



**Indigenous Gaming Regulators Inc**

**2019 - 2020**

**Annual Report**

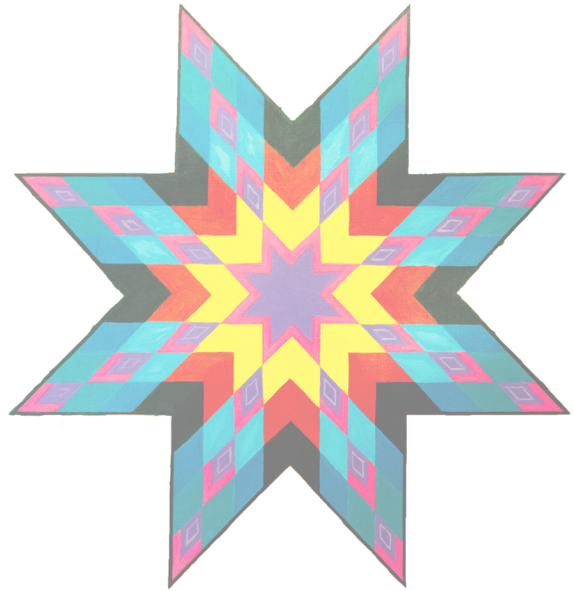




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## IGR BOARD CHAIR MESSAGE



I am pleased to present the 2019-2020 IGR Annual Report on behalf of the IGR Board of Directors and The Federation of Sovereign Indigenous Nations.

While the past year has been one of progress for First Nations in the journey to full jurisdiction over gaming, social isolation has proven to be challenging for First Nations families and communities. In the last fiscal year, IGR diligently carried out their mandate for the benefit of First Nations citizens and communities by providing exceptional regulation services for on-reserve charitable gaming. May the next fiscal year be the same.

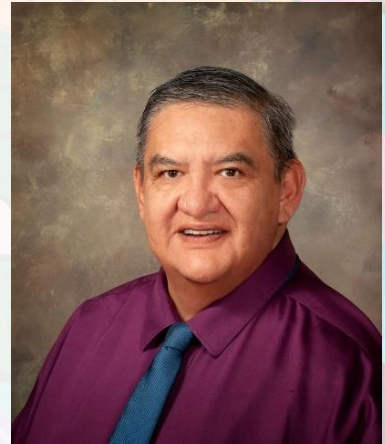
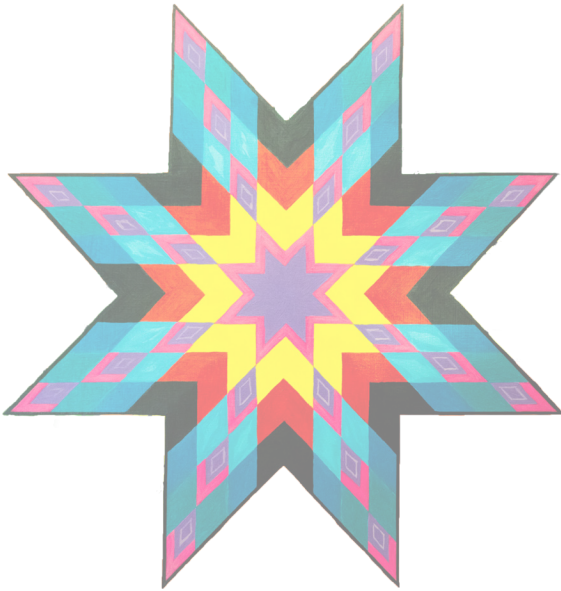
In closing, I thank each and every one of you for the part you played in making the year a successful one at IGR.

Vice-Chief David Pratt

Indigenous Gaming Regulators Inc.  
Board Chair



**PRESIDENT & CEO MESSAGE**



On behalf of IGR management and staff I thank all of our gaming regulation stakeholders for making my first year at IGR memorable and successful. Together we progressed towards full jurisdiction over First Nations gaming regulation by IGR.

This past year, IGR Inspectors and Licensing Officers provided helpful service to IGR licensees as management and staff at the IGR office performed their prescribed duties to ensure that our mandate was carried out with the utmost diligence and professionalism. At the same time, the volunteers and staff at the IGR-licensed charities performed above and beyond the call of duty for the benefit of First Nations citizens and communities.

This past year was not without challenges. The Covid-19 global pandemic affected everyone in the FSIN family of gaming institutions along with all stakeholders and people across the entire world. IGR has done its part by ensuring that staff and licensees are safe through closures and social distancing. In closing, I heartily and sincerely thank everyone and look forward to working with you over the next fiscal year and beyond.

Alphonse Bird

President & CEO  
Indigenous Gaming Regulators Inc.

## IGR BOARD OF DIRECTORS



SENATOR GEORGE PEEACE of the Yellowquill First Nation joined the IGR Board of Directors January 14, 2001. Senator Peeace represents the Federation of Sovereign Indigenous Nations Senate.



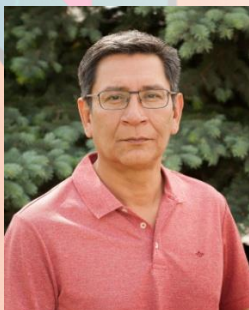
CHIEF GEORGE COTE of Cote First Nation represents the Yorkton Tribal Council on the IGR Board of Directors. Chief Cote joined the IGR Board of Directors January 19, 2017.



CHIEF BRUCE MORIN represents the Agency Chiefs Tribal Council. He joined the IGR Board of Directors November 22, 2016. Chief Morin is from the Big River First Nation.



