



ULNOOWEG

We Believe in Dreams

2021-2022
ANNUAL REPORT

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ULNOOWEG
TO MAKE INDIGENOUS
OR TO ADAPT BELIEFS
& CUSTOMS
OF THE MI'KMAQ

LETTER FROM THE CHAIR

CHIEF TERRANCE PAUL

Kwe, as Chair of the Ulnooweg Development Group it is my great pleasure to report to you on our activities and growth through 2021. As of March 31, 2022, the Ulnooweg family now consists of a not-for-profit (Ulnooweg Development Group), a foundation (Ulnooweg Indigenous Communities Foundation) and a charity (Ulnooweg Education Centre), with an American Charity in the process of creation. We are now almost 80 staff strong with more growth coming!



The impact of our history expands across generations, and we measure our success in years, not government funding cycles. Our areas of effort now include entrepreneurship support, fisheries and aquaculture support, grants for Youth-led programming, STEAM education, Health and Wellness through Tajikeimik, food security initiatives, along with many other projects and partnerships, all of course, underpinned with culture first and reclamation of Indigenous values and practices.

Perhaps the crowning achievement of Ulnooweg this year, was finalizing the acquisition of Windhorse Farm. This 200+ acre property will grow into the future to be a fully Indigenous space,

Having these different organizations under the Ulnooweg umbrella it allows us to fulfill original mandate, as imagined over 35 years ago at the Liscomb Lodge, but it also means that we can be more responsive to the growing needs of our communities and members. Ulnooweg is no longer “the loan place” but is now a fully capable family of organizations with the resources and structures in place to help our people get to their “good life” – whatever that looks like for them. where youth, elders and everyone from our communities and outside, can focus on land-based learning, culture, and ceremony. Guided by the principles of Etuaptamink and Netukulimk, Windhorse will be a place for learning and healing for our seven generations and beyond.

I look forward to seeing what the future holds for Ulnooweg during this period of growth and hope you are also excited to continue with us on our journey to serving and supporting all Indigenous people across Atlantic Canada.

Msit no'kmaq,

A handwritten signature in black ink that reads "Terrance J. Paul". The signature is written in a cursive style.

Chief Terrance Paul

Chair of the Board of Directors

LETTER FROM THE CEO

TODD HOSKIN

We are pleased to present to you, our members, the Chiefs of the Atlantic First Nations, this year's annual report on our continued progress and the impactful work underway within the amazing teams at Ulnooweg.



First and with sincere appreciation, I would like to thank each of you, for your continued trust to allow our staff to work with your communities.

As noted by the Chair, Chief Terry Paul, our services have expanded significantly since 1984 and as we continue to strive to support and advance Indigenous entrepreneurs; we also offer support and resources such as innovative STEAM education, language, culture, and food security.

Under the leadership of Chris Googoo with help of Richard Bridge, we have continued to build infrastructure that

meaningfully connects Indigenous people with philanthropy. We have continued to provide education and enabling support to Indigenous Communities and Indigenous led initiatives to create NFP's, charities and funds/foundations to connect with the existing Philanthropic sector. We have done this by responding to requests to provide legal guidance and advisory support including sharing the Ulnooweg story as a practical example. We are teaching many of our staff and others on how we can offer support to build new charities and help emerging organizations become new charitable entities.

It's important to note that Ulnooweg's three organizations—Ulnooweg Development Group Inc, Ulnooweg Education Centre and Ulnooweg Indigenous Communities Foundation—are fluid in their resources and services and are also cast in a way to work together effectively.

I hope you find the information in the enclosed report interesting, insightful and helpful as we share and report to you on the services the Ulnooweg staff provide and the progress to help our people get to their "good life".

In closing, I want to recognize and thank our team who have continued to work so hard that make it all possible.

A handwritten signature in black ink that reads "Todd Hoskin". The signature is written in a cursive, flowing style.

Todd Hoskin
Chief Executive Officer

LETTER FROM THE COO

CHRISTOPHER GOOGOO

Ulnooweg and all of its entities have had a momentous year in terms of forward growth. We are making deep connections - grounding within the earth and soaring into the stratosphere and beyond.



This year represented resilience for our communities across Turtle Island including us here at Ulnooweg. Our Culture and Language team prepared many opportunities for our staff to learn and sit with our community leaders and Elders this year as we slowly open back up to the world. Elders provide us with context, in which we build our strategies towards a better future. Some we can read about in books, but most we can only receive through talking with our most cherished leaders

The acquisition and transition of Windhorse Farm into the Ulnooweg Education Centre was a seminal, foundational step forward, providing literal ground for us to plant our dreams of land-based learning and healing for the seven generations.

From Piteway and Elder session featuring Elders Becky Julian, Madeline Martin, and Joe Mike are just a few we had join us this year. We also provided cultural training programs for our staff and brought in many knowledge keepers to speak about Mi'kmaw concepts and traditions such as Clifford Paul, Todd Labrador and many others which will continue as a normal part of operations here at Ulnooweg.

Over the next several years, our three organizations will continue to grow and take even more shape in the land-based learning, decolonizing workspaces and continue moving forward together through our mission and mandate.

A handwritten signature in black ink, appearing to be 'AA' with a long horizontal stroke extending to the right.

Chris Googoo
Chief Operating Officer





ULNOOWEG
SERVING INDIGENOUS
COMMUNITIES THROUGHOUT
ATLANTIC CANADA

ULNOOWEG AT A GLANCE

CONTINUED GROWTH

Ulnooweg has seen immense growth over these last few years and serves all of Atlantic Canada from financial support for Indigenous businesses, developing and delivering educational programs in science, technology and agriculture to supporting Indigenous Youth in pathways and grant opportunities.

Ulnooweg's understanding for the need of foundational change acts as an extension of support for Indigenous Communities and continues to build upon this foundation. Taking pride in making the impossible, possible that uniquely breaks down barriers to community social and economic development in the Atlantic Region. The region has been steadily seen the rise of Indigenous business leaders, entrepreneurs, innovators and youth leaders. In addressing its unique mission and mandate, Ulnooweg operates as three meaningful organizations:

- ▶ Ulnooweg Development Group
- ▶ Ulnooweg Indigenous Communities Foundation
- ▶ Ulnooweg Education Centre

This annual report explores the important work of each of these organizations, the associated programming and the significant progress and impact that is being achieved.



Ulnooweg Development Group

A not-for-profit organization providing loans and business support services to Indigenous entrepreneurs and community enterprises.



Ulnooweg Education Centre

A charitable organization engaging in innovative research, development and delivery of youth-focused educational programs and workshops work including Community Financial Reviews and educational programming relevant to social and economic well-being and impacting the future of Indigenous professionals represented in STEAM (science, technology, engineering, arts and math).



Ulnooweg Indigenous Communities Foundation

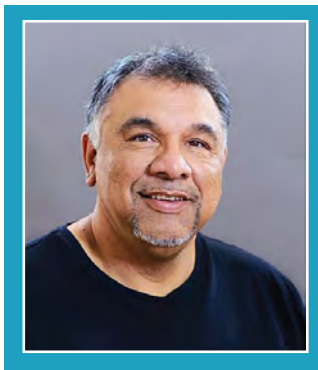
A registered charitable foundation helping bridge the gap between Indigenous communities and the generous and collaborative organizations and individuals at the heart of Canada's dynamic philanthropic sector.

INDIGENOUS LED AND GOVERNED OUR BOARD

It is with a great deal of gratitude that we acknowledge the dedicated leaders of our Board for their continued guidance and support of Ulnooweg's efforts on behalf of our communities.



Chairman
Chief Terrance Paul
Membertou, NS



Vice Chairman
Chief Ken Barlow
Indian Island, NB



Secretary
Chief Mi'sel Joe
Miawpukek, NL



Director
Chief Gabriel Atwin
Kingsclear, NB



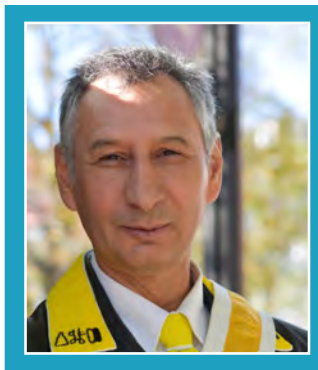
Director
Chief Robert Gloade
Millbrook, NS



Director
Chief Darlene Bernard
Lennox Island, PEI



Director
Regional Chief PJ Prosper
Nova Scotia & Newfoundland



Director
Grand Keptin Antle Denny
Mi'kma'ki



Director
Odelle Pike
Stephenville, NL

UNITED TOGETHER OUR MEMBERS

Among our Members, we acknowledge the First Nation Chiefs of Atlantic Canada, who represent the following First Nation Communities.

Buctouche First Nation

Eel River Bar First Nation

Elsipogtog First Nation

Esgenoopetitj First Nation

Fort Folly First Nation

Indian Island First Nation

Kingsclear First Nation

Madawaska First Nation

Metepenagiag Mi'kmaq Nation

Natoaganeg First Nation

Oromocto First Nation

Pabineau First Nation

Saint Mary's First Nation

Tobique First Nation

Woodstock First Nation

Listuguj Mi'gmaq Governmaent

Micmacs of Gesgapegiag

La Nation Micmac de Gespeg

Acadia First Nation

Annapolis Valley First Nation

Bear River First Nation

Eskasoni First Nation

Glooscap First Nation

Membertou First Nation

Millbrook First Nation

Paqtnkek Mi'kmaq Nation

Pictou Landing First Nation

Potlotek First Nation

Sipekne'katik First Nation

St, Croix First Nation

Wagmatcook First Nation

We'koqma'q First Nation

Abegweit First Nation

Lennox Island First Nation

Miawpukek First Nation

Mushuau Innu First Nation

Qalipu Mi'kmaq First Nation

Sheshatshiu Innu First Nation

Passamaquoddy/Peskotomuhkati Nation

ULNOOWEG SENIOR LEADERSHIP & FINANCE TEAM MEMBERS

Todd Hoskins, Chief Executive Officer

Christopher Googoo, Chief Operating Officer

Dennis Amirault, Chief Financial Officer

Richard Bridge, Strategic and Legal Counsel

Paul Langdon, Strategic Initiatives

Darrell Hasiuk, Senior Manager, Finance & Investments

Michelle Richard, Managing Director, Ulnooweg Education Centre

Jen MacGillivray, Special Projects Manager

Barbara Sylvester, Culture and Language Coordinator

Audrey Lucas, Financial Clerk

Mary Collier, Financial Analyst

Nadia Wysote, Accounting Associate

FORWARD TOGETHER OUR PARTNERS

Founded in 1985, Ulnooweg supports and promotes Indigenous people and communities' social and economic welfare. Ulnooweg has grown considerably over the years, inspiring, empowering, supporting Indigenous entrepreneurship, education, and philanthropy. During that time, many valued partners have supported the Ulnooweg's success.





ULNOOWEG

Development Group



SUPPORTING COMMUNITIES AND ECONOMIC DEVELOPMENT

ULNOOWEG DEVELOPMENT GROUP LENDING AND BUSINESS SUPPORT

The primary focus of the Ulnooweg Development Group is provided by our finance and lending team. Each region in Atlantic Canada has a dedicated team member to support Indigenous entrepreneurs and businesses in their continued or new business ventures. This year we focused on the current needs of Indigenous businesses in Atlantic Canada that continued to weather the storm due to the ongoing COVID-19 pandemic.

