

War Lake First Nation
Consolidated Financial Statements
March 31, 2020

War Lake First Nation Contents

For the year ended March 31, 2020

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Management's Responsibility

To the Chief and Council and Members of War Lake First Nation:

The accompanying consolidated financial statements of War Lake First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The War Lake First Nation Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.



Band Administrator

Independent Auditor's Report

To the Members of War Lake First Nation:

Qualified Opinion

We have audited the consolidated financial statements of War Lake First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, changes in net financial assets (net debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified 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 First Nation 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.

Inventory consists of merchandise and fuel purchased for resale at the War Lake Convenience Store Ltd., which is owned by the First Nation. We did not observe the inventory count at the beginning or end of the year and alternative means did not provide us with the necessary assurance concerning the quantity on hand or the cost of inventory. As a result, we were unable to determine whether any adjustments are required to inventory, expenses, annual surplus, accumulated surplus, net financial assets (net debt) and cash provided from operations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian 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 First Nation'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 First Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

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

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

Winnipeg, Manitoba

April 7, 2021

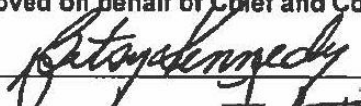

MNP LLP

Chartered Professional Accountants

War Lake First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
Financial assets		
Cash and cash equivalents	1,453,912	881,437
Accounts receivable (Note 3)	3,081,745	3,294,064
Portfolio investments (Note 4)	60,064	60,064
Inventory for resale (Note 5)	95,151	56,503
Restricted cash and trust funds (Note 6)	163,596	211,839
	4,854,468	4,503,907
Liabilities		
Accounts payable and accruals (Note 7)	677,832	668,191
Deferred revenue (Note 8)	3,589,629	3,030,380
Due to related party (Note 9)	351,039	225,911
Advances (Note 10)	150,000	150,000
Long-term debt (Note 11)	1,160,150	1,361,371
Capital lease obligation (Note 12)	87,114	108,739
	6,015,764	5,544,592
Net debt	(1,161,296)	(1,040,685)
Contingent liabilities (Note 18)		
Subsequent events (Note 22)		
Non-financial assets		
Tangible capital assets (Note 13)	12,551,880	9,123,216
Prepaid expenses (Note 14)	23,663	15,023
	12,575,543	9,138,239
Accumulated surplus (Note 15)	11,414,247	8,097,554

Approved on behalf of Chief and Council

Chief

Councillor



Councillor

War Lake First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2020

	<i>Schedules</i>	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue				
Indigenous Services Canada (Note 16)		4,806,173	7,185,192	2,558,053
Other		1,040,488	3,348,952	3,053,940
Canada Mortgage and Housing Corporation		85,776	65,150	82,648
Solicitor General		17,198	73,765	91,342
Manitoba Hydro		68,486	39,335	29,251
Province of Manitoba		124,624	138,374	123,102
Deferred revenue - prior year		2,884,000	2,675,380	2,779,992
Deferred revenue - current year		60,000	(3,589,629)	(2,675,380)
		9,086,745	9,936,519	6,042,948
Segment expenses				
First Nations Management	3	1,159,667	1,634,695	1,365,869
Social Services	4	65,127	221,023	214,490
Economic Development	5	27,821	27,821	27,821
Hydro Development - Keeyask Project	6	103,963	79,205	97,881
Health Services	7	1,395,537	580,259	386,392
Operating Programs	8	1,644,904	1,613,308	1,572,556
Public Works	9	268,273	269,854	248,967
Capital	10	4,918,721	281,246	252,082
CMHC Housing Operations	11	209,174	123,698	217,382
War Lake First Nations Hydro Trust Funds	12	-	1,048,739	1,069,650
War Lake Convenience Store Ltd.	13	-	739,978	429,441
		9,793,187	6,619,826	5,882,531
Surplus		(706,442)	3,316,693	160,417
Accumulated surplus, beginning of year		-	8,097,554	7,937,137
Accumulated surplus, end of year		(706,442)	11,414,247	8,097,554

War Lake First Nation
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Annual surplus	(706,442)	3,316,693	160,417
Purchases of tangible capital assets	-	(4,263,199)	(643,352)
Amortization of tangible capital assets	653,928	834,534	801,797
Change in prepaid expenses	-	(8,639)	2,504
Increase in net debt	(52,514)	(120,611)	321,366
Net debt, beginning of year	(1,273,961)	(1,040,685)	(1,362,051)
Net financial assets (net debt), end of year	(1,326,475)	(1,161,296)	(1,040,685)

