

**FIRST NATIONS UNIVERSITY
OF CANADA INC.**

FINANCIAL STATEMENTS

March 31, 2021

FIRST NATIONS UNIVERSITY OF CANADA INC.

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March 31, 2021

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Independent Auditor's Report

To the Board of Governors of
First Nations University of Canada Inc.

Opinion

We have audited the financial statements of First Nations University of Canada Inc. (the "University"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as at March 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 ("Canadian GAAS"). 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 University 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 University'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 University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the University'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 GAAS 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 GAAS, 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 University'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 University'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 University 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.

The signature "Deloitte LLP" is written in a cursive, handwritten style in black ink.

Chartered Professional Accountants
August 14, 2021
Regina, Saskatchewan

FIRST NATIONS UNIVERSITY OF CANADA INC.

Statement of Financial Position

As at March 31, 2021

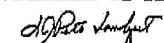
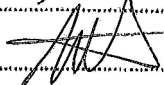
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	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	\$ 18,381,186	\$ 15,309,559
Accounts receivable (Note 3)	1,635,794	893,953
Prepaid expenses	263,716	239,602
	20,280,696	16,443,114
CAPITAL ASSETS (Note 4)		
Tangible assets	22,164,261	22,846,483
Intangible assets	131,253	-
COLLECTIONS (Note 5)	1	1
INVESTMENTS (Note 6)	2,445,219	1,986,811
TOTAL ASSETS	\$ 45,021,430	\$ 41,276,409
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,835,506	\$ 1,666,731
Deferred income	591,497	-
Deferred revenue (Note 8)	2,487,643	2,433,817
Current portion of demand instalment loan (Note 10)	589,670	556,936
Current portion of deferred contributions (Note 11)	533,487	532,827
	6,037,803	5,190,311
Demand instalment loan (Note 10)	8,463,412	9,050,437
	14,501,215	14,240,748
Deferred contributions (Note 11)	11,866,748	12,374,479
TOTAL LIABILITIES	26,367,963	26,615,227
FUND BALANCES		
Maintained permanently as endowments	565,550	565,550
Externally restricted trust and research funds (Note 12)	503,967	416,957
Internally restricted trust and research funds (Note 12)	10,118,323	10,155,355
Invested in capital assets	842,197	331,804
Unrestricted funds	6,623,430	3,191,516
	18,653,467	14,661,182
	\$ 45,021,430	\$ 41,276,409

Commitments (Note 14)

See accompanying notes to financial statements

ON BEHALF OF THE BOARD OF GOVERNORS

 Loretta Pete Lambert, FNUUniv Board of Governor, Chair
 Richard Boudreault, FNUUniv Board of Governor,
 Audit Finance and Risk Committee Member

FIRST NATIONS UNIVERSITY OF CANADA INC.
Statement of Operations and Changes in Fund Balances
Year ended March 31, 2021

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	General	Restricted		Endowment	Total 2021	Total 2020
		Trust	Research			
REVENUES						
Administration fees	\$ 900	\$ -	\$ -	\$ -	\$ 900	\$ 3,795
Amortization of deferred contributions (Note 11)	533,487	-	-	-	533,487	532,827
Community-based program academic fees	422,570	-	-	-	422,570	543,560
COVID-19 (Schedule 6)	694,785	-	-	-	694,785	-
Daycare	639,083	-	-	-	639,083	93,209
Donations	25,367	73,688	-	-	99,055	258,013
Facility lease	246,873	-	-	-	246,873	440,638
Federal government grant (Schedule 6)	7,000,000	-	-	-	7,000,000	7,000,000
Interest	1,048,065	-	-	-	1,048,065	185,380
Investment income (loss)	43,659	64,531	-	-	108,190	(14,652)
Miscellaneous	1,679	-	-	-	1,679	1,321
Provincial government grant	3,674,300	-	-	-	3,674,300	3,638,000
Research projects	-	-	56,219	-	56,219	129,234
Parking lot revenue	30,740	-	-	-	30,740	34,848
Special projects (Note 8)	1,794,382	-	-	-	1,794,382	3,237,983
Student academic fees	7,956,040	-	-	-	7,956,040	8,464,191
Total revenues	24,111,930	138,219	56,219	-	24,306,368	24,548,347
EXPENSES						
Academic instruction	7,282,745	-	-	-	7,282,745	7,218,516
Administration	3,008,698	-	-	-	3,008,698	3,177,147
Amortization of capital assets	1,119,210	-	-	-	1,119,210	1,170,663
Parking lot expenses	116,200	-	-	-	116,200	75,944
Computing and communications	930,405	-	-	-	930,405	843,561
Community-based academic programs	262,236	-	-	-	262,236	483,984
Daycare	661,237	-	-	-	661,237	212,647
Interest on demand installment loan	602,134	-	-	-	602,134	635,522
Library	347,688	-	-	-	347,688	363,069
Physical plant	2,167,378	-	-	-	2,167,378	2,000,144
Research projects	-	-	62,806	-	62,806	213,966
Scholarships, bursaries, grants	40,704	44,622	-	-	85,326	86,588
Special projects	1,794,381	-	-	-	1,794,381	3,238,145
Student services	1,873,639	-	-	-	1,873,639	1,655,411
Total expenses	20,206,655	44,622	62,806	-	20,314,083	21,375,307
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES						
	\$ 3,905,275	\$ 93,597	\$ (6,587)	\$ -	\$ 3,992,285	\$ 3,173,040
Fund balances, beginning of year	3,523,320	10,545,287	27,025	565,550	14,661,182	11,488,142
Interfund transfers (Note 13)	37,032	(37,032)	-	-	-	-
Fund balances, end of year	\$ 7,465,627	\$ 10,601,852	\$ 20,438	\$ 565,550	\$ 18,653,467	\$ 14,661,182

