. The outcome and loss, if any, are currently not determinable. As such, no accruals or losses have been recorded in the financial statements with respect to this contingency.

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

13. TANGIBLE CAPITAL ASSETS

COST	2021 Balance	Additions	Disposals	2022 Balance
Band buildings	\$ 32,743,800	\$ 2,838,255	\$ -	\$ 35,582,055
Housing	22,011,782	1,028,032	-	23,039,814
Water treatment plant	11,841,964	-	-	11,841,964
Sewage lagoon	6,596,730	-	-	6,596,730
General equipment	3,676,818	399,973	-	4,076,791
Subdivision	2,337,938	-	-	2,337,938
Roads	2,467,830	28,737	-	2,496,567
Solar panels	376,822	-	-	376,822
Vehicle	372,480	297,625	-	670,105
Furniture and fixtures	138,911	718,186	-	857,097
Computer equipment	94,961	32,697	-	127,658
	\$ 82,660,036	\$ 5,343,505	\$ -	\$ 88,003,541

ACCUMULATED AMORTIZATION	2021 Balance	Amortization	Accumulated Amortization on Disposals	2022 Balance
Band buildings	\$ 10,586,753	\$ 399,628	\$ -	\$ 11,701,064
Housing	9,557,850	888,743	-	10,464,452
Water treatment plant	1,978,318	473,679	-	2,450,996
Sewage Lagoon	3,430,123	263,869	-	3,693,992
General equipment	2,938,311	224,663	-	3,188,364
Subdivision	1,961,018	66,585	-	2,021,501
Roads	1,868,881	65,286	-	1,912,757
Furniture and fixture	220,850	136,420	-	298,836
Vehicle	82,583	67,477	-	227,185
Furniture and fixture	(26,114)	13,891	-	72,972
Computer equipment	(13,891)	26,114	-	110,714
	\$ 32,584,682	\$ 2,626,355	\$ -	\$ 36,142,833

NET BOOK VALUE	2022	2021
Band buildings	\$ 23,880,991	\$ 22,157,047
Housing	12,575,362	12,453,932
Water treatment plant	9,390,968	9,863,646
Sewage lagoon	2,902,738	3,166,607
General equipment	888,427	738,507
Subdivision	316,437	376,920
Roads	583,810	598,949
Solar panels	77,986	155,972
Vehicle	442,920	289,897
Furniture and fixtures	784,125	165,025
Computer equipment	16,944	108,852
	\$ 51,860,708	\$ 50,075,354

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

14. ACCUMULATED SURPLUS

	2022	2021
Equity in tangible capital assets	\$ 40,777,983	\$ 38,912,619
Equity in trust funds	656,354	449,188
Unrestricted deficit (Note 2)	(2,732,623)	(2,382,709)
Equity in business entities	46,175,229	31,541,541
Equity in Alexis Settlement Trust	11,512,198	11,308,789
Share capital	8	8
	\$ 96,389,149	\$ 79,829,436

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

15. INCOME FROM GOVERNMENT BUSINESS ENTERPRISES

	2022	
Balance beginning of year	\$ 31,541,541	\$ 23,581,170
Net advances from government business enterprises	(2,799,722)	(1,952,148)
Share of income	17,433,410	9,912,519
	\$ 46,175,229	\$ 31,541,541

The following is a summary of the percentage of government business enterprises owned and the related year end of the entities. All inactive government business enterprises that the Nation has a controlling interest in were omitted from the schedule below as it did not have a material impact on the financial statements. The financial information presented below is combined based on the government business enterprises' respective year ends.

	% Ownership	Year-end
Alexis Casino Corporation	100	December 31, 2021
Alexis First Nation Business Trust	100	December 31, 2021
Alexis Band Oil & Gas Corp.	100	December 31, 2021
Alexis Nakota Sioux Nation Business Trust	100	December 31, 2021
Alexis Group of Companies	100	December 31, 2021
Alexis Land Management Corporation	100	December 31, 2021
Nakota Crossing Ltd.	100	December 31, 2021

Unaudited aggregate balance sheet information:

Assets		
Current assets	\$ 33,079,385	\$ 18,828,445
Capital assets	26,948,148	28,366,694
	\$ 60,027,533	47,195,139
Liabilities		
Current liabilities	\$ 3,032,032	3,436,730
Other liabilities	13,917,168	14,441,998
Equity	43,078,333	29,316,411
	\$ 60,027,533	47,195,139

Unaudited aggregate income statement information:

Revenue	\$ 49,868,773	\$ 18,482,496
Expenses	(32,572,379)	(7,439,904)
Net income	\$ 17,296,394	\$ 11,042,592

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

16. RELATED PARTY TRANSACTIONS

During the year, Alexis Nakota Sioux Nation entered into transactions with its own entities. These transactions are in the normal course of operations and have been recorded at the exchange amount which is the amount of consideration established and agreed to by the related parties. Any transactions with consolidated subsidiaries have been eliminated.

