

**KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED
FINANCIAL STATEMENTS
MARCH 31, 2022**

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KIVALLIQ INUIT ASSOCIATION
INDEX
MARCH 31, 2022

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Operations	3
Consolidated Statement of Changes in Net Assets	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Cash Flows	6
Notes to the Consolidated Financial Statements	7 - 26
SUPPLEMENTARY INFORMATION	
Schedule 1 - Other Revenue	27
Schedule 2 - Economic Development and Program Funding (NTI)	28
Schedule 3 - Inuit Programs & Services (HRSDC)	29
Schedule 4 - Government of Canada - (DIAND)	30
Schedule 5 - Government of Canada - Other Departments	31
Schedule 6 - Meadowbank Projects	32
Schedule 7 - Ukkusiksalik National Park IIBA	33
Schedule 8 - Special Projects	34
Schedule 9 - Meliadine Projects	36
Schedule 10 - Whale Tail Projects	37
Schedule 11 - Commercial Activities	38
Schedule 12 - Administration Expenditures	39
Schedule 13 - Summary of Long Term Investments	40 - 42

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Independent Auditors' Report

To the Members of the Kivalliq Inuit Association

Opinion

We have audited the consolidated financial statements of the Kivalliq Inuit Association (the Association), 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 a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2022 and its financial performance 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Iqaluit, Nunavut
July 26, 2022



Chartered Professional Accountants
Lester Landau Accounting Professional Corp.

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
REVENUES		
Nunavut Tunngavik Incorporated		
Operating contribution	\$ 8,023,492	\$ 7,767,416
Economic development and program funding - Schedule 2	3,973,318	2,669,648
Government of Canada		
HRSDC - Schedule 3	6,132,308	4,006,178
DIAND - Schedule 4	3,021,695	1,567,236
Other Departments - Schedule 5	430,832	59,845
Agnico-Eagle Mines Limited - Schedules 6, 9 and 10	22,228,419	18,250,333
Ukkusiksalik National Park IIBA - Schedule 7	10,000	10,000
Special projects - Schedule 8	9,892,985	13,991,424
Commercial activities - Schedule 11	15,076,822	15,598,812
Other revenue - Schedule 1	<u>2,595,876</u>	<u>2,019,249</u>
	<u>71,385,747</u>	<u>65,940,141</u>
EXPENDITURES		
Nunavut Tunngavik Incorporated - Schedule 2	4,124,322	2,857,414
HRSDC - Schedule 3	6,132,308	4,006,178
DIAND - Schedule 4	3,609,444	1,979,475
Other Departments - Schedule 5	430,919	59,845
Meadowbank projects - Schedule 6	221,188	253,037
Ukkusiksalik National Park IIBA - Schedule 7	10,000	10,000
Special projects - Schedule 8	9,983,851	14,049,268
Meliadine projects - Schedule 9	1,089,568	1,152,317
Whale Tail projects - Schedule 10	45,470	93,112
Commercial activities - Schedule 11	9,410,930	8,045,175
Administration - Schedule 12	<u>6,981,908</u>	<u>5,399,961</u>
	<u>42,039,908</u>	<u>37,905,782</u>
EXCESS REVENUES FROM OPERATIONS	<u>29,345,839</u>	<u>28,034,359</u>
Other income (expenditures)		
Depreciation of building and equipment	(3,250,948)	(3,115,318)
Amortization of deferred capital contributions	195,057	128,703
Gain on disposal of investments and assets	(16,838)	0
Income on equity investments - Schedule 13	4,516,204	1,219,730
Interest on long term debt	<u>(925,151)</u>	<u>(1,034,299)</u>
	<u>518,324</u>	<u>(2,801,184)</u>
EXCESS REVENUES OVER EXPENDITURES	<u>\$ 29,864,163</u>	<u>\$ 25,233,175</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2022

	General Fund			Fund Total 2022	Fund Total 2021
	Invested in Building and Equipment	Unrestricted Net Assets	Reserves		
BALANCE, OPENING	\$ 15,625,534	\$ 64,043,295	\$ 15,016,162	\$ 94,684,991	\$ 69,451,816
Excess revenues over expenditures	0	29,864,163	0	29,864,163	25,233,175
Transfer from reserves	0	297,772	(297,772)	0	0
Transfer to reserves	0	(1,017,973)	1,017,973	0	0
Debt issued	(6,124,971)	6,124,971	0	0	0
Principal payments on debt	7,902,996	(7,902,996)	0	0	0
Depreciation of building and equipment	(3,250,948)	3,250,948	0	0	0
Amortization of deferred capital contributions	195,057	(195,057)	0	0	0
Purchases of building and equipment	1,582,411	(1,582,411)	0	0	0
Capital contributions received	(10,765)	10,765	0	0	0
Disposal of equipment	(16,838)	16,838	0	0	0
Transfer of property and equipment to assets held for sale	(1,361,365)	1,361,365	0	0	0
BALANCE, CLOSING	<u>\$ 14,541,111</u>	<u>\$ 94,271,680</u>	<u>\$ 15,736,363</u>	<u>\$124,549,154</u>	<u>\$ 94,684,991</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
CURRENT		
Cash and cash equivalents	\$107,333,348	\$ 55,031,235
Restricted cash and cash equivalents (Note 3)	34,222,932	33,562,505
Accounts and contributions receivable (Note 4)	4,347,244	3,950,563
Assets held for sale (Note 6)	1,361,365	0
Prepaid expenses	2,685,454	812,402
Due from related companies (Note 5)	<u>2,382,869</u>	<u>2,495,989</u>
	152,333,212	95,852,694
INVESTMENT IN EIC SHARES	610,599	492,296
LONG TERM INVESTMENTS (Notes 2(d) and 7)	23,574,005	24,057,424
BUILDING AND EQUIPMENT (Notes 2(f), 8, 11, 15 and 16)	44,250,055	47,296,795
INTANGIBLE ASSETS (Notes 9)	<u>1,123,036</u>	<u>0</u>
	<u>\$221,890,907</u>	<u>\$167,699,209</u>
<u>LIABILITIES</u>		
CURRENT		
Bank indebtedness (Note 10)	\$ 207,407	\$ 0
Accounts and contributions payable (Note 12)	9,705,848	8,262,203
Due to affiliated companies (Note 13)	223,849	0
Deferred revenue (Note 14)	52,069,571	33,104,389
Current portion of callable debt	5,579,878	7,384,950
Current portion of obligations under capital lease	149,204	239,310
Current portion of long term debt	<u>693,157</u>	<u>2,531,225</u>
	68,628,914	51,522,077
Callable debt (Note 11)	<u>17,250,181</u>	<u>16,919,918</u>
	85,879,095	68,441,995
OBLIGATIONS UNDER CAPITAL LEASE (Note 16)	0	126,445
LONG TERM DEBT (Note 15)	7,403,639	202,467
DEFERRED CAPITAL CONTRIBUTIONS (Note 17)	<u>4,059,019</u>	<u>4,243,311</u>
	<u>97,341,753</u>	<u>73,014,218</u>
<u>NET ASSETS</u>		
INVESTED IN BUILDING AND EQUIPMENT	14,541,111	15,625,534
UNRESTRICTED NET ASSETS	94,271,680	64,043,295
RESERVES (Notes 2(h) and 18)	<u>15,736,363</u>	<u>15,016,162</u>
	<u>124,549,154</u>	<u>94,684,991</u>
	<u>\$221,890,907</u>	<u>\$167,699,209</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Excess revenues over expenditures	\$ 29,864,163	\$ 25,233,175
Items not requiring (providing) cash:		
Amortization of deferred capital contributions	(195,057)	(128,703)
Depreciation of building and equipment	3,250,948	3,115,318
Income from equity investments	(4,516,204)	(1,219,730)
(Gain) Loss on acquisition of EIC shares	(118,303)	(311,335)
Loss on disposal of building and equipment	<u>16,838</u>	<u>0</u>
	28,302,385	26,688,725
Cash provided by (used for) changes in non-cash working capital:		
Accounts and contributions receivable	(396,681)	84,255
Prepaid expenses	(1,873,052)	(279,401)
Due from related companies	113,120	14,087
Accounts and contributions payable	1,443,644	1,960,328
Deferred revenue	18,965,182	8,706,399
Due to affiliated companies	<u>223,849</u>	<u>0</u>
	<u>46,778,447</u>	<u>37,174,393</u>
FINANCING ACTIVITIES		
Proceeds of callable and long term debt issued	11,574,740	0
Callable and long term debt repaid	(7,686,445)	(1,621,711)
Obligations under capital lease repaid	(216,551)	(232,148)
Deferred capital grants and contributions received	<u>10,765</u>	<u>208,090</u>
	<u>3,682,509</u>	<u>(1,645,769)</u>
INVESTING ACTIVITIES		
Equipment purchased	(1,582,411)	(3,779,553)
Investments purchased	(377)	(177,333)
Dividends received on equity investments	5,000,000	250,000
Increase in restricted cash and cash equivalents	(660,426)	(2,373,335)
Purchase of intangible assets	<u>(1,123,036)</u>	<u>0</u>
	<u>1,633,750</u>	<u>(6,080,221)</u>
INCREASE IN CASH	52,094,706	29,448,403
CASH AND CASH EQUIVALENTS, OPENING	<u>55,031,235</u>	<u>25,582,832</u>
CASH AND CASH EQUIVALENTS, CLOSING	<u>\$107,125,941</u>	<u>\$ 55,031,235</u>
Represented by:		
Cash and cash equivalents	\$107,333,348	\$ 55,031,235
Bank indebtedness	<u>(207,407)</u>	<u>0</u>
	<u>\$107,125,941</u>	<u>\$ 55,031,235</u>