CHIEF DARYL WATSON has represented the Saskatoon Tribal Council on the IGR Board of Directors since June 6, 2018. Chief Watson is from Mistawasis Nehiyawak.



CHIEF TODD PEIGAN has represented the File Hills Qu'Appelle Tribal Council since May 31, 2011. Chief Peigan is from the Pasqua First Nation.





COUNCILLOR DEBBIE MAXIE of the White Bear First Nation has represented Southeast Treaty #4 on the IGR Board of Directors since January 23, 2019.



CHIEF THOMAS DUSTYHORN of Kawacatoose First Nation has represented the Touchwood Agency Tribal Council since October 23, 2018.



CHIEF JOHN WADITAKA, of the Wahpeton Dakota Nation has represented the Prince Albert Grand Council on the IGR Board of Directors since June 6, 2018.



CHIEF LARRY AHENAKEW of the Ahtahkakoop Cree Nation has represented the Battlefords Agency Tribal Chiefs on the IGR Board of Directors since May 26, 2015.



CHIEF JONATHON SYLVESTRE from the Birch Narrows First Nation has represented the Meadow Lake Tribal Council on the IGR Board of Directors since June 8, 2017.

## Overview & Mandate of IGR

It is the mandate of the organization to function as a regulatory authority in accordance with the provisions of applicable legislation of the Federation of Sovereign Indigenous Nations (FSIN) and under First Nations law, the *2002 Framework Agreement*, the *SIGL Regulatory Agreement*, the *2007 Licensing Agreement*, and any other agreements that might be negotiated by the organization from time to time.

The regulatory function currently under the authority of IGR is:

- the licensing and regulation of charitable lottery schemes on reserves including Bingos, Breakopens, Raffles, Texas Hold'em Poker Tournaments, Monte Carlo Events and Table Games offered for play at Saskatchewan Indian Gaming Authority (SIGA) casinos.
- the registration of on-reserve charitable gaming employees including SIGA Table Games Employees and key employees at IGR-licensed Class A Bingo Halls.

Additional regulatory functions that IGR is expected to assume over the period of the next three fiscal years are the following:

- registration of suppliers who may provide gaming products and/or services to licensees of IGR; and
- performance of other gaming related functions as may be agreed to between IGR and the Saskatchewan Liquor and Gaming Authority (SLGA).

## Corporate Vision/Mission Statements

***“Regulate the Future to Preserve the Past”***

**The Vision of the Indigenous Gaming Regulators is:**

*“Building the regulatory foundation for First Nations gaming through a credible, ethical and fair model that ensures mutual success in cooperation with our partners.”*

IGR recognizes that this vision is founded upon First Nation peoples' inherent right to gaming.

IGR plans to realize its vision by:

- operating independently of political influence in the interest of gaming integrity while simultaneously serving those First Nations that designate IGR as the body authorized to license and regulate on-reserve charitable gaming and to register employees and suppliers to provide gaming services to those charitable entities;
- developing policies, taking into consideration the evolving needs of First Nation partners; and
- being cognizant of evolving gaming regulation and policies within other jurisdictions.



## **The Mission of the Indigenous Gaming Regulators is:**

*“To provide excellence in regulatory services for charitable gaming on designated First Nations while advocating for socially responsible gaming.”*

To accomplish this mission, IGR shall function as a lawful and credible regulatory authority that has the capacity and ability to:

- license and regulate charitable lottery schemes on designated reserves in an impartial and unbiased fashion;
- register gaming employees and gaming suppliers;
- perform other regulatory functions and tasks as required from time to time.
- act at all times in the public interest by ensuring that the licensing and regulation of charitable lottery schemes and the registration of gaming employees and gaming suppliers are conducted in a fair, consistent and ethical manner;
- implement and maintain sound business and administrative practices to carry out the operations of the Corporation in an efficient and cost effective manner while upholding high standards of trust, honesty, integrity, credibility and accountability; and
- remain abreast of developments in socially responsible gaming initiatives, and promote awareness of those initiatives.

## **Core Values**

IGR identified the following five values as being the most critical to the organization’s success in fulfilling its mandate.

These core values have been translated into four First Nation languages, which are visible in selected IGR publications.

- **Accountability** – We will acknowledge and assume responsibility for our actions, decisions and policies.
- **Teamwork** – We will work collectively and effectively: internally to achieve exemplary, sustainable results; and with other parties toward the achievement of shared goals.
- **Respect** – We will behave in a manner that reflects objective, unbiased consideration and regard for the rights, values, beliefs and property of others.
- **Integrity** – We will adhere to the highest standards of moral values free of corruption or undesirable influence.
- **Professionalism** – We will conduct ourselves in a manner that demonstrates our dedication to deliver a reliable, courteous and consistent service.

## LICENSING AND REGISTRATION REPORT

IGR's Licensing Department is responsible for the licensing and regulation of on-reserve charitable gaming, and the Registration department is responsible for registering on-reserve charitable gaming employees and suppliers. The Licensing department has been operational for the last eleven years, and the Registration department has been registering on-reserve charitable gaming employees since September 1, 2016.

