



Grant Thornton

Flying Post First Nation

Consolidated Financial Statements

March 31, 2018

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Indigenous Services Canada
Services aux Autochtones Canada
Thunder Bay

FLYING POST FIRST NATION
March 31, 2018

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Flying Post First Nation are the responsibility of management and have been approved by the Chief and Council.

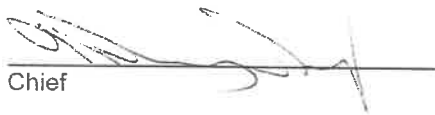
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

Flying Post First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the consolidated financial statements are relevant, reliable and accurate and Flying Post First Nation's assets are appropriately accounted for and adequately safeguarded.

The Council of Flying Post First Nation is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. Council carries out this responsibility principally through its Financial Administration.

The Financial Administration meets periodically with the Chief and Council, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual consolidated financial statements and the external auditors' report. The Financial Administration reports its findings to the Council for consideration when approving the financial statements for issuance to the Members.

The consolidated financial statements have been audited by Grant Thornton LLP in accordance with Canadian generally accepted auditing standards on behalf of the Members. Grant Thornton LLP has full and free access to the Council.


Chief


Councillor

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Independent Auditor's Report

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To the Chief, Council and Members of
Flying Post First Nation

We have audited the accompanying consolidated financial statements of Flying Post First Nation which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, changes in fund balances, trust fund statement of changes in fund balance, investment fund statement of changes in fund balance, casino rama fund statement of changes in fund balance, cash flows and changes in net financial assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the consolidated financial statements 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 First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Flying Post First Nation as at March 31, 2018, and the results of its operations and accumulated surplus, changes in fund balances, trust fund statement of changes in fund balance, investment fund statement of changes in fund balance, casino rama fund statement of changes in fund balance, cash flows and changes in net financial assets for the year then ended in accordance with Canadian public sector accounting standards.

Thunder Bay, Canada
August 27, 2018



Chartered Professional Accountants
Licensed Public Accountants

Flying Post First Nation
Consolidated Statement of Financial Position

Statement 1

As at March 31

2018

2017

	\$	\$
FINANCIAL ASSETS		
Cash	2,085,045	1,281,958
Accounts receivable <i>[note 2]</i>	671,782	533,878
Investments <i>[note 3]</i>	514,814	738,496
Investment Fund asset	250,000	250,000
Restricted assets <i>[note 4]</i>	2,584,436	2,505,274
Trust Fund asset	200,810	196,638
Total financial assets	6,306,887	5,506,244
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	75,623	61,070
Promissory note <i>[note 5]</i>	154,016	77,203
Total financial liabilities	229,639	138,273
NET FINANCIAL ASSETS	6,077,248	5,367,971
NON-FINANCIAL ASSETS		
Tangible capital assets, net <i>[notes 6 and 15]</i>	110,219	28,454
Prepaid expenses	24,473	11,832
	134,692	40,286
Total accumulated surplus	6,211,940	5,408,257

Contingencies *[note 8]*

See accompanying notes to the consolidated financial statements.

Approved by

 Chief

 Councillor

Flying Post First Nation

Statement 2

Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31

2018

2017

\$

\$

Revenue [note 14]

Indigenous and Northern Affairs Canada	565,938	410,736
Ontario First Nations Limited Partnership	489,144	482,984
Health Canada	138,779	90,002
Wabun Tribal Council	93,352	92,920
Nishnawbe Aski Nation	72,312	63,477
Mining agreements	1,039,064	1,311,915
Interest	26,180	6,609
Other	132,531	91,181
	2,557,300	2,549,824

Expenses [note 14]

Band support	454,687	403,205
Economic development	—	209
Education	208,143	168,597
Health Programs	100,049	95,614
New Relationship Fund	85,036	86,109
Community Mining and Exploration Funds Program	470,712	710,430
Casino Rama	434,990	416,147
	1,753,617	1,880,311

Excess of revenue over expenses for the year

803,683

669,513

Total accumulated surplus, beginning of year

5,408,257

4,738,744

Total accumulated surplus, end of year

6,211,940

5,408,257

See accompanying notes to the consolidated financial statements.