War Lake First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Surplus	3,316,693	160,417
Non-cash items		
Amortization	834,534	801,797
	4,151,227	962,214
Changes in working capital accounts		
Accounts receivable	212,319	(41,939)
Inventory for resale	(38,648)	77,108
Accounts payable and accruals	9,641	194,796
Deferred revenue	559,249	250,388
Prepaid expenses	(8,639)	2,504
	4,885,149	1,445,071
Financing activities		
Change in amounts due to related party	125,128	-
Repayment of long-term debt	(201,221)	(102,630)
Repayment of capital lease obligation	(21,625)	(47,115)
	(97,718)	(149,745)
Capital activities		
Purchases of tangible capital assets	(4,263,199)	(534,613)
Investing activities		
Purchase of portfolio investments	-	(4)
Restricted cash and trust funds	48,243	1,464
	48,243	1,460
Increase in cash resources	572,475	762,173
Cash resources, beginning of year	881,437	119,264
Cash resources, end of year	1,453,912	881,437

1. Operations

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

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Reporting entity

The War Lake First Nation reporting entity includes the First Nation government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation. The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- War Lake Administration
- War Lake Social Services
- War Lake Hydro Trust Funds
- War Lake Convenience Store Ltd.

All inter-entity balances have been eliminated on consolidation.

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 and cash equivalents

Cash and cash equivalents 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.

Portfolio investments

Investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Inventory for resale

Inventory for resale is valued at the lower of cost and net realizable value. Cost is determined on the following basis:

Petroleum products	- Average cost
Confectionery and snacks	- Percentage of costs based on normal mark-up percentage

2. Significant accounting policies *(Continued from previous page)*

Tangible capital assets

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods and delivering services. Assets under construction are not amortized until the asset is available to be put into service.

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

Amortization

Tangible capital assets are amortized annually using the declining balance method at rates intended to amortize the cost of the assets over their estimated useful lives:

	<i>Rate</i>
Buildings	4 %
Infrastructure	4 %
Vehicles	20 %
Equipment	10 - 20 %
CMHC Housing	4 %

Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

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, exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the assets' carrying amount exceeds its residual value of the assets' service potential to the First Nation. Any impairment is included in operations for the year.

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 monies derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

Net debt

The First Nation's consolidated 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 financial liabilities. Net debt combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

2. Significant accounting policies *(Continued from previous page)*

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Liability for contaminated sites

A liability for remediation of contaminated sites 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, 2020.

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.

Revenue recognition

Government transfer revenue, including, but not limited to, Indigenous Services Canada, Health Canada, Province of Manitoba 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.

The First Nation recognizes VLT revenue as the net win from gaming activities (the difference between gaming wins and gaming losses), consisting of slot machines, on a daily basis. Gaming revenue is net of commissions paid to Manitoba Liquor and Lotteries Corporation. Management believes that it is appropriate to present these commissions net of gaming revenue as these amounts are fixed as per their agreement with Manitoba Liquor and Lotteries Corporation.

Rent and resident fees is recorded in the year it is earned. At the end of each year, management evaluates the extent of the collectability of its rent revenue and records a bad debt expense and an allowance for doubtful accounts for amounts designated as unlikely to be collected.

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.

Measurement uncertainty

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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the consolidated statement of operations in the year in which they become known.

2. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through eleven reportable segments listed 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.

- **First Nation Management** - activities include the governance function relating to decisions that define expectations, grant power or verify performance.
- **Social Services** - activities include satisfying the economic, social or health related needs of members of the community who require assistance.
- **Economic Development** - activities include researching and accessing government funding.
- **Hydro Development** - maintaining office close to Manitoba Hydro head office for communication purposes related to the Keeyask project.
- **Health Services** - deliver health services to the First Nation.
- **Operating Programs** - activities include the planning, managing and delivery of various projects/programs involving various programs such as education, employment, infrastructure, repairs and maintenance and training.
- **Public Works** - activities include the development and maintenance of the community's infrastructure, buildings, roads, bridges and related equipment and the provision of other more specialized community services.
- **Capital** - activities include the planning, managing and delivery of large scale infrastructure and capital projects to the community.
- **CMHC Housing Operations** - activities include the management and maintenance of CMHC houses for community members.
- **War Lake First Nation Hydro Trust Funds** - include Ottawa Trust funds held in trust by Government of Canada for the First Nation members and War Lake First Nation Hydro Trust Funds which are available to members for discussion and negotiations with Manitoba Hydro involving environmental issues as a result of adverse effects due to the construction of a hydro dam and include travel expenses.
- **War Lake Convenience Store Ltd.** - operates a convenience store with Video Lottery Terminals onsite.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 3 to the consolidated financial statements.

