

LISTUGUJ MI'GMAQ GOVERNMENT

SECTION 95 HOUSING  
OPERATING AGREEMENT

FOR THE YEAR ENDED  
MARCH 31, 2022

Please sign and return to  
ALLEN, PAQUET & ARSENEAU LLP



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LISTUGUJ MI'GMAQ GOVERNMENT

SECTION 95 HOUSING OPERATING AGREEMENT

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FOR THE YEAR ENDED MARCH 31, 2022

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1.

## INDEPENDENT AUDITORS' REPORT

To The Members of  
Listuguj Mi'gmaq Government

### *Opinion*

We have audited the accompanying financial statements of Listuguj Mi'gmaq Government's program entitled Section 95 Housing Operating Agreement, which comprise the balance sheet as at March 31, 2022, and the statements of revenue and expenditures, changes in accumulated surplus (deficit), cash flow and funded reserves for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements have been prepared by management of the Listuguj Mi'gmaq Government based on the funding agreement between Listuguj Mi'gmaq Government and Canada Mortgage and Housing Corporation (CMHC).

In our opinion, the financial statements of Listuguj Mi'gmaq Government's program entitled Section 95 Housing Operating Agreement for the year ended March 31, 2022 are prepared, in all material respects, in accordance with the funding agreement between the Listuguj Mi'gmaq Government and CMHC.

### *Basis of Opinion*

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

### *Emphasis of Matter - Basis of Accounting and Restriction on Use*

Without modifying our opinion, we draw attention to Note 3 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Listuguj Mi'gmaq Government to comply with the reporting provisions of the funding agreement referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Listuguj Mi'gmaq Government and CMHC and should not be used by parties other than the Listuguj Mi'gmaq Government and CMHC.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the funding agreement between the Listuguj Mi'gmaq Government and CMHC, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

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## Independent Auditors' Report (cont'd)

### *Auditors' Responsibilities for the Audit of the Financial Statements*

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

We also:

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

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

Campbellton, NB

July 28, 2022

*Allen, Paquet & Arsenault*  
LLP

Chartered Professional Accountants

LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Statutory Information

For The Year Ended March 31, 2022

Listuguj Mi'gmaq Government is located at: 17 Riverside West Street, Listuguj, QC, G0C 2R0

Chief: Darcy Gray  
Councillors: Ali Barnaby  
Annette Barnaby  
Brian Jr. Caplin  
Chad Gedeon  
Gordon Isaac Jr.  
Dr. Cathy Martin  
George Martin  
Sky Metallic  
Wendell Metallic  
Kevin Methot  
Alexander Morrison  
Sheila Swasson

CMHC reference numbers under agreement:

16-202-699 phases 001 to 004

19-072-537 phases 001 to 024

Number of units: Pre-1997 program: 22 units, which includes one unit that is rented to an individual who lost her home due to a fire and is living there rent free  
Post-1996 program: 93 units



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Statement of Revenue and Expenditures

For The Year Ended March 31, 2022

Program 16-202-699

	<u>2022</u>	(Restated) <u>2021</u>
<u>Revenue</u>		
Income-Tested Occupants (Program 16-202-699)	\$ 83,650	\$ 75,138
Federal Assistance (Program 16-202-699)	5,293	18,057
Supplemental Subsidy (Program 16-202-699)	<u>-</u>	<u>133,000</u>
	<u>88,943</u>	<u>226,195</u>
<u>Expenditures</u>		
Administration	8,365	6,011
Amortization	11,241	37,223
Annual Contribution - Replacement Reserve (Program 16-202-699)	1,440	4,140
Bad Debts	25,489	13,651
Bank Charges	1,604	1,802
Insurance	13,274	10,608
Mortgage Interest	147	1,410
Professional Fees	1,800	1,800
Repairs and Maintenance	13,808	19,336
Repairs - Replacement Reserve	-	133,000
Snow and Garbage Removal	12,039	11,331
Water and Sewerage	<u>4,400</u>	<u>4,400</u>
	<u>93,607</u>	<u>244,712</u>
<u>Operating Net Income (Deficit) (Schedule A - Page 19)</u>	( 4,664)	( 18,517)
<u>Maturing Units Adjustment</u>	<u>-</u>	<u>30,914</u>
<u>Net Income (Deficit) For The Year - to Page 6</u>	<u>\$ ( 4,664)</u>	<u>\$ 12,397</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Statement of Revenue and Expenditures

