

SKOWNAN FIRST NATION

**CONSOLIDATED
FINANCIAL STATEMENTS**

MARCH 31, 2019

SKOWNAN FIRST NATION

MARCH 31, 2019

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AUDITORS' REPORT

To the Members of the Skownan First Nation:

Opinion

We have audited the accompanying consolidated financial statements of the Skownan First Nation which comprise of the statement of consolidated financial position as at March 31, 2019 and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Skownan First Nation as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for 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.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program'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 Program'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 Program to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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.



ZAPLITNY & ZAMRYKUT,
Chartered Professional Accountants

Dauphin, Manitoba
October 3, 2019

SKOWNAN FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

	2019	2018
FINANCIAL ASSETS		
CURRENT		
Cash	\$ 1,785,726	\$ 1,266,931
Restricted Cash - Note 3	320,836	146,171
Accounts Receivable - Note 4	260,830	298,478
Inventory	5,162	4,832
	<u>\$ 2,372,554</u>	<u>\$ 1,716,412</u>
FINANCIAL LIABILITIES		
CURRENT		
Bank Indebtedness	\$ 1,318,521	\$ -
Accounts Payable and Accrued Liabilities - Note 5	43,222	143,989
Deferred Revenue - Note 6	-	234,806
	<u>1,361,743</u>	<u>378,795</u>
LONG TERM		
Long Term Debt - Note 7	<u>4,235,335</u>	<u>3,575,247</u>
	<u>5,597,078</u>	<u>3,954,042</u>
NET DEBT	<u>(3,224,524)</u>	<u>(2,237,630)</u>
NON-FINANCIAL ASSETS		
Tangible Capital Assets - Note 8	23,028,146	22,394,003
Prepaid Expenses	-	45,343
ACCUMULATED SURPLUS	<u>\$ 19,803,622</u>	<u>\$ 20,201,716</u>

Approved on Behalf of Skownan First Nation:

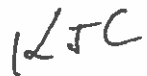


Chief: 

Councillor: 

Councillor: Kenneth G. G. G.

Councillor: _____

Councillor: _____

Handwritten initials and signatures:




(The accompanying notes are an integral part of these financial statements.)

SKOWNAN FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS FOR THE YEAR ENDED MARCH 31, 2019

	(Unaudited) 2019 Budget	2019	2018
REVENUE			
Indigenous Services Canada	\$ 8,015,230	\$ 7,840,705	\$ 8,137,897
Government of Canada	-	63,740	112,490
First Nation and Inuit Health Branch (FNIHB)	-	1,977,112	1,810,421
Canada Mortgage and Housing Corporation (CMHC)	-	428,220	1,019,235
First Peoples Development Inc.	-	366,027	340,269
Enbridge Inc.	-	-	30,000
Contract Revenue	-	715,109	669,210
Other	-	50,536	156,495
VLT Proceeds - Net	-	486,303	478,867
Concession - Net	-	(2,117)	3,917
Bison	-	75,425	-
Tobacco Tax Rebates	-	252,457	262,722
Solicitor General	-	36,996	34,804
Confectionary and Fuel - Net	-	317,973	263,897
Ice Derby	-	15,411	12,416
Rent	-	267,718	253,300
Interest	-	113	614
Revenue Deferred in Prior Year - Note 6	-	234,806	-
Revenue Deferred to Subsequent Year-Note 6	-	-	(234,806)
	8,015,230	13,126,534	13,351,748
EXPENSES			
Governance and Administration	720,369	751,619	869,056
Social	1,050,530	1,218,924	1,097,467
Health	-	1,986,748	2,170,943
Housing	528,600	791,814	1,315,656
Economic Development	1,120,630	1,170,526	1,077,557
Education	2,870,400	3,849,509	3,961,260
Operations and Maintenance	1,580,410	2,687,604	1,182,490
Training and Other	120,470	530,090	453,797
Gaming	-	537,794	597,119
	7,991,409	13,524,628	12,725,345
ANNUAL SURPLUS (DEFICIT)	\$ 23,821	(398,094)	626,403
ACCUMULATED SURPLUS, BEGINNING OF YEAR		20,201,716	19,242,526
PRIOR PERIOD ADJUSTMENT		-	332,787
ACCUMULATED SURPLUS, END OF YEAR		\$ 19,803,622	\$ 20,201,716

(The accompanying notes are an integral part of these financial statements.)