### Licensing Department

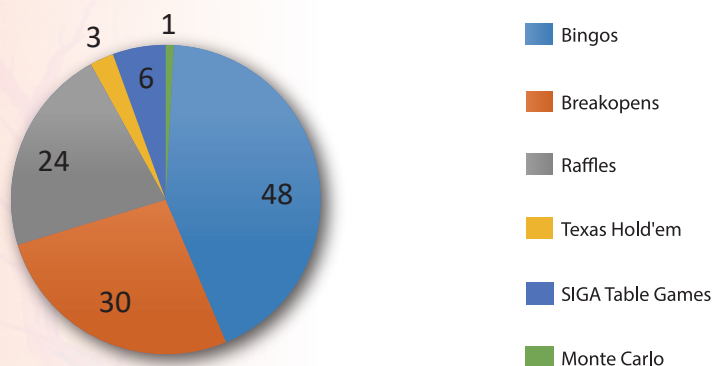
The Licensing Department provides on-going monitoring to maintain financial integrity and works with First Nations organizations to bring awareness of the legal responsibilities of charitable gaming operations. The Licensing Department is directly involved in every detail of the licensing and reporting processes for charitable or religious organizations participating in gaming activities on Saskatchewan First Nation lands.

The Licensing Department ensures the integrity of licensed gaming activities, including Bingo, Breakopen Tickets, Raffles, Texas Hold'em Poker Tournaments, Monte Carlo, and SIGA Table Games through a comprehensive application and approval process. We monitor eligibility, operations, prizes and use of proceeds on an ongoing basis.

The department strives towards efficiency and expediency, of the application and reporting procedures for IGR-licensed charities. We are continually reviewing and developing licensing procedures and policies to improve workflow and information-sharing.

In the Fiscal Year 2019-2020 the Licensing Department issued one hundred and twelve (112) licenses. The breakdown of the licences issued is as per the graph below:

**IGR Licenses 2019-2020**

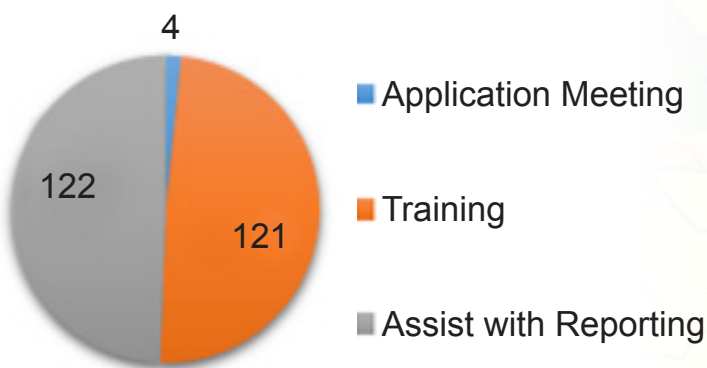




The Licensing Department holds community information and education seminars as they relate to charitable gaming. Every second year, IGR's Licensing Department hosts a Charitable Gaming Workshop in Saskatoon that targets specific areas identified by the Licensing Officers as important topics, including financial reporting and management of operations.

IGR Licensing staff members conduct informational and consultative meetings and workshops with First Nations governments and on-reserve charities. Our meetings and workshops include information on how to apply for charitable gaming licenses and reporting. The graph below illustrates the purposes of the meetings and workshops conducted in the fiscal year 2019-2020.

## Licensing Department Community Visits 2019-2020



The Charitable Gaming Grant Program was introduced in the fiscal year 2006-2007 to stabilize revenues for groups and organizations that conduct charitable gaming events. The Licensing Department manages the charitable gaming grant program. The program averages 80 IGR-licensed charities receiving a grant each year. All funds raised through on-reserve charitable gaming are eligible for a charitable gaming grant which is equivalent to 25% of the 'net proceeds' up to a maximum of \$100,000 per year per organization. Net Proceeds is the amount that is set aside for charitable objects or purposes after the amount for prizes and other event expenses have been deducted from the revenues. IGR calculates this percentage on behalf of the licensed charities. Calculations are based on required monthly reporting received from the charities. This fiscal year, \$496,414 in grant payment requests were submitted on behalf of the charities, to SLGA by IGR.

## Registration Department

IGR is responsible for the registration of on-reserve charitable gaming employees. The IGR registration program plays a vital role in maintaining the integrity of the gaming industry and facilitating the protection of gaming assets. IGR's authority to register On-Reserve Charitable Gaming Employees is derived from *The Alcohol and Gaming Regulation Act, 1997*.

IGR's responsibilities include issuing gaming certificates of registration to eligible individuals, and ensuring those individuals satisfy requirements outlined in the Act, the Regulations and IGR

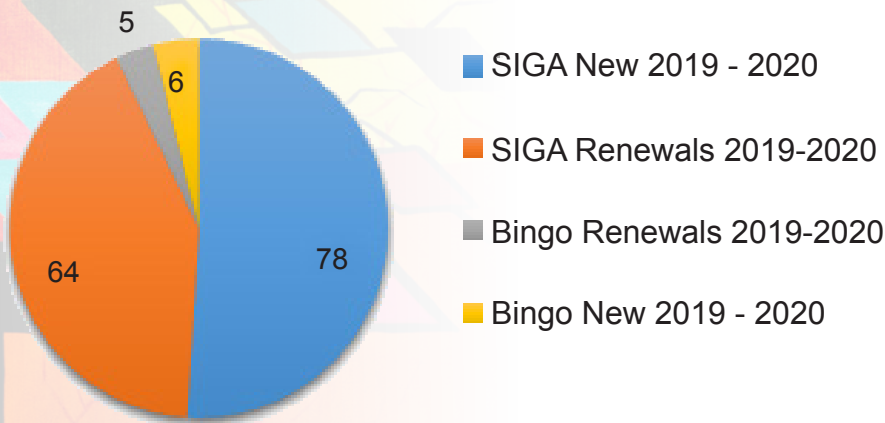
policies. On-reserve charitable gaming employees that are required to be registered, include the Table Games employees at the SIGA casinos and key on-reserve charitable gaming employees such as Bingo hall managers and callers. It is important to note that in determining who qualifies to receive a Certificate of Registration, each application is unique, and eligibility is determined based on a review of each applicant's personal, financial and criminal history as well as the position and category of employment for which the person has applied. Due to the nature of the gaming industry, the number of registered on-reserve charitable gaming employees generally fluctuates very minimally on a monthly basis. When staff members are no longer employed, new staff members are registered to replace them.