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

1. NATURE OF THE ORGANIZATION

The Kivalliq Inuit Association is incorporated as a not-for-profit organization representing the interests of the beneficiaries under the Nunavut Land Claims Agreement in the Kivalliq region of Nunavut. The purpose of the Association is to protect, defend and promote the interests of the Inuit people in the Kivalliq region. The Association is a not-for-profit organization and is exempt from income tax under Sec. 149(1)(c) of the *Income Tax Act* (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Association are in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Use of Estimates

The preparation of the consolidated financial statements of the Association requires management to make estimates and assumptions based on information available as of the date of the financial statements. Significant items subject to such estimates and assumptions include the valuation of accounts and contributions receivable, due from related companies, investments, intangible assets and the estimated useful life of buildings and equipment. Therefore, actual results could differ from those estimates.

(b) Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash and cash equivalents, accounts and contributions receivable, assets available for sale, due from related companies, long term investments and intangible assets. Financial assets measured at fair value include restricted cash and cash equivalents and investment in EIC shares.

Financial liabilities measured at amortized cost include the bank indebtedness, accounts and contributions payable, due to affiliated companies, callable debt, obligations under capital lease and long term debt.

It is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments unless otherwise noted.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Cash and Cash Equivalents

Cash and cash equivalents consist of cash in bank and short term cashable guaranteed investment certificates. Interest is accrued when it is earned.

(d) Investments

These consolidated financial statements include the assets, liabilities, revenues and expenses of Kivalliq Inuit Association and its controlled subsidiaries. The controlled subsidiaries are Sakku Investments Corp., Sakku Properties Ltd., Sakku Mining Ltd., Qaaqtuq Incorporated, Sakku Enterprises Ltd., Nukik Corporation and Ingirraijjuttit Corporation.

For the consolidated financial statements, management uses the equity method to account for investments in joint arrangements. The equity method is a basis of accounting for long term investments whereby the investment is initially recorded at cost and the carrying value is adjusted thereafter to include the investor's pro-rata share of post acquisition earnings of the investee. Profit distributions received or receivable from an investee reduce the carrying value of the investment. The investments accounted for in these financial statements using the equity method are NCC Investment Group Inc., Toromont Arctic Ltd., Nunami Stantec Limited, NS Management Limited, Larga Kivalliq Ltd., Kivalliq Tire Mine Services Ltd., Qaaqtuq Dyno Nobel Inc., 8489982 Canada Inc., Sakku & YAB Management Group Inc. and NCC Kivalliq Properties G.P. Ltd..

The Association accounts for its investment in Pan Arctic Inuit Logistics Corporation, Nunavut Sealink and Supply Inc., Kivalliq Contractors Group Ltd., Nanuq Builders Group Ltd., Sakku Innovative Building Solutions Ltd., Kivalliq Mechanical Solutions Ltd., Sakku Exchange Corporation, Kivalliq Alternative Energy Ltd. and Nunasi Corporation using the cost method. The cost method is a basis of accounting for long term investments whereby the investment is initially recorded as cost. Earnings from such investments are recognized only to the extent of dividends received or receivable.

(e) Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue on sales is recognized at point of sale or delivery and acceptance of goods by the customer. Service revenues are recognized in the period that the services are provided. Property rentals and recovery of common costs are recognized monthly according to the terms of the rental agreements in place.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Building And Equipment

Building and equipment are recorded at cost. Depreciation is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Buildings	5% declining balance
Leasehold improvements	5 years straight-line
Office equipment	20% declining balance
Computers	30% declining balance
Furniture and fixtures	20% declining balance
Automotive equipment	30% declining balance
Assets under construction	not depreciated
Assets under capital lease	14% declining balance

One-half of the annual rate of depreciation is recorded in the year of acquisition.

(g) Intangible Assets

Intangible assets that are not subject to amortization are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may exceed their fair value. The impairment test involves comparing the fair value of the assets with their carrying amount. When the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to the excess.

(h) Reserves

The Association has established a number of reserves to accumulate funds for programs as follows:

- For the Association's future programs and activities.
- For the creation of cultural centres in each of the seven Kivalliq communities.
- To accumulate milestone funds received for future programs and activities.
- To accumulate Meadowbank compensation funds received for future programs and activities.
- To accumulate funds designated under the Whale Tail Community Initiative Fund.
- To accumulate funds from investment income to return to beneficiaries through programs and donations.
- To accumulate funds from water compensation income for unexpected future lands or water clean-up costs.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Reserves (continued)

During a prior year a resolution of the Members of the Association passed By-Law #2 with the purpose of establishing a Legacy Fund to manage designated revenues to achieve economic self-sufficiency of Kivalliq Inuit. The fund establishes a long term savings objective that designates revenues and generates investment returns. The amounts designated include deferred revenues and/or reserves including the Ukkusiksalik National Park Community Initiatives Fund, Meliadine milestone, Meadowbank IIBA, Whale Tail Milestone, Whale Tail CIF, Inuit employment target contribution funds, Water Compensation and Nunavut Inuit Resource Revenue Trust. In addition, the following amounts will be contributed to an Income Stabilization Fund: royalties, income received from the Nunavut Inuit Resource Revenue Fund, income from quarry permits, income received from Nunasi Corporation, and income from any water compensation agreement. Management's intention is to enact the changes when practicable.

(i) Expense Allocations

The Association allocates expenses using the following method. Expenses which are wholly attributable to a particular project are charged directly to the appropriate project. Expenses that are attributable to more than one particular project are allocated based on a percentage method at a rate deemed appropriate by management.

(j) Government and Other Capital Assistance

Government and other capital assistance towards capital projects are recorded as deferred capital contributions. Deferred capital contributions are amortized into revenue at the same rate as the corresponding capital asset is depreciated. Government and other assistance towards the purchase of investments is recorded as a reduction of the cost of the investment. Forgivable loans are recorded as revenue in the year of forgiveness. Government assistance towards expenditures is recorded as revenue on the accrual basis.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

3. RESTRICTED CASH AND CASH EQUIVALENTS

	<u>2022</u>	<u>2021</u>
Ukkusiksalik National Park Community Initiatives Fund	\$ 4,487,438	\$ 4,456,720
Ukkusiksalik National Park Scholarship Trust	300,087	282,908
Operations	250,000	150,000
Land deposits	410,007	407,535
Inuit Wellness Fund	1,075,541	1,081,670
Meliadine milestone	3,253,788	3,251,684
Meadowbank IIBA	5,591,380	5,337,651
Cultural centres	2,091,116	2,103,020
Water compensation	1,221,769	1,228,723
Nunavut Inuit Resource Revenue Trust	8,359,244	7,960,610
Whale Tail Community Initiative Fund	3,320,903	3,376,254
Whale Tail Milestone	<u>3,861,659</u>	<u>3,925,730</u>
	<u>\$ 34,222,932</u>	<u>\$ 33,562,505</u>

The use of the Ukkusiksalik National Park Scholarship Trust, the Ukkusiksalik National Park Community Initiatives Fund, land deposit funds, Inuit Wellness Fund, Meliadine milestone, Meadowbank IIBA, Whale Tail Milestone, Whale Tail Community Initiative Fund, Cultural centres, Water compensation and Nunavut Inuit Resource Revenue Trust funds and the investment earnings generated thereon are restricted for use to their intended purposes only.