SKOWNAN FIRST NATION**CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED MARCH 31, 2019**

	2019	2018
ANNUAL SURPLUS (DEFICIT)	\$ (398,094)	\$ 626,403
Acquisition of Tangible Capital Assets	(1,984,460)	(1,205,194)
Amortization of Tangible Capital Assets	1,350,317	1,238,609
Change in Prepaid Expenses	45,343	(12,579)
Prior Period Adjustment	-	332,787
CHANGE IN NET DEBT	(986,894)	980,026
NET DEBT, BEGINNING OF YEAR	(2,237,630)	(3,217,656)
NET DEBT, END OF YEAR	\$ (3,224,524)	\$ (2,237,630)

(The accompanying notes are an integral part of these financial statements.)

SKOWNAN FIRST NATION**CONSOLIDATED STATEMENT OF CASH FLOWS****MARCH 31, 2019**

	2019	2018
CASH PROVIDED BY OPERATING ACTIVITIES		
Cash Received From Contributors	\$ 13,164,182	\$ 13,418,820
Cash Paid to Suppliers	(10,349,455)	(8,700,145)
Cash Paid to Employees	(2,437,623)	(2,505,840)
Interest Paid	(108,073)	(69,666)
NET CASH PROVIDED BY OPERATING ACTIVITIES	269,031	2,143,169
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Debt Repayments	(220,882)	(393,643)
Advances of Long Term Debt	1,311,250	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,090,368	(393,643)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Additions	(1,984,460)	(1,205,194)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(625,061)	544,332
NET CASH AND CASH EQUIVALENTS, beginning of year	1,413,102	868,770
NET CASH AND CASH EQUIVALENTS, end of year	\$ 788,041	\$ 1,413,102
Cash and Cash Equivalents consists of:	2019	2018
Cash	\$ 1,785,726	\$ 1,266,931
Restricted Cash	320,836	146,171
Bank Indebtedness	(1,318,521)	-
	\$ 788,041	\$ 1,413,102

(The accompanying notes are an integral part of these financial statements.)

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

1. NATURE OF ENTITY

The Skownan First Nation (the "First Nation") is located in the province of Manitoba, and provides various services to its Members. Skownan First Nation includes the First Nation's government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting Entity and Principles of Financial Reporting

The First Nation's reporting entity includes the First Nation's government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements consolidate the assets, liabilities, and results of operations for the following entities:

Skownan First Nation
Skownan CMHC Housing
Skownan Employment Training and Daycare
Skownan Health Authority
Skownan VLT Operation
SKO Construction Inc.

All inter-entity balances have been eliminated for the purposes of consolidating all of the above entities. However, transactions between programs have not been eliminated in reporting the results of operations.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash resources

Cash resources include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

Net debt

The First Nation's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Tangible capital assets are amortized annually using the following method at rates intended to amortize the cost of the assets over their estimated useful lives. Assets under construction are not amortized until the assets are put into use.

	Method	Rate
Buildings	Straight-line	20-50 years
Housing	Straight-line	25 years
Equipment	Straight-line	5-10 years
Roads and Bridges	Straight-line	30-50 years
Vehicles	Straight-line	3-15 years
Land Improvements	Straight-line	20 years

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured 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 value of an asset, or group of assets, exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the assets' carrying value exceeds the residual value of the assets' service potential to the First Nation. Any impairment is included in operations for the year.

Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

Revenue Recognition

Government transfer revenue, including, but not limited to, Indigenous Services Canada, Health Canada and Canada Mortgage and Housing Corporation funding, is recognized as the funding becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with related department expenses in the year of their occurrence. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Investment and interest revenue is recognized on an accrual basis in the year that it is earned.