Flying Post First Nation **Consolidated Statement of Changes in Fund Balances**

Year ended March 31

Statement 3

2018

	Beginning Accumulated Surplus (Deficit) \$	Revenue \$	Expenses \$	Excess (Shortfall) of Revenue Over Expenses \$	Ending Accumulated Surplus (Deficit) \$
Operating Fund:					
General Programs [schedule 1]	(354,637)	571,829	454,687	117,142	(237,495)
Education Programs [schedule 2]	(84,572)	211,082	208,143	2,939	(81,633)
Health Programs [schedule 3]	20,233	138,779	100,049	38,730	58,963
New Relationship Fund Program [schedule 4]	59,964	85,818	85,036	782	60,746
Community Mining and Exploration Funds Program [schedule 5]	2,782,562	1,039,064	470,712	568,352	3,350,914
Trust Fund [statement 4]	196,638	4,172	—	4,172	200,810
Investment Fund [statement 5]	250,000	—	—	—	250,000
Casino Rama [statement 6]	2,538,069	506,556	434,990	71,566	2,609,635
	5,408,257	2,557,300	1,753,617	803,683	6,211,940

See accompanying notes to the consolidated financial statements.

Flying Post First Nation **Statement 4**
Consolidated Trust Fund Statement of Changes in Fund
Balance

Year ended March 31	2018	2017
	\$	\$
Revenue		
Interest income	4,172	3,579
Fund balance, beginning of year	196,638	193,059
Fund balance, end of year	200,810	196,638

See accompanying notes to the consolidated financial statements.

Flying Post First Nation	Statement 5	
Consolidated Investment Fund Statement of Changes in		
Fund Balance		

Year ended March 31	2018	2017
	\$	\$
Revenue		
Equity in earnings of MMFW Partnership	—	—
Fund balance, beginning of year	250,000	250,000
Fund balance, end of year	250,000	250,000

See accompanying notes to the consolidated financial statements.

Flying Post First Nation

Consolidated Casino Rama Fund Statement of Changes in Fund Balance

Statement 6

Year ended March 31

2018

2017

\$

\$

Revenue

Ontario First Nations Limited Partnership

Regular

Future Generations

Interest

489,144

482,984

—

—

17,412

2,083

506,556

485,067

Expenses

Community development

Cultural development

Economic development

Education

Health

347,792

337,352

4,538

—

20,280

21,659

40,871

32,937

21,509

24,199

434,990

416,147

Excess of revenue over expenses for the year

71,566

68,920

Fund balance, beginning of year

2,538,069

2,469,149

Fund balance, end of year

2,609,635

2,538,069

See accompanying notes to the consolidated financial statements.

Flying Post First Nation

Consolidated Statement of Cash Flows

Statement 7

Year ended March 31

2018

2017

\$

\$

OPERATING ACTIVITIES

Excess of revenue over expenses for the year	803,683	669,513
Add charges to operations not requiring an outlay of cash		
Amortization of tangible capital assets	5,849	2,730
Impairment of investment	270,000	500,000
	1,079,532	1,172,243
Add (deduct) changes in non-cash working capital items		
Accounts receivable	(137,904)	(299,677)
Prepaid expenses	(12,641)	2,334
Accounts payable and accrued liabilities	14,553	33,436
Cash provided by operating activities	943,540	908,336

INVESTING ACTIVITIES

Increase in investments	(46,318)	(89,068)
Increase in Restricted assets invested in GIC's	(2,013,821)	—
Increase in Trust Fund asset	(4,172)	(3,579)
Purchase of capital assets	(87,614)	—
Cash used in investing activities	(2,151,925)	(92,647)

FINANCING ACTIVITY

Promissory note proceeds	76,813	77,203
Cash provided by financing activity	76,813	77,203

Increase in cash during the year	(1,131,572)	892,892
Cash, beginning of year	3,787,232	2,894,340
Cash, end of year	2,655,660	3,787,232

Cash consists of:

Cash	2,085,045	1,281,958
Restricted assets on deposit with bank [note 4]	570,615	2,505,274
	2,655,660	3,787,232

See accompanying notes to the consolidated financial statements.