### Registration Gaming Employee Activities

#### IGR Registered Gaming Employees

|               |     |
|---------------|-----|
| SIGA TOTAL    | 269 |
| SIGA NEW      | 78  |
| SIGA RENEWALS | 64  |
| BINGO         | 29  |

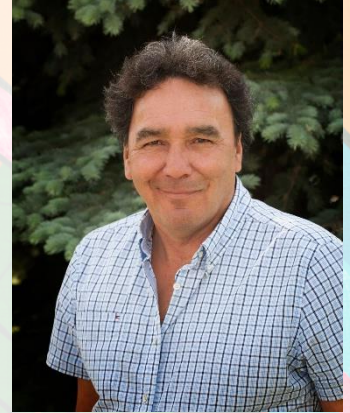
### IGR Registrations 2019-2020





## Gregory Ahenakew Scholarship

Gregory Ahenakew (July 23, 1960-December 25, 2018) was a strong advocate for First Nations excellence in education. Gregory served the First Nations people and communities as an elected leader and as a Sr. Manager. He stewarded Indigenous Gaming Regulators towards the vision of a First Nations gaming regulator. The scholarship honors the memory of Gregory Ahenakew while assisting First Nations post-secondary students with academic expenses, as it speaks to his belief in the importance of education. First Nations students enrolled in full-time studies at the First Nations University of Canada, Saskatchewan Indian Institute of Technologies, University of Saskatchewan and University of Regina are eligible to apply. Awards Scholarships will be awarded annually in September, beginning in 2020. Each academic year, there will be two awards of \$2,500; based on suitability. In the event of surplus fundraising revenue availability, additional scholarships may be awarded.



**Eligibility:** First Nations students enrolled in full-time studies at the First Nations University of Canada, Saskatchewan Indian Institute of Technologies, University of Saskatchewan and University of Regina are eligible to apply.

**Criteria:** Full Time Academic Enrollment: Proof of Enrollment is required. Academic Excellence: A transcript of last grades achieved is required. Value: An applicant is required to submit an essay on how the Gregory Ahenakew Memorial Scholarship will help applicant's career. Community Involvement: An applicant is required to submit 2 letters of reference in recognition of the applicant's contributions to the community.

**Need:** An applicant is required to demonstrate need.

Application for a Scholarship:

To apply for a Gregory Ahenakew Memorial Scholarship, a student must submit a completed application form and all required attachments to IGR. Applications must be received by IGR by June 30th of a given year to be eligible for a scholarship to be awarded that year. Applications are available at

[www.igr.ca](http://www.igr.ca)

## DEADLINE:

**ALL APPLICATIONS MUST BE RECEIVED BY 4:30 PM (SK time) June 30th.**

Submissions may be made by:

- email to: [reception@igr.ca](mailto:reception@igr.ca)
- fax to 306-477-5704
- mail #400—203 Packham Avenue, Saskatoon, SK, S7N 4K5

**NO EXCEPTIONS WILL BE MADE.**

Questions may be directed to: [lorna.ledoux@igr.ca](mailto:lorna.ledoux@igr.ca)

## **COMPLIANCE SERVICES REPORT**

IGR's Compliance Services division is comprised of Inspection Services and Audit Services, and is responsible for all regulatory audit, inspection and investigation functions.

### **Inspection Services**

Inspection Services conducts inspections of on-reserve charitable gaming events in order to confirm the integrity of charitable gaming operations, and to monitor compliance with the terms and conditions of the Bingo, Breakopen, Texas Hold'em, Raffle or Monte Carlo license issued by IGR.

Inspection Services conducts inspections of licensed table games at all seven Saskatchewan Indian Gaming Authority casino locations. IGR inspectors conduct live inspections from the casino floor as well as video reviews from the surveillance room to monitor compliance with the rules and procedures identified in the SIGA Live Games Manual, as well as the Terms and Conditions for SIGA Table Games.

After each inspection, a detailed written report is prepared, that documents observations and identifies areas of non-compliance. IGR provides SIGA officials with regular feedback on inspection findings, and issues detailed Quarterly Reports to SIGA documenting all identified areas of non-compliance. In order to follow up on the Quarterly Reports, quarterly meetings are held between IGR and SIGA officials to discuss compliance issues and to share ideas and information regarding various gaming integrity issues affecting casino operations.

Inspection Services also conducts investigations arising from cheating at play, or from player complaints at SIGA Casino table games or on-reserve charitable gaming events.

### **Audit Services**

Audit Services conducts financial audits of the books and records of First Nations charitable gaming licensees on an on-going basis. The objective of these audits is to determine the extent to which the revenues and expenses being reported to IGR are complete and accurate. At the conclusion of each audit, a letter is sent to the licensee that summarizes the findings of the audit and includes, where appropriate, recommendations to enhance the licensee's charitable gaming operations and assist in future financial reporting. The results of these audits are used in the calculation of the charitable gaming grant available to each charitable organization.