	<u>Cost</u> <u>2022</u>	<u>Market</u> <u>2022</u>	<u>Cost</u> <u>2021</u>	<u>Market</u> <u>2021</u>
Cash and cash equivalents	\$ 6,664,173	\$ 6,664,173	\$ 9,681,333	\$ 9,681,333
Fixed income	17,875,549	17,515,238	15,057,250	15,416,145
Stocks	<u>8,993,461</u>	<u>10,043,521</u>	<u>7,143,153</u>	<u>8,465,027</u>
	<u>\$ 33,533,183</u>	<u>\$ 34,222,932</u>	<u>\$ 31,881,736</u>	<u>\$ 33,562,505</u>

The corporation manages its market risk through an independent investment manager with oversight from the Board of Directors. The values of the bonds are subject to changes in market interest rates. The values of the stocks are subject to market value changes.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

4. ACCOUNTS AND CONTRIBUTIONS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Trade and other	\$ 3,626,108	\$ 3,181,016
DIAND	290,879	536,337
Department of Fisheries and Oceans	139,747	0
Canadian Heritage	107,300	75,000
Government of Nunavut		
Economic Development and Transportation	4,589	4,589
Culture and Heritage	144,000	119,000
Health	34,621	34,621
	<u>\$ 4,347,244</u>	<u>\$ 3,950,563</u>

5. DUE FROM RELATED COMPANIES

	<u>2022</u>	<u>2021</u>
Exchange Income Group	\$ 749,536	\$ 0
Kivalliq Contractors Group Ltd.	150,789	148,517
Kivalliq Mechanical Solutions Ltd.	72,541	40,887
Kivalliq Tire Mine Services Ltd.	25,206	27,386
Larga Kivalliq Ltd.	0	345,000
Nanuq Builders Group Ltd.	32,366	73,739
NCC Investment Group Inc.	4,854	250,000
Nunami Drilling & Blasting Ltd.	50,960	50,960
Nunami Helicopter Transport Inc.	291,228	166,850
Nunami Stantec Limited	89,841	83,499
Nunasi Corporation	16,282	2,562
Pan Arctic Inuit Logistics Corporation	26,848	26,848
Qaaqtuq Dyno Nobel Inc.	518,341	634,334
Sakku Innovative Building Solutions	335,037	261,399
Toromont Arctic Ltd.	70,000	434,968
	<u>2,433,829</u>	<u>2,546,949</u>
Less: Allowance for doubtful accounts	<u>(50,960)</u>	<u>(50,960)</u>
	<u>\$ 2,382,869</u>	<u>\$ 2,495,989</u>

Amounts due from related companies are unsecured trade accounts receivable and are currently due.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

6. ASSETS HELD FOR SALE

In March 2022, the Association approved the sale of vehicles and equipment following the decision not to renew the Expediting contract with Agnico Eagle Mines Ltd. Assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell. Liabilities directly associated with assets classified as held for sale are reclassified as current liabilities.

The sale was completed in April 2022 for proceeds of \$3,000,000, resulting in a gain on sale of \$1,638,635 to be reflected in the statement of operations for the year ending March 31, 2023.

The following net book value of assets were reclassified to held for sale in relation to the sale:

	<u>2022</u>	<u>2021</u>
Automotive equipment	\$ 1,087,934	\$ 0
Vehicles under capital leases	<u>273,431</u>	<u>0</u>
	<u>\$ 1,361,365</u>	<u>\$ 0</u>

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

7. LONG TERM INVESTMENTS

	<u>2022</u>	<u>2021</u>
NS Management Ltd.		
Common shares at cost, a 51% interest	\$ <u>51</u>	\$ <u>51</u>
Kivalliq Tire Mine Services Ltd.		
Common shares at cost, a 51% interest	51	51
Share of income	<u>188,775</u>	<u>188,491</u>
	<u>188,826</u>	<u>188,542</u>
Qaaqtuq Dyno Nobel Inc.		
Common shares at cost, a 51% interest	76	76
Share of income (loss)	<u>(74,789)</u>	<u>(74,789)</u>
	<u>(74,713)</u>	<u>(74,713)</u>
Kivalliq Mechanical Solutions Ltd.		
Class A voting shares at cost, a 76% interest	<u>76</u>	<u>76</u>
Sakku Innovative Building Solutions Ltd.		
Class A voting shares at cost, a 76% interest	<u>102</u>	<u>102</u>
Nanuq Builders Group Ltd.		
Class A voting shares at cost, a 51% interest	<u>51</u>	<u>51</u>
Larga Kivalliq Ltd.		
Common shares at cost, a 50% interest	432,941	432,941
Share of income (loss)	<u>(87,653)</u>	<u>(101,582)</u>
	<u>345,288</u>	<u>331,359</u>
Kivalliq Contractors Group Ltd.		
Class A voting shares, a 51% interest and Class B non-voting shares, a 100% interest, at cost	<u>151</u>	<u>151</u>
Sakku & YAB Management Group Ltd.		
Class A voting shares, a 76% interest, Class B non-voting shares, a 50% interest, at cost	<u>13</u>	<u>13</u>

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

7. LONG TERM INVESTMENTS (continued)

	<u>2022</u>	<u>2021</u>
Sakku Exchange Corporation		
Class A voting shares, at cost, a 76% interest	76	0
Class B non-voting shares, at cost, a 100% interest	<u>100</u>	<u>0</u>
	<u>176</u>	<u>0</u>
8489982 Canada Inc.		
Common shares at cost, a 50% interest	<u>1</u>	<u>1</u>
NCC Kivalliq Properties G.P. Ltd.		
Common shares at cost, a 50% interest	<u>50</u>	<u>0</u>
Nunami Stantec Limited		
Common shares at cost, a 40% interest	<u>40</u>	<u>40</u>
NCC Investment Group Inc.		
Common shares at cost, a 25% interest	125,000	125,000
Share of income	<u>21,781,953</u>	<u>22,279,962</u>
	<u>21,906,953</u>	<u>22,404,962</u>
Toromont Arctic Ltd.		
Common shares at cost, a 20% interest	20	20
Share of income	<u>393</u>	<u>393</u>
	<u>413</u>	<u>413</u>
Nunavut Sealink and Supply Inc.		
Class OA voting shares, at cost, a 12.5% interest and Class C non-voting shares at cost, a 13.9% interest	<u>1,029,001</u>	<u>1,029,001</u>
Nunasi Corporation		
1505 Class G preferred shares at cost, representing 15.1%, redemption value of \$1,129,449	1	1
26,619 Class H preferred shares at cost, representing 30.1%, redemption value \$19,976,345	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>
Kivalliq Alternative Energy Ltd.		
Class A voting shares, a 51% interest and Class B non-voting shares, a 100% interest, at cost	<u>151</u>	<u>0</u>

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

7. LONG TERM INVESTMENTS (continued)

	<u>2022</u>	<u>2021</u>
Pan Arctic Inuit Logistics Corporation		
100% of the Class G shares representing 4% of the outstanding capital stock, at cost	<u>177,373</u>	<u>177,373</u>
	<u>\$ 23,574,005</u>	<u>\$ 24,057,424</u>

A financial summary of these non-consolidated entities has been presented in Schedule 13 to these consolidated financial statements.

8. BUILDING AND EQUIPMENT

	<u>2022</u>			<u>2021</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Buildings	\$ 54,023,404	\$ 14,929,371	\$ 39,094,033	\$ 40,940,479
Leasehold improvements	1,336,142	202,279	1,133,863	999,297
Office equipment	1,118,547	649,305	469,242	372,110
Computers	585,735	391,820	193,915	88,295
Furniture and fixtures	512,590	297,268	215,322	235,310
Automotive equipment	3,356,535	2,250,340	1,106,195	2,189,806
Assets under capital lease	0	0	0	736,822
Assets under construction	<u>2,037,485</u>	<u>0</u>	<u>2,037,485</u>	<u>1,734,676</u>
	<u>\$ 62,970,438</u>	<u>\$ 18,720,383</u>	<u>\$ 44,250,055</u>	<u>\$ 47,296,795</u>

9. INTANGIBLE ASSETS

	<u>2022</u>	<u>2021</u>
Development Costs	<u>\$ 1,123,036</u>	<u>\$ 0</u>

Development costs relate to costs incurred to develop, construct, own and operate a transmission line and fibre optic link between the Kivalliq region of Nunavut and Manitoba.