During the year, grants and contributions of \$273,200 (2021 - \$539,625) were received from Yellowhead Tribal Council and its related entities. The Nation is a member of the Yellowhead Tribal Council through its Unity Agreement. Included in accounts receivable at March 31, 2022 is \$63,844 (2021 - \$31,550) due from Yellowhead Tribal Council.

These transactions are in the normal course of operations and have been recorded at the exchange amount which is the amount of consideration established and agreed to by the related parties.

17. RESERVE

Under the terms of the agreements with Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited annually with agreed amounts. These funds, along with accumulated interest, must be held in a separate bank account, and invested in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. At March 31, 2022, the replacement reserve was under funded by \$527,306 (2021 - \$494,943).

18. FINANCIAL INSTRUMENTS

The Nation is exposed to various risks through its financial instruments. The following analysis provides information about the Nation's risk exposure and concentration as of March 31, 2022. Unless otherwise noted, the Nation's risk exposure has not changed from the prior year.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Nation is exposed to credit risk from other revenue. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The significant annual funding received from the Government of Canada minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Nation is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, accounts payable and accrued liabilities and long-term debt.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Nation is mainly exposed to currency risk and other price risk on its Alexis Settlement Trust investments. The Nations investments in publicly traded securities expose the Nation to price risks as equity investments are subject to price changes in an open market due to market movements, global markets and changes to market interest rates.

(continues)

ALEXIS NAKOTA SIOUX NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

18. FINANCIAL INSTRUMENTS *(continued)*

(d) Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Nation is exposed to foreign currency exchange risk on Alexis Settlement Trust investments held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

(e) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Nation has variable interest rates on the operating line of credit. In seeking to minimize the risks from interest rate fluctuations, the Nation manages exposure through its normal operating and financing activities. The Nation has fixed interest rates on most long-term debt. Consequently, the exposure to fluctuations in future cash flows, with respect to debt, as a result of changes in market interest rates is limited.

19. SEGMENT INFORMATION

The Nation provides a wide range of services to its members. Services are delivered through a number of different programs and departments. Identified segments are defined by Alexis Nakota Sioux First Nation for which separate financial information is available and is evaluated regularly by Chief and Council and management in allocating resources and assessing results.

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment. The accounting policies used in the segments are consistent with the accounting policies followed in the preparation of these consolidated financial statements as disclosed in Note 1.

20. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Alexis Nakita Sioux Nation
Consolidated Notes to Financial Statements
Year Ended March 31, 2022