See accompanying notes to financial statements

FIRST NATIONS UNIVERSITY OF CANADA INC.**Statement of Cash Flows**

Year Ended March 31, 2021

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	2021	2020
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 3,992,285	\$ 3,173,040
Items not involving cash:		
Amortization of capital assets	1,119,210	1,170,663
Amortization of deferred contributions	(533,487)	(532,827)
Interest income (loss) on investments and reinvested	(458,408)	62,082
Change in non-cash operating items:		
Accounts receivable	(741,841)	294,601
Prepaid expenses	(24,114)	(67,835)
Accounts payable and accrued liabilities	168,775	(579,285)
Deferred income	591,497	-
Deferred revenue	53,826	432,893
	4,167,743	3,953,332
CASH FLOWS FROM (USED IN)		
INVESTING ACTIVITIES		
Purchase of capital assets	(568,241)	(788,825)
Investments redeemed	-	514,098
	(568,241)	(274,727)
CASH FLOWS FROM (USED IN)		
FINANCING ACTIVITIES		
Receipt of deferred contributions	26,416	563,557
Repayment of demand installment loan	(554,291)	(523,520)
	(527,875)	40,037
INCREASE IN CASH	3,071,627	3,718,642
CASH, BEGINNING OF YEAR	15,309,559	11,590,917
CASH, END OF YEAR	\$ 18,381,186	\$ 15,309,559

See accompanying notes to financial statements

1. PURPOSE OF ORGANIZATION

The First Nations University of Canada Inc. (the "University") is a First Nations controlled, post-secondary educational institution providing educational opportunities to both First Nations and non-First Nations students. It is incorporated under the *Non-profit Corporations Act of Saskatchewan*, and its Regina campus is located on the atim kâ-mihkosit reserve, which is federally-designated urban reserve land.

The University's mission is to enhance the quality of life, and to preserve, protect, and interpret the history, language, culture, and artistic heritage of First Nations.

The University is a registered charity under the *Income Tax Act (Canada)* and accordingly is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the year ended March 31, 2021 have been prepared in accordance with Canadian accounting standards for not-for-profit organizations outlined in Part III of the CPA Canada Handbook. The following summary of significant accounting policies contains a description of the accounting methods and practices that are used by the University:

a) Fund accounting

The University follows the restricted fund method of accounting for contributions. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives.

The statement of operations and changes in fund balances shows the total revenues and expenses of the University after elimination of interfund transactions with ancillary and internal cost recoveries. The University has classified accounts with similar characteristics into major funds as follows:

The General Fund

The General Fund accounts for the University's program delivery, service and administrative activities. This fund reports unrestricted contributions and revenue, as well as restricted contributions for the purchase of capital assets and funds restricted for special projects.

The Endowment Fund

The Endowment Fund reports permanently restricted contributions and revenue that are subject to externally imposed restrictions stating that the resources contributed are to be maintained permanently.

The Restricted Fund

The Restricted Fund reports only restricted resources that are to be used for specific purposes. The Restricted Fund is further classified as Research and Trust.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)*a) Fund accounting (continued)*

The Research Fund records revenue and expenses specifically restricted for research projects as identified by the granting agencies, research institutions and other public and private organizations.