For The Year Ended March 31, 2022

Program 19-072-537

	<u>2022</u>	<u>(Restated)</u> <u>2021</u>
<u>Revenue</u>		
Rent (Program 19-072-537)	\$ 300,685	\$ 265,483
Federal Assistance (Program 19-072-537)	300,444	316,965
Supplemental Subsidy (Program 19-072-537)	-	66,500
	<u>601,129</u>	<u>648,948</u>
<u>Expenditures</u>		
Administration	30,070	21,238
Amortization	234,831	246,911
Annual Contribution - Replacement Reserve (Program 19-072-537)	66,143	68,453
Bad Debts	26,920	24,707
Heat and Lights	9,170	24,903
Insurance	45,744	35,400
Mortgage Interest	50,277	54,917
Professional Fees	10,125	9,225
Repairs and Maintenance	93,466	57,155
Repairs - Replacement Reserve	-	65,101
Snow and Garbage Removal	52,917	43,265
Supplemental funds to Replacement Reserve (Program 19-072-537)	-	1,399
Water and Sewerage	<u>17,400</u>	<u>16,400</u>
	<u>637,063</u>	<u>669,074</u>
<u>Operating Deficit (Schedule B - Page 20)</u>	( 35,934)	( 20,126)
<u>Transfer from The Operating Reserve</u>	-	( 4,581)
<u>Deficit For The Year - to Page 6</u>	<u>\$ ( 35,934)</u>	<u>\$ ( 24,707)</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Statement of Changes in Accumulated Surplus (Deficit)

For The Year Ended March 31, 2022

	<u>2022</u>	(Restated) <u>2021</u>
Balance, Beginning of Year	\$( 418,731)	\$( 406,421)
<u>Add (Deduct):</u>		
Surplus (Deficit) Revenue Compared to Expenditures (16-202-699 Program) - Page 4	( 4,664)	12,397
Deficit Revenue Compared to Expenditures (19-072-537 Program) - Page 5	( 35,934)	( 24,707)
Balance, End of Year - Page 7	<u>\$( 459,329)</u>	<u>\$( 418,731)</u>





LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Balance Sheet as at March 31, 2022

	<u>2022</u>	<u>(Restated)</u> <u>2021</u>
<u>Assets</u>		
<u>Current Assets</u>		
Cash	\$ 42,847	\$ 51,941
Accounts Receivable - Supplemental Funding	-	199,500
Accounts Receivable (16-202-699) (Note 4a)	92,327	90,048
Accounts Receivable (19-072-537) (Note 4b)	257,842	228,505
CMHC Subsidies Receivable (Note 4c)	<u>25,358</u>	<u>26,796</u>
	<u>418,374</u>	<u>596,790</u>
<u>Restricted Funds</u>		
Replacement Reserve Fund (Program 16-202-699) (Note 5a)	29,392	58,737
Replacement Reserve Fund (Program 19-072-537) (Note 5b)	1,038,286	732,603
Operating Reserve Fund (Program 19-072-537) (Note 5d)	<u>484,475</u>	<u>483,513</u>
	<u>1,552,153</u>	<u>1,274,853</u>
<u>Capital Assets</u>		
Capital Assets (Program 16-202-699) (Note 6)	771,215	782,456
Capital Assets (Program 19-072-537) (Note 7)	<u>6,147,973</u>	<u>5,957,006</u>
	<u>6,919,188</u>	<u>6,739,462</u>
<u>Total Assets</u>	\$ <u>8,889,715</u>	\$ <u>8,611,105</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Liabilities (Note 8)	\$ 51,629	\$ 41,570
Due to Listuguj Mi'gmaq Government Operating Fund	973,995	914,962
Long Term Debt Due Within One Year (Program 16-202-699)	-	8,966
Long Term Debt Due Within One Year (Program 19-072-537)	<u>257,767</u>	<u>247,300</u>
	<u>1,283,391</u>	<u>1,212,798</u>
<u>Long Term Debt</u>		
Long Term Debt (Program 16-202-699) (Note 9)	-	2,275
Long Term Debt (Program 19-072-537) (Note 10)	<u>3,411,851</u>	<u>3,371,393</u>
	<u>3,411,851</u>	<u>3,373,668</u>
<u>Total Liabilities</u>	<u>4,695,242</u>	<u>4,586,466</u>
<u>Funded Reserves</u>		
Replacement Reserve Fund (Program 16-202-699) (Page 9)	29,392	27,823
Replacement Reserve Fund (Program 19-072-537) (Page 9)	794,815	726,963
Operating Reserve Fund (Program 19-072-537) (Page 9)	<u>580,890</u>	<u>579,927</u>
	<u>1,405,097</u>	<u>1,334,713</u>
<u>Equity</u>		
<u>Contributed Surplus</u> (Note 11)	<u>3,248,705</u>	<u>3,108,657</u>
<u>Accumulated Surplus (Deficit)</u> (Page 6)	<u>( 459,329)</u>	<u>( 418,731)</u>
<u>Total Equity</u>	<u>2,789,376</u>	<u>2,689,926</u>
	\$ <u>8,889,715</u>	\$ <u>8,611,105</u>