General Lending Program

Our Lending program supports larger projects from Indigenous Entrepreneurs and businesses. We take pride in taking a more sensitive approach to address and understand the needs of our clients. These flexible designed program are made to assist Indigenous Entrepreneurs to set up for success!

Loan amounts are available up to \$750,000 for Individuals and \$1.5 million for Communities dependent on available capital, with various interest rates, over a maximum 20-year amortization.

Aboriginal Business Finance Program (ABFP)

The Aboriginal Business Financing Program (ABFP), administered by Ulnooweg, offers non-repayable business contributions to individual Aboriginal entrepreneurs and community owned businesses. Working together with clients and partners, we provide a range of services and support that is helping promote the growth of a strong Indigenous business sector in Canada.

For community-based projects, conditions will be considered when determining contribution levels and repayment terms.

The majority of ABFP funding goes towards small and medium-sized businesses in the form of non-repayable contributions.

Indigenous Women Entrepreneurship Program

Ulnooweg is dedicated to serving Indigenous entrepreneurs who have been historically underserved in business endeavours through the Indigenous Women Entrepreneurship Program (IWE). This year we were able to hire a dedicated Business Services Officer that provides support to Indigenous Women Entrepreneurs and women-owned businesses. Next year it is our goal to provide educational workshops directly to women in community.

Loan amounts available up to \$25,000, at a rate of 8% over a maximum 5-year term, with a 5% cash equity recommended. Contact us for eligibility and further details.

HIGHLIGHTS OF 2021-2022

LENDING PROGRAM APPROVALS

30

VALUED AT

\$ 2,984,517

- ▶ 30 FULL-TIME JOBS
- ▶ 16 PART-TIME JOBS
- ▶ 38 SEASONAL JOBS

ABFP APPROVED:

39

VALUED AT:

\$1,525,652

IWE MICRO-LOANS:

3

VALUED AT:

\$44,750

ULNOOWEG'S BUSINESS LENDING TEAM

Business Development Officers

- ▶ Andrew Matthews
- ▶ Arlene White
- ▶ Bryan Harn

IWE Business Service Officer

- ▶ Nichole Travers

Loans Administrator

- ▶ Lynne Joe

Client Services Officer

- ▶ Angelina McMullin

BUSINESS SPOTLIGHT: BEEHIGH VITAL ELEMENTS (BEEHIGHVE)



BeeHigh Vital Elements Inc. (BeeHighVE) is a proud Indigenous-owned business operating in Newfoundland and Labrador. Incorporated in 2017, BeeHighVE became the first company to receive a license under the Cannabis Act in NL and the first newly licensed company under the Cannabis Act in Canada on November 16, 2018.

BeeHighVE's focus is on producing top quality cannabis products to meet the demands of all cannabis consumers – from “NewBees” to experienced users. Now fully licensed (cultivation, processing of all cannabis formats, and sales), BeeHighVE has been making strides towards product development, and the company is selling two CBD oils made from its locally grown craft cannabis flower. Other products are currently in the works – including cannabis infused honey – which is produced at their apiary in Corner Brook, NL!

As a pioneer in the legal cannabis industry, BeeHighVE is an innovator. Over the past few years, BeeHighVE's President, Rita Hall, started looking beyond development of typical cannabis products toward research into products that may improve cannabis growth and output while potentially increasing the health and wellbeing of people. The company is currently validating its results through a collaborative project with Memorial University of Newfoundland's Grenfell College in Corner Brook, and Fanshawe College, in London, ON.

“The project is well underway, and we are optimistic that end results will have a positive impact on cannabis and on other plant and food crops” Ms. Hall states.

“The cannabis industry has been a rollercoaster ride for BeeHighVE” she continues; “With highs from our achievements and Health Canada amendments, to lows that have almost always resulted from financial struggles”.

Along the way, this small craft cannabis company has had support from family and friends, shareholders, and its much-valued customers. Rita states that outside financial assistance was nonexistent until she started working with Ulnooweg. “Not only did the organization support us financially, but they believed in us, cheered us on, and supported us in every way possible.” She says.

“The loan that Ulnooweg provided is now fully paid” Rita says. “It has allowed us to stay in the game so to speak, and hopefully, we will see our purposeful research through to its end. The project researchers are writing their theses around our cannabis and honey research and look forward to receiving their Doctorate Degrees based on their work with us. We are so grateful to Ulnooweg for being part of our story!”



ULNOOWEG DEVELOPMENT GROUP FISHERIES, AQUACULTURE & MARINE SERVICING

For over 15 years, The Ulnooweg Business Development Team (BDT) has provided business support services to the First Nations communities in Atlantic Canada, including communities in the Gaspé Peninsula and North Shore regions of Quebec.

We take pride in fostering close working relationships with the Atlantic policy Congress of First Nation Chiefs (APC), the Atlantic Integrated Commercial Fisheries Initiative (AICFI) and the Northern Integrated Commercial Fisheries Initiative (NICFI).

These specialized professionals allow the BDT to effectively provide its client base of over forty-eight Indigenous communities and groups with a comprehensive range of business development support services, particularly related to the areas of fisheries, aquaculture, and marine servicing.

The Atlantic First Nation communities are experiencing ongoing progress within the Commercial Fisheries Enterprises (CFEs). The professional expertise provided by the BDT has assisted with undertaking a variety of new and innovative developments that have increased community fisheries employment, or otherwise contributed to a higher level of CFE competitiveness and sustainability. Developments have varied and included:

- ▶ Vessel and equipment upgrades
- ▶ New vessel construction
- ▶ Resource access acquisition
- ▶ Fish processing
- ▶ Aquaculture
- ▶ Marine servicing business start-ups

The BDT has continued to be involved and has supported CFEs throughout the business planning and implementation stages. A high level of after-care has been provided, and the BDT has helped with providing access to outside resources and assisting with networking opportunities.

The importance of providing the support needed to undertake sound long-term strategic planning has shown that this effective approach allows growth and expansion and has been a key to innovation and



Oyster Barge, Elsipogtoq First Nation



Trout Harvesting, We'koqma'q First Nation



Salmon Hatchery, Abegweit First Nation

long term problem-solving. Furthermore, it supports the CFEs ability to adapt to changing business environments that inevitably has created new demands and challenges, but also new opportunities.

Fisheries are generally known to be cyclical in nature, so the CFEs must plan and prepare for this in the normal course of business operations. CFEs have learned to anticipate, be proactive, and adapt and respond to changing industry conditions. For example, the COVID-19 pandemic had a major effect on the seafood economy and presented a whole new set of challenges for the CFEs in terms of conducting business operations and adjusting to changing market conditions. The BDT played a critical role in helping the communities navigate this difficult situation by providing business management advice and assisted with accessing financial assistance.

Ulnooweg's Business Development Team remains an integral support component for the on-going growth of fisheries and related activities within the First Nation communities. The business planning being undertaken by the CFEs, and aided by the BDT, helps maintain a strategic focus and provides a clear path to follow from project inception to long term sustainability. The BDT assists each CFE by providing the technical and business management guidance needed to advance the business development process.

ULNOOWEG'S FISHERIES, AQUACULTURE AND MARINE SERVICING TEAM

Team Leader

- ▶ David Simms

Fisheries Business Development Advisors

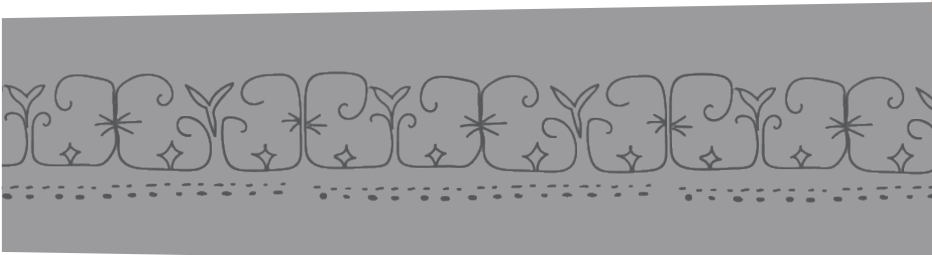
- ▶ Lina Condo
- ▶ Cindy Theriault
- ▶ Barry Eisenhauer
- ▶ Cameron Paul

Aquaculture Business Development Advisors

- ▶ Adrian Desbarats
- ▶ Jason Mullen

Fisheries Training Technical Advisors and Coordinators (TAC)

- ▶ Stacey Maguire
- ▶ Johanne Doucet



ULNOOWEG DEVELOPMENT GROUP SPECIAL PROJECTS

Common Ground

On June 9, 2021 a collaborative initiative, the Common Ground project was established with Community Forests International and the Nova Scotia Family Forest Centre to mobilize citizen climate action in the rural Maritime region on the unceded territory of Mi'kmaq and Wolastoqiyik peoples.

A number of videos highlighting Mi'kmaw principles of Etuptamamink and Netukulimk were created and shared across social media channels, Gerald Gloade hosted a talk and atlatl demonstration at the Mi'kmawey Debert Trail, and Todd Labrador gave a talk on the impacts of climate change to the Birch trees across Mi'kma'ki and how that in turn, is challenging long-standing practices of canoe building. Additionally, participation in a number of industry webinars sharing Indigenous values and stewardship practices took place.

As we move into year two of the program, we are looking forward to a guided trip to Kluskap's Cave, a visit and talk with Chief Wilbert Marshall on the historical importance and impacts of climate change to Chapel Island and a webinar on climate change impacts to Mi'kmaq medicines.



Collective Commercial Opportunities

Ulnooweg continue to oversee the operations and financial oversight of Collective Commercial ventures between the 13 Nova Scotia communities (plus Miawpukek in one case).

Work is done to manage the financial reporting of all partnerships and share that back to communities; reporting is done to community CFO's as well as Chiefs.

We not only oversee existing partnerships, but also continue to explore and vet potential new opportunities. This work includes meeting with potential partners, reviewing opportunities both operationally and financially to determine opportunity, exploring financing opportunities and keeping the Chiefs informed on work being done.



response, while making progress on the health priorities identified by leadership and communities. Highlights included working toward a culturally safe, trauma-informed, Mi'kmaw mental health and addictions strategy; advancing mental wellness and enhanced trauma informed health and cultural supports; strengthening cultural safety and addressing anti-Indigenous racism; designing a Mi'kmaw Early Years Program; and creating a partnership with provincial government to collaborate, inform and influence provincial health processes that directly affect the Mi'kmaq of Nova Scotia.

Indigenous Career Pivot Program

The Indigenous Career Pivot Program, a partnership between Ocean Supercluster, JEDI, the College of the North Atlantic, Ulnooweg, and industry was in full swing this year. This program provided wage subsidies and training dollars so that Indigenous participants could be hired and “pivot” their careers to the Ocean Sector.

Overall, nine Industry partners participated with 11 Indigenous participants hired. The program wraps up in May 2022. A second phase is being hosted in British Columbia but will focus on participation Nationally.

Assembly of First Nations Update

Ulnooweg provides support to both Regional Assembly of First Nations (AFN) offices. As signatory to the funding agreements,

Tajikeimik – Mi'kmaw Health and Wellness

Ulnooweg continues to host Tajikeimik, the new health and wellness organization being created to lead health transformation for Mi'kmaw communities in Nova Scotia. In 2021-2022, Tajikeimik made progress on their pathway to develop a new, self-determined health system that is guided by Mi'kmaw culture and values, rooted in two-eyed seeing, and informed through community engagement.