All other types of revenue are recognized by the First Nation when the services are provided or the goods are shipped and collectability is reasonably assured.

Segments

The First Nation conducts its business through nine reportable segments as identified below. 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. 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. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Governance and administration - reports on governance and administration activities

Social - reports on social assistance programs

Health - Reports on health and wellness programs funded by Health Canada

Housing - Reports on activities related to developing and sustaining housing, including CMHC subsidized housing

Economic Development - Reports on services that facilitate economic development

Education - Reports on the operations of education programs

Operations and Maintenance - Reports on general operations and maintenance programs in the First Nation

Training and Other - Reports on training and other activities

Gaming - Reports on the Video Lottery Terminal operations.

Inter-segment transfers are recorded at their exchange amount. 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.

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

Employee future benefits

The First Nation's employee future benefit programs consist of a defined contribution pension plan. The First Nation's contributions to the defined contribution plans are expenses as incurred.

3. RESTRICTED CASH

	2019	2018
CMHC Replacement Reserve Fund	\$ 312,925	\$ 138,731
Ottawa Trust Fund	7,911	7,440
	<u>\$ 320,836</u>	<u>\$ 146,171</u>

4. ACCOUNTS RECEIVABLE

	2019	2018
Indigenous Services Canada	\$ 260,830	\$ 298,478

Ottawa Trust Fund The Ottawa Trust Fund arises from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is similarly governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned, when it is measurable and when collection is reasonably assured. Capital and Revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with consent of the First Nation's Chief and Council. The fund earned interest in the amount of \$471 during the fiscal year (\$402 2017-18).

CMHC replacement reserve As required as part of the First Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreements with CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At March 31, 2019, the replacement reserve bank account was fully funded (2018 - fully funded).

SKOWNAN FIRST NATION**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2019****5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2019	2018
Trade	\$ 35,726	\$ 140,377
Accrued Interest	7,496	3,612
	<u>\$ 43,222</u>	<u>\$ 143,989</u>

6. DEFERRED REVENUE

	2019	2018
Indigenous Services Canada - Culture and Recreation	\$ -	\$ 234,806

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

7. LONG TERM DEBT

These loans are secured by a ministerial guarantee by the Government of Canada unless otherwise noted.

	2019	2018
Canada Mortgage and Housing Corporation Terms: Monthly payments of \$3,742 including interest Interest: 2.49%	\$ 170,827	\$ 211,100
Canada Mortgage and Housing Corporation Terms: Monthly payments of \$4,036 including interest Interest: 2.50%	393,451	432,006
Canada Mortgage and Housing Corporation Terms: Monthly payments of \$3,976 including interest Interest: 1.44%	750,319	786,978
First Nation Bank Terms: Annual payments of \$93,342 plus interest at prime plus 1.25% Interest: 5.95%	-	356,940
TD Canada Trust Terms: Monthly payments of \$3,668 including interest Interest: 3.46%	54,261	95,603
Canada Mortgage and Housing Corporation Terms: Monthly payments of \$1,855 including interest Interest: 1.67%	391,693	407,296
Canada Mortgage and Housing Corporation Terms: Monthly payments of \$1,895 including interest Interest: 1.67%	400,000	415,934
First Peoples Development Terms: Monthly payments of \$3,571 including interest Interest: 0.00%	-	28,614
Subtotal	\$ 2,160,551	\$ 2,734,471

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

7. LONG TERM DEBT - Continued

	2019	2018
Subtotal - Continued from last page	\$ 2,160,551	\$ 2,734,471
CIBC	-	44,726
Terms: Monthly payments of \$2,489 including interest		
Interest: 4.50%		
Canada Mortgage and Housing Corporation	484,706	504,908
Terms: Monthly payments of \$2,670 including interest		
Interest: 2.50%		
Canada Mortgage and Housing Corporation	278,828	291,142
Terms: Monthly payments of \$1,493 including interest		
Interest: 1.97%		
Canada Mortgage and Housing Corporation	494,203	-
Terms: Monthly payments of \$3,436 including interest		
Interest: 2.50%		
Canada Mortgage and Housing Corporation	817,047	-
Terms: Monthly payments of \$5,606 including interest		
Interest: 2.52%		
	\$ 4,235,335	\$ 3,575,247