Approved on Behalf of the Listuguj Mi'gmaq Government

x Daraj Aray Chief

x Wendell Metette Councillor



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LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Statement of Cash Flow

For The Year Ended March 31, 2022

	<u>2022</u>	(Restated) <u>2021</u>
<u>Cash Flows From Operating Activities</u>		
Cash Receipts From CMHC	\$ 506,675	\$ 359,431
Cash Receipts From Tenants	352,719	273,202
Payments for Operating Expenses	( 424,158)	( 566,953)
Payments for Mortgage Interest	<u>( 50,424)</u>	<u>( 56,327)</u>
	<u>384,812</u>	<u>9,353</u>
<u>Cash Flows From Financing Activities</u>		
Mortgage Proceeds	285,750	451,200
Repayment of Mortgage Principal	( 246,072)	( 284,134)
Increase in Due To Listuguj		
Mi'gmaq Government Operating Fund	59,033	260,398
Decrease in Due to Replacement Reserve Fund	( 206,917)	( 54,522)
Increase (Decrease) in Due to Operating Reserve Fund	-	( 35,420)
CMHC Prior Year Adjustment	-	26,333
Increase in Contributed Surplus	<u>140,098</u>	<u>131,713</u>
	<u>31,892</u>	<u>495,568</u>
<u>Cash Flows From Investing Activity</u>		
Purchase of Capital Assets	( 425,798)	( 582,913)
<u>Decrease in Unrestricted Cash During The Year</u>	( 9,094)	( 77,992)
<u>Unrestricted Cash, Beginning of Year</u>	<u>51,941</u>	<u>129,933</u>
<u>Unrestricted Cash, End of Year</u>	<u>\$ 42,847</u>	<u>\$ 51,941</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Statement of Funded Reserves

For The Year Ended March 31, 2022

	<u>Capital</u>	<u>Interest</u>	<u>2022</u>	<u>Total</u> (Restated) <u>2021</u>
<u>Replacement Reserve Fund</u> (16-202-699) (Note 5a)				
Balance, Beginning of Year	\$ 27,823	\$ -	\$ 27,823	\$ 54,406
<u>Add:</u> Allocation For The Year	1,440	129	1,569	4,331
<u>Less:</u> Maturing Unit Adjustment	-	-	-	( 30,914)
Balance, End of Year	<u>29,263</u>	<u>129</u>	<u>29,392</u>	<u>27,823</u>
 <u>Replacement Reserve Fund</u> (19-072-537) (Note 5b)				
Balance, Beginning of Year	726,963	-	726,963	655,396
<u>Add:</u> Allocation For The Year	66,143	1,709	67,852	70,168
Supplemental Funding	-	-	-	1,399
Balance, End of Year	<u>793,106</u>	<u>1,709</u>	<u>794,815</u>	<u>726,963</u>
 <u>Subsidy Surplus Reserve Fund</u> (Note 5c)				
Balance, Beginning of Year	-	-	-	-
<u>Add:</u> CMHC Prior Year Adjustment	-	-	-	-
Balance, End of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>Operating Reserve Fund</u> (Note 5d)				
Balance, Beginning of Year	579,927	-	579,927	574,179
<u>Add:</u> Transfer From (To)				
General Surplus (Deficit)	-	963	963	5,748
Balance, End of Year	<u>579,927</u>	<u>963</u>	<u>580,890</u>	<u>579,927</u>
 <u>Total Funded Reserves</u>	 <u>\$ 1,402,296</u>	 <u>\$ 2,801</u>	 <u>\$ 1,405,097</u>	 <u>\$ 1,334,713</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

1. Status and Nature of Activities

These financial statements represent the activities of Listuguj Mi'gmaq Government's Section 95 Housing Operating Agreement program for the year ended March 31, 2022.