Flying Post First Nation Consolidated Statement of Changes in Net Financial Assets Year ended March 31	Statement 8 2018 2017
--	--

	\$	\$
Excess of revenue over expenses for the year	803,683	669,513
(Increase) decrease in prepaid expenses	(12,641)	2,334
Acquisition of tangible capital assets	(87,614)	—
Amortization of tangible capital assets	5,849	2,730
	709,277	674,577
 Net financial assets, beginning of year	 5,367,971	 4,693,394
 Net financial assets, end of year	 6,077,248	 5,367,971

See accompanying notes to the consolidated financial statements.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

GENERAL

Flying Post First Nation is a band management group recognized under the Indian Act. The purpose of Flying Post First Nation is to provide leadership and accountability to the members of the band.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of Flying Post First Nation are prepared by management in accordance with accounting policies generally accepted for the public sector as prescribed by the Public Sector Accounting Board ("PSAB") of CPA Canada. The more significant of these accounting policies are as follows:

Reporting entity

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the Operating Fund, externally restricted Casino Rama Fund, and Indigenous and Northern Affairs Canada Trust Fund of Flying Post First Nation and include all band activities under the control of the First Nation, including those within Flying Post Holdings Inc., Flying Post Development General Partner Inc. and Flying Post Development Limited Partnership.

- [a] Portfolio investments wherein the First Nation owns a minority interest, or non-participating equity, and is not directly or indirectly through partnerships, involved in the management of the business operations are accounted for by the cost method.

Under the cost method, investments are carried at cost and earnings are reflected only to the extent of dividends received. The carrying value of an investment is written-down to its net recoverable amount if a decline in market value is judged to be other than temporary.

- [b] Business enterprise investments wherein the First Nation owns a participating equity interest and is directly or indirectly through partnerships, involved in the management of the business operations are accounted for by the modified equity method.

Under the modified equity method, the investment is initially recorded at cost and the carrying value is thereafter adjusted to include the First Nation's pro rata share of post-acquisition earnings of the investee. The amount of the adjustment is included in the determination of net income of the First Nation's Investment Fund and the investment account is also increased or decreased to reflect the First Nation's share of capital transactions.

The equity method is only modified to the extent that the business enterprise's accounting principles are not adjusted to conform with those of the First Nation.

All interfund balances and transactions have been eliminated. However, any transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

Cash

Cash consists of cash on hand, balances in banks and term deposits with a maturity period of three months or less at the date of acquisition.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Subsequently, tangible capital assets are recorded at cost, less accumulated amortization and write-downs, if any. Cost includes all amounts that are directly attributable to acquisition, construction, development or betterment of the assets. The cost of the tangible capital assets are amortized on a declining balance basis at the rates set out below:

Automotive	30%
Building	5%
Computer equipment	33%
Office equipment	20% - 33%
Program supplies	20%

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using undiscounted future cash flows. Any impairment is included in surplus for the year.

Fund accounting

The First Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the summary financial statements.

The Operating Fund which reports on programs administered for the Community on behalf of various government agencies and corporate entities.

The Trust Fund reports on Trust Funds owned by the First Nation and held by the Government of Canada.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

The Investment Fund which reports the First Nation's share of earnings and equity in investments and restricted contributions from investee corporations. These funds are currently held in trust by the Wabun Tribal Council.

The Casino Rama Fund reports the activities financed in whole or in part by proceeds from Ontario First Nations Limited Partnership and Ontario First Nations (2008) Limited Partnership.

Government transfers

Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction, expected to be repaid in the future or expected to produce a direct financial return. Government transfers received are recognized in the consolidated financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers made to a recipient by the First Nation are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

Revenue recognition

Other revenue is recognized in the period in which the related services are performed. Amounts collected for which the related services have yet to be performed have yet to be sold are recognized as a liability and recognized as revenue when the related services are performed or goods are sold.

Interest is recognized as it is earned.

Funds received, other than government transfers, for specified purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. The revenue is recognized in the related schedules in the year in which it is used for the specified purpose.

Revenues from trust monies are recognized when measureable, earned and collection is reasonably assured. These monies are reported on by the Government of Canada.

Segments

The First Nation conducts its business through seven reportable segments: Band Support, Economic Development, Education, Brighter Futures, New Relationship Fund Program, Community Mining and Exploration Agreements and Other. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the significant accounting policies.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions the First Nation may undertake in the future. Significant estimates include valuation allowance for accounts receivable and investments and recoveries from and payments to government agencies related to surpluses/deficiencies of funds transferred.