The Trust Fund consists of both internally and externally restricted resources that may be used in their entirety within the restrictions established by the provider of the funds or the Board of Governors. These funds are restricted for the provision of scholarships, and for capital maintenance.

b) Tangible and intangible capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized. When a tangible or intangible capital asset no longer contributes to the University's ability to provide services, its carrying amount is written down to its residual value.

Capitalized assets are amortized on a straight-line basis over their estimated useful lives as follows:

Building	40 years
Furniture, fixtures and equipment	8 years
Computer equipment	4 years
Leasehold improvements	5 years
Library	10 years
Intangible Asset (software)	life of agreement
Intangible Asset (licensing agreement)	50 years

Patents, research and development licenses and internally developed websites have not been recorded by the University as intangible assets. Amounts of future economic benefit that the University may receive from these items are not able to be measured or determined with any certainty nor is the cost of creating or obtaining the items able to be reliably determined.

c) Collections

The University has acquired collections of artifacts and works of art that are rare and unique and are of an historic, cultural or artistic interest to the university. Collection items are protected and preserved and held for public display, education and research purposes. Collections are recorded at nominal value since cost cannot be reasonably determined. Artwork is treated as a collection and, accordingly, is not being amortized.

d) Revenue recognition

The University follows the restricted fund method whereby externally restricted revenue is recognized in the fund corresponding to the purpose for which they were contributed.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Revenue recognition (continued)

Restricted revenue for which no corresponding restricted fund is presented is recognized in the General Fund in accordance with the deferral method. Unrestricted revenue is recognized in the General Fund in the year they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Since there is no corresponding fund, contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. In addition, funds used or restricted for special projects are deferred until there is a related expense, at which time the funds are recognized into revenue.

Student academic fees are recognized as revenue in the year the related classes are held. Investment income is recognized as revenue when the revenue is earned.

e) Financial instruments

The University initially measures its financial assets and liabilities at fair value. The University subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in the period incurred as unrealized gains or losses in the statement of operations and changes in fund balances.

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in excess of revenues over expenses over the life of the instrument using the straight-line method.

For financial assets measured at cost or amortized cost, the University determines whether there are indications of possible impairment. When there is an indication of impairment, and the University determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenses in the period the reversal occurs.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Hedge accounting (continued)

The University has entered into an interest rate swap agreement to manage the risk of fluctuating interest rates on its variable rate debt.

When both at the inception of a hedging relationship and throughout its term the University has reasonable assurance that the critical terms of the hedging item and the hedged item are the same, the University may choose to designate that hedge accounting will be applied.

Interest rate swaps in qualifying hedging relationships are not recognized until their maturity. Net amounts receivable or payable on the interest rate swap are recognized as an adjustment to the interest expense on the hedged item in the period during which they accrue.

Hedge accounting may not be electively discontinued. If an interest rate swap is discontinued, any gain or loss is recognized as an adjustment to the debt and amortized to excess of revenues over expenses as interest payments are accrued.

g) Use of estimates

The COVID-19 pandemic has resulted in an economic slowdown. The duration and impact of the COVID-19 pandemic are unknown at this time. Estimates to the extent which the COVID-19 pandemic may, directly or indirectly, impact the University's operations, financial results, and conditions in future periods are also subject to uncertainty.

The preparation of the financial statements in accordance 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 revenues and expenses during the period. Significant items subject to such estimates and assumptions include the underlying estimations of useful lives of capital assets, the carrying amounts of accounts receivable and underlying provision for bad debts and the assessment of contingencies and accrued liabilities. Actual results could differ from those estimates.

3. ACCOUNTS RECEIVABLE

	2021	2020
Accounts receivable - general	\$ 1,132,734	\$ 434,483
Tuition receivable	467,704	364,771
Due from the University of Regina	9,616	35,672
Operating and travel advances	19,235	32,099
Payroll subsidy receivable	-	25,000
GST receivable	6,505	1,928
	\$ 1,635,794	\$ 893,953

During the year, \$134,254 (2020 - \$122,288) of bad debt expense was recorded in administration expenses.