2. Comparatives Figures

Some of the comparative figures as at March 31, 2021 and for the year then ended have been restated to conform to the presentation adopted for the current year. Additionally, some amounts have been restated following CMHC's reviews of prior year results. The effect on prior period net income and accumulated surplus are as follows:

<u>Net Income and Accumulated Surplus (Deficit)</u>	<u>March 31, 2021 - Restated</u>	
	<u>Net Income (Deficit)</u>	<u>Accumulated Surplus (Deficit)</u>
As Previously Reported	\$( 38,643)	\$( 445,064)
Add Adjustments		
Adjustments per CMHC (Surplus Transferred to Operating Reserve)	( 4,581)	( 4,581)
Adjustments per CMHC (Maturing Unit)	<u>30,914</u>	<u>30,914</u>
As Restated	<u>\$( 12,310)</u>	<u>\$( 418,731)</u>

3. Significant Accounting Policies

Basis of Presentation

These financial statements have been prepared in accordance with the disclosed basis of accounting and the significant accounting policies set out below by CMHC.

a. Accounting Estimates

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

b. Revenue Recognition

Operating revenues are recorded based on the accrual method of accounting and are recognized when they are earned, specifically when:

- Services are provided or products are delivered to customers.
- There is a clear proof that an arrangement exists.
- Amounts are fixed or can be determined.
- Our ability to collect is reasonably assured.



LISTUGUJ MI'GMAO GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

3. Significant Accounting Policies (Cont'd)

c. Capital Assets and Amortization

Capital assets are recorded at cost of acquisition less any subsidies received for the capital assets. CMHC permits amortization for buildings purchased using loans that it has insured, at a rate equal to the annual reduction of the principal on the loans. No amortization is allocated to other capital elements, but a replacement reserve is maintained for future replacement of capital assets.

d. Expenditures

Expenditures are recorded according to the accrual basis of accounting.

e. Replacement Reserve

The replacement reserve account is funded through an annual allocation, as opposed to allocation of surplus.

4. Accounts Receivable

a. Program 16-202-699

	<u>2022</u>	<u>2021</u>
Accounts Receivable	\$ 226,506	\$ 198,738
<u>Less:</u> Allowance for Doubtful Accounts	( 134,179)	( 108,690)
	<u>\$ 92,327</u>	<u>\$ 90,048</u>
<u>Collecting Rate (Program 16-202-699)</u>		
Collecting Rate for the Year	58 %	55 %
Past Amounts Collected During the Year	\$ 7,653	\$ 4,585
Lost Rent for Vacancies of the Year	\$ 650	\$ 2,263

b. Program 19-072-537

Accounts Receivable	\$ 509,765	\$ 453,509
<u>Less:</u> Allowance for Doubtful Accounts	( 251,923)	( 225,004)
	<u>\$ 257,842</u>	<u>\$ 228,505</u>

c. CMHC Subsidies Receivable

Program 16-202-699	\$ 440	\$ 1,878
Program 19-072-537	<u>24,918</u>	<u>24,918</u>
	<u>\$ 25,358</u>	<u>\$ 26,796</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

5. Contractual Obligations

a. Replacement Reserve Fund (Program 16-202-699)

Under the agreement with Canada Mortgage and Housing Corporation, an amount must be credited to the replacement reserve. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. Any use of the funds from the account must be approved by CMHC. At the end of the fiscal year, the replacement reserve included the following elements:

	<u>2022</u>	<u>2021</u>
Term Savings	\$ <u>29,392</u>	\$ <u>58,737</u>

b. Replacement Reserve Fund (Program 19-072-537)

Under the agreement with Canada Mortgage and Housing Corporation, an amount set forth in Appendix B of the operating agreement must be credited to the replacement reserve. The annual amount may be increased by the First Nation. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. Any use of the funds from the account must be approved by CMHC. At the end of the fiscal year, the replacement reserve included the following elements:

	<u>2022</u>	<u>2021</u>
Term Savings	\$ <u>1,038,286</u>	\$ <u>732,603</u>

c. Subsidy Surplus Reserve Fund (Program 16-202-699)

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





LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

5. Contractual Obligations (Cont'd)

d. Operating Reserve Fund (Project 19-072-537)

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

	<u>2022</u>	<u>2021</u>
Term Savings	\$ <u>484,475</u>	\$ <u>483,513</u>

e. Canada Mortgage and Housing Corporation Subsidy

The First Nation receives a subsidy under a program administered by Canada Mortgage and Housing Corporation under the terms of Section 95 of the National Housing Act. This subsidy is tied to compliance with the conditions set forth in the agreement signed by the First Nation and CMHC. The amount of assistance received in the 2021/22 fiscal year was \$305,737.