2. ACCOUNTS RECEIVABLE

	2018	2017
	\$	\$
Accounts receivable	676,782	533,878
Less: Allowance for doubtful accounts	(5,000)	—
	671,782	533,878

3. INVESTMENTS

	2018		2017	
	Cost	Market Value	Cost	Market Value
	\$	\$	\$	\$
Elcora Resources Corp.	5,000	17,500	5,000	16,000
Explor Resources Inc.	20,000	20,000	20,000	35,000
Tahoe Resources Inc.	339,692	339,296	609,692	598,955
GFG Resources Inc.	8,250	3,713	8,250	8,250
Red Pine Exploration Inc.	5,486	6,413	5,486	12,538
Kapuskasing Gold Corp.	1,000	1,500	1,000	2,000
Probe Metals Inc.	135,386	83,240	89,068	65,439
	514,814	471,662	738,496	738,182

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

The First Nation owns 50,000 [2017 – 50,000] common shares of Elcora Resources Corp.

The First Nation owns 100,000 [2017 – 100,000] common shares of Explor Resources Inc.

The First Nation owns 50,000 [2017 – 50,000] common shares of Kapuskasing Gold Corp.

The First Nation owns 56,082 [2017 – 56,082] common shares of Tahoe Resources Inc.

The First Nation owns 11,250 [2017 – 11,250] common shares of GFG Resources Inc. GFG Resources Inc. purchased Rapier Gold Inc. in February, 2018 and distributed 0.15 common shares for each common share of Rapier Gold Inc.

The First Nation owns 50,000 [2017 – 50,000] common shares of Red Pine Exploration Inc. In addition, the First Nation holds 100,000 warrants of Red Pine Exploration Inc. expiring February 19, 2019 that entitle the First Nation to acquire one common share for each warrant at an exercise price of \$0.05 per share.

The First Nation owns 25,000 [2017 – 25,000] common shares of Probe Metals Inc. In addition, the First Nation holds 50,000 warrants of Probe Metals Inc. expiring September 9, 2021 that entitle the First Nation to acquire one common share for each warrant at an exercise price of \$1.76 per share, of which 50,000 have vested at year-end.

4. RESTRICTED ASSETS

Restricted assets are related to the Ontario First Nations Limited Partnership and Ontario First Nations (2008) Limited Partnership profit distribution and consist of bank balances and amounts held in GIC's. As at year-end, this balance was comprised as follows:

	2018	2017
	\$	\$
Undistributed funds on deposit with bank	570,615	1,438,864
Undistributed funds invested in GIC's	869,732	—
Fund allocations, in trust, on deposit with bank	—	1,066,410
Fund allocations, in trust, invested in GIC's	1,144,089	—
	2,584,436	2,505,274

5. PROMISSORY NOTES

The GIC's bear interest from 2.2% – 2.8% and mature between December, 2018 and December, 2022.

During the year, Flying Post First Nation held promissory notes from the Ministry of Indian Affairs and Northern Development for upcoming expenses related to a treaty land entitlement claim in the amount of \$154,016 [2017 - \$77,203]. The notes are interest free and due on the earlier of March 31, 2021 or a date on which the Claim is settled.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

6. TANGIBLE CAPITAL ASSETS

The consolidated statement of tangible capital assets (note 15) presents all balances and changes in the year relating to tangible capital assets owned by the First Nations. Tangible capital assets acquired after March 31, 1997 are recorded at acquisition cost less amortization on the Consolidated Statement of Financial Position. Tangible capital assets acquired prior to April 1, 1997 are deemed to have been fully amortized and are recorded at a nominal value.

7. FINANCIAL INSTRUMENTS

The fair values of cash, restricted assets, accounts receivable, and accounts payable and accrued liabilities approximate their carrying value because of their short-term to maturity.

Market risk arises from the First Nation's investment portfolio, consisting of equity instruments, which exposes the First Nation to the risk that the fair value or future cash flows from a financial instrument will fluctuate because of general economic and other market factors affecting equity prices.

8. CONTINGENCIES

The fund balances may include surpluses/deficits from funds contributed by government agencies. Such surpluses/deficits may be subject to recovery/payment by the contributing agencies. These potential liabilities/receivables are not recorded until they become payable/recoverable. Some restrictions may apply to the use of the funds.

9. ANNUAL BUDGET

The First Nation does not prepare an annual budget in a format that is comparable to these consolidated financial statements; therefore, comparative budget figures have not been presented.

10. COMPARATIVE FIGURES

Certain of the prior year comparative figures have been reclassified to conform to the presentation adopted in the current year.