Principal repayments over the next five years are estimated as follows:

2019-20	\$301,270
2020-21	275,707
2021-22	270,196
2022-23	276,271
2023-24	237,108
Subsequent Years	2,874,783

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

9. ACCUMULATED SURPLUS

	2019	2018
Equity in Ottawa Trust Funds	\$ 7,911	\$ 7,440
CMHC Replacement Reserve	326,761	394,499
CMHC Operating Surplus	53,132	94,799
Investment In Tangible Capital Assets	19,697,543	18,818,756
Unrestricted Accumulated Surplus (Deficit)	(281,725)	886,222
	<u>\$ 19,803,622</u>	<u>\$ 20,201,716</u>

SKOWNAN FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019

8. TANGIBLE CAPITAL ASSETS

	Land	Buildings	Vehicles and Equipment	Roads	Water and Sewer	CMHC Housing	2019
COST							
Balance, Beginning of Year	\$ 110,000	\$ 29,618,943	\$ 2,306,312	\$ 725,411	\$ 5,929,609	\$ 7,105,882	\$ 45,796,157
Acquisition of Tangible Capital Assets	-	-	249,372	-	369,102	1,365,986	1,984,460
Disposals & Write Downs	-	-	-	-	-	-	-
Balance, End of Year	110,000	29,618,943	2,555,684	725,411	6,298,711	8,471,868	47,780,617
ACCUMULATED AMORTIZATION							
Balance, Beginning of Year	-	17,321,487	1,154,927	606,873	942,301	3,376,566	23,402,154
Amortization	-	662,075	210,609	16,870	183,954	276,809	1,350,317
Balance, End of Year	-	17,983,562	1,365,536	623,743	1,126,255	3,653,375	24,752,471
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 110,000	\$ 11,635,381	\$ 1,190,148	\$ 101,668	\$ 5,172,456	\$ 4,818,493	\$ 23,028,146

SKOWNAN FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019

8. TANGIBLE CAPITAL ASSETS

	Land	Buildings	Vehicles and Equipment	Roads	Water and Sewer	CMHC Housing	2018
COST							
Balance, Beginning of Year	\$ 110,000	\$ 28,493,749	\$ 2,306,312	\$ 725,411	\$ 5,849,609	\$ 7,105,882	\$ 44,590,963
Acquisition of Tangible Capital Assets	-	1,125,194	-	-	80,000	-	1,205,194
Disposals & Write Downs	-	-	-	-	-	-	-
Balance, End of Year	110,000	29,618,943	2,306,312	725,411	5,929,609	7,105,882	45,796,157
ACCUMULATED AMORTIZATION							
Balance, Beginning of Year	-	16,659,412	994,192	590,003	758,347	3,154,151	22,156,105
Amortization	-	662,075	160,735	16,870	183,954	222,415	1,246,049
Balance, End of Year	-	17,321,487	1,154,927	606,873	942,301	3,376,566	23,402,154
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS							
	\$ 110,000	\$ 12,297,456	\$ 1,151,385	\$ 118,538	\$ 4,987,308	\$ 3,729,316	\$ 22,394,003

SKOWNAN FIRST NATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

9. REVENUE RECONCILIATION

	2019	2018
Revenue per Indigenous Services Canada Cash Flow Statement	\$ 7,840,705	\$ 8,137,897
Culture and Recreation deferred to - 2018/2019	234,806	(234,806)
Indigenous Services Canada Revenue per Financial Statements	\$ 8,075,511	\$ 7,903,091

	2019	2018
Revenue per FNIHB Cash Flow Statement	\$ 1,977,112	\$ 1,810,421
FNIHB Revenue per Financial Statements	\$ 1,977,112	\$ 1,810,421

10. ECONOMIC DEPENDENCE

The First Nation receives a significant portion of its revenues pursuant to a funding arrangement with the Government of Canada.