6. Capital Assets (Program 16-202-699)

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2022</u>	<u>2021</u>
Land	\$ 11,500	\$ -	\$ 11,500	\$ 11,500
Buildings	<u>1,578,726</u>	<u>819,011</u>	<u>759,715</u>	<u>770,956</u>
	<u>\$ 1,590,226</u>	<u>\$ 819,011</u>	<u>\$ 771,215</u>	<u>\$ 782,456</u>

7. Capital Assets (Program 19-072-537)

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2022</u>	<u>2021</u>
Buildings	<u>\$ 8,887,830</u>	<u>\$ 2,739,857</u>	<u>\$ 6,147,973</u>	<u>\$ 5,957,006</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

<b>8.</b>	<b><u>Accounts Payable and Accrued Liabilities</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
	Other Payables	\$ 18,730	\$ 6,517
	Accrued Professional Fees	9,200	9,200
	Accrued Mortgage Payments	<u>23,699</u>	<u>25,853</u>
		<u>\$ 51,629</u>	<u>\$ 41,570</u>
<b>9.</b>	<b><u>Long Term Debt (Program 16-202-699)</u></b>		
		<b>Portion Due Within</b>	
		<b><u>One Year</u></b>	<b><u>2021</u></b>
	Project #003, CMHC File #16-202-699		
	RBC Mortgage, repaid during the year	\$ <u>-</u>	\$ <u>11,241</u>
<b>10.</b>	<b><u>Long Term Debt (Program 19-072-537 - Post-1997)</u></b>		
	Project #001, CMHC File #19-072-537		
	CMHC Mortgage, repaid during the year	\$ -	\$ 1,462
	Project #002, CMHC File #19-072-537		
	CMHC Mortgage, 0.65%, repayable in equal monthly instalments of \$1,330, principal and interest, due in May 2024	15,802	48,810
	Project #003, CMHC File #19-072-537		
	CMHC Mortgage, 1.97%, repayable in equal monthly instalments of \$1,264, principal and interest, renewable in December 2022, due in November 2026	13,958	80,126
	Project #004, CMHC File #19-072-537		
	CMHC Mortgage, 2.5%, repayable in equal monthly instalments of \$1,406, principal and interest, renewable in June 2023, due in May 2027	14,996	95,133
	Project #005, CMHC File #19-072-537		
	CMHC Mortgage, 0.68% repayable in equal monthly instalments of \$514, principal and interest, renewable in August 2025, due in August 2028	5,925	44,124
	Project #006, CMHC File #19-072-537		
	CMHC Mortgage, 0.68%, repayable in equal monthly instalments of \$1,068, principal and interest, renewable in August 2025, due in August 2028	<u>12,306</u>	<u>91,794</u>
	Amount Carried Forward	<u>\$ 62,987</u>	<u>\$ 361,449</u>





LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

10. Long Term Debt (Program 19-072-537 - Post-1997) (Cont'd)

	Portion Due Within Within <u>One Year</u>	<u>2022</u>	<u>2021</u>
Amount Brought Forward	\$ 62,987	\$ 297,553	\$ 361,449
Project #007, CMHC File #19-072-537 CMHC Mortgage, 1.13%, repayable in equal monthly instalments of \$814, principal and interest, renewable in June 2026, due in June 2029	9,047	67,243	76,200
Project #008, CMHC File #19-072-537 CMHC Mortgage, 1.84%, repayable in equal monthly instalments of \$1,784, principal and interest, renewable in September 2022, due July 2030	18,526	163,821	182,049
Project #009, CMHC File #19-072-537 CMHC Mortgage, 2.5%, repayable in equal monthly instalments of \$1,523, principal and interest, renewable in June 2023, due in April 2031	14,733	147,237	161,655
Project #010, CMHC File #19-072-537 CMHC Mortgage, 2.5%, repayable in equal monthly instalments of \$541, principal and interest, renewable in June 2023, due in April 2031	5,237	52,335	57,460
Project #011, CMHC File #19-072-537 CMHC Mortgage, 2.5%, repayable in equal monthly instalments of \$1,182, principal and interest, renewable in June 2023, due in April 2031	11,430	114,235	125,422
Project #012, CMHC File #19-072-537 CMHC Mortgage, 0.69%, repayable in equal monthly instalments of \$700, principal and interest, renewable in June 2025, due to May 2033	<u>7,803</u>	<u>89,626</u>	<u>97,381</u>
Amount Carried Forward	\$ <u>129,763</u>	\$ <u>932,050</u>	\$ <u>1,061,616</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