11. INTER-FUND TRANSFERS

During the year, an amount of \$nil [2017 - \$nil] was transferred between funds.

12. ECONOMIC DEPENDENCE

The First Nation receives a significant portion of its revenues from various funding agencies, the largest being, Indigenous and Northern Affairs Canada (INAC), as a result, treaties entered into with the Government of Canada. These treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

13. GOVERNMENT TRANSFERS

	Operating \$	Capital \$	2018 \$	2017 \$
Federal Government transfers				
Indigenous Northern Affairs Canada	565,938	—	565,938	410,736
First Nations and Inuit Health	138,779	—	138,779	90,002
Total Federal	704,717	—	704,717	500,738
Provincial Government transfers				
Total Provincial	—	—	—	—
	704,717	—	704,717	500,738

14. SEGMENTED INFORMATION

Flying Post First Nation provides a range of services to its members. For management reporting purposes, Flying Post First Nation's operations and activities are organized and reported by Fund. The Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. The activities can also be categorized into segments. The following segments have been identified and separately disclosed:

Band support

Band support services are comprised of various administrative and other activities related to the operations of the First Nation.

Economic development

Economic development contains the activities related to economic development for the First Nation.

Education

Education contains the funding revenue and financial support to the First Nation members for elementary, secondary and post-secondary education.

Brighter Futures

Brighter Futures contains the revenue and expenses related to various health programs and services provided to the First Nation members.

New Relationship Fund Program

The New Relationship Fund contains the revenue and expenses related to the First Nation dealing with land and resource issues as funded by the Wabun Tribal Council.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

Community Mining and Exploration Agreements

This segment includes the activity related to agreements signed with Tahoe Resources (Lake Shore Gold), Augen Gold, Goldcorp and various other exploration companies. This program has been established to accumulate funding from various mining agreements for the benefit of the community.

Other

Other includes the activities of the Trust Fund and Casino Rama Fund.

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

14. SEGMENTED INFORMATION

	Band Support		Economic Development		Education		Health Programs	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue								
Indigenous and Northern Affairs Canada	313,637	188,214	41,219	39,791	211,082	182,731	—	—
Ontario First Nations Limited Partnership	—	—	—	—	—	—	—	—
Health Canada	—	—	—	—	—	—	138,779	90,002
Wabun Tribal Council	7,534	6,856	—	—	—	—	—	—
Nishnawbe Aski Nation	72,312	63,477	—	—	—	—	—	—
Mining agreements	—	—	—	—	—	—	—	—
Interest	4,596	947	—	—	—	—	—	—
Other	132,531	91,181	—	—	—	—	—	—
	530,610	350,675	41,219	39,791	211,082	182,731	138,779	90,002
Expenses								
Amortization	5,849	2,730	—	—	—	—	—	—
Bad debts	—	—	—	—	—	—	—	—
Band equipment	5,567	119	—	—	—	—	—	—
Bank charges	2,272	2,638	—	—	—	—	—	—
Casino Rama - Community development	—	—	—	—	—	—	—	—
- Cultural development	—	—	—	—	—	—	—	—
- Economic development	—	—	—	—	—	—	—	—
- Education	—	—	—	—	—	—	—	—
- Health	—	—	—	—	—	—	—	—
Catering	43	43	—	—	—	—	—	—
Community outreach	—	—	—	—	—	—	—	—
Distribution	—	—	—	—	—	—	—	—
Education allowances and tuition	—	—	—	—	208,143	168,597	—	—
Elder's services	4,070	11,040	—	—	—	—	—	—
Equipment	—	—	—	—	—	—	—	—
Health program expenses	—	—	—	—	—	—	100,049	95,614
Honorariums	63,950	52,400	—	—	—	—	—	—
Impairment – investments	—	—	—	—	—	—	—	—
Maintenance	958	628	—	—	—	—	—	—
Miscellaneous	6,013	—	—	—	—	—	—	—
Office	18,076	23,717	—	—	—	—	—	—
Professional fees	137,214	131,702	—	—	—	—	—	—
Student employment	7,244	6,592	—	—	—	—	—	—
Training	—	—	—	—	—	—	—	—
Travel and meetings	72,661	48,862	—	—	—	—	—	—
Wabun resource co-ordinators	—	—	—	—	—	—	—	—
Wages and benefits	130,770	122,734	—	209	—	—	—	—
	454,687	403,205	—	209	208,143	168,597	100,049	95,614
Excess (shortfall) of revenue over expenses	75,923	(52,530)	41,219	39,582	2,939	14,134	38,730	(5,612)