10. BANK INDEBTEDNESS

The Association has an operating revolving line of credit of \$500,000 which is secured by first charge on certain properties held by the Association. The line of credit bears interest at CIBC prime plus 0.75%. As at March 2022, there was \$292,593 (2021 - \$500,000) of this line available for use.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

11. CALLABLE DEBT

	<u>2022</u>	<u>2021</u>
<p>Royal Bank of Canada first mortgage loan, secured by a general security agreement, site specific security agreement, the buildings on lot 544, plan 2542 and lots 792, 794, and 795, plan 3392 Rankin Inlet, Nunavut. The loan is repayable in 167 blended monthly installments of \$34,449 commencing January 1, 2021 with interest at 2.17%, due January 2026.</p>	\$ 4,603,589	\$ 4,913,890
<p>Atuqtuarvik Corporation term loan, secured by a general security agreement, a second charge collateral mortgage over properties on Lot 1, 2, 3 and 4 (Block 16, Plan 4446) and Lot 2 (Block 17, Plan 4545), Rankin Inlet, Nunavut. The loan is repayable in 120 blended monthly instalments of \$10,823 commencing June 1, 2018 with interest at 5.5%, due April 2023.</p>	679,105	769,348
<p>First Nations Bank of Canada fixed rate term loan, secured by a general security agreement, site specific security agreement, the building on lot 1001 Quad 55/K16 Rankin Inlet, Nunavut. The loan is repayable in 180 blended monthly instalments of \$43,388 commencing January 1, 2022 with interest at 3.70%, due December 2024.</p>	5,910,006	6,206,193
<p>Atuqtuarvik Corporation term loan, secured by a general security agreement and collateral mortgages over the leasehold interests against Government of Nunavut Lease No. 102039 and No. 102505, and the building on lot 644, plan 2540, Rankin Inlet, Nunavut. The loan is repayable in 120 blended monthly instalments of \$24,514 commencing August 1, 2017 with interest at 5.50%, due June 2022.</p>	2,305,814	2,469,677
<p>Royal Bank of Canada non-revolving term facility converted to a first mortgage in December 2017 secured by a general security agreement, the buildings at 164 Mivvik Avenue and 32 Sivulliq Avenue, Rankin Inlet, Nunavut. The loan is repayable in 240 blended monthly instalments of \$14,058 commencing February 1, 2018 with interest at 3.64%, due January 2023.</p>	2,031,890	2,125,347

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

11. CALLABLE DEBT (continued)

	<u>2022</u>	<u>2021</u>
Royal Bank of Canada non-revolving variable rate term loan, secured by a general security agreement, the buildings at 231-69 Street, 233-69 Street and 64 Kingaak Street, Rankin Inlet, Nunavut. The loan is repayable in 156 blended monthly instalments of \$8,521 commencing December 30, 2020 with interest at 2.38%, due November 2023.	1,040,657	1,117,144
CIBC fixed term loan, secured by a general security agreement, collateral mortgage over the leasehold properties at 12 Nuvua Street (Lot 4, Block 16, Plan 4446) and 20-24 Nuvua Street (Lot 1, Block 16, Plan 4446) Rankin Inlet, Nunavut. The loan is repayable in 228 monthly instalments of \$23,303 plus interest at 3.68% commencing July 18, 2019. The loan is due June 2024.	4,543,998	4,823,629
Business Development Bank of Canada (BDC) loan, secured by a general security agreement, the properties on Lot 2 and 3 (Block 16, Plan 4446) and Lot 2 (Block 17, Plan 4545), Rankin Inlet, Nunavut. The loan principal is repayable in 172 monthly instalments of \$13,720 plus interest at BDC's floating base minus 1.00% commencing May 23, 2018. The loan is due August 2032.	<u>1,715,000</u>	<u>1,879,640</u>
	<u>22,830,059</u>	<u>24,304,868</u>
Less: current portion	<u>(5,579,878)</u>	<u>(7,384,950)</u>
	<u><u>\$ 17,250,181</u></u>	<u><u>\$ 16,919,918</u></u>

Callable debt is due on demand but is expected to be repaid annually as follows:

2023	\$ 5,579,878
2024	2,632,415
2025	9,765,215
2026	3,796,111
2027	164,640
Thereafter	<u>891,800</u>

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22,830,059

KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

12. ACCOUNTS AND CONTRIBUTIONS PAYABLE

	<u>2022</u>	<u>2021</u>
Trade	\$ 5,897,090	\$ 5,523,806
Employee leave and termination	1,121,184	1,030,497
DIAND	684,266	684,266
Employment and Social Development Canada	164,440	164,440
Heritage Canada	53,172	0
Indigenous Services Canada	40,000	0
Government of Nunavut - Culture and Heritage	232,000	0
Other	<u>1,513,696</u>	<u>859,194</u>
	<u>\$ 9,705,848</u>	<u>\$ 8,262,203</u>

13. DUE TO AFFILIATED COMPANIES

	<u>2022</u>	<u>2021</u>
NCC Development Ltd., related to a joint venture partner	<u>\$ 223,849</u>	<u>\$ 0</u>

Amounts due to affiliated companies are unsecured, due on demand and are non-interest bearing.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

14. DEFERRED REVENUE

	<u>2022</u>	<u>2021</u>
Nunavut Tunngavik Incorporated		
KIA share of extra funding	201,895	201,895
NIRC	117,591	46,642
Nunavut Harvesters' Support Program	1,084,861	1,210,523
Climate change	0	211,919
Organizational review	84,415	84,415
Suicide prevention	583,499	0
B2017 Health	190,333	0
Post secondary education	1,012,291	0
Covid 19 phase 4	566,361	0
Coral Harbour	50,780	0
Omicron Outbreak	1,358,165	0
Food support	1,222,006	0
Government of Canada		
CIRNAC		
Water monitoring - Baker Lake	129,285	142,146
REACHE	3,176,232	0
Skills link	365,809	337,217
Canadian Heritage Rivers	2,168,967	2,242,881
Parks Canada		
Ukkusiksalik Community Initiative (Note 4)	4,487,438	4,456,720
Ukkusiksalik Scholarship Fund (Note 4)	258,740	251,562
Natural Resources Canada		
Clean energy project	1,663,169	385,057
Employment and Social Development Canada		
ISET program	8,566,137	6,347,028
Indigenous Services Canada		
Building Capacity	15,646	244,399
Mental Wellness	132,385	132,385
CICC Interpretive displays	198,000	0
CFI Service co-ordinator	78,444	0
Inuit wellness	1,075,541	1,081,670
Nunavut Inuit Resource Revenue Trust	15,906,406	8,909,220
Meliadine mining - scholarship	30,000	30,000
Whale Tail mining - scholarship	30,000	30,000
Meadowbank other initiatives	2,455,984	2,344,547
Meadowbank dike sediment project	34,000	34,000
Whale Tail Community Initiative	3,320,903	3,376,253
Whale Tail - Inuit employment target penalty	750,000	500,000
Meliadine - Inuit employment target penalty	750,000	500,000
Other	4,288	3,910
	<u>\$ 52,069,571</u>	<u>\$ 33,104,389</u>

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

15. LONG TERM DEBT

	<u>2022</u>	<u>2021</u>
<p>Atuqtuarvik Corporation term loan, secured by a share pledge agreement over the Company's shareholdings of NCC Investment Group Inc., consisting of 125,000 common shares, repayable in blended monthly installments of \$22,864 with interest at 3.75%. Due March 31, 2022.</p>	\$ 2,319,303	\$ 2,503,610
<p>Land equity lease payable to the Hamlet of Rankin Inlet for Lot 4, Block 16, Plan 4446, Rankin Inlet, Nunavut. The lease is repayable in annual payments of \$3,717 without interest and due July 2030.</p>	33,460	37,177
<p>Land equity lease payable to the Hamlet of Rankin Inlet for Lot 763, Plan 3683, Rankin Inlet, Nunavut. The lease is repayable in annual payments of \$4,281 without interest and due January 2032.</p>	42,809	47,090
<p>Land equity lease payable to the Hamlet of Rankin Inlet for Lot 916, Plan 3916, Rankin Inlet, Nunavut. The lease is repayable in annual payments of \$6,275 without interest and due May 2028.</p>	43,925	50,200
<p>Land equity lease payable to the Hamlet of Rankin Inlet for Lot 69, Plan 603, Rankin Inlet, Nunavut. The lease is repayable in annual payments of \$1,305 without interest and due April 2024.</p>	3,915	5,220
<p>Land equity lease payable to the Hamlet of Rankin Inlet for lot 645 plan 2540, Rankin Inlet, Nunavut. The lease is repayable in annual payments of \$9,170 without interest and due June 2028.</p>	64,189	73,358

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

15. LONG TERM DEBT (continued)

	<u>2022</u>	<u>2021</u>
Land equity lease payable to the Hamlet of Rankin Inlet, for Lot 920, Plan 3912 Rankin Inlet, Nunavut. The lease is repayable in annual payments of \$8,352 without interest and due May 2036.	125,275	0
Land equity lease payable to the Hamlet of Rankin Inlet for lot 544 plan 2542, Rankin Inlet, Nunavut. The lease is repayable in annual payments of \$2,866 without interest and due June 2026.	14,151	17,037
Nunavut Tunngavik Incorporated, non-interest bearing loan. Repayable in 3 installments with \$2,500,000 due June 30, 2023, \$1,250,000 due June 30, 2024 and \$1,250,000 due June 30, 2025.	5,000,000	0
Canada Infrastructure Bank (CIB), Development Funding Agreement to a maximum of \$7,000,000 for 50% of specific project costs. The amount is repayable if any funded development costs are recovered from other sources or if the project proceeds without CIB's involvement. CIB has the option to convert the debt to an investment in the project either as debt or equity. Repayment by the Corporation is not required if the project proceeds only with government funding or the project does not proceed. The balance is presented as a current liability.	449,769	0
	8,096,796	2,733,692
Less: current portion	693,157	2,531,225
	\$ 7,403,639	\$ 202,467