FIRST NATIONS UNIVERSITY OF CANADA INC.**Notes to the Financial Statements**

Year ended March 31, 2021

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4. CAPITAL ASSETS

	<u>Cost</u>	<u>Amortization</u>	<u>2021</u>	<u>2020</u>
Tangible assets				
Land	\$ 106,625	\$ -	\$ 106,625	\$ 1
Building - Regina	37,828,735	16,507,887	21,320,848	22,123,840
Daycare playground	1,955	-	1,955	-
Furniture, fixtures and equipment	5,655,993	5,464,928	191,065	166,049
Computer equipment	2,742,686	2,716,411	26,275	31,815
Leasehold improvements	387,884	293,078	94,806	99,113
Library	3,228,850	2,806,163	422,687	425,665
	<u>\$ 49,952,728</u>	<u>\$ 27,788,467</u>	<u>\$ 22,164,261</u>	<u>\$ 22,846,483</u>
Intangible assets				
Licensing agreement	75,000	750	74,250	-
Software	57,003	-	57,003	-
	<u>\$ 132,003</u>	<u>\$ 750</u>	<u>\$ 131,253</u>	<u>-</u>

5. COLLECTIONS

	<u>2021</u>	<u>2020</u>
Artwork & Artifacts	\$ 1	\$ 1

During the year the University did not purchase or dispose of any artwork in their collections.

6. INVESTMENTS

	<u>2021</u>	<u>2020</u>
Pooled funds		
- Endowment	\$ 1,868,119	\$ 1,517,900
- Scholarships	577,100	468,911
	<u>\$ 2,445,219</u>	<u>\$ 1,986,811</u>

Pooled fund investments are held in a balanced pooled fund on behalf of the University by the University of Regina. The pooled fund has no fixed distribution rate and fund returns are based on the success of the fund manager.

7. RISK MANAGEMENT

Exposure to credit risk, liquidity risk and market risk (consisting of interest rate risk, fair value risk, and equity price risk) arise in the normal course of the University's business.

Credit Risk

The University's principal financial assets are cash, accounts receivable and investments. The carrying amounts of the financial assets in the statement of financial position represent the University's maximum credit exposure at the statement of financial position date.

The amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated based on previous experience and an assessment of the current economic environment. With the exception of amounts receivable from the University of Regina, the University does not have significant exposure to any individual customer.

The credit risk associated with investments is minimized substantially by ensuring that these assets are held with highly rated financial management companies.

Liquidity Risk

Liquidity risk is the risk that the University is unable to meet its financial obligations as they fall due. The University manages this risk by managing its cash resources and having a line of credit available to it (Note 9).

Market Risk

The University is exposed to interest rate risk on its demand instalment loan, the details of which are discussed in Note 10.

The University has entered into an interest rate swap agreement to address the interest rate risk inherent in the demand instalment loan, which accrues interest at prime plus 1.25%. Under the terms of the agreement, the University receives from the counterparty a monthly payment equal to the variable amount of interest on the demand instalment loan and pays the counterparty a fixed rate of 5.725%. The notional value of the interest rate swap is \$9,053,082 with a term maturity of June 30, 2032. The impact of the rates on the demand instalment loan and on the interest rate swap is reflected in the statement of operations and changes in fund balances as interest on demand instalment loan of \$602,134 (2020 - \$635,522).

The University's investments are in a pooled fund (Note 6) and, accordingly, are subject to equity price risk.

The University is not subject to foreign exchange risk.

FIRST NATIONS UNIVERSITY OF CANADA INC.

Notes to the Financial Statements

Year ended March 31, 2021

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8. DEFERRED REVENUE

The deferred revenue represents restricted operating funding received in the current period for Special Projects that is intended to cover operating expenses for these various projects in the subsequent period. Changes in the deferred operating funding are as follows:

	<u>2021</u>	<u>2020</u>
Special Projects		
Balance, beginning of year	\$ 2,433,817	\$ 2,000,924
Less: Amount recognized in the year	(2,489,167)	(3,237,983)
Plus: Amount received for the following year	2,542,993	3,670,876
Balance, end of year	<u>\$ 2,487,643</u>	<u>\$ 2,433,817</u>

9. LINE OF CREDIT

The University has an authorized line of credit to a maximum of \$500,000 bearing interest at prime (Note 10), secured by a general security agreement. At March 31, 2021, no amounts were drawn against this line of credit (2020 - \$Nil).

10. DEMAND INSTALMENT LOAN

	<u>2021</u>	<u>2020</u>
Mortgage payable at an interest rate of CIBC prime plus 1.25% repayable in monthly installments during the year, averaging of \$99,668, and due June 2032. Secured by a first mortgage on the Regina Building located at the University of Regina Campus, Saskatchewan, and a general security agreement. Recallable on demand.	\$ 9,053,082	\$ 9,607,373
Less: current portion	(589,670)	(556,936)
	<u>\$ 8,463,412</u>	<u>\$ 9,050,437</u>

The CIBC prime interest rate at March 31, 2021 is 2.45% (2020 – 2.45%).