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

14. SEGMENTED INFORMATION (CONT'D)

	New Relationship Fund		Community Mining and Exploration Agreements		Other		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue								
Indigenous and Northern Affairs Canada	—	—	—	—	—	—	565,938	410,736
Ontario First Nations Limited Partnership	—	—	—	—	489,144	482,984	489,144	482,984
Health Canada	—	—	—	—	—	—	138,779	90,002
Wabun Tribal Council	85,818	86,064	—	—	—	—	93,352	92,920
Nishnawbe Aski Nation	—	—	—	—	—	—	72,312	63,477
Mining agreements	—	—	1,039,064	1,311,915	—	—	1,039,064	1,311,915
Interest	—	—	—	—	21,584	5,662	26,180	6,609
Other	—	—	—	—	—	—	132,531	91,181
	85,818	86,064	1,039,064	1,311,915	510,728	488,646	2,557,300	2,549,824
Expenses								
Amortization	—	—	—	—	—	—	5,849	2,730
Bad debts	—	—	5,000	—	—	—	5,000	—
Band equipment	—	—	—	—	—	—	5,567	119
Bank charges	—	—	—	—	—	—	2,272	2,638
Casino Rama	—	—	—	—	347,792	337,352	347,792	337,352
- Community development	—	—	—	—	4,538	—	4,538	—
- Cultural development	—	—	—	—	20,280	21,659	20,280	21,659
- Economic development	—	—	—	—	40,871	32,937	40,871	32,937
- Education	—	—	—	—	21,509	24,199	21,509	24,199
- Health	—	—	—	—	—	—	43	43
Catering	5,795	5,676	—	—	—	—	5,795	5,676
Community outreach	—	—	2,953	62,981	—	—	2,953	62,981
Distribution	—	—	—	—	—	—	208,143	168,597
Education allowances and tuition	—	—	—	—	—	—	4,070	11,040
Elder's services	—	—	—	—	—	—	2,868	—
Equipment	2,868	—	—	—	—	—	270,000	500,000
Impairment - investments	—	—	270,000	500,000	—	—	100,049	95,614
Health program expenses	—	—	—	—	—	—	63,950	52,400
Honorariums	—	—	—	—	—	—	958	628
Maintenance	—	—	—	—	—	—	6,013	—
Miscellaneous	—	—	—	—	—	—	25,519	31,160
Office	7,443	7,443	—	—	—	—	217,473	166,651
Professional fees	—	—	80,259	34,949	—	—	7,244	6,592
Student employment	—	—	—	—	—	—	5,712	5,094
Training	5,712	5,094	—	—	—	—	86,794	63,107
Travel and meetings	14,133	14,245	—	—	—	—	112,500	112,500
Wabun resource co-ordinators	—	—	112,500	112,500	—	—	179,855	176,594
Wages and benefits	49,085	53,651	—	—	—	—	—	—
	85,036	86,109	470,712	710,430	434,990	416,147	1,753,617	1,880,311
Excess (shortfall) of revenue over expenses	782	(45)	568,352	601,485	75,738	72,499	803,683	669,513

Flying Post First Nation

Notes to the Consolidated Financial Statements

March 31, 2018

15. CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS

	Buildings \$	Automotive \$	Computer Equipment \$	Office Equipment \$	Program Supplies \$	Construction in-Progress \$	2018 \$	2017 \$
Cost								
Balance, beginning of year	51,274	23,664	32,697	30,810	—	—	138,445	138,445
Acquisition of tangible capital assets	—	—	10,120	2,945	14,549	—	27,614	—
Disposal of assets	—	—	—	—	—	—	—	—
Construction-in-progress	—	—	—	—	—	60,000	60,000	—
	51,274	23,664	42,817	33,755	14,549	60,000	226,059	138,445
Accumulated amortization								
Balance, beginning of year	26,229	22,504	31,245	30,013	—	—	109,991	107,262
Annual amortization	1,252	348	2,149	645	1,455	—	5,849	2,730
Accumulated amortization on disposals	—	—	—	—	—	—	—	—
	27,481	22,852	33,394	30,658	1,455	—	115,840	109,992
Net book value of tangible capital assets	23,793	812	9,423	3,097	13,094	60,000	110,219	28,494

During the year, interest costs of \$nil [2017 - \$nil] were capitalized.