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

15. LONG TERM DEBT (continued)

Subsequent to year-end, the Atuqtuarvik Corporation loan was renewed for an additional five-year term, maturing May 1, 2027, with the same interest and monthly payment terms. Under the new terms, Long term debt is expected to be repaid annually as follows:

2023	\$ 693,157
2024	2,734,984
2025	1,492,779
2026	1,499,173
2027	257,293
Thereafter	<u>1,419,410</u>
	<u>\$ 8,096,796</u>

16. OBLIGATIONS UNDER CAPITAL LEASE

	<u>Expiry</u>	<u>Interest rate</u>	<u>2022</u>	<u>2021</u>
2018 Blue Bird bus S/N 1BAKGCSH0JF3399908	Sep/21	7.80%	-	11,562
2018 Blue Bird bus S/N 1BAKGCSH8JF339915	Sep/21	7.80%	-	11,562
980 CAT Loader S/N CAT980KJW7K01288	Jun/22	6.20%	17,377	117,977
2 Raja Trailers	Jul/23	5.95%	37,049	62,974
2 Western Star Rigs	Aug/23	6.25%	<u>94,778</u>	<u>161,680</u>
			<u>\$ 149,204</u>	<u>\$ 365,755</u>

All leased assets are included in the sale of assets to Agnico Eagle Mines Ltd. effective April 1, 2022 and are presented within Assets Held for Sale. The remaining lease payments are presented as current liabilities.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

17. DEFERRED CAPITAL CONTRIBUTIONS

	<u>2022</u>	<u>2021</u>
Opening balance	\$ 4,243,311	\$ 4,163,924
Capital contributions received	10,765	208,090
Amortization of deferred capital contribution	<u>(195,057)</u>	<u>(128,703)</u>
Closing balance	<u>\$ 4,059,019</u>	<u>\$ 4,243,311</u>

18. RESERVES

	<u>Opening</u>	<u>Transfer to</u>	<u>Transfer from</u>	<u>Closing</u>
Future programs	\$ 233,105	\$ 0	\$ 0	\$ 233,105
Cultural centres	1,309,072	0	(78,577)	1,230,495
Meadowbank compensation	3,251,684	2,103	0	3,253,787
Meliadine milestone	2,993,101	142,279	0	3,135,380
Whale Tale milestone	3,925,732	0	(64,072)	3,861,660
Investment income	650,826	263,000	(155,123)	758,703
Water compensation	<u>2,652,642</u>	<u>610,591</u>	<u>0</u>	<u>3,263,233</u>
	<u>\$ 15,016,162</u>	<u>\$ 1,017,973</u>	<u>\$ (297,772)</u>	<u>\$ 15,736,363</u>

19. FINANCIAL ASSETS AND LIABILITIES

The significant financial risks to which the Association is exposed are credit risk, interest rate risk and market risk.

a) Credit risk

Credit risk is the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable, due from related companies and advances to related companies. The Association does not obtain collateral or other security to support the amounts receivable subject to credit risk but mitigates this risk by dealing with only what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. A portion of the loans bear interest at variable interest rates. Increases in the bank's prime lending rate can cause the Association to incur higher financing costs. The Association does not use derivative financial instruments to deal with the effect of this risk.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

19. FINANCIAL ASSETS AND LIABILITIES (continued)

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Association's investments in publicly traded securities expose the Association to market risk as such investments are subject to price changes in the open market. The Association does not use derivative financial instruments to alter the effect of this risk.

20. COVID 19 IMPLICATIONS

The COVID-19 virus is affecting businesses in Nunavut and throughout the world. A high degree of uncertainty persists surrounding the full economic impact of the situation. The unpredictable nature of the spread of the disease makes it difficult to determine the length of time that the Association's operations will be impacted. Consequently, at the time of issuance of these financial statements, the effect that the abrupt decline in economic activity will have on the Association's operations, assets, liabilities, net assets, revenues, and expenses is not yet known.

21. COMMITMENTS

The Association is party to a 10 year funding agreement with the Government of Canada (Canada) to help improve the employment opportunities of Inuit. The agreement term began in April 2019 and will expire in March 2029. Total contributions towards eligible expenditures during the course of the agreement is \$25,481,869.

The Association is party to the Umbrella Inuit Impact and Benefit Agreement (IIBA) for Canadian Heritage Rivers (CHRs) in Nunavut which was signed on March 29, 2019. Under this IIBA, the Association is entitled to a payment of \$2,261,466 as funding for carrying out various obligations relating to the CHRs in the Kivalliq region during the 7 year term of the IIBA.

In February 2022, a limited partnership agreement was created between NCC Properties Ltd. and the Association, to form NCC Kivalliq Properties L.P.. As part of the agreement, 1 Class B limited partnership unit will be purchased for nominal consideration by NCC Kivalliq Properties G.P. Limited, a 50% owned joint venture of the Association. This agreement also requires the Association to purchase 615,000 Class A Limited Partnership Units for \$615,000. Subsequent to year-end, NCC Kivalliq Properties L.P. purchased a mixed-use commercial and residential property in Rankin Inlet for a purchase price of \$3,395,100, and assumed the mortgage on the property, which had an outstanding balance of \$2,182,713 on the date of sale. The Association has provided a guarantee on the mortgage equivalent to 50% of the outstanding balance.

Prior to year end, the Association made offers to purchase on two properties, with a total purchase price of \$750,000. Both offers were accepted with the closing dates of the agreements occurring in June 2022 and July 2022.

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KIVALLIQ INUIT ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

21. COMMITMENTS (continued)

The Association has entered into various lease agreements with the Hamlet of Rankin Inlet and the Government of Nunavut for the use of land in Rankin Inlet, Nunavut, with expiry dates from October 2023 to July 2043. Certain annual lease payments are determined by the Lessor over a revolving term of 5 years and can be subsequently adjusted. Based on current lease terms, payments of \$29,651 are due on an annual basis.

22. SUBSEQUENT EVENTS

Effective April 1, 2022, Larga Kivalliq Ltd. and its wholly-owned subsidiary, Kivalliq Development Corporation, were amalgamated into a single entity operating as Larga Kivalliq Ltd. The amalgamated entity will continue the operations of the former subsidiary entity in providing boarding and transportation services in Winnipeg, Manitoba to medical patients from the Kivalliq region of Nunavut.

On October 25, 2022, the 50% share ownership in Larga Kivalliq Ltd. held by Nunasi Corporation was purchased by the Association. Following the sale, the Association subsequently holds 100% of the outstanding common shares of Larga Kivalliq Ltd.

23. COMPARATIVE AMOUNTS

Certain 2021 financial statement amounts have been reclassified to conform to the financial statement presentation adopted in the current year.

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SCHEDULE 1

KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF OTHER REVENUE
FOR THE YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
Land use fees	\$ 652,338	\$ 517,043
Interest	441,048	224,787
Investment income	30,185	631,973
Administration fees	1,300,112	213,923
Miscellaneous and travel reimbursement	53,890	120,188
Gain (loss) on investment in EIC shares	<u>118,303</u>	<u>311,335</u>
	<u>\$ 2,595,876</u>	<u>\$ 2,019,249</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF NUNAVUT TUNNGAVIK INCORPORATED PROGRAM FUNDING
FOR THE YEAR ENDED MARCH 31, 2022

	2022						2021	
	Community Liaison	Bereavement and Compassionate Travel	Economic Development	Hunters Support	Harvesters Support Program	Inuit Post Secondary Education	Total	Total
REVENUE								
Deferred revenue - opening Nunavut Tunngavik Incorporated Contribution	\$ 0	\$ 0	\$ 131,057	\$ 0	\$ 0	\$ 0	\$ 131,057	\$ 193,109
	<u>1,052,681</u>	<u>373,248</u>	<u>498,658</u>	<u>545,291</u>	<u>419,500</u>	<u>1,083,940</u>	<u>3,973,318</u>	<u>2,621,694</u>
	1,052,681	373,248	629,715	545,291	419,500	1,083,940	4,104,375	2,814,803
Transferred to deferred capital	0	0	0	0	0	0	0	(14,098)
Deferred revenue - closing	<u>0</u>	<u>0</u>	<u>(131,057)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(131,057)</u>	<u>(131,057)</u>
	<u>1,052,681</u>	<u>373,248</u>	<u>498,658</u>	<u>545,291</u>	<u>419,500</u>	<u>1,083,940</u>	<u>3,973,318</u>	<u>2,669,648</u>
EXPENDITURES								
Community contributions								
Administration	0	0	0	49,572	0	0	49,572	81,037
Arviat	173,199	0	89,511	79,070	150,697	0	492,477	226,341
Baker Lake	149,810	0	41,281	4,655	14,181	0	209,927	247,388
Chesterfield Inlet	158,088	0	13,262	11,307	11,154	0	193,811	192,978
Coral Harbour	160,574	0	115,568	68,011	42,414	0	386,567	239,698
Naujaat	175,828	0	5,798	98,987	15,199	0	295,812	205,713
Rankin Inlet	218,517	0	226,501	211,202	176,819	0	833,039	764,033
Whale Cove	167,669	0	6,737	22,487	9,036	0	205,929	156,306
Other								
Bereavement and Compassionate Travel	0	373,248	0	0	0	0	373,248	203,673
Student support	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,083,940</u>	<u>1,083,940</u>	<u>540,247</u>
	<u>1,203,685</u>	<u>373,248</u>	<u>498,658</u>	<u>545,291</u>	<u>419,500</u>	<u>1,083,940</u>	<u>4,124,322</u>	<u>2,857,414</u>
EXCESS REVENUE (EXPENSES)	<u>\$ (151,004)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (151,004)</u>	<u>\$ (187,766)</u>