In January, Indigenous Services Canada committed \$8.96 million to support health transformation through Tajikeimik. In addition to creating the organization and formalizing the relationship between the Mi'kmaq of Nova Scotia, the Government of Canada and the Government of Nova Scotia, Tajikeimik assisted communities in their COVID-19 pandemic

TAJIKEIMIK TEAM MEMBERS

Executive Director

- ▶ Lindsay Peach

Director of Policy and Planning

- ▶ Philippa Pictou

Director of Health Transformation

- ▶ Sharon Rudderham

Director of Finance

- ▶ Nancy MacIntyre-Meagher

Director of Communications and Engagement

- ▶ Carolyn Pierce

Tui'kn Partnership Project Manager

- ▶ Stacey Lewis

Tui'kn Partnership Administrative Assistant

- ▶ Cavelle MacNeil

Early Years Program Development Coordinator

- ▶ Maryi Joe-Francis

Executive Administrative Coordinator

- ▶ Katie McNutt

we provide support in financial management and reporting to the Regional Offices. This will be the final full year of this support as AFN is now requiring all Regional Offices to incorporate. Next fiscal will see us supporting these transitions and transferring funding agreements to the new Regional Offices.

Prioritizing Language & Culture within Ulnooweg

Ulnooweg prioritizes teachings from our elders and knowledge keepers. Every month we hold a day for cultural teachings and bring knowledge keepers in to share and teach. Each month we also hold a p~tewey with an elder, where an elder is invited in to share time with our team and chat and share their life journey.

Our special teachers this year included: Clifford Paul, Lea Doucette, Jane Meader, Ryan Gould, Marilyn Francis, Patsy Paul-Martin, Heidi Marshall, and Lloyd Johnson. We look forward to many more teachings going forward.

We are pleased to have weekly Mi'kmaq language lessons with Barbara Sylvester. Language is vital and it is so important that Ulnooweg recognizes and prioritizes these teachings for all of its staff.



ULNOOWEG DEVELOPMENT GROUP STRATEGIC INITIATIVES

Strategic Initiatives continued its core role of being a connector, a conduit to ensure collaboration. This collaboration with the Indigenous and non-Indigenous Eco-systems that occupy the innovation, entrepreneurial and STEM/STEAM careers space. The key areas continue to be Ocean Tech, Agri-food Agri-Science, Export, Indigenous Tourism, and broad area of supply chain/procurement. Recent months have seen a restart to in-person events, and presentation at several national and provincial conferences and meetings.

The UN Sustainable Development Goals [Samqwane'jk project](#) with partners, Centre for Ocean Venture Entrepreneurship (COVE) and Upswing was launched and three Indigenous led projects in the Green Economy have been offered financial support. Plans are to repopulate the project with new funds and continue with the successful Samqwane'jk platform. Eligible activities for future projects are to extend into other areas, that will support further increase indigenous participation in key sectors and careers.

Partnership and collaboration continue with key NGOs (non-government Organizations, private sector firms, academia, and various federal and provincial agencies).





ULNOOWEG
INDIGENOUS COMMUNITIES
FOUNDATION



FORWARD. TOGETHER.

ULNOOWEG INDIGENOUS COMMUNITIES FOUNDATION STRENGTHENING COMMUNITIES

Total Distributed Funds:

\$985,000

Number of Initiatives served:

27

The Ulnooweg Indigenous Communities Foundation is a registered charity that helps strengthen the relationships between Canada's philanthropic sector and the First Nations communities of Atlantic Canada.

The Foundation helps to in a wide range of areas, including health, education, environmental protection, community economic development, infrastructure, and the arts.

In September of 2020, our partnership with Mastercard Foundation was created enabling us to hire a team of Indigenous youth to work in communities across the Atlantic Regions referred to as the the EleV (ella-vee) Team.

Leading us to embark on our journey, this team of resilient youth has helped us to identify barriers that our Indigenous youth encounter through community outreach and youth engagement. Through this, they have worked to co-create initiatives that have lead to long lasting impactful change, demonstrates new ways of doing things, and helped to create an environment our youth can navigate pathways through education and successfully transition to work and careers

supporting the growth of Indigenous Communities.

At the end of the day – we aim to help our youth to get to a good life, as defined by them - ta'n telo'ltimk. Along this journey, our goal is to influence changes in the systems that have historically held our youth back and provide the tools or necessary supports to allow them to overcome those obstacles.

With the funds provided by MasterCard, our team has provided \$985,000 dollars to twenty-seven initiatives throughout Atlantic Canada.

The initiatives we support have led to inspirational stories and impacted youth and communities across Mi'kma'ki, they include:



- ▶ Building youth leadership and capacity
- ▶ Creating mentorship opportunities
- ▶ Creating opportunities for youth to learn about different career paths
- ▶ Creating interest in and providing workshops and training in entrepreneurship
- ▶ Helping university students to feel connected to community when they are away at school
- ▶ Creating opportunities for youth to connect to their culture and language
- ▶ Providing land-based learning opportunities
- ▶ Working with school boards to incorporate Indigenous ways of knowing into curriculum

- ▶ Facilitating connection of universities to students
- ▶ And helping with foundational work in community including supports for physical health, sexual health, mental health and well-being, especially dealing with the impact and direct results of COVID-19 has had on our youth over the last two years.

Our partnership with Mastercard Foundation has helped to springboard us as towards our goal, but we still have much more work to do. To create long lasting impactful change, we need to shift the conditions that have held a problem in place, change the way things have historically been done, remove barriers, and make new ways of doing normalized. This is how we create the change that is needed for our Indigenous youth... this is our journey.



ULNOOWEG INDIGENOUS COMMUNITIES FOUNDATION ELEV TEAM

Partnership & Outreach Coordinator

- ▶ Jasmine Seeley

Learning Facilitator

- ▶ Brandon Mitchell

Youth Engagement Officers

- ▶ Brennen Googoo, NS
- ▶ Billie Julien, NS & PEI
- ▶ Rosalie Labillois, NB
- ▶ Monika Rumbolt, Labrador
- ▶ Alex Antle, Newfoundland



Supporting Indigenous Philanthropic Initiatives



In January 2022, we partnered with Indigenous Treaty Partners (ITP) to establish the Indigenous Treaty Partners L'nu Scholarship Fund to provide financial assistance to Indigenous students from Atlantic Canada, with the aim of helping them pursue post-secondary education.

The Fund is accepting new gifts to expand their ability to award scholarships, bursaries and other assistance to our students. Please visit our donation page to [add your gift to this fund](#). Indigenous Treaty Partners offer a robust Indigenous cultural awareness training program for Board of Directors, Corporate Directors, Management, and general staff. Learn more at www.treatypartners.ca.



ULNOOWEG

EDUCATION CENTRE



ADDRESSING THE NEEDS OF OUR COMMUNITY

ULNOOWEG EDUCATION CENTRE WE DARE TO DREAM

The Ulnooweg Financial Education Centre was founded registered charitable organization under Ulnooweg. This leadership in Indigenous communities in Atlantic Canada financial literacy and research.

2021-22 HIGHLIGHTS

618 Students reached

14 Programs delivered

5 In-person Events

3 Online resources

During 2018, the Digital Mi'kmaq Initiative was launched as a pilot program to bring advanced educational opportunities directly into the community for Indigenous youth. Over a two-year period, the initiative had a substantial impact and led to the beginning of a new era for the registered charity. The Ulnooweg Financial Education Centre became the Ulnooweg Education Centre in June 2020. With a holistic approach of traditional values in culture and language, the mission was expanded to empower Indigenous communities through the advancement of education through collaborative research, development, and delivery of educational programs and initiatives in science and innovation, agriculture, and financial literacy.

Ulnooweg Education Centre expanded in 2021 with the purchase and part gift of Windhorse Farm. Ulnooweg was empowered by this act of truth and reconciliation to create a land-based learning and healing centre that will elevate Indigenous knowledge, culture, and language. We have already begun developing programs and have planned a number of events for the year 2022-2023. In addition to bringing back ceremonies that have not been held in this region for over 150 years, elder gatherings, land-based learning camps and more will be held.

As the unprecedented Covid-19 pandemic continued throughout 2021, the Ulnooweg Education Team worked at building relationships, expanding our programs, addressing food insecurity, creating accessible programs online and developing new project-based science programs with our co-op students and engineers in training program.



Ulnooweg Education Centre's teams are highly engaged science professionals with experience and background working in the fields of science, technology, engineering, digital arts and math. This team of dedicated education facilitators, project managers and communications develop and deliver outreach and educational programming for youth from Pre-primary to grade 12 in Nova Scotia, Prince Edward Island and New Brunswick.



Community garden centre in Potlotek First Nation. Photo credit: George Marshall

AGRICULTURE & FOOD SECURITY

With funding provided by United Way Halifax, through the Ulnooweg Indigenous Communities Foundation, Ulnooweg Education Centre's Agricultural team planned and oversaw the construction of six extended season greenhouses under development in six Indigenous communities in Atlantic Canada - Potlotek, Miawpukek, Abegweit, Lennox Island, Eel River Bar and Annapolis Valley First Nations. With the successful construction of these assets that are now owned and operated by individual communities, the Ulnooweg Education Centre continues to develop and deliver agriculture/agri-tech programming in these and other communities throughout Atlantic Canada, through Ulnooweg Education Centre's online learning portal and in-person sessions.

WINDHORSE FARM

The recent purchase of the Windhorse property was completed in December 2021. The end of the fiscal year saw us starting to get our feet under us as the new stewards of the land and buildings. We began the process of determining needed staff and repairs and maintenance.

A Grand Opening Celebration will be held on June 1, 2022.

Our goals for this space are lofty and include many renovations and repurposing of buildings as we work to create a truly Indigenous space for youth, elders and all people to come together to learn from the land, revitalize cultural practices and traditions as we heal and grow together.



A visit to Windhorse Farm with Ulnooweg staff and board members July 2021. (Starting from the back right, Lindsay Peach, Richard Bridge, Todd Hoskin, Chris Gooogo, Cheyenne Isaac-Gloade, Dennis Amirault. Front right, Jocelyn Marshall, Holly Griffiths, Jen MacGillivray, Chief Darlene Bernard.

ULNOOWEG EDUCATION CENTRE TEAM

Manager, Science & Innovation

- ▶ Holly Griffiths

Office Admin

- ▶ Vanessa Lilly, HR Manager
- ▶ Carrie Amero, Admin

Program Managers

- ▶ Megan Wright, Education
- ▶ Levi Morrison, Engineering
- ▶ Chris Fitzner, Scrum Master

Communications

- ▶ Andrea Durfee, Manager
- ▶ Alexa Metallic, Outreach
- ▶ Jocelyn Marshall, Indigenous Culture advisor
- ▶ Jalisa Charles, Social Media Intern

Education Facilitators

- ▶ Emma MacDonald
- ▶ Seyit Tumturk
- ▶ Marina Muberwa
- ▶ Vaibhav
- ▶ Samson Tang

Engineering Co-op Students

- ▶ Matthew Paul
- ▶ Matthew Kneen-Teed
- ▶ Eve McDonald
- ▶ Blaise Eygun
- ▶ Matthew Hill
- ▶ Dami Bankole

Ocean Volunteer

- ▶ Vinnie Corelli

PROJECT-BASED SCIENCE PROGRAM LAUNCH

In January of 2021, the Ulnooweg Education Centre was selected as a recipient of the Natural Science and Engineering Research Council of Canada's PromoScience grant, which funds organizations working with young Canadians to promote an understanding of science and engineering. The program is dedicated to funding a series of advanced STEM capstone projects for high school participants to design and create science and engineering tools addressing community identified needs. Projects in Renewable Energy Generation, Robotics, and Biomedical Engineering are among a few of the innovative projects in the Ulnooweg Education Centre's growing NSERC portfolio. The development of three engineering-based projects were created over the year and the first project was tested and delivered to six Mi'kmaw communities including Pictou Landing, Eskasoni, Wagmatcook, We'koqma'q and Bear River.