Required principal repayments on long-term debt in each of the next five years and thereafter, calculated using the minimum required payments and assuming the loans are refinanced on similar terms and conditions, are approximately as follows:

2022	\$ 589,670
2023	624,329
2024	661,025
2025	699,878
2026	741,014
Thereafter	5,737,166

11. DEFERRED CONTRIBUTIONS

Deferred contributions relate to capital assets and contributions received for specified other purposes, for which no fund is maintained and for which expenses will be incurred in a future period. The amortization of deferred contributions is recorded as revenue in the statement of operations and changes in fund balances as the related capital assets are amortized or as the related expenses are incurred:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 12,907,306	\$ 12,876,576
Additional contributions received	26,416	563,557
Amortization of deferred contributions	<u>(533,487)</u>	<u>(532,827)</u>
	12,400,235	12,907,306
Less: current portion	<u>(533,487)</u>	<u>(532,827)</u>
	<u>\$ 11,866,748</u>	<u>\$ 12,374,479</u>

12. RESTRICTED FUND BALANCES

Externally restricted funds

	<u>2021</u>	<u>2020</u>
Restricted for scholarships	\$ 483,529	\$ 389,932
Restricted for research	20,438	27,025
	<u>\$ 503,967</u>	<u>\$ 416,957</u>

Internally restricted funds

Internally restricted fund for scholarships includes trust funds and investment income that are expendable for scholarships at the discretion of the University's Scholarship Committee. The non-expendable capital maintenance fund consists of interest earned on an endowment balance of \$400,000, from which the Board of Governors has restricted 4% compounding interest per annum, amounting to \$975,045 (2020 - \$922,158).

	<u>2021</u>	<u>2020</u>
Prince Albert campus development	\$ 7,850,000	\$ -
Student initiatives, traditional knowledge, and campus improvements and promotions	-	3,640,000
Development of Regina campus urban reserve	-	2,510,000
Staff renewal and related operating expenses	-	1,700,000
Indigenous Centre for Continuing Education	400,000	-
Non-expendable capital maintenance	975,045	922,158
Investment in capital assets	196,759	765,000
Expendable restricted for scholarships	<u>696,519</u>	<u>618,197</u>
	<u>\$ 10,118,323</u>	<u>\$ 10,155,355</u>

FIRST NATIONS UNIVERSITY OF CANADA INC.

Notes to the Financial Statements

Year ended March 31, 2021

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13. INTERFUND TRANSFERS

Each year, the University transfers amounts between its funds for various purposes, including reassigning fund balances to support certain activities. Transfers from the General Fund to the Restricted Funds during the year were:

	<u>2021</u>	<u>2020</u>
Investment in capital assets	\$ (568,241)	\$ 765,000
Indigenous Centre for Continuing Education	400,000	-
Non-expendable capital maintenance	52,886	50,852
Investment (loss) income - Scholarships	43,659	(971)
Scholarships - net	34,664	162,395
	<u>\$ (37,032)</u>	<u>\$ 977,276</u>

14. COMMITMENTS

The University has entered into lease agreements for its office equipment and buildings. The following is a schedule of the future minimum payments for the next five years and thereafter for these commitments.

2022	\$ 773,191
2023	435,803
2024	196,832
2025	196,311
2026	302,955
Thereafter	828,053

15. BOARD & EXECUTIVE COMPENSATION

During the year, the University paid honorariums and expenses totaling \$16,600 (2020 - \$101,752) to board members.

Executive compensation is reflected in salaries and benefits in Administration.

FIRST NATIONS UNIVERSITY OF CANADA INC.

Schedule 1 - Expenses - Unaudited

Year Ended March 31, 2021

	Functional Area									2021	2020
	Academic Instruction	Community-based Academic Programs	Regina Daycare	Student Services	Physical Plant	Library	Computing and Communications	Administration			
Salaries & benefits	\$ 7,128,003	257,460	\$ 544,937	\$ 1,583,311	\$ 630,152	\$ 335,522	\$ 307,247	\$ 1,885,856	\$ 12,672,488	\$ 11,318,041	
Space rental and occupancy	-	-	-	-	1,400,441	-	82,616	-	1,483,057	1,445,546	
Student activities	10,538	-	-	31,377	-	-	-	135,257	177,172	470,675	
Supplies and service	138,234	5,709	116,300	255,116	135,648	10,924	538,848	982,553	2,183,332	2,448,420	
Travel	5,970	(933)	-	3,835	1,137	1,242	1,694	5,032	17,977	271,797	
Total	\$ 7,282,745	\$ 262,236	\$ 661,237	\$ 1,873,639	\$ 2,167,378	\$ 347,688	\$ 930,405	\$ 3,008,698	\$ 16,534,026	\$ 15,954,479	
Amortization								\$ 1,119,210	\$ 1,119,210	\$ 1,170,663	
Parking lot expenses								116,200	116,200	75,944	
Interest on long-term debt								602,134	602,134	635,522	
Scholarship, bursaries and grants								85,326	85,326	86,588	
Research projects (Schedule 4)								62,806	62,806	213,966	
Special projects (Schedule 5)								1,794,381	1,794,381	3,238,145	
Total								\$ 3,780,057	\$ 5,420,828	\$ 21,375,307	