Employee future benefits

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

War Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at fair value.

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

The First Nation subsequently measures all financial instruments at amortized cost using the effective interest rate method. Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets are tested annually for impairment. Management considers all available information in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

3. Accounts receivable

	2020	2019
Trade accounts receivable	892,054	697,200
Indigenous Services Canada	2,032,564	2,565,825
CMHC subsidy assistance receivable	5,429	5,429
Members	44,768	55,025
War Lake Convenience Store Ltd. - Trade accounts receivable	168,687	8,764
	3,143,502	3,332,243
Allowance for doubtful accounts	61,757	38,179
	3,081,745	3,294,064

4. Portfolio investments

	2020	2019
Mississippi Rail Limited Partnership	4	4
Keewatin Railway Corporation	60,012	60,012
Cree Nation Partners Limited Partnership #1	16	16
Cree Nation Partners Limited Partnership #2	16	16
Cree Nation Partners Limited Partnership #3	16	16
	60,064	60,064

5. Inventory for resale

	2020	2019
War Lake Convenience Store Ltd.	95,151	56,503

Inventory consists of merchandise and fuel purchased for resale by War Lake Convenience Store Ltd.

War Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

6. Restricted cash and trust funds

Restricted cash is subject to the restrictions imposed upon by outside parties and can only be used for purposes specified.

	2020	2019
Ottawa Trust Funds	77	75
War Lake Hydro Trust	65,429	114,162
CMHC replacement reserve	98,090	97,602
	163,596	211,839

Ottawa Trust Funds

The Ottawa trust accounts arise 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 primarily 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 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 the consent of the First Nation's Chief and Council. Ottawa Trust Funds consist of the Capital trust in the amount of \$2 (2019 - \$2) and the Revenue trust in the amount of \$75 (2019 - \$73). Interest earned on the Ottawa Trust Funds totaled \$1 (2019 - \$2).

War Lake Hydro Trust

War Lake Hydro Trust in trust for War Lake First Nation was established to monitor and account for the financial contributions made by Manitoba Hydro towards expenses incurred by War Lake First Nation involving negotiations and environmental issue concerns arising from the potential future Hydro Electric development at Gull Rapids.

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, 2020, the replacement reserve bank account is fully funded (2019 - fully funded).

Operating reserve

The First Nations's CMHC Housing Program receives funding pursuant to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under this Program. These funds, along with accumulated interest, must be held in a separate bank account. Currently the reserve is \$nil (2019 - \$nil).

7. Accounts payable and accruals

	2020	2019
Indigenous Services Canada	25,651	25,722
Trade payables	652,181	642,469
	677,832	668,191

War Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

8. Deferred revenue

	2020	2019
Indigenous Services Canada - Brighter Futures	2,787	-
Indigenous Services Canada - Building Healthy Communities	26,839	-
Indigenous Services Canada - Solvent Abuse	2,742	-
Indigenous Services Canada - Prenatal Nutrition	4,977	-
Indigenous Services Canada - Home and Community Care	33,678	-
Indigenous Services Canada - Drinking Water Safety Program	1,371	-
Indigenous Services Canada - Community Health Promotion	13,409	-
Indigenous Services Canada - National Native Alcohol and Drug Program	13,655	-
Indigenous Services Canada - Aboriginal Diabetes Initiative	22,495	-
Indigenous Services Canada - Jordan's Principle	714,157	365,257
Indigenous Services Canada - Communicable Disease Emergency Planning	4,761	-
Indigenous Services Canada - Provincial School Transportation	89,228	-
Indigenous Services Canada - Lagoon Project	2,006,674	2,310,123
Indigenous Services Canada - Major Renovations/Repairs	538,856	-
Indigenous Services Canada - Provincial School Targeted HCSE	2,850	-
Keewatin Tribal Council - Daycare	53,689	-
Assembly of Manitoba Chiefs - Childcare Initiative	57,461	-
Manitoba Hydro - Keeyask Adverse Effect	-	355,000
	3,589,629	3,030,380