Engineering co-op student, Matthew Paul works with a youth from Pictou Landing First Nation on the newly developed Robotic Arm program.

DIGITAL ACCELERATION PROJECT EXTENDS REACH AND NEW PARTNERSHIPS

As we continue to grow and expand in connecting students in smaller or more remote communities throughout Atlantic Canada, the Mobile Unit project will provide access to impactful technology that is vital to building strong and resilient communities of the future. In February of 2022, Ulnooweg Education Centre, along with the Joint Economic Development Group (JEDI) and UNB's Mckenna Institute secured funding through the TD Challenge Fund to take technology on the road, making the tools of tomorrow and Ulnooweg Education Centre's suite of digital educational programming more accessible and flexible than ever before. By designing and constructing a classroom on wheels, this initiative will be able to provide on-the-go solutions to accessibility issues while providing a fun and unique way to bring STEAM to the community at large by being present at community events outside of the school setting. The first unit is scheduled to roll out in New Brunswick for Fall in 2023.

WELA' LIEK FROM ALL OF US PROUDLY SERVING OUR COMMUNITIES

Thank you for taking the time to read our 2021-22 Annual Report. All three Ulnooweg organizations are incorporated under the Canada Not-for-profit Corporations Act. Ulnooweg Development Group Inc. is a “non-profit organization” under the Income Tax Act (Canada), whose members are Chiefs of the First Nations of Atlantic Canada. Ulnooweg is committed to strong governance and focused on continuous quality Improvement.

We proudly provide social, financial and educational services for Indigenous Communities throughout Atlantic Canada through our registered charities: the Ulnooweg Education Centre is a registered charitable organization, and the Ulnooweg Indigenous Communities Foundation is a registered charitable foundation. Thank you to all those who have supported us this year and continue to support our efforts in serving our growing communities and members.





ULNOOWEG

We Believe in Dreams



AUDITED FINANCIAL STATEMENTS

Financial Statements

Ulnooweg Development Group Inc.

March 31, 2022

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Management's Responsibility for Financial Reporting

The accompanying financial statements of Ulnooweg Development Group Inc. are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgements of management.

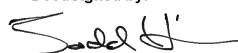
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.


The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

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

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Ulnooweg Development Group Inc. and meet when required.

On behalf of Ulnooweg Development Group Inc.

DocuSigned by:

Mr. Todd Hoskin
Chief Executive Officer

DocuSigned by:

Mr. Chris Googoo
Chief Operating Officer

June 30, 2022

Independent Auditor's Report

Grant Thornton LLP
Suite 301, Membertou Place
90 San'tele'sew Aawti
Membertou, NS
B1S 0A5

T +1 902 562 5581
F +1 902 562 0073
www.GrantThornton.ca

To the Board of Directors of Ulnooweg Development Group Inc.

Opinion

We have audited the financial statements of Ulnooweg Development Group Inc. ("the Organization"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ulnooweg Development Group Inc. as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules included on pages 20 to 21 are presented for purposes of additional information and are not a required part of the financial statements. Such supplementary information has been subjected to the audited procedures applied, only to the extent necessary to express an opinion on the audit of the financial statements taken as a whole.

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 Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

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

Sydney, Canada
June 30, 2022

Grant Thornton LLP
Chartered Professional Accountants

Ulnooweg Development Group Inc.

Statement of Financial Position

March 31

2022

2021

Assets

Current

Cash and cash equivalents (Note 4)	\$ 12,770,879	\$ 4,958,871
Receivables (Note 5)	4,788,482	3,045,525
Prepaid expenses	59,167	27,540
Due from related parties (Note 6)	<u>270,997</u>	<u>411,385</u>
	17,889,525	8,443,321
 Loan portfolio (Note 7)	 <u>14,741,319</u>	 <u>16,513,424</u>
	<u>\$ 32,630,844</u>	<u>\$ 24,956,745</u>

Liabilities

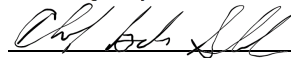
Current

Bank indebtedness (Note 14)	\$ 996,233	\$ -
Payables and accruals (Note 9)	714,839	992,165
Note payable (Note 10)	-	28,218
Demand Loan (Note 11)	786,376	963,142
Deferred revenue (Note 12)	<u>10,651,216</u>	<u>3,201,884</u>
	13,148,664	5,185,409
 Repayable contributions (Note 18)	 4,261,075	 4,750,000
Restricted Fund (Note 19)	<u>3,983,027</u>	<u>4,191,748</u>
	<u>21,392,766</u>	<u>14,127,157</u>
 Net assets (Page 6)	 <u>11,238,078</u>	 <u>10,829,588</u>
	<u>\$ 32,630,844</u>	<u>\$ 24,956,745</u>

Contingencies (Note 21)

On behalf of the Board

DocuSigned by:



Director

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DocuSigned by:



Director

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Ulnoweg Development Group Inc.

Statement of Operations

Year ended March 31	2022 Budget (Unaudited)	2022	2021
Revenues			
Interest on loans	\$ 720,000	\$ 790,427	\$ 719,562
Loan processing and other fees	40,000	47,297	25,303
Operational support (Note 17)	941,000	1,112,224	1,425,831
Management fees	<u>951,400</u>	<u>817,772</u>	<u>626,590</u>
	<u>2,652,400</u>	<u>2,767,720</u>	<u>2,797,286</u>
Projects and other revenue			
Fishery Business Development Team	1,250,000	1,040,814	978,819
Tajikeimik	3,850,000	1,349,348	647,481
Science and Innovation	2,744,000	1,665,888	2,178,697
Assembly of First Nations	700,000	1,350,051	949,305
Other Revenues	<u>-</u>	<u>549,204</u>	<u>636,955</u>
	<u>8,544,000</u>	<u>5,955,305</u>	<u>5,391,257</u>
Total revenue	<u>11,196,400</u>	<u>8,723,025</u>	<u>8,188,543</u>
Expenses			
Salaries and benefits	1,745,000	1,723,943	1,611,404
Bad Debts	-	60,616	333,691
Travel			
Board	50,000	38,236	32,138
Staff	175,000	46,662	74,414
Professional fees	200,000	255,902	181,543
Office and administration (Note 20)	200,000	183,907	156,279
Rent and utilities	100,000	84,927	96,646
Interest and bank charges	75,000	102,528	68,462
Marketing and communications	40,000	18,443	28,009
Telecommunications	25,000	39,381	23,330
Capital equipment	25,000	38,591	25,947
Support and training	<u>10,000</u>	<u>3,400</u>	<u>7,115</u>
	<u>2,645,000</u>	<u>2,596,536</u>	<u>2,638,978</u>
Projects and other expenses			
Fishery Business Development Team	1,250,000	1,039,258	978,819
Tajikeimik	3,850,000	1,349,348	647,481
Science and Innovation	2,744,000	1,665,888	2,178,697
Assembly of First Nations	700,000	1,350,051	949,305
Other	<u>-</u>	<u>553,042</u>	<u>791,769</u>
	<u>8,544,000</u>	<u>5,957,587</u>	<u>5,546,071</u>
Total expenses	<u>11,189,000</u>	<u>8,554,123</u>	<u>8,185,049</u>
Excess of revenues over expenses			
before provision for loan losses	7,400	168,902	3,494
Recovery of loan losses (Note 8)	<u>-</u>	<u>167,088</u>	<u>17,122</u>
Excess of revenues over expenses	<u>7,400</u>	<u>\$ 335,990</u>	<u>\$ 20,616</u>

Ulnooweg Development Group Inc.
Statement of Changes in Net Assets

March 31 2022 2021

Contributed Surplus (Note 13)	<u>\$ 19,271,503</u>	<u>\$ 19,199,003</u>
Deficiency		
Balance – Beginning of year	(8,369,415)	(8,390,031)
Excess of revenues over expenses	<u>335,990</u>	<u>20,616</u>
Balance – End of year	<u>(8,033,425)</u>	<u>(8,369,415)</u>
Total Net Assets	<u>\$ 11,238,078</u>	<u>\$ 10,829,588</u>

Ulnoweg Development Group Inc.

Statement of Cash Flows

Year ended March 31

2022

2021

Increase (decrease) in cash and cash equivalents

Operating		
Excess of revenues over expenses	\$ 335,990	\$ 20,616
Recovery of loan losses, net	<u>(167,088)</u>	<u>(17,122)</u>
	168,902	3,494
Change in non-cash operating working capital		
Receivables	(1,742,957)	(748,340)
Due from Related Parties	140,388	(367,420)
Prepays	(31,627)	(18,931)
Payables and accruals	(277,326)	62,262
Deferred revenue	7,449,332	1,865,278
Repayable contributions, net	(488,925)	4,750,000
Restricted fund, net	<u>(208,721)</u>	<u>-</u>
	<u>5,009,066</u>	<u>5,546,343</u>
Financing		
Issuance of demand loan	-	250,000
Repayment of demand loan	(176,766)	(36,858)
Repayment of note payable	(28,218)	(42,162)
Loan disbursements	(4,985,149)	(10,945,413)
Loan repayments	<u>6,299,342</u>	<u>2,300,685</u>
	<u>1,109,209</u>	<u>(8,473,748)</u>
Investing		
Fund transfers, net	<u>697,500</u>	<u>2,250,000</u>
	<u>697,500</u>	<u>2,250,000</u>
Net increase (decrease) in cash and cash equivalents	6,815,775	(677,405)
Cash and cash equivalents, beginning of year	<u>4,958,871</u>	<u>5,636,276</u>
Cash and cash equivalents, end of year	<u>\$ 11,774,646</u>	<u>\$ 4,958,871</u>
Cash and cash equivalents are comprised of the following:		
Unrestricted cash	-	643,259
Restricted cash	12,770,879	4,315,612
Bank indebtedness	<u>(996,233)</u>	<u>-</u>
	<u>\$ 11,774,646</u>	<u>\$ 4,958,871</u>

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

1. Nature of operations

Ulnooweg Development Group Inc. ("the Organization") provides loans to Aboriginal Entrepreneurs for businesses in operation in Atlantic Canada and administers government-funded projects.

The Organization is incorporated under the Canada Corporations Act as a non-profit, non-share capital corporation (member corporation).