To ensure the fairness and integrity of charitable gaming operations, and to provide assurance that charitable gaming proceeds are used for their intended purpose, IGR has established terms and conditions for each charitable gaming licence. IGR's Audit Services Department provides training and support services to licensees in order to enhance record keeping and financial reporting, and to assist licensees in establishing policies and procedures which will help ensure compliance with all terms and conditions.

### **Registration of On-reserve Charitable Gaming Employees**

IGR registers on-reserve charitable gaming employees at SIGA casinos (table games) and Class A bingo halls. Inspection Services may perform background checks before a Certificate of Registration is issued. These background checks are used to determine applicant suitability to work in the gaming industry.



**INDIGENOUS GAMING REGULATORS  
COMPLIANCE SERVICES  
As at March 31, 2019**

|  | 2019-2020          | 2018-2019           | 2017-2018           | 2016-2017           | 2015-2016          |
|--|--------------------|---------------------|---------------------|---------------------|--------------------|
| <b>INSPECTION SERVICES</b>                     |                    |                     |                     |                     |                    |
| <b>Casino Inspections:</b>                     |                    |                     |                     |                     |                    |
| Bear Claw Casino                               | 51                 | 52                  | 52                  | 54                  | 54                 |
| Dakota Dunes Casino                            | 74                 | 84                  | 81                  | 87                  | 83                 |
| Gold Eagle Casino                              | 57                 | 68                  | 71                  | 68                  | 74                 |
| Gold Horse Casino                              | 57                 | 19                  |                     |                     |                    |
| Living Sky Casino                              | 55                 | 65                  | 70                  | 68                  | 71                 |
| Northern Lights Casino                         | 54                 | 66                  | 71                  | 67                  | 69                 |
| Painted Hand Casino                            | 56                 | 66                  | 65                  | 66                  | 71                 |
| <b>Subtotal Casino Inspections</b>             | <b>404</b>         | <b>420</b>          | <b>410</b>          | <b>410</b>          | <b>422</b>         |
| <b>Charitable Gaming Inspections:</b>          |                    |                     |                     |                     |                    |
| Bingo  | 53                 | 62                  | 71                  | 76                  | 75                 |
| Raffle   | 18                 | 18                  | 8                   | 7                   | 4                  |
| Breakopen                                      | 27                 | 24                  | 27                  | 22                  | 27                 |
| Texas Hold'em                                  | 0                  | 0                   | 1                   | 0                   | 1                  |
| <b>Subtotal Charitable Gaming Inspections</b>  | <b>98</b>          | <b>104</b>          | <b>107</b>          | <b>105</b>          | <b>107</b>         |
| <b>TOTAL INSPECTIONS</b>                       | <b>502</b>         | <b>524</b>          | <b>517</b>          | <b>515</b>          | <b>529</b>         |
| <b>INVESTIGATIONS</b>                          | <b>18</b>          | <b>19</b>           | <b>12</b>           | <b>6</b>            | <b>-</b>           |
| <b>AUDIT SERVICES</b>                          |                    |                     |                     |                     |                    |
| <b>Charitable Gaming Audits:</b>               |                    |                     |                     |                     |                    |
| Bingo  | 3                  | 6                   | 10                  | 12                  | 11                 |
| Raffle   |                    | 1                   | 1                   | 1                   | 2                  |
| Breakopen                                      | 3                  | 1                   | 6                   | 4                   | 4                  |
| Texas Hold'em                                  |                    |                     | 0                   | 1                   | 1                  |
| <b>Total Charitable Gaming Audits</b>          | <b>6</b>           | <b>8</b>            | <b>17</b>           | <b>18</b>           | <b>18</b>          |
| <b>Revenue - Compliance Percentage</b>         | <b>100%</b>        | <b>100%</b>         | <b>88%</b>          | <b>67%</b>          | <b>72%</b>         |
| <b>Expenses - Compliance Percentage</b>        | <b>83%</b>         | <b>88%</b>          | <b>88%</b>          | <b>61%</b>          | <b>61%</b>         |
| <b>CG Grant Financial Reviews (Quarterly):</b> |                    |                     |                     |                     |                    |
| Bingo  | 77                 | 97                  | 114                 | 109                 | 131                |
| Raffle   | 8                  | 12                  | 16                  | 11                  | 7                  |
| Breakopen                                      | 26                 | 42                  | 44                  | 32                  | 45                 |
| Texas Hold'em                                  | 0                  | 2                   | 1                   | 0                   | 1                  |
| <b>Total Financial Reviews</b>                 | <b>111</b>         | <b>153</b>          | <b>175</b>          | <b>152</b>          | <b>184</b>         |
| <b>Net Proceeds</b>                            | <b>\$1,985,662</b> | <b>\$ 2,118,905</b> | <b>\$ 2,156,806</b> | <b>\$ 2,153,070</b> | <b>\$1,700,207</b> |
| <b>Approximate Grant</b>                       | <b>\$ 496,416</b>  | <b>\$ 529,726</b>   | <b>\$ 539,202</b>   | <b>\$ 538,268</b>   | <b>\$ 425,052</b>  |



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# Financial statements of Indigenous Gaming Regulators Inc.

March 31, 2020

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## Independent Auditor's Report

To the Members of  
Indigenous Gaming Regulators Inc.