9. Due to related party

The amount is due to Mooseocoot Trust, a trust set up for the benefit of the War Lake First Nation members. The balance is due within the next fiscal year, are measured at their exchange amount and is unsecured and non-interest bearing. During the year, the First Nation purchased a sewer truck costing \$143,895, purchased a vehicle costing \$46,294, incurred travel costs of \$21,900 (2019 - \$9,000), honorarium costs of \$4,600 (2019 - \$nil) and professional fees costs of \$25,327 (2019 - \$nil) on behalf of Mooseocoot Trust. These costs are included in Operating Programs.

10. Advances

Advances consist of amounts received from Manitoba Hydro in the amount of \$150,000 (2019 - \$150,000) related to negotiations for Past Adverse Effects. The advances are non-interest bearing and due on demand.

11. Long-term debt

	2020	2019
CMHC mortgage repayable in monthly payments of \$1,557 per month including interest at 1.12% per annum, maturing January 2035 with the next scheduled renewal in May 2020, secured by a Ministerial guarantee and assignment of fire insurance for a two-unit rental housing project.	255,259	270,987
CMHC mortgage repayable in monthly payments of \$1,250 per month including interest at 1.12% per annum, maturing February 2035 with the next scheduled renewal in May 2020, secured by a Ministerial guarantee and assignment of fire insurance for a two-unit rental housing project.	206,034	218,652
CMHC mortgage repayable in monthly payments of \$1,827 per month including interest at 2.70% per annum, maturing February 2038 with the next scheduled renewal in November 2023, secured by a Ministerial guarantee and assignment of fire insurance for a two-unit rental housing project.	311,559	324,905

War Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

11. Long-term debt (Continued from previous page)

CMHC mortgage repayable in monthly payments of \$924 per month including interest at 1.03% per annum, maturing November 2041 with the next scheduled renewal in November 2021, secured by a Ministerial guarantee and assignment of fire insurance for a four-unit rental housing project.	215,298	224,120
Fox River Camp loan, unsecured, due on demand without interest.	172,000	277,819
Loan repaid during the year.	-	44,888
	1,160,150	1,361,371

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2021	224,581
2022	53,247
2023	53,922
2024	54,606
2025	55,299
Thereafter	718,495

As of September 1, 2020, under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation renewed the Phase 1, Post 1996 mortgage with monthly payments of \$1,488 including interest at a rate of 0.52% per annum and the Phase 2, Post 1996 mortgage with monthly payments of \$1,194 including interest at a rate of 0.52% per annum. Payments under these new terms commence on October 1, 2020.

12. Capital lease obligation

	2020	2019
Obligation under capital lease repayable in monthly payments of \$2,322 including interest at 4.99% per annum, due August 21, 2023, with a 2018 John Deere 524KXDW loader having a net book value of \$193,184 pledged as collateral.	87,114	108,739

Minimum lease payments related to the obligation under capital lease are as follows:

2021	27,858
2022	27,858
2023	27,858
2024	13,690
	97,264
Less: imputed interest	10,150
	87,114
Balance of obligation	87,114
Less: current portion	23,028
	64,086

War Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

13. Tangible capital assets

	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>Accumulated amortization</i>	<i>2020 Net book value</i>
Land	33,000	-	-	-	33,000
Buildings	5,134,506	55,466	-	3,163,259	2,026,713
Infrastructure	6,692,603	3,968,048	-	2,018,329	8,642,322
Vehicles	546,278	46,290	-	455,239	137,329
Equipment	1,866,157	193,395	-	1,194,635	864,917
General	110,228	-	-	110,228	-
CMHC Housing	1,507,342	-	-	659,743	847,599
Computers	33,764	-	-	33,764	-
	15,923,878	4,263,199	-	7,635,197	12,551,880

	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>Accumulated amortization</i>	<i>2019 Net book value</i>
Land	33,000	-	-	-	33,000
Buildings	4,179,134	-	-	2,955,659	1,223,475
General	110,228	-	-	110,228	-
Infrastructure	6,692,603	-	-	1,750,625	4,941,978
Vehicles	393,924	152,352	-	375,067	171,209
Equipment	1,375,157	491,000	-	975,863	890,294
Computers	33,764	-	-	33,764	-
CMHC Housing	2,462,708	-	-	599,448	1,863,260
	15,280,518	643,352	-	6,800,654	9,123,216

Included in current year additions are \$3,968,048 of assets under construction related to the Lagoon Project.