21. CONSOLIDATED SEGMENT DISCLOSURES

2022 Fiscal Year	Administration and Tribal Government	Education	Capital Projects	Social Assistance	Economic Development	Infrastructure	Health	Other	Northern ISGA	Housing	Other Programing	2022	2021
Revenue													
ISC Block Contribution funding	958,217	3,412,081	163,678	3,372,858	132,206	495,610	-	-	-	292,851	-	8,827,501	8,671,079
ISC Fixed Contribution funding	106,425	2,489,922	275,000	2,353,674	4,099,854	1,128,946	743,390	-	-	1,425,000	-	12,622,211	18,448,593
ISC Set Contribution funding	-	-	-	-	-	-	-	-	-	-	-	-	431,197
ISC Flexible Contribution funding	-	-	1,210,089	1,081,513	-	-	-	-	-	-	-	2,291,602	2,316,735
Health Canada - Block Contributions	-	-	-	-	-	-	4,396,505	-	-	-	-	4,396,505	6,288,795
Health Canada - Set Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Northern ISGA Foundation	-	-	-	-	-	-	-	-	1,432,339	-	-	1,432,339	1,639,043
NIF Revenue	-	-	-	-	-	-	-	-	-	0	-	0	-
Other Revenue	351,865	257,567	-	222,378	905,288	-	5,690	14,500	-	99,091	-	1,856,381	1,611,321
Provincial and Federal grant contributions	150,000	440,349	-	35,722	952,731	-	80,000	2,710	-	-	-	1,661,513	1,342,464
Coalspur funding	-	-	-	-	-	-	-	-	-	-	-	-	-
Teck Coal funding	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultations - assessments	-	-	-	-	1,033,515	-	-	-	-	-	-	1,033,515	941,826
Alexis Settlement Trust	685,005	-	-	-	-	-	-	-	-	-	-	685,005	393,843
Yellowhead Tribal Grants	-	-	-	214,240	59,000	-	-	-	-	-	-	273,240	539,625
Canada Mortgage and Housing Corporation (CMHC) (Lapsed) recovered funding	-	-	-	-	-	-	-	-	-	408,374	-	408,374	468,304
Administration Fees	1,660,887	(355,287)	(68,021)	(337,286)	(323,746)	(49,561)	(497,701)	-	-	(29,285)	-	(41,569)	(93,639)
Contributions carried forward from prior year	64,273	4,404,883	923,308	603,838	679,247	58,380	3,930,763	51,490	-	995,979	-	11,712,161	5,002,267
Contributions carried forward to next year	(159,323)	(976,362)	(64,240)	(2,516,959)	(284,292)	(272,845)	(5,640,613)	-	-	(1,262,879)	-	(11,177,512)	(11,712,161)
Total Revenue	3,817,349	9,673,154	2,439,814	5,029,982	7,253,802	1,360,531	2,976,465	68,700	1,432,339	1,929,132	-	35,981,266	36,381,259
Expenses													
Wages and casual labour	865,046	2,187,854	99,513	1,369,247	898,905	355,980	1,992,819	250	-	50,006	-	7,819,620	8,391,162
Social assistance benefits	-	-	-	1,627,157	-	-	-	-	-	-	-	1,627,157	1,435,861
Contract services	53,146	237,368	910	18,674	336,608	78,303	464,274	11,440	-	323,377	-	1,524,100	1,299,855
Economic Development COVID-19 support	-	-	-	-	-	-	-	-	-	-	-	-	1,257,071
Utilities	408,600	112,595	10,136	434,812	57,567	67,066	52,358	400	-	201,245	-	1,344,779	1,220,462
Honoraria	913,264	8,873	-	13,168	7,692	-	10,400	-	-	-	-	953,397	1,023,910
Professional services	328,315	50,054	-	23,710	204,297	-	265,012	-	-	17,678	-	889,067	1,011,855
Per capita distributions	1,226,505	-	-	-	-	-	-	-	-	-	-	1,226,505	929,668
Travel and meetings	609,916	74,968	-	135,514	76,268	3,325	172,889	725	-	14,830	-	1,088,436	845,898
Materials and supplies	74,995	15,847	-	29,240	12,299	-	15,722	-	-	53,822	-	201,926	795,518
Tuition	-	549,188	-	-	-	-	-	-	-	-	-	549,188	756,860
Northern ISGA Foundation expenses	-	-	-	-	-	-	-	-	844,859	-	-	844,859	684,189
Band member assistance	491,175	-	-	-	-	-	-	-	-	-	-	491,175	591,794
Other program delivery	-	133,490	73,485	-	-	-	-	99,225	-	-	-	306,200	588,930
Insurance	64,532	128,589	-	9,703	6,350	80,361	28,658	-	-	158,903	-	477,095	582,991
Special cultural and recreational events	479,875	17,922	-	83,916	230,829	-	594,057	252,416	-	-	-	1,659,014	493,200
Assessments	-	-	-	-	605,647	-	-	-	-	-	-	605,647	473,177
Repairs and maintenance	3,519	35,977	2,987	2,250	38,634	7,482	116,893	-	-	71,214	-	278,956	439,067
Miscellaneous	68,650	3,784	-	42,080	98,224	(700)	137,865	1,500	-	-	-	351,403	369,800
Office and general	20,743	78,908	3,477	58,838	80,248	175	238,499	1,070	-	24,599	-	506,558	338,604
Interest on long term debt	-	-	-	-	-	-	-	-	-	262,335	-	262,335	303,057
Transportation	-	313,702	-	-	-	-	-	-	-	-	-	313,702	273,771
Pension benefits	30,388	80,579	4,080	30,368	17,472	2,810	43,179	-	-	-	-	208,876	232,542
Lease expense	18,679	64,250	2,711	1,458	45,958	-	5,607	-	-	8,114	-	146,778	216,362
Fuel	-	1,466	-	2,354	18,036	-	18,604	-	-	-	-	40,460	107,201
Special health events	-	-	-	-	-	-	153,479	-	-	-	-	153,479	100,740
Administration fees COVID-19 support	-	-	-	-	-	-	-	-	-	-	-	-	91,967
Nutritional supplement	-	-	-	27,066	-	-	177,437	-	-	-	-	204,503	56,208
Interest and bank charges	54,080	(856)	(88)	590	80	-	813	-	-	48,417	-	103,037	48,659
Workers compensation premiums	8,294	21,872	846	13,597	16,109	2	20,438	3	-	-	-	81,161	46,936
Training and development	16,630	24,875	-	11,982	6,161	3,800	117,239	-	-	-	-	180,687	42,186
Rent	-	-	-	15,092	6,353	-	-	-	-	-	-	21,445	32,376
Nakota Crossing operational support	-	-	-	-	-	-	-	-	-	-	-	-	-
ISC Fixed Expenses	249,955	1,907,616	209,823	1,476,256	200,734	943,224	-	-	-	801,872	-	5,789,480	-
ISC Funding Transferred	-	-	-	-	3,609,311	-	-	-	-	-	-	3,609,311	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad debt expense	-	(11,045)	-	-	98,162	-	(1,466)	-	-	-	-	85,650	(299,255)
Total Expenses	5,986,307	6,037,877	407,881	5,427,073	6,671,942	1,541,827	4,624,777	367,028	844,859	2,036,414	-	33,945,986	24,812,619