During the year, impairment costs of \$nil [2017 - \$nil] was recognized.

Notice to Reader

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On the basis of information provided by management, we have compiled the schedules of revenue and expenses by program of Flying Post First Nation for the year ended March 31, 2018.

We have not performed an audit or a review engagement in respect of these schedules and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Thunder Bay, Canada
August 27, 2018

Grant Thornton LLP

Chartered Professional Accountants
Licensed Public Accountants

Flying Post First Nation Schedule 1

Revenue, Expenses and Accumulated Surplus (Deficit) – General Programs

Year ended March 31

2018

2017

	Band Support \$	Economic Development \$	Land Claim \$	Total \$	Total \$
Revenue					
Indigenous and Northern Affairs					
Canada	313,637	42,219	—	354,856	228,005
Wabun Tribal Council	7,534	—	—	7,534	6,856
Nishnawbe Aski Nation	72,312	—	—	72,312	63,477
Interest	4,596	—	—	4,596	947
Other	61,136	—	71,395	132,531	91,181
	459,215	42,219	71,395	571,829	390,466
Expenses					
Amortization	5,849	—	—	5,849	2,730
Band equipment	5,567	—	—	5,567	119
Bank charges	2,272	—	—	2,272	2,638
Catering	43	—	—	43	43
Elder's services	4,070	—	—	4,070	11,040
Honorariums	62,950	—	1,000	63,950	52,400
Maintenance	958	—	—	958	628
Office	15,976	—	2,100	18,076	23,717
Other	6,013	—	—	6,013	—
Professional and consulting fees	57,546	—	79,668	137,214	131,702
Student employment	7,244	—	—	7,244	6,592
Travel and meetings	48,738	—	23,923	72,661	48,862
Wages and benefits	127,070	—	3,700	130,770	122,943
	344,296	—	110,391	454,687	403,414
Excess (shortfall) of revenue over expenses for the year	114,919	41,219	(38,996)	117,142	(12,948)
Accumulated surplus (deficit), beginning of year	(484,460)	161,400	(31,577)	(354,637)	(341,689)
Accumulated surplus (deficit), end of year	(369,541)	202,619	(70,573)	(237,495)	(354,637)

Flying Post First Nation

Schedule 2

Revenue, Expenses and Accumulated Surplus (Deficit) – Education Programs

Year ended March 31

2018

2017

	Elementary/ Secondary Education \$	Post- Secondary Education \$	Total \$	Total \$
Revenue				
Indigenous and Northern Affairs Canada	33,797	177,285	211,082	182,731
Expenses				
Allowance, books and graduation	—	120,546	120,546	110,062
Supplies	—	1,108	1,108	1,666
Training	—	—	—	3,000
Travel and meetings	—	2,864	2,864	1,657
Tuition	—	83,625	83,625	52,212
	—	208,143	208,143	168,597
Excess (shortfall) of revenue over expenses for the year	33,797	(30,858)	2,939	14,134
Accumulated surplus (deficit), beginning of year	181,768	(266,340)	(84,572)	(98,706)
Accumulated surplus (deficit), end of year	215,565	(297,198)	(81,633)	(84,572)

Flying Post First Nation

Schedule 3

Revenue, Expenses and Accumulated Surplus – Health Programs

Year ended March 31	2018	2017
	\$	\$
Revenue		
Health Canada	138,779	90,002
Expenses		
Aboriginal Diabetes Initiative	4,755	4,777
Adult recreation	2,778	3,719
Charity	—	1,415
Early childhood development	10,600	10,800
Education and training	11,127	10,530
Health consultation	9,748	8,883
Medical	15,144	13,694
Programs and events	35,745	33,210
Youth recreation	10,152	8,586
	100,049	95,614
Excess (shortfall) of revenue over expenses for the year	38,730	(5,612)
Accumulated surplus, beginning of year	20,233	25,845
Accumulated surplus, end of year	58,963	20,333

Flying Post First Nation **Schedule 4**
Revenue, Expenses and Accumulated Surplus –
New Relationship Fund Program