10. Long Term Debt (Program 19-072-537 - Post-1997) (Cont'd)

	<u>Portion Due Within</u> <u>One Year</u>	<u>2022</u>	<u>2021</u>
Amount Brought Forward	\$ 129,763	\$ 932,050	\$ 1,061,616
Project #013, CMHC File #19-072-537 CMHC Mortgage, 0.69%, repayable in equal monthly instalments of \$1,395, principal and interest, renewable in June 2025, due in May 2035	15,336	209,387	224,628
Project #014, CMHC File #19-072-537 CMHC Mortgage, 0.69%, repayable in equal monthly instalments of \$713, principal and interest, renewable in June 2025, due in May 2035	7,838	107,016	114,806
Project #015, CMHC File #19-072-537 CMHC Mortgage, 0.69%, repayable in equal monthly instalments of \$1,331, principal and interest, renewable in June 2025, due in May 2034	14,735	185,158	199,803
Project #16, CMHC File #19-072-537 CMHC Mortgage, 2.27%, repayable in equal monthly instalments of \$1,180, principal and interest, renewable in April 2027, due in March 2037	10,837	179,105	189,876
Project #17, CMHC File #19-072-537 CMHC Mortgage, 1.86%, repayable in equal monthly instalments of \$1,190, principal and interest, renewable in August 2022, due in August 2037	10,816	190,539	201,186
Project #18, CMHC File #19-072-537 CMHC Mortgage, 2.7%, repayable in equal monthly instalments of \$518, principal and interest, renewable in November 2023, due in September 2038	4,025	82,613	86,368
Project #19, CMHC File #19-072-537 CMHC Mortgage, 0.68%, repayable in equal monthly instalments of \$619, principal and interest, renewable in October 2025, due to October 2039	6,608	122,467	129,015
Amount Carried Forward	\$ 199,958	\$ 2,008,335	\$ 2,207,298



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

10. Long Term Debt (Program 19-072-537 - Post-1997)(Cont'd)

	<u>Portion Due Within</u> <u>One Year</u>	<u>2022</u>	<u>2021</u>
Amount Brought Forward	\$ 199,958	\$ 2,008,335	\$ 2,207,298
Project #20, CMHC File #19-072-537 CMHC Mortgage, 1.84%, repayable in equal monthly instalments of \$1,073, principal and interest, renewable in September 2022, due in September 2042	8,918	219,084	227,853
Project #21, CMHC File #19-072-537 CMHC Mortgage, 2.39%, repayable in equal monthly instalments of \$2,147, principal and interest, renewable in February 2023, due in February 2041	16,616	390,683	406,940
Project #22, CMHC File #19-072-537 CMHC Mortgage, 1.75%, repayable in equal monthly instalments of \$1,407, principal and interest, renewable in April 2024, due in April 2042	11,477	314,566	325,402
Project #23, CMHC File #19-072-537 CMHC Mortgage, 3.06%, repayable in equal monthly instalments of \$2,145, principal and interest, renewable in April 2023, due in April 2043	12,273	451,200	451,200
Project #24, CMHC File #19-072-537 CMHC Mortgage, 2.34%, repayable in equal monthly instalments of \$1,361, principal and interest, renewable in April 2024, due in April 2044	<u>8,525</u>	<u>285,750</u>	<u>-</u>
	<u>\$ 257,767</u>	3,669,618	3,618,693
<u>Less: Amount Due Within One Year</u>		<u>257,767</u>	<u>247,300</u>
		<u>\$ 3,411,851</u>	<u>\$ 3,371,393</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2022

	<u>2022</u>	<u>2021</u>
<b>11. <u>Contributed Surplus</u></b>		
Listuguj Mi'gmaq Government	\$ 1,783,277	\$ 1,643,229
Indigenous Services Canada	<u>1,465,428</u>	<u>1,465,428</u>
	<u>\$ 3,248,705</u>	<u>\$ 3,108,657</u>

**12. Financial Instruments**

**a. Credit Risk**

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

**b. Fair Values**

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

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

**13. Management of Net Assets**

The objective of Listuguj Mi'gmaq Government in managing its net assets is to remain a sustainable operation while fulfilling its overall mandate as prescribe by the Section 95 Housing Operating Agreement program. It achieves its objective by strong day to day management of its cash flows and by regularly monitoring revenues and expenditures against its annual operating and capital budgets. When necessary, Listuguj Mi'gmaq Government takes prompt action to raise additional revenues when actual revenues do not meet its budget and to reduce expenditures or curtail programs when alternate sources of revenue can not be found.