### Opinion

We have audited the financial statements of Indigenous Gaming Regulators Inc. (the "Corporation"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and members' equity 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 Corporation as at March 31, 2020, 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 Corporation 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 Corporation'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 Corporation'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 Corporation 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.

*Deloitte LLP*

Chartered Professional Accountants  
October 1, 2020  
Saskatoon, Saskatchewan



**Indigenous Gaming Regulators Inc.**  
**Statement of operations and members' equity**  
 Year ended March 31, 2020

|  | Notes | 2020<br>\$       | 2019<br>\$ |
|--|-------|------------------|------------|
| <b>Revenue</b>   |       |                  |            |
| Operating funding  | 6     | <b>2,888,983</b> | 2,938,955  |
| Amortization of deferred contributions related to equipment and leasehold improvements | 7     | <b>48,134</b>    | 54,667     |
| Other income   |       | <b>46,014</b>    | 38,149     |
| Gain on disposal of equipment  |       | <b>4,210</b>     | 4,545      |
|  |       | <b>2,987,341</b> | 3,036,316  |
| <b>Expenses</b>  |       |                  |            |
| Salaries and benefits  | 8     | <b>2,157,971</b> | 2,126,474  |
| Office and equipment costs   |       | <b>211,007</b>   | 236,976    |
| Board of directors   |       | <b>160,171</b>   | 178,800    |
| Staff travel and sustenance  |       | <b>89,352</b>    | 88,621     |
| Membership services agreement  | 5     | <b>55,000</b>    | 55,000     |
| Amortization   | 7     | <b>48,134</b>    | 54,667     |
| Consultants  |       | <b>45,688</b>    | 47,223     |
| Advertising and promotion  |       | <b>40,881</b>    | 37,079     |
| Automotive   |       | <b>37,033</b>    | 38,963     |
| Professional development   |       | <b>29,689</b>    | 37,456     |
| Telephone  |       | <b>28,689</b>    | 28,317     |
| Miscellaneous  |       | <b>20,899</b>    | 30,293     |
| Meetings   |       | <b>18,579</b>    | 31,177     |
| Audit fees   |       | <b>15,515</b>    | 15,194     |
| Stationery and supplies  |       | <b>14,443</b>    | 15,109     |
| Budget review committee  |       | <b>4,050</b>     | 4,050      |
| Books, subscriptions and membership dues   |       | <b>4,032</b>     | 6,013      |
| Photocopying and printing  |       | <b>3,774</b>     | 1,554      |
| Postage and courier  |       | <b>1,693</b>     | 2,583      |
| Bank charges and interest  |       | <b>741</b>       | 767        |
|  |       | <b>2,987,341</b> | 3,036,316  |
| <b>Excess of revenue over expenses and members' equity</b>                             |       | <b>—</b>         | <b>—</b>   |


The accompanying notes are an integral part of the financial statements.

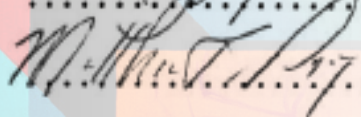
**Indigenous Gaming Regulators Inc.**  
**Statement of financial position**  
As at March 31, 2020

|   | Notes | 2020<br>\$       | 2019<br>\$ |
|---|-------|------------------|------------|
| <b>Assets</b>   |       |                  |            |
| Current assets  |       |                  |            |
| Cash  |       | <b>186,129</b>   | 676,360    |
| Short-term investments  | 3     | <b>900,000</b>   | —          |
| Accounts receivable   |       | <b>17,368</b>    | 2,735      |
| Prepaid expenses  |       | <b>25,531</b>    | 34,872     |
|   |       | <b>1,129,028</b> | 713,967    |
| Equipment and leasehold improvements  |       |                  |            |
|   | 4     | <b>55,137</b>    | 48,559     |
| Other assets  |       | <b>18,800</b>    | 18,800     |
|   |       | <b>1,202,965</b> | 781,326    |
| <b>Liabilities</b>  |       |                  |            |
| Current liabilities   |       |                  |            |
| Accounts payable and accrued liabilities  | 5     | <b>315,019</b>   | 256,263    |
| Deferred revenue  | 6     | <b>814,009</b>   | 457,704    |
|   |       | <b>1,129,028</b> | 713,967    |
| <b>Commitments</b>  |       |                  |            |
| Deferred contributions related to equipment and leasehold improvements and other assets | 9     |                  |            |
|   | 7     | <b>73,937</b>    | 67,359     |
| <b>Members' equity</b>  |       |                  |            |
|   |       | <b>—</b>         | —          |
|   |       | <b>1,202,965</b> | 781,326    |

The accompanying notes are an integral part of the financial statements.