11. PRIOR YEAR COMPARATIVES

Certain prior year comparatives have been restated to conform to the current years presentation.

SKOWNAN FIRST NATION

SCHEDULE 1 - SCHEDULE OF CONSOLIDATED EXPENSES BY OBJECT FOR THE YEAR ENDED MARCH 31, 2019

	2019	2018
Accommodations	\$ 102,313	\$ 216,619
Administration	119,224	172,569
Allowances	209,178	225,504
Amortization	1,342,897	1,238,609
Bank Charges and Interest	21,950	141,764
Basic Needs	1,016,268	953,009
Board Travel, Training and Honoraria	305,718	272,800
Community and Band Member Assistance	90,082	319,685
Contract Work	1,526,964	110,685
Equipment Rental	30,769	30,421
Fuel	210,616	109,844
Insurance	236,211	220,165
Interest on Long Term Debt	83,679	43,055
Office	154,303	171,981
Professional Development	27,995	33,128
Professional Fees	117,297	253,162
Projects and Program Costs	414,549	487,764
Recoveries	42,690	-
Repairs and Maintenance	1,473,128	1,574,856
Salaries and Benefits	2,263,334	2,474,840
Student Transportation	314,576	285,092
Travel	293,500	293,026
Tuition	2,858,371	2,882,918
Utilities	122,132	130,124
Workshops	146,884	83,725
	\$ 13,524,628	\$ 12,725,345

SKOWNAN FIRST NATION
SCHEDULE 2 - GOVERNANCE AND ADMINISTRATION
CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

	(Unaudited) 2019 Budget	2019	2018
REVENUE			
Indigenous Services Canada	\$ -	\$ 421,694	\$ 609,138
Rental	-	-	30,375
Government of Canada	-	15,740	90,544
	-	437,434	730,057
EXPENSES			
Amortization	-	195,599	181,755
Aid and Assistance	-	-	50,552
Bank Charges and Interest	-	6,011	4,152
Chief and Council Honoraria and Travel	-	305,718	272,800
Insurance	-	351	-
Office	-	18,878	23,033
Professional Fees	-	25,163	148,487
Repairs and Maintenance	-	742	12,078
Salaries and Benefits	-	138,250	149,277
Telephone	-	14,329	13,777
Training	-	-	200
Travel	-	6,037	12,945
Workshops	-	40,541	-
	-	751,619	869,056
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (314,185)	\$ (138,999)

SKOWNAN FIRST NATION**SCHEDULE 3 - SOCIAL****CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES****FOR THE YEAR ENDED MARCH 31, 2019**

	<i>(Unaudited)</i> 2019 Budget	2019	2018
REVENUE			
Indigenous Services Canada	\$ -	\$ 1,125,977	\$ 1,043,334
EXPENSES			
Amortization	-	104,517	101,478
Office	-	4,014	2,119
Salaries and Benefits	-	89,421	37,149
Social Assistance	-	1,016,268	953,009
Travel	-	4,704	3,712
	-	1,218,924	1,097,467
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (92,947)	\$ (54,133)

SKOWNAN FIRST NATION

SCHEDULE 4 - HEALTH

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2019

		(Unaudited) 2019 Budget	2019	2018
REVENUE				
First Nation and Inuit Health Branch (FNIHB)	\$	-	\$ 1,977,112	\$ 1,810,421
Indigenous Services Canada		-	14,000	68,313
		-	1,991,112	1,878,734
EXPENSES				
Administration Fees		-	43,140	51,000
Aid and Assistance		-	2,590	6,760
Amortization		-	221,478	195,776
Bank Charges and Interest		-	41	1,412
Insurance		-	6,497	4,593
Office		-	93,611	80,012
Professional Development		-	18,832	24,859
Projects		-	145,773	164,515
Professional Fees		-	18,477	14,780
Repairs and Maintenance		-	6,335	18,803
Respite		-	53,115	90,092
Salaries and Benefits		-	1,041,502	1,151,600
Supplies		-	11,130	38,028
Travel		-	202,221	168,329
Utilities		-	15,663	12,419
Workshops		-	106,343	83,725
		-	1,986,748	2,106,703
ANNUAL SURPLUS (DEFICIT)	\$	-	\$ 4,364	\$ (227,969)