Year ended March 31	2018	2017
	\$	\$
Revenue		
Wabun Tribal Council	85,818	86,064
Expenses		
Community outreach	5,795	5,676
Equipment	2,868	—
Office	7,443	7,443
Training	5,712	5,094
Travel and meetings	14,133	14,245
Wages and benefits	49,085	53,651
	85,036	86,109
Excess (shortfall) of revenue over expenses for the year	782	(45)
Accumulated surplus, beginning of year	59,964	60,009
Accumulated surplus, end of year	60,746	59,964

Flying Post First Nation

Schedule 5

Revenue, Expense and Accumulated Surplus – Community Mining and Exploration Funds Program

March 31, 2018

	Resource Development Agreements		Resource Exploration Agreements										2018	2017
	Tahoe Resources	Goldcorp	Elcora Resources	IAM Gold	Imery's Talc	Kapuskasing Gold	Osisk Mining	Rapier Gold Inc.	Red Pine Exploration	Probe Metals			Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$			\$	\$
Revenue														
Contribution for exploration - cash	—	2,961	2,663	10,945	2,714	—	4,654	6,513	—	15,711			46,161	43,815
Implementation of benefit agreements - cash	87,500	62,500	—	77,571	—	—	—	—	—	—			227,571	210,000
Production based revenue sharing														
- cash	233,075	376,339	—	—	69,600	—	—	—	—	—			669,014	919,032
- shares	50,000	—	—	—	—	—	—	—	—	46,318			96,318	139,068
	360,575	441,800	2,663	88,516	72,314	—	4,654	6,513	—	62,029			1,039,064	1,311,915
Expenses														
Bad debts	—	—	—	—	—	—	—	—	5,000	—			5,000	—
Distribution	2,953	—	—	—	—	—	—	—	—	—			2,953	62,981
Impairment - investments	270,000	—	—	—	—	—	—	—	—	—			270,000	500,000
Travel and meetings	—	—	—	80,259	—	—	—	—	—	—			80,259	34,949
Wabun resource development co-ordinators	50,000	62,500	—	—	—	—	—	—	—	—			112,500	112,500
	322,953	62,500	—	80,259	—	—	—	—	—	—			470,712	710,430
Excess (shortfall) of revenue over, expenses for year	37,622	379,300	2,663	8,257	72,314	—	4,654	6,513	(5,000)	62,029			568,352	601,485
Accumulated surplus, beginning of year	1,594,424	634,467	34,944	291,113	96,042	1,000	2,000	12,001	12,986	103,585			2,782,562	2,181,077
Accumulated surplus, end of year	1,632,046	1,013,767	37,607	299,370	168,356	1,000	6,654	18,514	7,986	165,614			3,350,914	2,782,562

Flying Post First Nation

Salaries, Honoraria, Travel Expenses and Other Remuneration Paid to Chief and Council

Year ended March 31

Schedule 6

2018

Name	Position	Number of Months	Travel Expenses \$	Other Remuneration \$	Total \$
Murray Ray	Chief	12	44,753	60,000	104,753
Lynn Ray	Councillor	12	1,719	16,250	17,969
Bobby McLeod	Councillor	12	3,579	18,050	21,629
Susan Baril	Councillor	12	3,209	16,250	19,459
Richard Ray	Councillor	12	1,719	16,250	17,969
			54,979	126,800	181,779

Flying Post First Nation**Salaries and Travel Expenses Paid to First Nation****Administration**

Year ended March 31

Schedule 7**2018**

Position	Number of Months	Remuneration \$	Expenses \$	Remuneration \$	Total \$
Office/Registry Administration	12	49,499	—	—	49,499
Economic Development Officer	12	22,669	—	—	22,669
		72,168	—	—	72,168

**Flying Post First Nation
Federal Government Funding**

Year ended March 31

Schedule 8

2018

	Federal Funding Received \$	Unexpended Funding, Beginning of Year \$	Federal Funding Recovered \$	Total Funding Available \$	Total Expenses From All Sources \$
Indigenous and Northern Affairs Canada					
Elementary/Secondary education	33,797	—	—	33,797	—
Post-Secondary education	177,285	—	—	177,285	208,143
Economic development	41,219	—	—	41,219	—
Band support	313,627	—	—	313,627	454,687
	565,928	—	—	565,928	662,830
Health Canada					
Health programs	138,779	—	—	138,779	100,049
	704,707	—	—	704,707	762,879