Prior year additions include equipment with a cost of \$241,480 acquired via capital lease.

Amortization expense of \$834,534 (2019 - \$801,797) was recorded in the consolidated statement of operations. Total amortization expense comprises \$207,600 amortization for buildings (2019 - \$170,350), \$267,704 for infrastructure (2019 - \$267,704), \$80,163 for vehicles (2019 - \$83,820), \$218,772 for equipment (2019 - \$180,093), and \$60,295 for CMHC Housing (2019 - \$99,830).

14. Prepaid expenses

	<i>2020</i>	<i>2019</i>
Insurance	23,663	15,023

War Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

15. Accumulated surplus

Accumulated surplus consists of the following:

	2020	2019
Investment in tangible capital assets	11,304,616	7,653,106
Unrestricted accumulated surplus	30,994	375,002
Ottawa Trust Funds	77	75
CMHC replacement reserve - required balance	78,560	69,371
	11,414,247	8,097,554

16. Indigenous Services Canada funding

	2020	2019
Indigenous Services Canada confirmation balance	7,210,843	2,557,749
Surplus reimbursements (recoveries)	(25,651)	304
Indigenous Services Canada per consolidated financial statements	7,185,192	2,558,053

17. Economic dependence

War Lake First Nation receives the majority of its revenue from Indigenous Services Canada ("ISC") and Health Canada as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC 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.

18. Contingent liabilities

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. The First Nation has recognized \$nil (2019 - \$3,308) in funding recoveries it expects to be recovered by Indigenous Services Canada ("ISC"). The First Nation has not yet determined to what extent any further funding amounts related to the year ended March 31, 2020 might be recovered.

19. Provision for site rehabilitation

The Manitoba Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive lagoon and landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste lagoon and landfill sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance.

As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discounted future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the First Nation is bound by environmental laws of the Manitoba Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

20. Budget information

The disclosed budget information has been approved by the Chief and Council of the War Lake First Nation on May 8, 2019.

21. First Nations Financial Transparency and Accountability Act

The First Nation is required by the First Nations Financial Transparency and Accountability Act to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 31, 2020. As the audit report date is dated after this date, the First Nation is not in compliance with this requirement. The possible effect of this non-compliance has not yet been determined.

22. Significant event

During the fiscal year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the First Nation's financial condition.

23. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

War Lake First Nation
Schedule 1 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Consolidated expenses by object			
Administration	-	21,122	17,522
Amortization	653,928	834,534	801,797
Audit fees	46,500	103,411	82,639
Bad debts	-	26,178	34,421
Band housing repairs and maintenance	59,533	-	-
Bank charges and interest	10,020	17,882	16,663
Board travel, training and honouraria	9,510	18,566	18,431
Chief and Council	127,500	101,429	127,492
Commissions	-	6,427	4,166
Community donations	4,800	6,001	5,349
Community events	110,200	291,104	161,971
Consulting	4,734,700	744,883	968,538
Equipment rental and costs	-	-	5,491
Food and beverage	6,850	-	1,175
Fuel	64,723	83,230	74,168
Furniture and equipment	50,000	74,839	3,800
Honouraria	-	32,500	28,933
Insurance	148,057	118,221	116,544
Interest on long-term debt	36,701	23,300	26,015
Meeting	800	3,431	501
Miscellaneous	5,250	8,825	4,754
Office equipment lease	6,924	2,415	3,477
Office rent	22,000	37,600	12,650
Office supplies and expenses	47,718	108,570	82,317
Pension	2,388	7,739	2,463
Professional fees	99,787	231,561	144,870
Program education	57,958	42,900	69,415
Program expense	922,161	69,713	35,428
Purchases	48,803	515,421	267,599
Recovery of payables	-	-	(13,266)
Renovations	13,175	9,166	6,404
Rent	52,302	76,867	76,768
Repairs and maintenance	241,871	276,340	185,109
Residential Rehabilitation Assistance Program	12,700	8,700	12,367
Salaries and benefits	883,895	1,111,098	976,715
Social assistance	-	118,136	146,625
Special projects	5,095	200	65,496
Supplies	30,548	42,722	33,385
Telephone	61,689	61,217	56,646
Training	32,415	35,357	33,758
Transportation	99,386	53,293	29,229
Travel	206,346	466,268	336,580
Tuition costs	730,913	682,051	692,494
Utilities	71,287	94,295	91,804
Vehicle	74,754	52,314	33,828
	9,793,187	6,619,826	5,882,531