SKOWNAN FIRST NATION

SCHEDULE 5 - HOUSING

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2019

	(Unaudited) 2019 Budget	2019	2018
REVENUE			
Canada Mortgage and Housing Corporation (CMHC)	\$ -	\$ 428,220	\$ 1,019,235
Other Income	-	47,686	-
Rent	-	267,718	222,925
	-	743,624	1,242,160
EXPENSES			
Administration	-	19,200	19,200
Amortization	-	276,809	222,415
Bank Charges and Interest	-	39	162
Insurance	-	60,670	67,840
Interest on Long Term Debt	-	83,679	43,055
Professional Fees	-	3,500	67,817
Repairs and Maintenance	-	341,686	771,701
Salaries and Benefits	-	-	118,500
Travel	-	6,231	4,966
	-	791,814	1,315,656
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (48,190)	\$ (73,496)

SKOWNAN FIRST NATION

SCHEDULE 6 - ECONOMIC DEVELOPMENT

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2019

	<i>(Unaudited)</i>		
	2019 Budget	2019	2018
REVENUE			
Indigenous Services Canada	\$ -	\$ 87,215	\$ 68,645
Contract Revenue	-	715,109	669,210
Government of Canada	-	48,000	-
Ice Derby	-	15,411	12,416
Confectionary and Fuel - Net	-	317,973	263,897
Bison	-	75,425	-
	-	1,259,133	1,014,168
EXPENSES			
Amortization	-	88,256	84,595
Administration	-	56,884	97,369
Bank and Interest Charges	-	12,800	16,163
Community Activities	-	87,492	-
Contract Work	-	18,155	-
Equipment Rental	-	30,769	30,421
Fuel	-	181,060	109,844
Insurance	-	62,287	52,617
Office	-	5,258	19,313
Professional Fees	-	14,907	11,505
Projects	-	3,000	7,693
Repairs and Maintenance	-	112,576	218,574
Salaries and Benefits	-	446,266	387,172
Telephone	-	5,025	9,245
Travel	-	36,522	21,140
Utilities	-	9,269	11,906
	-	1,170,526	1,077,557
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ 88,607	\$ (63,389)

SKOWNAN FIRST NATION

SCHEDULE 7 - EDUCATION

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES

FOR THE YEAR ENDED MARCH 31, 2019

	(Unaudited) 2019 Budget	2019	2018
REVENUE			
Indigenous Services Canada	\$ -	\$ 3,713,500	\$ 3,953,928
EXPENSES			
Accommodations	-	102,313	216,619
Allowances	-	209,178	225,504
Amortization	-	108,962	104,639
Office	-	2,082	9,708
Professional Development	-	3,702	1,225
Recovery	-	42,690	-
Repairs and Maintenance	-	31,283	25,000
Salaries and Benefits	-	123,998	128,917
Special Activities	-	31,503	49,686
Student Transportation	-	314,576	285,092
Travel Staff	-	20,851	31,952
Tuition	-	2,858,371	2,882,918
	-	3,849,509	3,961,260
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (136,009)	\$ (7,332)

SKOWNAN FIRST NATION

SCHEDULE 8 - OPERATIONS AND MAINTENANCE CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES FOR THE YEAR ENDED MARCH 31, 2019