Executive compensation is included in salaries and benefits in the Administration area.

FIRST NATIONS UNIVERSITY OF CANADA INC.
Schedule 2 - Research Projects Revenue - Unaudited
Year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
Minister of Canadian Heritage	\$ 27,468	\$ 73,370
University of Saskatchewan	14,718	12,800
University of Regina - Social Sciences and Humanities Research Council	13,084	19,873
University of Regina	1,608	2,749
European Research Council	-	20,589
	<u>56,878</u>	<u>129,381</u>
Less: Refund to Government of Canada - Canadian Heritage	(659)	(147)
Total Research Project Revenue	\$ 56,219	\$ 129,234

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 3 - Special Project Revenue - Unaudited**

Year ended March 31, 2021

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	2021	2020
FEDERAL GOVERNMENT		
Indigenous Services Canada		
Deferred revenue recognized in the year	\$ 1,283,679	\$ 1,032,504
Funding received (Schedule 9)	108,266	1,729,230
Librarian and Archivist of Canada	70,989	44,021
Farm Credit Canada	-	1,500
PROVINCIAL GOVERNMENT		
Ministry of Education	263,750	93,398
Sask Power	25,613	5,000
Casino Regina	-	893
Ministry of Economy	-	5,000
OTHER		
University of Regina	21,145	15,927
Inspirit Foundation	11,728	-
Let's Talk Science	2,356	3,174
Saskatchewan Indian Equity Foundation	1,200	4,898
Regina - First Nations University Annual Pow Wow	600	242,631
Northern Lights Community Development Corporation	182	2,982
Potash Corporation	-	5,000
Information Services Corporation	-	2,500
FHQ Developments	-	2,500
Saskatchewan Indian Gaming Authority	-	3,121
ACTUA	-	3,400
Enbridge	-	5,000
K+S Potash	-	1,000
MNP	-	1,000
Peace Hills Trust	-	400
Stockdale Electric	-	2,499
Other	-	7,012
Natural Science and Engineering Research Council	4,874	23,393
Total Special Project Revenue	\$ 1,794,382	\$ 3,237,983

First Nations University of Canada
Schedule 4 - Research Projects Expenditures - Unaudited
Year ended March 31, 2021

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	2021	2020
Chemical Survey of Native Prairie Plants	\$ -	\$ 2,750
Dene-ACQDIV	-	101,792
Indigenous Artefacts	35,678	76,752
Indigenous Elders' Stories	3,864	-
Indigenous Social Entrepreneurship	-	2,672
Mental Health Prevention	-	12,800
MITACS RTA - LaVallie	1,608	-
Natural Resource Partnership and New Venture Creation in First Nations Context	3,181	-
Reconnecting People, Land & Language	13,084	17,200
Research - Miriam McNab	673	-
University of Saskatchewan Summer Studentship	4,718	-
Total Research Project Expenditures	\$ 62,806	\$ 213,966

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 5 - Special Project Expenses - Unaudited**