War Lake First Nation

Schedule 2 - Consolidated Summary Schedule of Segment Revenue and Expenses

For the year ended March 31, 2020

	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>	<i>2019 Surplus (Deficit)</i>
Operations					
First Nations Management	839,246	1,634,695	29,866	(765,583)	(857,758)
Social Services	208,280	221,023	-	(12,743)	(6,461)
Economic Development	27,821	27,821	-	-	-
Hydro Development - Keeyask Project	73,205	79,205	-	(6,000)	(22,125)
Health Services	585,647	580,259	-	5,388	392,749
Operating Programs	1,943,297	1,613,308	(68,257)	261,732	626,933
Public Works	208,650	269,854	6,093	(55,111)	(31,871)
Capital	4,229,192	281,246	-	3,947,946	137,795
War Lake Convenience Store Ltd.	690,723	739,978	-	(49,255)	(68,102)
CMHC Housing Operations	81,719	123,698	32,298	(9,681)	(10,743)
War Lake First Nations Hydro Trust Funds	1,048,739	1,048,739	-	-	-
Total	9,936,519	6,619,826	-	3,316,693	160,417

War Lake First Nation
First Nations Management
Schedule 3 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue			
Indigenous Services Canada	205,210	277,801	282,767
Other revenue	291,390	554,789	291,074
Province of Manitoba	-	6,656	-
	496,600	839,246	573,841
Expenses			
Amortization	571,932	750,195	677,922
Audit fees	46,500	92,711	71,939
Bad debts	-	26,178	16,330
Bank charges and interest	9,600	10,445	9,243
Chief and Council	127,500	101,429	127,492
Community events	48,000	141,433	145,816
Insurance	14,237	15,555	4,509
Interest on long-term debt	-	949	10,892
Meeting	800	3,431	501
Miscellaneous	-	8,825	4,754
Office equipment lease	6,924	2,415	3,477
Office rent	6,000	6,600	6,650
Office supplies and expenses	14,245	66,767	11,497
Professional fees	66,500	76,053	75,331
Program education	1,300	1,104	1,300
Program expense	-	5,682	1,566
Recovery of payables	-	-	(13,266)
Renovations	10,200	-	-
Salaries and benefits	57,082	79,431	33,746
Special projects	-	-	53,046
Telephone	28,534	23,869	23,964
Training	1,700	500	-
Travel	107,268	197,864	92,430
Utilities	3,600	3,211	2,850
Vehicle	37,745	20,048	3,880
	1,159,667	1,634,695	1,365,869
Deficit before transfers	(663,067)	(795,449)	(792,028)
Transfers between programs	(23,650)	29,866	(65,730)
Deficit	(686,717)	(765,583)	(857,758)

War Lake First Nation
Social Services

Schedule 4 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue			
Indigenous Services Canada	61,011	208,280	208,029
Expenses			
Administration	-	3,600	-
Bank charges and interest	420	318	411
Community events	2,200	2,419	2,415
Fuel	600	820	600
Office supplies and expenses	515	576	2,784
Professional fees	600	2,299	1,992
Rent	4,200	3,850	4,200
Repairs and maintenance	2,012	-	2,325
Salaries and benefits	44,221	56,257	40,312
Social assistance	-	118,136	146,625
Supplies	1,785	17,925	818
Telephone	1,800	1,616	1,953
Training	1,610	1,000	1,610
Travel	5,164	12,207	8,445
	65,127	221,023	214,490
Deficit	(4,116)	(12,743)	(6,461)

War Lake First Nation
Economic Development
Schedule 5 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget	2020	2019
Revenue			
Indigenous Services Canada	30,917	30,917	30,917
Other	(3,096)	(3,096)	(3,096)
	27,821	27,821	27,821
Expenses			
Salaries and benefits	27,821	27,821	27,821
Surplus	-	-	-