**APPROVED BY THE BOARD**

  
..... Director

  
..... Director



**Indigenous Gaming Regulators Inc.**

**Statement of cash flows**

Year ended March 31, 2020

|  | 2020             | 2019      |
|--|------------------|-----------|
|  | \$               | \$        |
| <b>Operating activities</b>  |                  |           |
| Excess of revenues over expenses   | —                | —         |
| Adjustment for   |                  |           |
| Gain on disposal of equipment and leasehold improvements                               | <b>(4,210)</b>   | (4,545)   |
| Amortization of deferred contributions related to equipment and leasehold improvements | <b>(48,134)</b>  | (54,667)  |
| Amortization   | <b>48,134</b>    | 54,667    |
|  | <b>(4,210)</b>   | (4,545)   |
| Changes in non-cash working capital  |                  |           |
| Accounts receivable  | <b>(14,633)</b>  | 13,166    |
| Prepaid expenses   | <b>9,341</b>     | (2,314)   |
| Accounts payable and accrued liabilities   | <b>58,756</b>    | (14,679)  |
| Deferred revenue   | <b>356,305</b>   | (529,589) |
|  | <b>405,559</b>   | (537,961) |
| <b>Investing activities</b>  |                  |           |
| Proceeds from disposal of equipment and leasehold improvements                         | <b>4,210</b>     | 4,545     |
| Purchase of short-term investments   | <b>(900,000)</b> | —         |
| Purchase of equipment and leasehold improvements                                       | <b>(54,712)</b>  | (65,364)  |
| Deferred contributions related to equipment and leasehold improvements                 | <b>54,712</b>    | 65,364    |
|  | <b>(895,790)</b> | 4,545     |
| Net decrease in cash   | <b>(490,231)</b> | (533,416) |
| Cash, beginning of year  | <b>676,360</b>   | 1,209,776 |
| <b>Cash, end of the year</b>   | <b>186,129</b>   | 676,360   |

The accompanying notes are an integral part of the financial statements.

## Indigenous Gaming Regulators Inc.

### Notes to the financial statements

March 31, 2020

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#### 1. Nature of organization

Indigenous Gaming Regulators Inc. (the "Corporation"), formerly Saskatchewan Indian Gaming Licensing Inc., was incorporated under The Non-Profit Corporations Act of Saskatchewan on July 28, 1995.

The Corporation was established as part of the 1995 Gaming Agreement between the Federation of Sovereign Indigenous Nations ("FSIN") and the Province of Saskatchewan. On June 11, 2002, the Corporation signed the SIGL Regulatory Agreement and FSI signed the 2002 Framework Agreement with the Province of Saskatchewan. These agreements give the Corporation the capacity to license and regulate lottery schemes on reserve and Saskatchewan Indian Gaming Authority Inc.'s ("SIGA") table games.

#### 2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

##### *Use of estimates*

The preparation of the financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The main area of measurement uncertainty is related to the estimated useful lives of equipment and leasehold improvements for purposes of calculating amortization. Actual results could differ from those estimates.

##### *Revenue recognition*

The Corporation follows the deferral method of accounting for its contributions. Under the deferral method, contributions are recognized in revenue in the year in which related expenses are incurred based on plans approved by the Budget Review Committee of the Corporation. Amounts received that have not been spent based on approved plans are recorded in deferred revenue. The Budget Review Committee consists of two representatives from the Corporation, two from Saskatchewan Liquor and Gaming Authority and one independent member.

##### *Equipment and leasehold improvements*

Equipment and leasehold improvements are recorded at cost and amortized using the straight line method over the asset's useful life at the following rates:

|                         |                             |
|-------------------------|-----------------------------|
| Vehicles                | 2 years                     |
| Furniture and equipment | 5 years                     |
| Computer equipment      | 3 years                     |
| Leasehold improvements  | 5 years (term of the lease) |

A full year of amortization is recorded in the year of acquisition.

Funding used for equipment and leasehold improvements is deferred and amortized on the same basis as the asset to which it relates.

Management has performed an evaluation of long lived assets and has not identified indications that their carrying value is less than their recoverable amount.



## Indigenous Gaming Regulators Inc.

### Notes to the financial statements

March 31, 2020

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## 2. Significant accounting policies (continued)

### *Other assets*

Other assets consist of cultural art recorded at cost which is not expected to depreciate in value and therefore is not amortized.

### *Financial instruments*

The Corporation initially measures its financial assets and financial liabilities at fair value. The Corporation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, short-term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Transaction costs related to financial assets and financial liabilities are included or deducted in the initial measurement of the asset or liability.

### *Employee benefits*

The Corporation provides a defined contribution pension plan in which its contributions are fixed as a percentage of compensation and allocated to specific individuals. The expense is included in salaries and benefits on the statement of operations and members' equity and is comprised of the Corporation's required contribution provided in exchange for employees' services rendered in the year.

### *New accounting policies*

Effective April 1, 2019, the Corporation adopted the following new accounting standards:

- ASNPO 4433 - *Tangible Capital Assets*, a new accounting standard which replaced ASPNO 4431. The new standard requires that tangible capital assets of the Corporation are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to the Corporation's ability to provide goods and services. The changes also require the Corporation to allocate the costs of an item of tangible capital assets into significant separable parts to account and amortize such parts separately. The adoption of the new standard had no impact on the financial statements.
- ASNPO 4441 - *Collections held by not-for-profit organizations* replacing Section 4440 on the same topic. Section 4441 requires all collections to be recorded on the statement of financial position and provides guidance on the measurement of items in a collection, write-downs (including partial impairments) and disposals of collection items along with additional disclosure requirements. The Corporation has elected to record collections at cost as previously done. The adoption of the new standard had no impact on the financial statements.

## 3. Short-term investments

Short-term investments are comprised of a GIC, which earns interest at a rate of 2.00% and matures on January 23, 2021.