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KIVALLIQ INUIT ASSOCIATION
INUIT PROGRAMS & SERVICES - HRSDC
FOR THE YEAR ENDED MARCH 31, 2022

	Employment Insurance	Consolidated Revenue Fund Program (CRF)	Child Care (FNICCI)	Child Care (IELCC)	Child Care COVID	2022 Total	2021 Total
REVENUE							
Government of Canada							
Deferred revenue - prior year	\$ 940,036	\$ 2,521,226	\$ 167,297	\$ 1,061,538	\$ 1,611,585	\$ 6,301,682	\$ 3,977,191
Advances received	1,249,628	4,273,913	1,109,491	1,713,093	0	8,346,125	0
Deferred revenue - closing	(418,242)	(4,835,280)	(244,597)	(2,680,701)	(387,317)	(8,566,137)	0
	<u>1,771,422</u>	<u>1,959,859</u>	<u>1,032,191</u>	<u>93,930</u>	<u>1,224,268</u>	<u>6,081,670</u>	<u>3,977,191</u>
Interest	18,967	20,436	11,235	0	0	50,638	28,987
	<u>1,790,389</u>	<u>1,980,295</u>	<u>1,043,426</u>	<u>93,930</u>	<u>1,224,268</u>	<u>6,132,308</u>	<u>4,006,178</u>
PROGRAM ADMINISTRATION							
General administration							
Advertising	0	75	5,594	0	0	5,669	51,333
Computer maintenance and website	1,932	2,997	1,311	0	0	6,240	2,376
Office	25,026	30,985	29,580	0	0	85,591	87,718
Professional fees	3,756	45,361	7,301	0	0	56,418	58,733
Salaries and benefits	49,458	132,982	171,448	0	0	353,888	368,868
Travel	622	1,003	604	0	0	2,229	2,242
	<u>80,794</u>	<u>213,403</u>	<u>215,838</u>	<u>0</u>	<u>0</u>	<u>510,035</u>	<u>571,270</u>
Capital purchases	2,352	4,565	2,306	0	0	9,223	0
TOTAL PROGRAM ADMINISTRATION	<u>83,146</u>	<u>217,968</u>	<u>218,144</u>	<u>0</u>	<u>0</u>	<u>519,258</u>	<u>571,270</u>
CORE PROGRAM SERVICES							
General administration							
Advertising	0	0	0	0	0	0	8,726
Computer maintenance and website	1,335	2,499	0	0	0	3,834	1,657
Office	41,873	47,482	0	0	0	89,355	70,933
Professional fees	3,757	5,222	0	0	0	8,979	14,067
Salaries and benefits	242,908	256,513	0	0	0	499,421	450,440
	<u>289,873</u>	<u>311,716</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>601,589</u>	<u>545,823</u>
Capital purchases	6,729	8,942	0	0	0	15,671	0
TOTAL CORE PROGRAM SERVICES	<u>296,602</u>	<u>320,658</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>617,260</u>	<u>545,823</u>
FUNDED PROGRAMS							
Inuit child care initiatives - FNICCI	0	0	825,282	0	0	825,282	823,223
Inuit child care initiatives - IELCC	0	0	0	93,930	1,224,268	1,318,198	369,908
Labour market and youth programs	1,393,203	1,417,815	0	0	0	2,811,018	1,645,006
TOTAL FUNDED PROGRAMS	<u>1,393,203</u>	<u>1,417,815</u>	<u>825,282</u>	<u>93,930</u>	<u>1,224,268</u>	<u>4,954,498</u>	<u>2,838,137</u>
PARTNERSHIP DEVELOPMENT							
Salaries and benefits	17,438	23,854	0	0	0	41,292	50,948
TOTAL ADMINISTRATION AND PROGRAM EXPENSES	<u>1,790,389</u>	<u>1,980,295</u>	<u>1,043,426</u>	<u>93,930</u>	<u>1,224,268</u>	<u>6,132,308</u>	<u>4,006,178</u>
EXCESS REVENUE (EXPENSES)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF DIAND
FOR THE YEAR ENDED MARCH 31, 2022

	2022							2021		
	Nukik Operations	Kivalliq Hydrofibre Link	ICBMC Water Monitoring	Community Readiness and Opportunities	Summer Work	Skills Link	Nunavut Capacity	Basic Organization Capacity	Total	Total
REVENUE										
Deferred revenue - opening	\$ 0	\$ 0	\$ 142,146	\$ 0	\$ 0	\$ 0	\$ 0	\$ 142,146	\$ -	
Advances received	313,005	1,489,900	127,029	260,000	118,992	202,439	228,752	266,717	3,006,834	
Other contributions	0	0	0	0	0	2,000	0	0	2,000	
Deferred revenue - closing	0	0	(129,285)	0	0	0	0	0	(129,285)	
	<u>313,005</u>	<u>1,489,900</u>	<u>139,890</u>	<u>260,000</u>	<u>118,992</u>	<u>204,439</u>	<u>228,752</u>	<u>266,717</u>	<u>3,021,695</u>	<u>1,567,236</u>
EXPENDITURES										
Advertising	2,500	0	0	47	0	0	0	0	2,547	26,073
Computer maintenance	0	0	0	2,973	0	0	43,060	0	46,033	0
Facility and equipment rental	0	457,502	0	0	0	0	0	0	457,502	198,023
Freight	0	316	0	0	0	0	0	0	316	0
Honouraria	3,571	4,955	0	0	0	0	0	0	8,526	0
Insurance	0	1,016	0	0	0	0	0	0	1,016	0
Materials and supplies	814	6,205	432	0	0	0	0	0	7,451	38,298
Meetings	0	6,671	0	0	0	0	0	0	6,671	2,492
Office	6,259	0	0	49,926	0	0	24,629	0	80,814	30,206
Professional fees	273,249	1,282,026	93,417	149,000	0	0	40,300	0	1,837,992	1,091,208
Salaries and benefits	53,418	0	1,972	170,244	0	0	120,763	0	346,397	167,310
Summer work experience	0	0	0	0	118,992	204,439	0	0	323,431	126,800
Translation	1,267	2,662	0	0	0	0	0	0	3,929	0
Travel	16,265	158,393	44,069	1,375	0	0	0	0	220,102	32,348
Annual general meeting	0	0	0	0	0	0	0	33,340	33,340	33,340
Board meeting	0	0	0	0	0	0	0	57,344	57,344	57,344
President's salary	0	0	0	0	0	0	0	176,033	176,033	176,033
	<u>357,343</u>	<u>1,919,746</u>	<u>139,890</u>	<u>373,565</u>	<u>118,992</u>	<u>204,439</u>	<u>228,752</u>	<u>266,717</u>	<u>3,609,444</u>	<u>1,979,475</u>
EXCESS EXPENDITURES	<u>\$ (44,338)</u>	<u>\$ (429,846)</u>	<u>\$ 0</u>	<u>\$ (113,565)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (587,749)</u>	<u>\$ (412,239)</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF GOVERNMENT OF CANADA - OTHER DEPARTMENTS
FOR THE YEAR ENDED MARCH 31, 2022

	Heritage <u>Rivers</u>	Southhampton <u>Island</u>	Coastal <u>Restoration</u>	<u>Geoscience</u>	Caribou <u>Project</u>	2022 <u>Total</u>	2021 <u>Total</u>
REVENUE							
Department of Fisheries and Oceans	\$ 0	\$ 143,709	\$ 126,468	\$ 0	\$ 0	\$ 270,177	\$ 0
Department of Natural Resources	0	0	0	50,000	0	50,000	0
Heritage Canada	0	0	0	0	36,741	36,741	0
Canadian Heritage Rivers	73,914	0	0	0	0	73,914	7,324
Employment and Social Development Canada	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>52,521</u>
	<u>73,914</u>	<u>143,709</u>	<u>126,468</u>	<u>50,000</u>	<u>36,741</u>	<u>430,832</u>	<u>59,845</u>
EXPENDITURES							
Administration	0	0	0	0	4,792	4,792	0
Materials	73,914	133,709	11,968	0	0	219,591	0
Meetings	0	0	0	0	1,660	1,660	0
Professional fees	0	10,000	96,663	50,087	21,450	178,200	59,845
Travel	<u>0</u>	<u>0</u>	<u>17,837</u>	<u>0</u>	<u>8,839</u>	<u>26,676</u>	<u>0</u>
	<u>73,914</u>	<u>143,709</u>	<u>126,468</u>	<u>50,087</u>	<u>36,741</u>	<u>430,919</u>	<u>59,845</u>
EXCESS EXPENSES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (87)</u>	<u>\$ 0</u>	<u>\$ (87)</u>	<u>\$ 0</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF MEADOWBANK PROJECTS
FOR THE YEAR ENDED MARCH 31, 2022