War Lake First Nation
Hydro Development - Keeyask Project
Schedule 6 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue			
Manitoba Hydro	103,963	73,205	75,756
Expenses			
Audit fees	-	1,800	1,800
Office rent	6,000	6,000	6,000
Office supplies and expenses	4,283	4,208	3,821
Salaries and benefits	85,324	65,256	77,654
Telephone	1,736	1,941	1,986
Travel	6,620	-	6,620
	103,963	79,205	97,881
Deficit	-	(6,000)	(22,125)

War Lake First Nation
Health Services

Schedule 7 - Consolidated Schedule of Segment Revenue and Expenses

For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue			
Indigenous Services Canada	1,123,936	1,178,650	979,948
Other	(112,399)	(117,389)	(97,966)
Deferred revenue - prior year	384,000	365,257	262,416
Deferred revenue - current year	-	(840,871)	(365,257)
	1,395,537	585,647	779,141
Expenses			
Audit fees	-	6,500	6,500
Board travel, training and honouraria	7,000	7,000	7,004
Community events	60,000	147,252	715
Furniture and equipment	50,000	72,996	3,800
Insurance	2,143	2,082	2,145
Office rent	10,000	25,000	-
Office supplies and expenses	11,902	19,878	39,997
Professional fees	6,437	7,103	6,438
Program education	56,658	41,796	68,115
Program expense	917,241	8,185	27,445
Rent	3,200	2,000	3,200
Repairs and maintenance	5,000	-	-
Salaries and benefits	186,792	162,317	151,107
Special projects	5,095	200	7,478
Telephone	3,900	3,334	3,903
Training	25,503	23,021	8,976
Travel	28,646	36,572	26,830
Utilities	8,520	4,520	8,520
Vehicle	7,500	10,503	14,219
	1,395,537	580,259	386,392
Surplus	-	5,388	392,749

War Lake First Nation
Operating Programs
Schedule 8 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget	2020	2019 (Restated)
Revenue			
Indigenous Services Canada	858,202	941,449	777,651
Other revenue	645,792	960,258	1,251,445
Government of Canada	17,198	73,765	91,342
Province of Manitoba	124,624	131,718	123,102
Manitoba Hydro	68,486	39,335	29,251
Deferred revenue - current year	60,000	(203,228)	-
	1,774,302	1,943,297	2,272,791
Expenses			
Audit fees	-	2,400	2,400
Bad debts	-	-	15,491
Board travel, training and honouraria	2,510	11,566	11,427
Community donations	4,800	-	3,300
Equipment rental and costs	-	-	5,491
Food and beverage	6,850	-	1,175
Fuel	53,951	51,326	61,557
Insurance	30,732	15,215	29,745
Office supplies and expenses	14,673	4,438	5,457
Pension	2,388	7,739	2,463
Professional fees	2,500	18,588	12,185
Program expense	4,920	55,846	6,417
Renovations	2,975	7,042	1,488
Rent	44,902	65,017	63,368
Repairs and maintenance	141,830	55,907	68,413
Salaries and benefits	386,349	472,592	445,765
Supplies	11,721	8,055	7,602
Telephone	23,919	20,351	12,182
Training	3,602	6,836	17,821
Transportation	99,386	53,293	29,229
Travel	58,648	57,629	64,391
Tuition costs	730,913	682,051	692,494
Utilities	6,000	11,479	6,639
Vehicle	6,085	5,938	6,056
Miscellaneous	5,250	-	-
	1,644,904	1,613,308	1,572,556
Surplus before transfers	129,398	329,989	700,235
Transfers between programs	(64,202)	(68,257)	(73,302)
Surplus	65,196	261,732	626,933

**War Lake First Nation
Public Works**

Schedule 9 - Consolidated Schedule of Segment Revenue and Expenses

For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue			
Indigenous Services Canada	78,045	83,496	78,741
Other revenue	45,406	125,154	76,603
	123,451	208,650	155,344
Expenses			
Fuel	10,172	11,034	12,011
Insurance	4,682	-	-
Office supplies and expenses	2,100	5,795	9,894
Repairs and maintenance	63,573	65,937	69,149
Salaries and benefits	96,306	109,663	84,361
Supplies	17,042	16,742	23,601
Telephone	1,800	1,804	885
Training	-	1,698	1,635
Utilities	49,174	41,356	37,758
Vehicle	23,424	15,825	9,673
	268,273	269,854	248,967
Deficit before transfers	(144,822)	(61,204)	(93,623)
Transfers between programs	36,000	6,093	61,752
Deficit	(108,822)	(55,111)	(31,871)