## Indigenous Gaming Regulators Inc.

### Notes to the financial statements

March 31, 2020

#### 4. Equipment and leasehold improvements

|                         | Cost<br>\$     | Accumulated<br>amortization<br>\$ | 2020<br>Net book<br>value<br>\$ | 2019<br>Net book<br>value<br>\$ |
|-------------------------|----------------|-----------------------------------|---------------------------------|---------------------------------|
| Vehicles                | 125,965        | 108,464                           | 17,501                          | 16,144                          |
| Furniture and equipment | 176,056        | 173,156                           | 2,900                           | 3,560                           |
| Computer equipment      | 125,133        | 125,133                           | —                               | 2,179                           |
| Leasehold improvements  | 196,142        | 161,406                           | 34,736                          | 26,676                          |
|                         | <b>623,296</b> | <b>568,159</b>                    | <b>55,137</b>                   | <b>48,559</b>                   |

#### 5. Related party transactions

Related parties to the Corporation include the FSIN and its economic and community development and education entities and Saskatchewan Tribal Councils and First Nations. Included in accounts payable and accrued liabilities is \$58,035 (\$34,614 in 2019) owing to the FSIN.

On October 18, 2002, the Corporation and the FSIN signed the Membership Services Agreement whereby the Corporation pays a fee of \$55,000 per annum for corporate, political, and technical management and support services provided by the FSI.

#### 6. Operating funding

|  | 2019<br>\$       | 2018<br>\$       |
|--|------------------|------------------|
| Funding received from SIGA   | 3,300,000        | 2,475,000        |
| Add  |                  |                  |
| Revenue deferred from prior year   | 457,704          | 987,293          |
| Less   |                  |                  |
| Revenue deferred to future years   | (814,009)        | (457,704)        |
| Funding of equipment additions and leasehold improvements deferred to future years | (54,712)         | (65,634)         |
|  | <b>2,888,983</b> | <b>2,938,955</b> |

#### 7. Deferred contributions related to equipment and leasehold improvements

|   | 2019<br>\$    | 2018<br>\$    |
|---|---------------|---------------|
| Deferred contributions, beginning of year   | 67,359        | 56,392        |
| Contributions from operating funding used for equipment and leasehold improvement additions | 54,712        | 65,634        |
| Amortization for the year   | (48,134)      | (54,667)      |
|   | <b>73,937</b> | <b>67,359</b> |



## Indigenous Gaming Regulators Inc.

### Notes to the financial statements

March 31, 2020

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#### 8. Employee benefits

The Corporation made payments to the defined contribution pension plan of \$147,329 for the year ending March 31, 2020 (\$144,645 in 2019) which have been included in salaries and benefits on the statement of operations and members' equity.

#### 9. Commitments

The Corporation has obligations under operating leases for office space and equipment. Future annual minimum lease payments are as follows:

|      | \$      |
|------|---------|
| 2021 | 179,538 |
| 2022 | 169,883 |
| 2023 | 158,340 |
| 2024 | 158,340 |

#### 10. Financial instruments and risk management

The Corporation, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments:

##### *Credit risk*

The Corporation's principal financial assets are cash, prepaid expenses and accounts receivable, which are subject to credit risk. The carrying amounts of financial assets on the balance sheet represent the Corporation's maximum credit exposure at the statement of financial position date. The Corporation does not have significant exposure to any individual customer as accounts receivable relate largely to credits/returns from operational expenditures. The Corporation has not incurred any significant bad debts during the year and has a nil allowance for bad debts (nil in 2019). The credit risk on cash is limited because the counterparties are chartered banks with high credit-ratings assigned by national credit-rating agencies.

##### *Fair values*

The fair values of cash, short-term investments, accounts receivable and accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity.

#### 11. Subsequent event

On March 11, 2020 the World Health Organization characterized the outbreak of a strain of the novel coronavirus (COVID-19) as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus.

At March 31, 2020, there were no significant accounting adjustments required to the financial statements. Subsequent to year end, certain decisions were made that may impact operations on a go forward basis. These include a loss of revenue related to quarter one funding cuts, challenges associated with a remote or unavailable workforce and potential asset impairment. The duration and extent of impact on future operations is still uncertain.





**INDIGENOUS GAMING REGULATORS INC. (IGR)**

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|                                  |                    |                |
|----------------------------------|--------------------|----------------|
| President & CEO                  | Alphonse Bird      | (306) 477-5705 |
| VP Gaming Integrity              | Doug Atkins        | (306) 477-5709 |
| Director of Finance              | Marilyn Osecap     | (306)-477-5701 |
| Manager of Inspection Services   | Kelvin Billingsley | (306) 477-5713 |
| Manager Finance                  | Wendi LeBrun       | (306) 477-5708 |
| Manager Communications           | Lorna Ledoux       | (306) 477-5824 |
| Manager Licensing & Registration | Bonnie Jimmy       | (306) 477-5707 |
| Office Manager                   | Leanne Ahenakew    | (306) 477-5703 |
| Network Administrator            | Jeff Lowe          | (306) 477-5715 |
| Sr. Licensing Officer            | Randy Gudmundson   | (306) 477-5716 |
| Licensing Officer                | Deanna Harper      | (306) 477-5710 |
| Licensing Officer                | Cornell Bellegarde | (306) 477-5825 |
| Licensing Clerk                  | Marie Villeneuve   | (306) 477-5830 |
| Sr. Inspection Officer           | J.P. Marr          | (306) 477-5712 |
| Inspection Officer               | Julien Kaminsky    | (306) 477-5827 |
| Inspection Officer               | Gordon Dieter      | (306) 477-5826 |
| Inspection Officer               | Dale Crain         | (306) 477-5717 |
| Inspection Officer               | Amanda Ironstand   | (306) 477-5831 |
| Administrative Assistant         | Brandy Fox         | (306)-477-5719 |
| Receptionist                     |                    | (306)-477-5700 |