	Implementation <u>Costs</u>	Water Compensation <u>Agreement</u>	2022 <u>Total</u>	2021 <u>Total</u>
REVENUE				
Agnico-Eagle Mines Limited				
IIBA schedule J-2 and J-3	\$ 191,188	\$ 0	\$ 191,188	\$ 208,037
Water compensation	<u>0</u>	<u>191,275</u>	<u>191,275</u>	<u>206,275</u>
	<u>191,188</u>	<u>191,275</u>	<u>382,463</u>	<u>414,312</u>
EXPENDITURES				
Materials and supplies	10,188	0	10,188	105
Meeting expenses	350	0	350	0
Other	156	0	156	80
Professional fees	7,192	30,000	37,192	79,108
Salaries and benefits	170,716	0	170,716	169,140
Travel	<u>2,586</u>	<u>0</u>	<u>2,586</u>	<u>4,604</u>
	<u>191,188</u>	<u>30,000</u>	<u>221,188</u>	<u>253,037</u>
EXCESS REVENUE	<u>\$ 0</u>	<u>\$ 161,275</u>	<u>\$ 161,275</u>	<u>\$ 161,275</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF UKKUSIKSALIK NATIONAL PARK IIBA
FOR THE YEAR ENDED MARCH 31, 2022

	<u>Community Initiatives Fund</u>	<u>Scholarship Trust</u>	<u>2022 Total</u>	<u>2021 Total</u>
REVENUE				
Deferred revenue - opening	\$ 4,456,720	\$ 251,562	\$ 4,708,282	\$ 4,414,142
Interest revenue	<u>30,718</u>	<u>17,178</u>	<u>47,896</u>	<u>304,140</u>
	4,487,438	268,740	4,756,178	4,718,282
Deferred revenue - closing	<u>(4,487,438)</u>	<u>(258,740)</u>	<u>(4,746,178)</u>	<u>(4,708,282)</u>
	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
EXPENDITURES				
Scholarships	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
EXCESS REVENUE	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF SPECIAL PROJECTS
FOR THE YEAR ENDED MARCH 31, 2022

SCHEDULE 8

	Cultural Centres	Dene Boundary	Suicide Prevention Strategy	Mental Health	Phase 4 Covid-19	B2017 Health	Climate Change	Somebody's Daughter
REVENUE								
Government of Nunavut	\$ 64,600	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 70,000
Government of Canada	0	0	0	0	0	0	0	128,833
Nunavut Tunngavik Inc.	0	54,605	283,121	288,674	7,850,853	225,613	280,016	0
Polar Knowledge Canada	0	0	0	0	0	0	0	0
Contracts/contributions	0	0	0	0	0	0	0	0
	<u>64,600</u>	<u>54,605</u>	<u>283,121</u>	<u>288,674</u>	<u>7,850,853</u>	<u>225,613</u>	<u>280,016</u>	<u>198,833</u>
EXPENDITURES								
Advertising	0	0	0	0	0	0	0	525
Management fees	0	0	27,505	26,750	1,024,086	20,510	20,202	0
Materials and supplies	46,523	0	255,616	90,436	0	156,493	45,892	68,286
Meeting expenses	6,873	6,182	0	0	0	0	0	0
Miscellaneous	69,491	0	0	0	6,826,767	0	0	5,576
Professional fees	0	32,371	0	0	0	0	219,074	15,525
Salaries and benefits	269	0	0	0	0	0	0	119,242
Travel	8,117	16,052	0	0	0	0	0	161,167
Expenditure transfer	0	0	0	171,488	0	48,610	0	(171,488)
	<u>131,273</u>	<u>54,605</u>	<u>283,121</u>	<u>288,674</u>	<u>7,850,853</u>	<u>225,613</u>	<u>285,168</u>	<u>198,833</u>
EXCESS REVENUE (EXPENDITURES)	<u>\$ (66,673)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (5,152)</u>	<u>\$ 0</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF SPECIAL PROJECTS
FOR THE YEAR ENDED MARCH 31, 2022

SCHEDULE 8

	Cultural Camp	Labour Needs Assessment	Indigenous Clean Energy	Lake Trout	Other	<u>2022</u> Total Special Projects	<u>2021</u> Total Special Projects
REVENUE							
Government of Nunavut	\$ 50,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 184,600	\$ -
Government of Canada	0	0	321,888	0	0	450,721	12,974,273
Nunavut Tunngavik Inc.	0	69,121	0	0	73,777	9,125,780	1,002,879
Polar Knowledge Canada	0	0	0	0	4,414	4,414	0
Contracts/contributions	0	0	0	110,200	17,270	127,470	14,272
	<u>50,000</u>	<u>69,121</u>	<u>321,888</u>	<u>110,200</u>	<u>95,461</u>	<u>9,892,985</u>	<u>13,991,424</u>
EXPENDITURES							
Advertising	0	0	0	0	0	525	0
Management fees	0	0	0	0	0	1,119,053	51,086
Materials and supplies	23,872	0	0	3,321	15,130	705,569	781,576
Meeting expenses	0	0	0	0	0	13,055	0
Miscellaneous	375	0	0	0	1,000	6,903,209	12,917,670
Professional fees	0	65,095	321,888	104,530	4,414	762,897	273,388
Salaries and benefits	37,965	0	0	0	53,233	210,709	14,625
Travel	36,398	0	0	10,286	36,814	268,834	0
Expenditure transfer	(48,610)	0	0	0	0	0	10,923
	<u>50,000</u>	<u>65,095</u>	<u>321,888</u>	<u>118,137</u>	<u>110,591</u>	<u>9,983,851</u>	<u>14,049,268</u>
EXCESS REVENUE (EXPENDITURES)	<u>\$ 0</u>	<u>\$ 4,026</u>	<u>\$ 0</u>	<u>\$ (7,937)</u>	<u>\$ (15,130)</u>	<u>\$ (90,866)</u>	<u>\$ (57,844)</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF MELIADINE PROJECTS
FOR THE YEAR ENDED MARCH 31, 2022

	<u>Implementation Costs</u>	<u>Negotiation Costs</u>	<u>Royalties</u>	<u>Water Compensation</u>	<u>Scholarships</u>	<u>Environmental Impact Study</u>	<u>2022 Total</u>	<u>2021 Total</u>
REVENUE								
Agnico-Eagle Mines Limited								
Royalties	\$ 0	\$ 0	\$ 10,033,441	\$ 0	\$ 0	\$ 0	\$ 10,033,441	\$ 9,102,930
Scholarship	0	0	0	0	30,000	0	30,000	30,000
Cost recovery	<u>583,432</u>	<u>332,388</u>	<u>0</u>	<u>25,340</u>	<u>0</u>	<u>118,408</u>	<u>1,059,568</u>	<u>858,628</u>
	583,432	332,388	10,033,441	25,340	30,000	118,408	11,123,009	9,991,558
CIRNAC - DIAND	0	0	0	0	0	0	0	149,325
NTI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>114,364</u>
	<u>583,432</u>	<u>332,388</u>	<u>10,033,441</u>	<u>25,340</u>	<u>30,000</u>	<u>118,408</u>	<u>11,123,009</u>	<u>10,255,247</u>
EXPENDITURES								
Advertising	5,162	0	0	0	0	0	5,162	1,899
Computer expenses	5,100	0	0	0	0	0	5,100	1,027
Management fees	104,200	0	0	0	0	0	104,200	80,000
Materials	44,204	0	0	0	0	0	44,204	866
Meeting expenses	19,595	13,224	0	0	0	0	32,819	10,781
Professional fees	94,214	343,383	0	25,340	0	118,408	581,345	794,282
Salaries and benefits	249,159	1,114	0	0	0	0	250,273	223,725
Scholarships	0	0	0	0	30,000	0	30,000	30,000
Staff training	0	0	0	0	0	0	0	2,497
Travel	<u>20,836</u>	<u>15,629</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,465</u>	<u>7,240</u>
	<u>542,470</u>	<u>373,350</u>	<u>0</u>	<u>25,340</u>	<u>30,000</u>	<u>118,408</u>	<u>1,089,568</u>	<u>1,152,317</u>
EXCESS REVENUES	<u>\$ 40,962</u>	<u>\$ (40,962)</u>	<u>\$ 10,033,441</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,033,441</u>	<u>\$ 9,102,930</u>