Year ended March 31, 2021

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	2021	2020
Aboriginal Youth Entrepreneurship Camp	\$ 1,200	\$ 64,918
Career Fair	-	366
Elders Christmas Dinner	-	893
Elder's Teaching Program	182	2,982
Environmental Health Project	-	12,000
First Nations University Pow Wow - Regina	600	242,631
Indian History Film Project Digitization	-	19,414
Indigenous Language Broadcasting	11,728	-
Indigenous Leadership & Governance Program Training	-	54,750
Indigenous Leadership Program	20,943	10,522
Indigenous Mapping Workshop	201,377	-
Let's Talk Science	2,783	7,095
Library Support Worker	-	12,179
Math Science Camp 2019	-	9,305
National Science Laboratory Video	4,874	23,393
NCCIE - Year II	-	1,023,374
NCCIE - Year III	1,029,004	1,622,409
Online Administration Certificate (Schedule 9)	54,601	-
Personal Finance Textbook	-	1,485
President's Fund	-	240
Regina Daycare	1,728	-
Regina Daycare Active Play Grant	-	5,000
Regina Daycare Literacy Grant	-	1,675
Regina Daycare Start up Grant	-	77,490
Saskatoon - Daycare	261,797	9,233
SaskPower Grant	25,613	-
Sharing Our Legacy	70,989	24,607
Student Mentorship	-	162
Student Mentorship Project	-	12,022
Student Mentorship Project 2020/2021 (Schedule 9)	74,294	-
Summer Work Exp (Schedule 9)	16,447	-
Summer Work Exp 2020 (Schedule 9)	16,221	-
Total Special Project Expenses	1,794,381	3,238,145

FIRST NATIONS UNIVERSITY OF CANADA INC.

Schedule 6 - Indigenous Services Canada - Funding Revenue - Unaudited

For the year ended March 31, 2021

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Fund	336	520	336	337	520	520	
Functional Area	PSPP Design & Delivery	COVID-19 Safe RE PSE	PSPP Design & Delivery	Summer Work Experience	Skill Link Program	Summer Work Exp	
Budget Activity	B3423	B3428	B3423	B3417	B3417	B3417	TOTAL
Internal Code	PSPP	COVID 19	SP 130	SP 202	SP 206	SP 205	
Total funding	\$ 7,000,000	\$ 2,017,362	\$ 38,000	\$ 16,221	\$ 188,581	\$ 17,265	\$ 9,277,429
Opening fund balance	-	-	53,297	-	-	-	53,297
Expenses recognized	10,250,388	694,785	54,601	16,221	74,294	16,447	11,106,736
Ending fund balance	-	1,322,577	36,696	-	114,287	818	1,474,377
REVENUE RECOGNIZED	\$ 7,000,000	\$ 694,785	\$ 1,304	\$ 16,221	\$ 74,294	\$ 16,447	\$ 7,803,051
	(Schedule 7)	(Schedule 8)	(Schedule 9)	(Schedule 9)	(Schedule 9)	(Schedule 9)	
DEFERRED REVENUE	\$ -	\$ 1,322,577	\$ 36,696	\$ -	\$ 114,287	\$ 818	\$ 1,474,378

Deficit funded through general fund revenues for fund 336 PSPP Design

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 7 - Indigenous Services Canada - Post Secondary Partnership Program - Unaudited**

For the year ended March 31, 2021

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	2021 Budget	2021 Actuals	2020 Actuals
FUNDING RECEIVED			
Indigenous Services Canada	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000
Total Funding Received	7,000,000	7,000,000	7,000,000
EXPENSES			
Aboriginals/Elders who provide mentoring, tutoring, and cultural programs and services	400,000	1,095,055	425,746
Administrative Costs	636,363	1,271,867	1,123,429
Digitization/conversion of instructional materials for online use	135,000	112,401	147,902
Elders/Guest speakers	35,000	21,119	40,532
Equipment rental	30,000	28,170	58,124
Other	300,000	758,669	630,974
Printing and publishing costs	5,000	169,164	7,886
Professional services/consulting fees	38,000	37,667	255,192
Purchase of learning and/or instructional materials	120,637	164,038	187,645
Salaries and benefits	5,300,000	6,592,238	5,925,839
Total Expenses	7,000,000	10,250,388	8,803,269
SURPLUS (DEFICIT)	\$ -	\$ (3,250,388)	\$ (1,803,269)

Deficit funded through general fund revenues

FIRST NATIONS UNIVERSITY OF CANADA INC.**Schedule 8 - Indigenous Services Canada - COVID 19 Funding - Unaudited**

For the year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
	Actuals	Actuals
FUNDING RECEIVED		
Indigenous Services Canada	\$ 2,017,362	\$ -
Total Funding Received	2,017,362	-
EXPENSES		
Adapting courses for online learning	50,910	-
Automating services to process student applications and registrations	39,349	-
Culturally responsive counselling for students	2,600	-
Development of specific COVID-19 resources to support staff and instructors	441,598	-
Implementing public health guidelines related to the pandemic	160,328	-
Total Expenses	694,785	-
SURPLUS (DEFICIT) BEFORE TRANSFERS	1,322,577	-
TRANSFER TO DEFERRED REVENUE	(1,322,577)	-
SURPLUS (DEFICIT) AFTER TRANSFERS	\$ -	\$ -

FIRST NATIONS UNIVERSITY OF CANADA INC.