The Organization is a non-profit organization under paragraph 149 (1) of the Income Tax Act and, as such, is not subject to federal or provincial income taxes.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The significant accounting policies are as follows:

Financial Instruments

The Organization considers any contract creating a financial asset, liability or equity instrument a financial instrument, except in limited circumstances. The Organization accounts for the following as financial instruments:

- Cash and cash equivalents
- Receivables
- Due from related parties
- Loan portfolio
- Bank indebtedness
- Payables and accruals
- Note payable
- Demand loan
- Repayable contributions
- Restricted fund

A financial asset or liability is recognized when the Organization becomes party to contractual provisions of the instrument

Financial assets or liabilities in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Organization is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost. The Organization removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amount of any write-downs or reversals are recognized in net income.

Financial assets and financial liabilities, which are not subsequently measured at fair value, and initially adjusted for transaction costs and financing fees directly attributable to their origination, acquisition, issuance or assumption.

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

2. Summary of significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revisions to accounting estimates are recorded in the period in which the estimate reversed if the revision affects only that period or in the period of revision and in future periods if the revision affects both the current and future periods.

The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements include measurements of fair value of financial instruments and the provision for impaired loans receivable.

Revenue recognition

Interest on loans is recognized on an amortized cost basis using the effective interest rate method. The effective rate is the rate that exactly discounts estimated future cash payments through the expected life of the loan to the net carrying amount of the loan. All interest is recognized on an accrual basis.

Loan processing and other fees are recognized as revenue once the corresponding loan application has been approved and the loan advanced.

The Organization also follows the deferral method of accounting for contributions. Project funds from government sources are recognized as revenue in the year in which the related expenses are incurred. Deferred revenue relates to restricted project funding received in the current period for which the related expenditures are not incurred until a subsequent period. Refer to note 15 to the financial statements for deferred revenue balances detailed by project.

Other revenues are recognized when the service has been performed or when earned, provided the amount can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdraft. Bank borrowings are considered to be financing activities.

Related party balances

Balances receivable from/payable to related entities in which the Organization has control over are measured at carrying value and are non-interest bearing with no set terms of repayment.

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

2. Summary of significant accounting policies (continued)

Loan Portfolio

Loans receivable from clients are initially measured at fair value, net of loan origination fees and inclusive of transaction costs incurred. Loans are subsequently measured at amortized cost, using the effective interest rate method, less any impairment losses.

Loans are reported at their recoverable amount representing the aggregate amount of principal, less any allowance or provision for impaired loans plus accrued interest. Interest is accounted for on the accrual basis for all loans.

The allowance for loan losses is based on a review by management of all loans outstanding. The allowance takes into consideration possible recoveries on assets which have been pledged to the Organization as security. Any payments received or foreclosed assets sold on loans previously written off are recorded as recoveries.

3. Capital Management

The Organization defines capital as the aggregate of contributed surplus and the accumulated deficiency as presented in the statement of changes in net assets. The objectives of the Organization's capital management program are to adhere to terms and conditions imposed by the contributors of capital and maintain a level of equity which will provide adequate funding to meet established targets for growth in the loan portfolio.

4. Cash and cash equivalents

Cash and cash equivalents, other than the operational account, are subject to imposed restrictions on use in accordance with the terms and conditions of the applicable funding agreements providing for the funding of the loan portfolio. Cash and cash equivalents are comprised of cash in bank accounts held as follows:

	<u>2022</u>	<u>2021</u>
Restricted Cash:		
NACCA Contribution Program	\$ 1,044,315	\$ 465,525
ABDF Loan Fund	1,550,529	1,491,203
MRED	2,825,648	1,305,225
Tajikeimik	7,350,387	952,239
Assembly of First Nations	-	202,943
Unrestricted Cash	<u>-</u>	<u>541,736</u>
	<u>\$ 12,770,879</u>	<u>\$ 4,958,871</u>

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

5. Receivables	2022	2021
Projects (Note 15)	\$ 3,461,987	\$ 529,503
Fisheries Business Development Team	222,254	138,675
Atlantic Canada Opportunities Agency (ACOA)	135,802	619,865
Harmonized Sales Tax	248,700	401,387
National Aboriginal Capital Corporations Association (NACCA)	573,340	173,862
Other	<u>146,399</u>	<u>1,182,233</u>
	\$ 4,788,482	\$ 3,045,525

6. Due from related parties	2022	2021
Ulnooweg Indigenous Communities Foundation	\$ 1,395	\$ 264,128
Ulnooweg Education Centre	<u>269,602</u>	<u>147,257</u>
	\$ 270,997	\$ 411,385

7. Loan Portfolio	2022	2021
a) Accrued interest on loan portfolio		
Accrued interest	\$ 209,553	\$ 249,994
Allowance for doubtful accrued interest	<u>-</u>	<u>-</u>
	209,553	249,994
b) Loan portfolio		
Loans receivable		
Current	14,765,087	16,532,198
31-90 days	16,679	33,968
Over 90 days	<u>-</u>	<u>151,336</u>
	14,781,766	16,717,502
Allowance for impaired loans		
Collective allowance	(250,000)	(250,000)
Specific Allowance	<u>-</u>	<u>(204,072)</u>
	(250,000)	(454,072)
	\$ 14,741,319	\$ 16,513,424

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

7. Loan Portfolio (continued)

Allowance for impaired loans

Included in loans receivable are impaired loans in the amount of \$nil (2021 - \$335,486). The allowance consists of a portion directly attributable to specifically identified impaired loans of \$nil (2021 - \$204,071) and a portion which is not directly attributable to any loan or loan groups of \$250,000 (2021 - \$250,000).

Loans are considered impaired when they are risk rated as substandard or worse or when the loan is more than 90 days in arrears at year-end and there is insufficient collateral security valued at forced sale to cover the balance outstanding. The allowance is comprised of two components, the specific allowance for individually identified impaired loans and a collective allowance for impaired loans.

The specific allowance for individually identified impaired loans was established based upon a review of a large sample of impaired loans. Primary factors considered in estimating the specific allowance on individual loans were the security pledged and the financial condition of the borrower and/or, where applicable, guarantors.

The collective allowance for impaired loans is management's best estimate of the loss that is likely to be experienced on impaired loans that were not known to be impaired at the year-end. The collective allowance was determined based on management's judgment and recent experience by calculating the average estimated historical loss ratio by loan type and then applying these ratios to the current portfolio of unimpaired loans.

Significant judgement was exercised by management in determining both the collective and specific allowance. Refer to note 8 for provision for loan losses, net of recoveries.

Continuity for allowance for impaired loans

	<u>2022</u>	<u>2021</u>
Allowance for impaired loans – Beginning of year	\$ 454,072	\$ 496,709
Increase in allowance	-	-
Loans written off	<u>(204,072)</u>	<u>(42,637)</u>
Allowance for impaired loans - End of year	<u>\$ 250,000</u>	<u>\$ 454,072</u>

8. Provision for loan losses, net of recoveries

	<u>2022</u>	<u>2021</u>
Recovery of loan loss	<u>\$ 167,088</u>	<u>\$ 17,122</u>

9. Payables and accruals

	<u>2022</u>	<u>2021</u>
Trade payables (including projects)	\$ 596,543	\$ 908,472
Source deductions payable	103,415	64,195
NACCA Contribution Program (Note 18)	11,647	5,631
Other	<u>3,234</u>	<u>13,867</u>
	<u>\$ 714,839</u>	<u>\$ 992,165</u>

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

10. Note payable

The Enhanced Access notes payable balance represents loans issued under NACCA's Enhanced Access Initiative Program. This balance has been fully repaid during the year.

At the time of the loan issue, a non-interest-bearing promissory note is signed between NACCA and the Organization as a promise to pay a particular loan provided to a client under NACCA's Enhanced Access Initiative of the Access to Capital Program. The Organization retains any interest it charges to the client.

As long as approval is granted by NACCA, the Organization is not obligated to repay NACCA any portion of the principal of the loan not repaid by the client after exhausting all reasonable efforts to collect the loan from the client.

11. Demand Loan	<u>2022</u>	<u>2021</u>
6.75% loan, payable in equal monthly instalments of principal and interest of \$19,589.	\$ <u>786,376</u>	\$ <u>963,142</u>

Principal repayments in each of the next four years in accordance with the expected repayment terms are as follows:

2023	\$	189,074
2024	\$	202,163
2025	\$	216,315
2026	\$	178,824

As security, the Organization has pledged a general security agreement in second position, representing a floating charge over all assets of the Organization, to be acknowledged by the Organization's principal banker.

12. Deferred revenue

	<u>2022</u>	<u>2021</u>
Projects (Note 15)	\$ 10,406,281	\$ 3,041,704
National Aboriginal Capital Corporation Association	225,000	140,245
North American Indigenous Games	<u>19,935</u>	<u>19,935</u>
	<u>\$ 10,651,216</u>	<u>\$ 3,201,884</u>

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

13. Contributed Surplus

	<u>March 31, 2021</u>	<u>Additions</u>	<u>March 31, 2022</u>
ABC loan contributions	\$ 10,973,620	\$ -	\$ 10,973,620
ACOA – ABDF contribution 2004	7,996,807	-	7,996,807
ACOA/Province of Nova Scotia and New Brunswick	91,800	-	91,800
NACCA Youth loan contribution	94,650	-	94,650
TD Youth loan contribution	42,126	-	42,126
NACCA Indigenous Women Entrepreneurship	-	72,500	72,500
	<u>\$ 19,199,003</u>	<u>\$ 72,500</u>	<u>\$ 19,271,503</u>

The above contributions, when received, were subject to imposed restrictions on use of funds in accordance with the terms and conditions of the applicable funding agreements.

14. Bank Indebtedness

The Organization has an operating line of credit of \$3,000,000, of which \$2,180,000 (2021 - \$3,000,000) was unused as of March 31, 2022. The operating line of credit bears interest at a rate of prime plus 1.5%. As security, the Organization has pledged a general security agreement representing a first charge on all present and after-acquired personal property.

UInooweg Development Group Inc.
Notes to the Financial Statements

March 31, 2022

15. Projects

	Deferred Revenue 2021	Project Revenue received	Admin fee	Project expenses	Deferred Revenue 2022	Project Revenue 2022	Receivables
AFN	\$ -	\$ 372,264	\$ 22,858	\$ 267,630	\$ 81,776	\$ 290,488	\$ 61,250
NB Core	-	500,000	-	-	500,000	-	524,350
NB Other	134,787	372,264	42,606	442,181	22,264	484,787	62,500
NS Core	259,242	580,000	-	574,776	264,466	574,776	525,600
NS Other	952,239	9,545,932	309,060	1,040,288	9,148,823	1,349,348	2,030,000
Tajikeimik	1,695,436	233,061	-	1,665,888	262,609	1,665,888	-
Science and Innovation	-	288,902	-	206,119	82,783	206,119	258,287
Samqwanejk	-	71,200	-	27,640	43,560	27,640	-
Other	-	-	-	-	-	-	-
	\$ 3,041,704	\$ 11,963,623	\$ 374,524	\$ 4,224,522	\$ 10,406,281	\$ 4,599,046	\$ 3,461,987

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

16. Related party transactions

The Organization is related to the Ulnooweg Education Centre (“the Centre”) and the Ulnooweg Indigenous Communities Foundation (“the Foundation”) by virtue of having a common Board of Directors. The Centre is a registered charity the purposes of which include the development and delivery of educational programs on a range of topics and conducting research. The Foundation is a registered charity that helps strengthen the relationships between Canada’s philanthropic sector and the First Nations communities of Atlantic Canada.