(continues)

Alexis Nakita Sioux Nation
Consolidated Notes to Financial Statements
Year Ended March 31, 2022

22. CONSOLIDATED SEGMENT DISCLOSURES (continued)

2022 Fiscal Year	Administration and Tribal Government	Education	Capital Projects	Social Assistance	Economic Development	Infrastructure	Health	Other	Northern ISGA	Housing	Other Programing	2022	2021
Surplus (Deficit) from operations	(2,168,958)	3,635,277	2,031,933	(397,091)	581,860	(181,297)	(1,648,312)	(298,328)	587,480	(107,282)	-	2,035,280	11,568,640
Other Income (Expense)													
Amortization	(141,518)	(1,033,224)	(787,924)	(17,327)	(187,586)	(48,280)	(349,133)	-	(21,759)	(891,388)	-	(3,478,141)	(2,626,355)
Capital Trust funds	362,000	-	-	-	-	-	-	-	-	-	-	362,000	420,000
Share of income from Alexis owned enterprises (note 2)	-	-	-	-	-	-	-	-	-	-	17,433,410	17,433,410	9,912,519
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	(259,642)
Net change in capital and revenue trust	207,166	-	-	-	-	-	-	-	-	-	-	207,166	(171,713)
Transfers													
From Economic Development	501,175	35,500	-	60,000	-	-	500	21,325	-	-	-	618,500	7,250
From Health	100,000	-	-	-	19,500	-	-	-	-	-	-	119,500	84,000
From Administration	-	84,000	-	-	53,445	240,236	500	43,215	-	-	-	421,396	-
From Social Assistance and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	126,793
From Capital Projects	-	-	-	-	-	57,478	2,134,333	-	-	-	-	2,191,811	-
From Education	-	-	-	67,640	-	-	-	-	-	-	-	67,640	(26,793)
To Health	(500)	-	(2,134,333)	-	-	-	-	-	-	-	-	(2,134,833)	-
To Other	(43,215)	(2,500)	-	-	(18,825)	-	-	-	-	-	-	(64,540)	(91,250)
To Social Assistance and Social Services	-	(67,640)	-	-	(60,000)	-	-	-	-	-	-	(127,640)	-
To Economic Development	(53,445)	-	-	-	-	-	(20,000)	-	-	-	-	(73,445)	-
To Education	(84,000)	-	-	-	(35,500)	-	-	-	-	-	-	(119,500)	(100,000)
To Infrastructure	(240,236)	-	(57,478)	-	-	-	-	-	-	-	-	(297,714)	-
To Housing	-	-	-	-	-	-	-	-	-	-	-	-	-
To Administration	-	-	-	-	(501,175)	-	(100,000)	-	-	-	-	(601,175)	-
Total Transfers	179,779	49,359	(2,191,811)	127,640	(542,555)	297,714	2,015,333	64,540	-	-	-	-	-
Surplus (Deficit) after transfers	(1,561,532)	2,651,413	(947,803)	(286,781)	(148,282)	68,136	17,889	(233,789)	565,721	(998,669)	17,433,410	16,559,713	18,843,446