	(Unaudited) 2019 Budget	2019	2018
REVENUE			
Indigenous Services Canada	\$ -	\$ 2,367,489	\$ 2,358,621
Enbridge Inc.	-	-	30,000
Solicitor General	-	36,996	34,804
Other Income	-	-	153,765
Revenue Deferred from Prior Year-Note 6	-	234,806	-
Revenue Deferred to Subsequent Year-Note 6	-	-	(234,806)
	-	2,639,291	2,342,384
EXPENSES			
Administration	-	-	5,000
Amortization	-	299,765	294,011
Contract Work	-	1,508,809	110,685
Fuel	-	29,556	-
Insurance	-	102,704	92,694
Office	-	9,554	11,598
Professional Fees	-	50,000	-
Repairs and Maintenance	-	402,207	455,354
Salaries and Benefits	-	211,121	194,243
Travel	-	2,704	30,801
Utilities	-	71,184	52,344
	-	2,687,604	1,246,730
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (48,313)	\$ 1,095,654

SKOWNAN FIRST NATION

SCHEDULE 9 - TRAINING AND OTHER CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES FOR THE YEAR ENDED MARCH 31, 2019

	<i>(Unaudited)</i>		
	2019	2019	2018
	Budget		
REVENUE			
Indigenous Services Canada	\$ -	\$ 110,830	\$ 35,918
First Peoples' Development Inc.	-	366,027	340,269
Government of Canada	-	-	21,946
Other	-	2,850	3,255
	-	479,707	401,388
EXPENSES			
Amortization	-	47,511	46,520
Interest and Bank Charges	-	3,059	3,325
Office	-	20,906	20,925
Participant Allowances	-	70,623	67,894
Program Costs	-	105,536	92,631
Professional Development	-	9,163	6,844
Professional Fees	-	5,250	6,785
Projects	-	4,999	15,253
Repairs and Maintenance	-	2,066	3,994
Salaries and Benefits	-	240,085	176,138
Supplies	-	-	2,713
Travel	-	14,230	4,948
Utilities	-	6,662	5,827
	-	530,090	453,797
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (50,383)	\$ (52,409)

SKOWNAN FIRST NATION**SCHEDULE 10 - GAMING****CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES****FOR THE YEAR ENDED MARCH 31, 2019**

	<i>(Unaudited)</i>		
	2019	2019	2018
	Budget		
REVENUE			
Gaming Proceeds - Net	\$ -	\$ 486,303	\$ 478,867
Interest	-	113	89
Tobacco Rebates	-	252,457	262,722
Concessions - Net	-	(2,117)	3,917
	-	736,756	745,595
EXPENSES			
Amortization	-	7,420	7,420
Bank Charges and Interest	-	2,483	1,922
Donations	-	234,211	262,373
Insurance	-	4,993	2,421
MLC Commissions and Fees	-	75,121	114,628
Office	-	3,448	5,273
Professional Fees	-	1,806	3,788
Repairs and Maintenance	-	25,693	28,611
Salaries and Benefits	-	146,980	131,844
Travel	-	12,338	14,233
Telephone and Utilities	-	23,301	24,606
	-	537,794	597,119
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ 198,962	\$ 148,476

SKOWNAN FIRST NATION
SCHEDULE OF SALARIES, HONORARIA, AND TRAVEL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

ELECTED OFFICIALS -

	Number of Months	Salary and Honoraria	Travel Expenses	Other	Total
Cameron Catcheway, Chief	12	\$ 71,000	\$ 6,603	\$ 2,400	\$ 80,003
Sterling Catcheway, Councillor	12	50,020	7,411	2,400	59,831
Jimmy Chartrand Councillor	12	50,020	4,669	2,400	57,089
Charolette Nepinak, Councillor	12	50,020	11,895	2,400	64,315
Kenneth Catcheway, Councillor	12	50,020	4,060	2,400	56,480

SKOWNAN FIRST NATION
SCHEDULE OF SALARIES, HONORARIA, AND TRAVEL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

UNELECTED SENIOR OFFICIALS -

	Number of Months	Salary and Honouraria	Travel Expenses	Other	Total
Financial Administrator	12	\$ 52,000	\$ 1,098	\$ -	\$ 53,098