During the year, the Organization has conducted the following transactions with related parties:

	<u>2022</u>	<u>2021</u>
a) Management and administrative fees charged to related parties:		
Ulnooweg Education Centre	\$ -	\$ 14,658
Ulnooweg Indigenous Communities Foundation	<u>173,056</u>	<u>-</u>
	<u>\$ 173,056</u>	<u>\$ 14,658</u>
b) Administrative salaries and benefits paid on behalf of related parties:		
Ulnooweg Education Centre	\$ 12,975	\$ -
Ulnooweg Indigenous Communities Foundation	<u>241,917</u>	<u>155,933</u>
	<u>\$ 254,892</u>	<u>\$ 155,933</u>
c) Operating expenses paid on behalf of related parties:		
Ulnooweg Education Centre	\$ 59,370	\$ 58,837
Ulnooweg Indigenous Communities Foundation	<u>95,570</u>	<u>108,024</u>
	<u>\$ 154,940</u>	<u>\$ 166,861</u>

d) Total capital purchases of \$50,000 (2021 - \$50,000) have been paid by the Organization on behalf of the Ulnooweg Education Centre.

e) Reimbursements and remuneration in the amount of \$15,146 (2021 - \$18,774) have been paid to Members of the Board of Directors.

Related party transactions as detailed above have occurred in the normal course of operations, and are initially measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

17. Operational support	<u>2022</u>	<u>2021</u>
ACOA Operational Support	\$ 423,512	\$ 351,019
NACCA Operational Support	<u>688,712</u>	<u>1,074,812</u>
	<u>\$ 1,112,224</u>	<u>\$ 1,425,831</u>

During the year the Organization received \$263,654 in operational support funding from NACCA under the Aboriginal Business Financing Program and incurred operational expenses of \$269,424.

NACCA Aboriginal Development Lending Allocation	<u>2022</u>	<u>2021</u>
ADLA revenue received at 13%	\$ 165,874	\$ 98,297
Value of ADLA supported loans advanced	<u>1,275,954</u>	<u>756,128</u>

18. Repayable contributions	<u>2022</u>	<u>2021</u>
NACCA ABFP Contributions		
Beginning undisbursed ABFP Funds	\$ 5,631	\$ 39,658
ABFP contributions received from NACCA	<u>1,500,415</u>	<u>1,200,415</u>
Contributions made to recipients	<u>(1,494,399)</u>	<u>(1,234,442)</u>
	<u>\$ 11,647</u>	<u>\$ 5,631</u>

NACCA IBSP ELP Contributions	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 4,750,000	\$ -
Funds received	<u>625,000</u>	<u>4,750,000</u>
Funds repaid	<u>(1,113,925)</u>	<u>-</u>
	<u>\$ 4,261,075</u>	<u>\$ 4,750,000</u>

19. Restricted Fund

The Organization has received funds from the Assembly of Nova Scotia Mi'kmaw Chiefs to administer the Mi'kmaq Major Resource and Energy Development (MRED) Fund on their behalf. These funds are restricted in their use and may only be used to make loans to businesses and communities that qualify under the MRED's guidelines as established by the Assembly of Nova Scotia Mi'kmaw Chiefs.

Ulnooweg Development Group Inc.

Notes to the Financial Statements

March 31, 2022

20. Office and administration	<u>2022</u>	<u>2021</u>
Conference fees	\$ 2,362	\$ 867
Courier and postage	2,411	3,273
Credit searches and security registration	5,059	5,108
Dues and subscriptions	23,536	15,290
Insurance	14,539	12,723
Service contracts and maintenance	86,999	55,896
Software	10,821	4,053
Stationary and office supplies	<u>38,180</u>	<u>59,069</u>
	<u>\$ 183,907</u>	<u>\$ 156,279</u>

21. Contingencies

The Organization has entered into funding arrangements with various government agencies. Funding received under these agreements is subject to repayment if the Organization fails to comply with the terms and conditions of the agreements.

22. Financial instruments risk management

In the normal course of operations, the Organization is exposed to a number of risks in relation to financial instruments. These risks are as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's credit risk arises for the possibility that clients may not fulfill their payment obligations. The Organization mitigates this risk by performing credit checks and getting collateral over certain receivables.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting the obligations associated with its financial liabilities. The Organization is exposed to liquidity risk in meeting their obligations associated with financial liabilities, which is dependent on receipt of funds from operations. There was no significant change in risk exposure from the prior year.

Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Organization is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Organization is exposed to interest rate risk on its bank indebtedness, and demand loan. There was no significant change in exposure from the prior year.

23. Comparative figures

Certain comparative figures have been adjusted to conform to the financial statement presentation adopted in the current year.

Ulnooweg Development Group Inc.
Supplementary Schedules
Schedule of Revenue and Expenses – ISC Fixed Contribution Funding (Unaudited)

For the year ended March 31, 2022

	Tajikeimik Q31Z-001 Fixed	Tajikeimik Q30U-001 Flexible	Tajikeimik Q21G-001 Flexible	Tajikeimik Q21G-002 Flexible	Tajikeimik Q02J-001 Fixed	Tajikeimik Q30D-001 Fixed
Funding						
Recognition of deferred revenue	\$ -	\$ 3,863,219	\$ 1,762,559	\$ 1,590,154	\$ 150,000	\$ 125,000
	\$ 952,239	\$ 3,863,219	\$ 1,762,559	\$ 1,590,154	\$ 150,000	\$ 125,000
Expenses						
Salaries	\$ 430,663	\$ 135,040	\$ -	\$ -	\$ -	\$ -
Professional fees	204,954	140,154	-	-	-	-
Administration	231,795	77,265	-	-	-	-
Office supplies and equipment	15,711	3,338	-	-	-	-
Rent	27,335	14,003	-	-	-	-
Telecommunications	8,047	3,152	-	-	-	-
Marketing and communications	7,279	11,568	-	-	-	-
Meetings	17,433	3,962	-	-	-	-
Travel	9,022	8,627	-	-	-	-
	\$ 952,239	\$ 397,109	\$ -	\$ -	\$ -	\$ -
Surplus (deficit) before transfers	-	3,466,110	1,762,559	1,590,154	150,000	125,000
Deferred	-	(3,446,110)	(1,762,559)	(1,590,154)	(150,000)	(125,000)
Transfer from own revenues	-	-	-	-	-	-
Surplus (deficit) after transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Ulnooweg Development Group Inc.
Supplementary Schedules
Schedule of Revenue and Expenses – ISC Fixed Contribution Funding (Unaudited)

For the year ended March 31, 2022

	IM/IT Gov Tajikeimik Q30S-001 Fixed	Cap Dev Q32H-001 Fixed	Total
Funding	\$ 25,000	\$ 28,000	\$ 7,543,932
Recognition of deferred revenue	-	-	952,239
	<u>\$ 25,000</u>	<u>\$ 28,000</u>	<u>\$ 8,496,171</u>
Expenses			
Salaries	\$ -	\$ -	\$ 565,703
Professional fees	-	24,000	369,108
Administration	-	-	309,060
Office supplies and equipment	-	-	19,049
Rent	-	-	41,338
Telecommunications	-	-	11,199
Marketing and communications	-	-	18,847
Meetings	-	-	21,395
Travel	-	-	17,649
	<u>\$ -</u>	<u>\$ 24,000</u>	<u>\$ 1,373,348</u>
Surplus (deficit) before transfers	25,000	4,000	7,122,823
Deferred	(25,000)	(4,000)	(7,122,823)
Transfer from own revenues	-	-	-
Surplus (deficit) after transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Ulnooweg Development Group Inc.
Supplementary Schedules
Schedule of Revenue and Expenses – AFN Fixed Contribution Fund (Unaudited)

Year ended March 31, 2022

Nova Scotia/Newfoundland	<u>Core</u>	<u>COVID-19</u>	<u>Policing</u>	<u>MMIW</u>	<u>Total</u>
Revenue					
Funding	\$ 372,264	\$ 250,000	\$ 250,000	\$ 80,000	\$ 952,264
Recognition of deferred revenue	134,787	240,256	18,986	-	394,029
	507,051	490,256	268,986	80,000	1,346,293
Expenses					
Salaries	97,651	28,831	33,247	-	159,729
Professional fees	166,607	1,440	19,048	-	187,095
Grants to organizations	14,842	265,421	-	80,000	360,263
Bad debt	16,121	3,527	-	-	19,648
Office supplies and equipment	32,907	31,956	16,619	-	81,482
Marketing and communication	8,000	6,689	2,832	-	17,521
Rent	9,375	5,200	800	-	15,375
Telecommunications	9,505	4,886	3,165	-	17,556
Meetings	51,989	34,495	8,793	-	95,277
Travel	35,184	23,892	3,935	-	63,011
	442,181	406,337	88,439	80,000	1,016,957
Ulnooweg Administration fee	42,606	-	-	-	42,606
Surplus (deficit) before transfers	22,264	83,919	180,547	-	286,730
Deferred	(22,264)	(83,919)	(180,547)	-	(286,730)
Surplus (deficit) after transfers	\$ -	\$ -	\$ -	\$ -	\$ -

Ulnooweg Development Group Inc.
Supplementary Schedules
Schedule of Revenue and Expenses – AFN Fixed Contribution Fund (Unaudited)

Year ended March 31, 2022

New Brunswick/PEI	Core	COVID-19	Policing	Total
Revenue				
Funding	\$ 372,264	\$ 250,000	\$ 250,000	\$ 872,264
Recognition of deferred revenue	-	-	-	-
	<u>372,264</u>	<u>250,000</u>	<u>250,000</u>	<u>872,264</u>
Expenses				
Salaries	13,689	-	-	13,689
Professional fees	160,404	-	-	160,404
Grants to organizations	22,264	-	-	22,264
Bad debts	16,786	-	-	16,786
Office supplies and equipment	14,129	-	-	14,129
Marketing and communication	600	-	-	600
Rent	27,791	-	-	27,791
Telecommunications	-	-	-	-
Meetings	4,529	-	-	4,529
Travel	7,438	-	-	7,438
	<u>267,630</u>	<u>-</u>	<u>-</u>	<u>267,630</u>
Ulnooweg Administration fee	<u>22,858</u>	<u>-</u>	<u>-</u>	<u>22,858</u>
Surplus (deficit) before transfers	81,776	250,000	250,000	581,776
Deferred	<u>(81,776)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(581,776)</u>
Surplus (deficit) after transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Financial Statements

Ulnooweg Indigenous Communities
Foundation

December 31, 2021

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Independent Auditor's Report

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To the Board of Directors of
Ulnooweg Indigenous Communities Foundation

Opinion

We have audited the financial statements of Ulnooweg Indigenous Communities Foundation, which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation 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.