**War Lake First Nation
Capital**

Schedule 10 - Consolidated Schedule of Segment Revenue and Expenses

For the year ended March 31, 2020

	2020 Budget	2020	2019
Revenue			
Indigenous Services Canada	2,434,700	4,464,599	200,000
Deferred revenue - prior year	2,500,000	2,310,123	2,500,000
Deferred revenue - current year	-	(2,545,530)	(2,310,123)
	4,934,700	4,229,192	389,877
Expenses			
Band housing repairs and maintenance	59,533	-	-
Consulting	4,734,700	-	189,877
Fuel	-	20,050	-
Insurance	63,806	62,999	45,051
Interest on long-term debt	9,429	6,233	-
Purchases	48,803	-	-
Professional fees	-	39,729	-
Repairs and maintenance	2,450	152,235	12,182
Special projects	-	-	4,972
	4,918,721	281,246	252,082
Surplus	15,979	3,947,946	137,795

War Lake First Nation
CMHC Housing Operations
Schedule 11 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue			
Canada Mortgage and Housing Corporation	85,776	65,150	82,648
Rental income	69,432	16,569	46,085
	155,208	81,719	128,733
Expenses			
Amortization	81,996	60,294	99,830
Insurance	32,457	15,110	28,980
Interest on long-term debt	27,272	16,118	15,123
Professional fees	23,750	21,850	26,600
Repairs and maintenance	27,006	1,626	32,464
Residential Rehabilitation Assistance Program	12,700	8,700	12,367
Utilities	3,993	-	2,018
	209,174	123,698	217,382
Deficit before transfers	(53,966)	(41,979)	(88,649)
Transfers between programs	51,852	32,298	77,906
Deficit	(2,114)	(9,681)	(10,743)

War Lake First Nation
War Lake First Nations Hydro Trust Funds
Schedule 12 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	<i>2020 Budget</i>	<i>2020</i>	<i>2019</i>
Revenue			
Other			
Contribution from Joint Venture Profits	-	744,883	778,661
War Lake First Nation Hydro	-	303,856	290,989
	-	1,048,739	1,069,650
Expenses			
Bank charges and interest	-	1,796	1,589
Consulting	-	744,883	778,661
Furniture and equipment	-	1,843	-
Honouraria	-	32,500	28,933
Hydro adjustments and other expenses	-	27,055	24,101
Office supplies and expenses	-	4,860	4,149
Professional fees	-	3,240	5,000
Rent	-	6,000	6,000
Salaries and benefits	-	64,496	76,790
Telephone	-	2,459	6,563
Travel	-	159,607	137,864
	-	1,048,739	1,069,650
Surplus	-	-	-

War Lake First Nation
War Lake Convenience Store Ltd.

Schedule 13 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2020

	2020 Budget	2020	2019
Revenue			
Other			
Net Sales	-	614,557	302,101
VLT Revenue	-	76,166	42,288
Deferred revenue - prior year	-	-	17,576
	-	690,723	361,965
Expenses			
Administration	-	17,522	17,522
Amortization	-	24,045	24,045
Bad debts	-	-	2,600
Bank charges and interest	-	5,323	5,420
Commissions	-	6,427	4,166
Community donations	-	6,001	2,049
Community events	-	-	13,025
Insurance	-	7,260	6,114
Office supplies and expenses	-	2,048	4,718
Professional fees	-	62,699	17,324
Purchases	-	515,421	267,599
Renovations	-	2,124	4,916
Repairs and maintenance	-	635	576
Salaries and benefits	-	73,265	39,159
Supplies	-	-	1,364
Telephone	-	5,843	5,210
Training	-	2,302	3,716
Travel	-	2,389	-
Utilities	-	6,674	9,918
	-	739,978	429,441
Deficit before transfers	-	(49,255)	(67,476)
Transfers between programs	-	-	(626)
Deficit	-	(49,255)	(68,102)