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KIVALLIQ INUIT ASSOCIATION
WHALE TAIL PROJECTS
FOR THE YEAR ENDED MARCH 31, 2022

	Negotiation <u>Costs</u>	Water <u>Compensation</u>	<u>Royalties</u>	<u>Scholarships</u>	2022 <u>Total</u>	2021 <u>Total</u>
REVENUE						
Agnico-Eagle Mines Limited						
Royalties	\$ 0	\$ 0	\$ 10,231,207	\$ 0	\$ 10,231,207	\$ 6,959,595
Scholarship	0	0	0	30,000	30,000	30,000
Cost recovery	<u>15,470</u>	<u>446,270</u>	<u>0</u>	<u>0</u>	<u>461,740</u>	<u>591,179</u>
	<u>15,470</u>	<u>446,270</u>	<u>10,231,207</u>	<u>30,000</u>	<u>10,722,947</u>	<u>7,580,774</u>
EXPENDITURES						
Meetings	0	0	0	0	0	202
Professional fees	15,470	0	0	0	15,470	62,910
Scholarships	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
	<u>15,470</u>	<u>0</u>	<u>0</u>	<u>30,000</u>	<u>45,470</u>	<u>93,112</u>
EXCESS REVENUES	<u><u>\$ 0</u></u>	<u><u>\$ 446,270</u></u>	<u><u>\$ 10,231,207</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 10,677,477</u></u>	<u><u>\$ 7,487,662</u></u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF COMMERCIAL ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
REVENUES		
Commercial revenue	\$ 5,145,116	\$ 5,251,921
Rental revenue	5,083,614	4,842,810
Management and service fees	4,119,393	4,181,101
Contract revenue	479,820	1,258,540
Administrative support	240,000	0
Interest and other	<u>8,879</u>	<u>64,440</u>
	<u>15,076,822</u>	<u>15,598,812</u>
EXPENSES		
Advertising and promotion	27,462	28,706
Bad debts	(125)	(10,132)
Board of directors honouraria	168,817	154,110
Board of directors meetings and travel	68,811	31,409
Insurance	820,420	693,337
Interest and bank charges	106,930	122,847
Memberships and licences	43,658	34,681
Municipal taxes and land leases	105,996	53,403
Office	104,267	41,862
Professional and consulting fees	446,467	311,666
Repairs and maintenance	964,368	681,215
Salaries and wages	4,748,800	4,384,869
Supplies	299,851	250,020
Telecommunications	105,746	105,385
Training	9,153	16,319
Travel and accommodations	82,626	20,733
Utilities	<u>1,307,683</u>	<u>1,124,745</u>
	<u>9,410,930</u>	<u>8,045,175</u>
EXCESS REVENUES	<u>\$ 5,665,892</u>	<u>\$ 7,553,637</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SCHEDULE OF ADMINISTRATION EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2022

	<u>2022</u>	<u>2021</u>
Salaries and benefits	\$ 5,028,151	\$ 4,159,137
Staff training	25,591	21,465
Meeting expenses	348,511	247,649
Travel	241,740	47,273
Office	51,437	68,302
Professional fees	676,183	552,343
Advertising and promotion	265,507	133,007
Service fees	28,531	17,972
Computer expenses	196,437	116,328
Vehicle expenses	7,645	10,002
Miscellaneous	<u>112,175</u>	<u>26,483</u>
	<u>\$ 6,981,908</u>	<u>\$ 5,399,961</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SUMMARY OF LONG TERM INVESTMENTS
FOR THE YEAR ENDED MARCH 31, 2022

	Kivalliq Tire Mine Services Ltd.	NS Management Limited	Qaaqtuq Dyno Nobel Inc.	Nunami Stantec Limited	NCC Investment Group Inc.	Larga Kivalliq Ltd.	8489982 Canada Inc.	Sakku & YAB Management Group Inc.
Accounting Method	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Ownership %	51%	51%	51%	40%	25%	50%	50%	50%
Financial Position								
Assets	<u>\$ 2,779,916</u>	<u>\$ 100</u>	<u>\$ 28,482,735</u>	<u>\$ 879,644</u>	<u>\$152,985,074</u>	<u>\$ 1,518,136</u>	<u>\$ 2</u>	<u>\$ 0</u>
Liabilities	\$ 2,408,616	\$ 0	\$ 28,629,181	\$ 879,544	\$ 65,357,262	\$ 825,796	\$ 0	\$ 0
Share capital	100	100	200	100	500,000	865,882	2	0
Surplus (deficit)	<u>371,200</u>	<u>0</u>	<u>(146,646)</u>	<u>0</u>	<u>87,127,812</u>	<u>(173,542)</u>	<u>0</u>	<u>0</u>
	<u>\$ 2,779,916</u>	<u>\$ 100</u>	<u>\$ 28,482,735</u>	<u>\$ 879,644</u>	<u>\$152,985,074</u>	<u>\$ 1,518,136</u>	<u>\$ 2</u>	<u>\$ 0</u>
Statement of Operations								
Revenues	\$ 11,046,849	\$ 0	\$ 37,306,548	\$ 2,879,390	\$ 62,772,315	\$ 6,173,212	\$ 0	\$ 0
Expenses	<u>11,046,292</u>	<u>0</u>	<u>37,306,548</u>	<u>2,879,390</u>	<u>44,764,351</u>	<u>6,145,355</u>	<u>0</u>	<u>0</u>
Net income (loss)	<u>\$ 557</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,007,964</u>	<u>\$ 27,857</u>	<u>\$ 0</u>	<u>\$ 0</u>
Share of operations	<u>\$ 284</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,501,991</u>	<u>\$ 13,929</u>	<u>\$ 0</u>	<u>\$ 0</u>
Investment								
Share capital	\$ 51	\$ 51	\$ 76	\$ 40	\$ 125,000	\$ 432,941	\$ 1	\$ 13
Share of surplus (deficit)	<u>188,775</u>	<u>0</u>	<u>(74,789)</u>	<u>0</u>	<u>21,781,953</u>	<u>(87,653)</u>	<u>0</u>	<u>0</u>
	<u>\$ 188,826</u>	<u>\$ 51</u>	<u>\$ (74,713)</u>	<u>\$ 40</u>	<u>\$ 21,906,953</u>	<u>\$ 345,288</u>	<u>\$ 1</u>	<u>\$ 13</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SUMMARY OF LONG TERM INVESTMENTS
FOR THE YEAR ENDED MARCH 31, 2022

	Toromont Arctic Ltd.	NCC Kivalliq Properties G.P. Ltd.	Sakku Exchange Corporation	Sakku Innovative Building Solutions Ltd.	Kivalliq Mechanical Solutions Ltd.	Kivalliq Contractors Group Ltd	Kivalliq Alternative Energy Ltd.
Accounting Method	Equity	Equity	Cost	Cost	Cost	Cost	Cost
Ownership %	20%	50%	76%	76%	76%	51%	51%
Financial Position							
Assets	<u>\$ 1,219,787</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Liabilities	\$ 1,217,722	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Share capital	100	0	0	0	0	0	0
Surplus (deficit)	1,965	0	0	0	0	0	0
	<u>\$ 1,219,787</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Statement of Operations							
Revenues	\$ 1,159,735	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Expenses	<u>1,159,735</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net income (loss)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Share of operations	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Investment							
Share capital	\$ 20	\$ 50	\$ 176	\$ 102	\$ 76	\$ 151	\$ 151
Share of surplus (deficit)	<u>393</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$ 413</u>	<u>\$ 50</u>	<u>\$ 176</u>	<u>\$ 102</u>	<u>\$ 76</u>	<u>\$ 151</u>	<u>\$ 151</u>

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KIVALLIQ INUIT ASSOCIATION
CONSOLIDATED SUMMARY OF LONG TERM INVESTMENTS
FOR THE YEAR ENDED MARCH 31, 2022

	Nanuk Builders Group Ltd.	Pan Arctic Inuit Logistics Corporation	Nunasi Corporation	Nunavut Sealink and Supply Inc.	Total 2022
Accounting Method	Cost	Cost	Cost	Cost	
Ownership %	51%	17%	Pref shares	13%	
Financial Position					
Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 187,865,394</u>
Liabilities	\$ 0	\$ 0	\$ 0	\$ 0	99,318,121
Share capital	0	0	0	0	1,366,484
Surplus (deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>87,180,789</u>
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 187,865,394</u>
Statement of Operations					
Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 121,338,049
Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>103,301,671</u>
Net Income (loss)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,036,378</u>
Share of operations	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,516,204</u>
Investment					
Share capital	\$ 51	\$ 177,373	\$ 2	\$ 1,029,001	\$ 1,765,326
Share of surplus (deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>21,808,679</u>
	<u>\$ 51</u>	<u>\$ 177,373</u>	<u>\$ 2</u>	<u>\$ 1,029,001</u>	<u>\$ 23,574,005</u>

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