Sydney, Canada
June 30, 2022

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

Ulnooweg Indigenous Communities Foundation

Statement of Operations

Year ended December 31	2021	2020
Revenues		
Project grants (Page 12)	\$ 2,531,812	\$ 1,085,525
Donation revenue	27,789	8,033
Other income	24,000	-
	<u>2,583,601</u>	<u>1,093,558</u>
Expenditures		
Administrative fees	122,914	-
Amortization	7,547	-
Communication and promotion	32,275	5,525
Consulting fees	75,920	25,000
Equipment purchases	1,860	-
Interest and bank charges	2,742	664
Meetings	5,781	-
Office	940	-
Professional fees	19,742	9,500
Project grants	1,601,541	896,269
Salaries and related benefits	604,481	110,239
Training	47,024	-
Travel and accommodation	31,281	-
	<u>2,554,048</u>	<u>1,047,197</u>
Excess revenues over expenditures	<u>\$ 29,553</u>	<u>\$ 46,361</u>

Ulnooweg Indigenous Communities Foundation

Statement of Changes in Net Assets

Year ended December 31

	Unrestricted	Investment in capital assets	Total 2021	Total 2020
Balance, beginning of year	\$ 48,356	\$ -	\$ 48,356	\$ 1,995
Excess revenues (expenditures)	37,100	(7,547)	29,553	46,361
Purchase of equipment	<u>(37,735)</u>	<u>37,735</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 47,721</u>	<u>\$ 30,188</u>	<u>\$ 77,909</u>	<u>\$ 48,356</u>

Ulnooweg Indigenous Communities Foundation

Statement of Financial Position


December 31	2021	2020
Assets		
Current		
Cash and cash equivalents (Note 3)	\$ 3,407,862	\$ 3,675,914
Accounts receivable	-	10,000
Harmonized sales tax receivable	<u>8,823</u>	<u>-</u>
	3,416,685	3,685,914
Equipment (Note 4)	<u>30,188</u>	<u>-</u>
	<u>\$ 3,446,873</u>	<u>\$ 3,685,914</u>
Liabilities		
Current		
Payables and accruals (Note 5)	\$ 57,652	\$ 57,636
Deferred contributions (Note 6)	3,046,348	3,389,578
Due to related parties (Note 7)	<u>244,603</u>	<u>165,915</u>
	3,348,603	3,613,129
Restricted contribution (Note 8)	<u>20,361</u>	<u>24,429</u>
	3,368,964	3,637,558
Net assets (Page 4)	<u>77,909</u>	<u>48,356</u>
	<u>\$ 3,446,873</u>	<u>\$ 3,685,914</u>

Contingencies (Note 10)

On behalf of the Board

DocuSigned by:

 _____ Director
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DocuSigned by:

 _____ Director
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Ulnooweg Indigenous Communities Foundation

Statement of Cash Flows

Year ended December 31	2021	2020
Increase (decrease) in cash and cash equivalents		
Operating		
Excess revenues over expenditures	\$ 29,553	\$ 46,361
Item not affecting cash		
Amortization	<u>7,547</u>	<u>-</u>
	37,100	46,361
Change in non-cash working capital items		
Accounts receivable	10,000	(10,000)
Harmonized sales tax	(8,823)	-
Payables and accruals	16	9,136
Deferred contributions	<u>(347,298)</u>	<u>3,350,007</u>
	(309,005)	3,395,504
Financing		
Advances from related party	78,688	170,395
Investing		
Purchase of equipment	<u>(37,735)</u>	<u>-</u>
(Decrease) increase in cash and cash equivalents	(268,052)	3,565,899
Cash and cash equivalents		
Beginning of year	<u>3,675,914</u>	<u>110,015</u>
End of year	<u>\$ 3,407,862</u>	<u>\$ 3,675,914</u>

Ulnooweg Indigenous Communities Foundation

Notes to the Financial Statements

December 31, 2021

1. Nature of operations

Ulnooweg Indigenous Communities Foundation (the "Foundation") is a charitable organization that helps strengthen the relationships between Canada's philanthropic sector and the First Nations communities of Atlantic Canada.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, which includes the following significant policies.

Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known. Actual results could differ from those reported.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions.

Unrestricted contributions received from various recipients are recognized as revenue in the year in which they were received as long as the amounts to be received can be reasonably estimated and collection is reasonably assured. Receivables include the remaining approved amounts to be received under the contract for the current year.

Restricted contributions are recognized as revenue for future periods are deferred and recognized as revenue when the related expense is incurred.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks.

Income tax status

The Foundation is a registered charity with Canada Revenue Agency. As such, the Foundation is exempt from income taxes under section 149 (1) of the Canadian Income Tax Act.

Equipment

Equipment is initially recorded at cost and subsequently measured at cost less accumulated amortization. When a capital asset no longer has any long-term potential to the Foundation, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any writedowns recognized are not reversed.

Amortization is recorded as a charge to investment in capital assets. Rates and bases of amortization applied to write-down capital assets over their estimated useful lives are as follows:

Ulnooweg Indigenous Communities Foundation

Notes to the Financial Statements

December 31, 2021

2. Significant accounting policies (continued)

Equipment (continued)

Computer equipment

5 years Straight-line

Contributed services

Donated services are recognized in the period the services are performed provided fair value can be reasonably determined; otherwise such amounts are not recognized.

Deferred contributions

Deferred contributions, which include restricted contributions, represent funding amounts received in the current period, that relate to expenses and programs in a subsequent period

Financial instruments

The Foundation considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Foundation accounts for the following as financial instruments:

- cash and cash equivalents
- accounts receivable
- harmonized sales tax receivable
- payables and accruals
- balances due to related parties

A financial asset or liability is recognized when the Foundation becomes party to contractual provisions of the instrument.

The Foundation initially measures its financial assets and financial liabilities at fair value.

The Foundation subsequently measures its financial assets and financial liabilities at amortized cost. The Foundation removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the statement of operations.

Ulnooweg Indigenous Communities Foundation

Notes to the Financial Statements

December 31, 2021

3. Cash and cash equivalents

Cash and cash equivalents, other than the operational account, are subject to imposed restrictions on use in accordance with the terms and conditions of applicable funding agreements. Cash and cash equivalents are comprised of cash in bank accounts held as follows.

	<u>2021</u>	<u>2020</u>
Restricted cash		
Mastercard EleV Program	\$ 3,155,649	\$ 2,152,130
Listiguj Community Fund	20,361	24,429
Unrestricted cash	<u>231,852</u>	<u>1,499,355</u>
	<u>\$ 3,407,862</u>	<u>\$ 3,675,914</u>

4. Equipment

	<u>2021</u>	<u>2020</u>		
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	<u>\$ 37,735</u>	<u>\$ 7,547</u>	<u>\$ 30,188</u>	<u>\$ -</u>

5. Payables and accruals

	<u>2021</u>	<u>2020</u>
Trade payables and accruals	\$ 54,462	\$ 57,636
Source deductions payable	<u>3,190</u>	<u>-</u>
	<u>\$ 57,652</u>	<u>\$ 57,636</u>

6. Deferred contributions

	<u>Contributions received</u>	<u>2020 Deferred contributions (beginning of the year)</u>	<u>Funding Utilized</u>	<u>2021 Deferred contributions (end of year)</u>
Mastercard Foundation	\$ 2,177,582	\$ 2,028,004	\$ 1,206,238	\$ 2,999,348
United Way Halifax	-	1,264,288	1,264,288	-
Community Foundations of Canada	35,000	73,286	61,286	47,000
Miscellaneous Donations	27,789	-	27,789	-
RBC Launch	<u>-</u>	<u>24,000</u>	<u>24,000</u>	<u>-</u>
	<u>\$ 2,240,371</u>	<u>\$ 3,389,578</u>	<u>\$ 2,583,601</u>	<u>\$ 3,046,348</u>

Ulnooweg Indigenous Communities Foundation

Notes to the Financial Statements

December 31, 2021

7. Due to related parties	<u>2021</u>	<u>2020</u>
Due to Ulnooweg Development Group	\$ (244,603)	\$ (155,915)
Due to Ulnooweg Financial Education Centre	<u>-</u>	<u>(10,000)</u>
	<u>\$ (244,603)</u>	<u>\$ (165,915)</u>

Amounts due to related parties are unsecured, non-interest bearing with no specific terms of repayment.

8. Restricted contribution	<u>2021</u>	<u>2020</u>
Restricted contribution - Listiguj Community Fund	<u>\$ 20,361</u>	<u>\$ 24,429</u>

9. Related party transactions

During the year, the Foundation entered into the following transactions with Ulnooweg Development Group, an entity governed by a common Board of Directors:

- (a) Total fund management and administrative salaries and benefits paid on behalf of the Foundation by Ulnooweg Development Group of \$268,797 (2020 - \$67,370)
- (b) Total disbursement of funds paid on behalf of the Foundation by Ulnooweg Development Group in the amount of \$83,252 (2020 - \$93,025)
- (c) Total disbursement of funds paid to Ulnooweg Development Group in the amount of \$287,500 (2020 - \$50,000)
- (d) Total management and administrative fees charged by Ulnooweg Development Group in the amount of \$122,914 (2020 - \$nil)

These transactions occurred in the normal course of operations and have been measured at the exchange amount.

10. Contingencies

The Foundation has entered into funding agreements with various funders. Funding received under these agreements is subject to repayment if the Foundation fails to comply with the terms and conditions of the agreements.

11. Contributed services

In addition to the management and administrative fees disclosed in Note 9, Ulnooweg Development Group Inc. provided additional in-kind contributions and support to the Foundation during the year in the form of administrative and professional services. The value of the contributions can not be reasonably estimated and therefore, have not been recorded in the financial statements of the Foundation.

Ulnooweg Indigenous Communities Foundation

Notes to the Financial Statements

December 31, 2021

12. Financial instruments

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure and concentrations at December 31, 2021.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation has no significant exposure to credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting the obligations associated with its financial liabilities. The Foundation is exposed to this risk mainly in respect of its payables and accruals including balance owed from related parties. No significant change in exposure from prior year.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Foundation has no significant exposure to these risks.

Ulnooweg Indigenous Communities Foundation Schedule of Project Revenues and Expenses

December 31, 2021

	<u>Community Food Hub</u>	<u>Community Foundations</u>	<u>Mastercard EleV</u>	<u>Total</u>
Revenues	\$ 1,264,288	\$ 61,286	\$ 1,206,238	\$ 2,531,812
Expenditures				
Administrative fees	13,256	-	109,658	122,914
Amortization	-	-	7,547	7,547
Communication and promotion	-	-	28,787	28,787
Consulting fees	920	-	75,000	75,920
Meetings	-	-	5,781	5,781
Office	99	-	110	209
Professional fees	-	-	11,667	11,667
Project grants	1,212,525	61,286	327,730	1,601,541
Salaries and related benefits	-	-	599,194	599,194
Training	35,000	-	12,024	47,204
Travel and accommodation	2,488	-	28,740	31,228
	<u>1,264,288</u>	<u>61,286</u>	<u>1,206,238</u>	<u>2,531,812</u>
 Excess of revenues over expenditures	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>



Financial Statements

Ulnooweg Education Centre

March 31, 2022

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Independent Auditor's Report

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To the Board of Directors of the
Ulnooweg Education Centre

Opinion

We have audited the financial statements of the Ulnooweg Education Centre, which comprise the statement of financial position as at March 31, 2022, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre'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 Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre 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.