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Schedule A  
Statement of Revenue and Expenditures - Detailed

For The Year Ended March 31, 2022

Program 16-202-699

	<u>#001</u>	<u>#002</u>	<u>#003</u>	<u>#004</u>	<u>Total</u>
<u>Revenue</u>					
Income-Tested Occupants	\$ 14,950	\$ 18,300	\$ 15,600	\$ 34,800	\$ 83,650
Federal Assistance	440	-	4,843	10	5,293
	<u>15,390</u>	<u>18,300</u>	<u>20,443</u>	<u>34,810</u>	<u>88,943</u>
<u>Expenditures</u>					
Administration	1,495	1,830	1,560	3,480	8,365
Amortization	-	-	11,241	-	11,241
Annual Contribution					
- Replacement Reserve	-	-	1,440	-	1,440
Bad Debts	4,162	4,613	( 120)	16,834	25,489
Bank Charges	1,604	-	-	-	1,604
Insurance	2,422	2,422	2,422	6,008	13,274
Mortgage Interest	-	-	147	-	147
Professional Fees	450	450	450	450	1,800
Repairs and Maintenance	5,727	115	-	7,966	13,808
Snow and Garbage Removal	2,189	2,189	2,189	5,472	12,039
Water and Sewerage	800	800	800	2,000	4,400
	<u>18,849</u>	<u>12,419</u>	<u>20,129</u>	<u>42,210</u>	<u>93,607</u>
<u>Operating Surplus (Deficit)</u>	( 3,459)	5,881	314	( 7,400)	( 4,664)
<u>Transfer to Subsidy Surplus Reserve</u>					
	-	-	-	-	-
<u>Surplus (Deficit) For The Year</u>	<u>\$( 3,459)</u>	<u>\$ 5,881</u>	<u>\$ 314</u>	<u>\$( 7,400)</u>	<u>\$( 4,664)</u>



LISTUGUJ MI'GMAQ GOVERNMENT  
Section 95 Housing Operating Agreement

Schedule B  
Statement of Revenue and Expenditures

For The Year Ended March 31, 2022

Program 19-072-537

	<u>#001</u>	<u>#002</u>	<u>#003</u>	<u>#004</u>	<u>#005</u>
<u>Revenue</u>					
Rent	\$ 18,655	\$ 17,250	\$ 15,600	\$ 21,600	\$ 7,200
Federal Assistance	<u>2,093</u>	<u>16,524</u>	<u>13,940</u>	<u>15,923</u>	<u>11,017</u>
	<u>20,748</u>	<u>33,774</u>	<u>29,540</u>	<u>37,523</u>	<u>18,217</u>
 <u>Expenditures</u>					
Administration	2,246	1,345	1,560	2,160	675
Amortization	781	16,466	13,714	14,667	9,260
Annual Contribution					
- Replacement Reserve	895	895	2,100	2,700	1,501
Bad Debts (Recovered)	5,292	5,292	( 2,279)	771	1,350
Heat and Lights	-	-	-	-	4,585
Insurance	3,272	2,178	2,907	3,537	941
Mortgage Interest	90	90	1,449	2,200	358
Professional Fees	225	225	450	450	337
Repairs and Maintenance	2,403	2,404	5,501	30,935	5,657
Snow and Garbage Removal	3,009	3,010	2,189	3,283	1,094
Water and Sewerage	<u>1,100</u>	<u>1,100</u>	<u>800</u>	<u>1,200</u>	<u>400</u>
	<u>19,313</u>	<u>33,005</u>	<u>28,391</u>	<u>61,903</u>	<u>26,158</u>
 <u>Operating Surplus (Deficit)</u>	 1,435	 769	 1,149	 ( 24,380)	 ( 7,941)
 <u>Transfer to Subsidy Surplus Reserve</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <u>Surplus (Deficit) For The Year</u>	 <u>\$ 1,435</u>	 <u>\$ 769</u>	 <u>\$ 1,149</u>	 <u>\$( 24,380)</u>	 <u>\$( 7,941)</u>