Schedule 9 - Indigenous Services Canada - Special Project Funding - Unaudited

For the year ended March 31, 2021

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2021					
Fund	Fund 336	Fund 337	Fund 520	Fund 520	
Functional Area	PSPP Design & Delivery	Summer Work Experience	Skill Link Program	Summer Work Experience	Total
Budget Activity	B3423	B3417	B3417	B3417	
	2021	2021	2021	2021	2021
FUNDING RECEIVED					
Indigenous Services Canada	\$ 38,000	\$ 16,221	\$ 188,581	\$ 17,265	\$ 260,067
TOTAL FUNDING RECEIVED (Schedule 6)	38,000	16,221	188,581	17,265	260,067
EXPENSES					
Advertising & Promotion	-	-	11,220	-	11,220
Consulting	-	-	9,276	-	9,276
Curriculum Development Fees	11,716	-	-	-	11,716
Miscellaneous Supplies	-	-	285	-	285
Salaries & Benefits	42,885	16,221	53,513	16,447	129,066
TOTAL EXPENSES (Schedule 5)	54,601	16,221	74,294	16,447	161,563
SURPLUS (DEFICIT) BEFORE TRANSFERS	\$ (16,601)	\$ -	\$ 114,287	\$ 818	\$ 98,504
Opening fund balance	53,297	-	-	-	53,297
ENDING FUND BALANCE	\$ 36,696	\$ -	\$ 114,287	\$ 818	\$ 151,801
REVENUE RECOGNIZED (Schedule 3)	1,304	16,221	74,294	16,447	108,266

2020								
Fund	9313	336	307	337	336	337	9313	
Functional Area	Annual Indigenous Youth Camp	PSPP Design & Delivery	Leadership Gov Cap Dev	FNS & Inuit Skill Link Program	PSPP Design & Delivery	FNS & Inuit Skill Link Program	Waste Diversion Program	Total
Budget Activity	ZA315	B3423	B5516	B3417	B3423	B3417	ZA32A	
	2020	2020	2020	2020	2020	2020	2020	2020
FUNDING RECEIVED								
Indigenous Services Canada	\$ 25,000	\$ 36,500	\$ 54,750	\$ 16,743	\$ 2,986,500	\$ 100,000	\$ 203,395	\$ 3,422,888
Nutrient	5,000	-	-	-	-	-	-	5,000
Sask Power	5,000	-	-	-	-	-	-	5,000
Five Hill Qu'Appelle Development	2,500	-	-	-	-	-	-	2,500
Stockdale Electric	2,499	-	-	-	-	-	-	2,499
SIGA	2,000	-	-	-	-	-	-	2,000
Mo's Solar	250	-	-	-	-	-	-	250
TOTAL FUNDING RECEIVED	42,249	36,500	54,750	16,743	2,986,500	100,000	203,395	3,440,137
EXPENSES								
Administration Fee	-	-	-	1,107	-	-	-	1,107
Advertising & Promotion	500	-	-	11,072	504	-	-	12,076
Consulting	5,214	-	54,750	-	1,502,999	-	-	1,562,963
Equipment	-	-	-	-	1,838	-	-	1,838
Guest Lecturers	-	-	-	-	1,450	-	-	1,450
Meeting Costs	-	-	-	-	37,894	-	-	37,894
Miscellaneous Supplies	25,649	-	-	-	25,305	-	-	50,954
Professional Advisors	-	-	-	-	18,858	-	-	18,858
Repairs & Maintenance	-	-	-	-	84	-	-	84
Salaries & Benefits	27,498	-	-	-	15,104	10,754	-	53,356
Student Activities	-	-	-	-	-	1,268	-	1,268
Travel	6,057	-	-	-	18,373	-	-	24,430
TOTAL EXPENSES (Schedule 5)	64,918	-	54,750	12,179	1,622,409	12,022	-	1,766,278
SURPLUS (DEFICIT) BEFORE TRANSFERS	(\$22,669)	\$ 36,500	\$ -	\$ 4,564	\$ 1,364,091	\$ 87,978	\$ 203,395	\$ 1,673,859
Opening fund balance	37,048	16,797	-	-	-	-	-	53,845
ENDING FUND BALANCE	\$ 14,379	\$ 53,297	\$ -	\$ 4,564	\$ 1,364,091	\$ 87,978	\$ 203,395	\$ 1,727,704
REVENUE RECOGNIZED (Schedule 3)	27,870	-	54,750	12,179	1,622,409	12,022	-	1,729,230