Membertou, Canada
September 28, 2022

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

Ulnooweg Education Centre Statement of Operations and Changes in Net Assets

Year ended March 31	2022 Budget (Unaudited)	2022 Actual	2021 Actual
Revenues			
Grants and subsidies	\$ -	\$ 34,522	\$ 266,575
Accommodations	250,000	54,420	-
Donations	50,000	34,319	13,765
Other	-	10,701	5,336
	<u>300,000</u>	<u>133,962</u>	<u>285,676</u>
Expenditures			
Administrative fees	-	-	14,658
Amortization	-	31,109	-
Insurance	-	4,378	-
Interest and bank charges	22,000	13,988	339
Licenses, dues and fees	-	-	128
Marketing and communication	8,000	-	96
Office	25,000	754	1,080
Professional fees	100,000	60,698	159,547
Property taxes	-	31,023	-
Rent	-	6,000	3,600
Repairs and maintenance	-	34,117	-
Salaries and benefits	100,000	12,975	105,305
Service contracts	-	3,909	-
Technology review	10,000	-	95
Telephone	10,000	337	1,343
Travel	25,000	425	-
Utilities	-	11,872	-
	<u>300,000</u>	<u>211,585</u>	<u>286,191</u>
Deficiency of revenues over expenditures	-	(77,623)	(515)
Deficiency, beginning of year	-	(20,449)	(19,934)
Deficiency, end of year	\$ -	\$ (98,072)	\$ (20,449)

Ulnooweg Education Centre Statement of Financial Position

March 31

2022

2021

Assets

Current

Cash and cash equivalents (Note 3)	\$ 193,935	\$ 91,243
Accounts receivable	79,508	-
Harmonized sales tax receivable	15,430	1,065
Prepays	8,757	-
Refundable deposit	-	50,000
Due from related parties (Note 4)	-	10,000

297,630	152,308
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Tangible capital assets (Note 5)

1,400,779	-
------------------	---

\$ 1,698,409	\$ 152,308
---------------------	-------------------

Liabilities

Current

Payables and accruals	\$ 21,188	\$ 25,500
Deferred revenues (Note 6)	222,737	-
Current portion of long-term debt (Note 7)	69,484	-

313,409	25,500
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Due to related parties (Note 4)

269,602	147,257
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Long-term debt (Note 7)

1,213,470	-
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1,796,481	172,757
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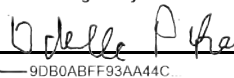
Net assets (Page 3)

(98,072)	(20,449)
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\$ 1,698,409	\$ 152,308
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On behalf of the Board

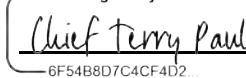
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Director

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Director

Ulnooweg Education Centre

Statement of Cash Flows

Year ended March 31

2022

2021

Increase (decrease) in cash and cash equivalents

Operating

Deficiency of revenues over expenditures	\$ (77,623)	\$ (515)
Item not affecting cash		
Amortization	<u>31,109</u>	<u>-</u>
	(46,514)	(515)
Change in non-cash working capital items		
Accounts receivable	(79,508)	-
Harmonized sales tax receivable	(14,365)	(1,065)
Prepays	(8,757)	-
Refundable deposit	50,000	(50,000)
Payables and accruals	(4,312)	25,500
Deferred revenues	<u>222,737</u>	<u>-</u>
	<u>119,281</u>	<u>(26,080)</u>

Financing

Repayment of long-term debt	(17,246)	-
Proceeds of long-term debt	1,300,200	-
Advances from related party	<u>132,345</u>	<u>93,292</u>
	<u>1,415,299</u>	<u>93,292</u>

Investing

Purchase of tangible capital assets	<u>(1,431,888)</u>	<u>-</u>
Increase in cash and cash equivalents	102,692	67,212
Cash and cash equivalents		
Beginning of year	<u>91,243</u>	<u>24,031</u>
End of year	<u>\$ 193,935</u>	<u>\$ 91,243</u>

Ulnooweg Education Centre

Notes to the Financial Statements

March 31, 2022

1. Nature of operations

The Ulnooweg Education Centre (the "Centre") is a charitable organization that assists Indigenous communities and individuals by teaching financial, business and related skills, developing and delivering educational programs relating to careers, health, culture and other themes and conducting research into community needs and opportunities.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, which includes the following significant policies.

Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known. Items subject to significant management estimate include useful lives of property. Actual results could differ from those reported.

Revenue recognition

The Centre follows the deferral method of accounting for contributions.

Unrestricted contributions received from various recipients are recognized as revenue in the year in which they were received as long as the amounts to be received can be reasonably estimated and collection is reasonably assured. Receivables include the remaining approved amounts to be received under the contract for the current year.

Restricted contributions are recognized as revenue for future periods are deferred and recognized as revenue when the related expense is incurred.

Accommodation revenues are recognized as they are earned, provided the amount can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks.

Income tax status

The Centre is a registered charity with Canada Revenue Agency. As such, the Centre is exempt from income taxes under section 149 (1) of the Canadian Income Tax Act.

Ulnooweg Education Centre

Notes to the Financial Statements

March 31, 2022

2. Significant accounting policies (continued)

Tangible capital assets

Tangible capital assets are initially recorded at cost and subsequently measured at cost less accumulated amortization.

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

Buildings	10-25 years Straight-line
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Related party balances

Balances due to/from related companies are measured at carrying value and are non-interest bearing with no set terms of repayment. Related party transactions occurring in the normal course of operations are measured at the exchange amount.

Deferred revenues

Deferred revenues include restricted contributions, which represent funding amounts received in the current period that relate to expenses and programs in a subsequent period, and unearned accomodation revenues, which represent amounts received for services not yet rendered.

Financial instruments

The Centre considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Centre accounts for the following as financial instruments:

- cash and cash equivalents
- accounts receivable
- payables and accruals
- long-term debt
- due to related parties

A financial asset or liability is recognized when the Centre becomes party to contractual provisions of the instrument.

The Centre initially measures its financial assets and financial liabilities at fair value. In the case of a financial asset of liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs directly attributable to its origination, acquisition, issuance or assumption.

The Centre subsequently measures its financial assets and financial liabilities at amortized cost. The Centre removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Ulnooweg Education Centre

Notes to the Financial Statements

March 31, 2022

2. Significant accounting policies (continued)

Financial instruments (continued)

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the statement of operations.

3. Cash and cash equivalents

Certain cash and cash equivalents are subject to imposed restrictions on use in accordance with the terms and conditions of the applicable funding agreements providing for the funding of various projects. Cash and cash equivalents are comprised of the following:

	<u>2022</u>	<u>2021</u>
Restricted cash	\$ 200,000	\$ -
Unrestricted cash	<u>(6,065)</u>	<u>91,243</u>
	<u>\$ 193,935</u>	<u>\$ 91,243</u>

4. Due from/to related parties

	<u>2022</u>	<u>2021</u>
Revenue		
Due from Ulnooweg Indigenous Communities Foundation	\$ -	\$ 10,000
Due to Ulnooweg Development Group Inc.	269,602	147,257

5. Tangible capital assets

	<u>2022</u>	<u>2021</u>		
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 40,000	\$ -	\$ 40,000	\$ -
Buildings	<u>1,391,888</u>	<u>31,109</u>	<u>1,360,779</u>	<u>-</u>
	<u>\$ 1,431,888</u>	<u>\$ 31,109</u>	<u>\$ 1,400,779</u>	<u>\$ -</u>

Ulnooweg Education Centre

Notes to the Financial Statements

March 31, 2022

6. Deferred revenues

	<u>Revenues received</u>	<u>2021 Deferral (beginning of the year)</u>	<u>Recognized</u>	<u>2022 Deferral (end of year)</u>
Natural Sciences and Engineering Research Council	\$ 200,000	\$ -	\$ -	\$ 200,000
Unearned accomodations revenues	<u>22,737</u>	<u>-</u>	<u>-</u>	<u>22,737</u>
	<u>\$ 222,737</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 222,737</u>

7. Long-term debt

	<u>2022</u>	<u>2021</u>
2.92% loan, maturing December 2046, payable in equal monthly instalments of principal and interest of \$2,111.	\$ 446,924	\$ -
Variable prime plus 1.50% term loan, maturing December 2036, payable in equal monthly instalments of \$1,282.	226,904	-
Variable prime plus 1.50% term loan, maturing December 2036, payable in equal monthly instalments of \$3,441.	<u>609,126</u>	<u>-</u>
	<u>1,282,954</u>	<u>-</u>
Less current portion	<u>69,484</u>	<u>-</u>
	<u>\$ 1,213,470</u>	<u>\$ -</u>

Security for the variable rate term loans is as follows:

- General security agreement representing a first charge on all the borrowers present and after acquired personal property;
- Guarantee of advances from an entity under common control;
- Specific first charge on real properties located at 129 Sarty Rd, Wentzells Lake, Nova Scotia (PID's 60701810, 60400637, 60271855, 60271913, 60638426, 60638434) in the principal amount of \$1,000,000;
- General assignment of rents and leases registered under land titles representing a first charge for the properties located at 129 Sarty Rd, Wentzells Lake, Nova Scotia (PID's 60701810, 60400637, 60271855, 60271913, 60638426, 60638434);
- Assignment of fire insurance in the amount of \$850,000;
- General liability insurance and public liability insurance in the amount of \$2,000,000; and
- Postponement agreement and sub-ordination agreement / priorities agreement (inter-creditor agreement) whereby TD is to have a first place charge on all assets and undertakings, including the real estate held as collateral.

Ulnooweg Education Centre

Notes to the Financial Statements

March 31, 2022

7. Long-term debt (continued)

As part of existing debt agreements, required financial covenants are monitored and communicated as required by the terms of the credit agreement. The Centre is in compliance with all externally imposed loan covenants

Principal repayments in each of the next five years are due as follows:

2023	\$	69,484
2024		70,107
2025		70,840
2026		71,580
2027		72,322

8. Related party transactions

The Centre is related to the Ulnooweg Development Group Inc and the Ulnooweg Indigenous Communities Foundation by virtue of having a common Board of Directors.

During the year, the Centre has conducted certain transactions with Ulnooweg Development Group, whereby the Group has paid for the following on behalf of the Centre:

		<u>2022</u>		<u>2021</u>
a) Total administrative salaries and benefits	\$	12,975	\$	105,305
b) Total operating expenses		59,370		58,837
c) Total capital purchases		50,000		50,000

During the year, the Centre has conducted certain transactions with the Ulnooweg Indigenous Communities Foundation, whereby the Foundation has paid for the following on behalf of the Centre:

a) Total operating expenses	\$	10,000	\$	-
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Related party transactions as detailed above have occurred in the normal course of operations, and are initially measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. Economic dependence

The Centre relies on Ulnooweg Development Group Inc. to apply for and administer funding contracts that support the operations. Its ability to continue viable operations is dependent upon the financial and staffing contributions provided by the organization .

Ulnooweg Education Centre

Notes to the Financial Statements

March 31, 2022

10. Financial instruments

The Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the Centre's risk exposure and concentrations at March 31, 2022.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Centre is exposed to credit risk through its receivables. The entity believes that its accounts receivable credit risk is limited as 100% of accounts receivable are less than 60 days in arrears.

(b) Liquidity risk

Liquidity risk is the risk that the Centre will encounter difficulty in meeting the obligations associated with its financial liabilities. The Centre is exposed to this risk mainly in respect of its payables and accruals and long-term debt, including balance owing to related parties.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Centre is mainly exposed to interest rate risk on its promissory notes and variable-interest mortgages as outlined in Note 7.

11. Comparative figures

Certain comparative figures have been adjusted to confirm to the financial statements presentation adopted for 2022.



ULNOOWEG

We Believe in Dreams



ULNOOWEG
Development Group



ULNOOWEG
INDIGENOUS COMMUNITIES
FOUNDATION



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