#006	#007	#008	#009	#010	#011	#012
\$ 6,300	\$ 7,050	\$ 21,600	\$ 15,650	\$ 6,000	\$ 12,600	\$ 7,800
<u>11,120</u>	<u>12,196</u>	<u>24,423</u>	<u>20,911</u>	<u>7,498</u>	<u>16,195</u>	<u>8,544</u>
<u>17,420</u>	<u>19,246</u>	<u>46,023</u>	<u>36,561</u>	<u>13,498</u>	<u>28,795</u>	<u>16,344</u>
675	705	2,160	1,565	600	1,260	780
9,009	8,958	18,228	14,418	5,125	11,187	7,755
1,502	2,400	6,300	5,000	2,000	4,000	2,000
1,350	1,378	5,925	875	( 3,405)	623	-
4,585	-	-	-	-	-	-
941	1,163	4,070	2,907	1,163	2,325	969
358	814	3,185	3,857	1,371	2,993	647
338	450	450	450	450	450	450
5,657	15,332	5,674	8,728	450	459	150
1,095	1,094	4,389	2,736	1,094	2,189	1,254
<u>400</u>	<u>400</u>	<u>1,400</u>	<u>1,000</u>	<u>400</u>	<u>800</u>	<u>400</u>
<u>25,910</u>	<u>32,694</u>	<u>51,781</u>	<u>41,536</u>	<u>9,248</u>	<u>26,286</u>	<u>14,405</u>
( 8,490)	( 13,448)	( 5,758)	( 4,975)	4,250	2,509	1,939
-	-	-	-	-	-	-
<u>\$( 8,490)</u>	<u>\$( 13,448)</u>	<u>\$( 5,758)</u>	<u>\$( 4,975)</u>	<u>\$ 4,250</u>	<u>\$ 2,509</u>	<u>\$ 1,939</u>

<u>#013</u>	<u>#014</u>	<u>#015</u>	<u>#016</u>	<u>#017</u>	<u>#018</u>
\$ 13,522	\$ 6,936	\$ 12,168	\$ 12,900	\$ 12,204	\$ 6,025
<u>16,905</u>	<u>8,784</u>	<u>18,283</u>	<u>16,541</u>	<u>11,966</u>	<u>8,703</u>
<u>30,427</u>	<u>15,720</u>	<u>30,451</u>	<u>29,441</u>	<u>24,170</u>	<u>14,728</u>
1,352	694	1,217	1,290	1,220	603
15,241	7,790	14,644	10,772	10,647	3,755
4,400	2,400	4,800	4,800	3,450	2,000
2,902	1,778	( 104)	3,150	( 7,650)	5,540
-	-	-	-	-	-
2,980	1,163	1,865	1,938	1,817	969
1,500	766	1,331	2,638	3,638	2,459
450	450	450	450	450	450
396	-	542	-	366	495
2,189	2,189	1,094	2,608	1,641	1,254
<u>800</u>	<u>400</u>	<u>800</u>	<u>800</u>	<u>600</u>	<u>400</u>
<u>32,210</u>	<u>17,630</u>	<u>26,639</u>	<u>28,446</u>	<u>16,179</u>	<u>17,925</u>
( 1,783)	( 1,910)	3,812	995	7,991	( 3,197)
-	-	-	-	-	-
<u>\$( 1,783)</u>	<u>\$( 1,910)</u>	<u>\$ 3,812</u>	<u>\$ 995</u>	<u>\$ 7,991</u>	<u>\$( 3,197)</u>





<u>#019</u>	<u>#020</u>	<u>#021</u>	<u>#022</u>	<u>#023</u>	<u>#024</u>	<u>Total</u>
\$ 7,200	\$ 10,200	\$ 22,500	\$ 9,300	\$ 18,650	\$ 11,775	\$ 300,685
<u>8,314</u>	<u>10,804</u>	<u>23,899</u>	<u>15,861</u>	<u>-</u>	<u>-</u>	<u>300,444</u>
<u>15,514</u>	<u>21,004</u>	<u>46,399</u>	<u>25,161</u>	<u>18,650</u>	<u>11,775</u>	<u>601,129</u>
720	1,020	2,250	930	1,865	1,178	30,070
6,551	8,769	16,257	10,837	-	-	234,831
2,000	2,400	6,000	2,600	-	-	66,143
( 575)	1,510	1,972	-	1,225	-	26,920
-	-	-	-	-	-	9,170
1,182	1,453	2,907	1,657	960	480	45,744
877	4,103	9,502	6,051	-	-	50,277
450	450	450	450	450	450	10,125
75	-	4,161	570	3,318	193	93,466
1,094	1,094	5,262	1,094	5,322	1,640	52,917
<u>400</u>	<u>400</u>	<u>1,200</u>	<u>400</u>	<u>1,200</u>	<u>600</u>	<u>17,400</u>
<u>12,774</u>	<u>21,199</u>	<u>49,961</u>	<u>24,589</u>	<u>14,340</u>	<u>4,541</u>	<u>637,063</u>
2,740	( 195)	( 3,562)	572	4,310	7,234	( 35,934)
-	-	-	-	-	-	-
<u>\$ 2,740</u>	<u>\$ ( 195)</u>	<u>\$ ( 3,562)</u>	<u>\$ 572</u>	<u>\$ 4,310</u>	<u>\$ 7,234</u>	<u>\$ ( 35,934)</u>

