



**Moosomin First Nation
Consolidated Financial Statements**

March 31, 2017



Moosomin First Nation Contents

For the year ended March 31, 2017

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Management's Responsibility



To the Members of Moosomin First Nation:

Management is responsible for the preparation and 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 principles 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.

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

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

July 24, 2017



RANDY BARKWAY CPA - GGA.

Management:

Independent Auditors' Report

To the Members of Moosomin First Nation:

We have audited the accompanying consolidated financial statements of Moosomin First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus, changes in net debt, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated 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.

Auditors' 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 auditors' 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 entity'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 entity'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 Moosomin First Nation as at March 31, 2017 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Restated comparative information

Without modifying our opinion we draw attention to Note 18 to the consolidated financial statements, which explains that certain comparative information for the year ended March 31, 2016 has been restated. The consolidated financial statements of Moosomin First Nation for the year ended March 31, 2016 (prior to the restatement of the comparative information) were reported on by another auditor who expressed an unqualified opinion on those consolidated financial statements on July 29, 2016.

Saskatoon, Saskatchewan

July 24, 2017

MNP LLP

Chartered Professional Accountants



Moosomin First Nation
Consolidated Statement of Financial Position
As at March 31, 2017

2017 **2016**
(Restated -
Note 18)

Financial assets

Current

| | | |
|--|------------------|-----------|
| Cash | 1,703,050 | 1,897,221 |
| Restricted cash (Note 3) | 3,950,901 | 2,172,463 |
| Accounts receivable (Note 4) | 187,137 | 313,537 |
| Portfolio investments (Note 5) | 1,011 | 1,011 |
| Advances receivable | - | 99,146 |
| Subtotal of current assets | 5,842,099 | 4,483,378 |
| Investment in Nation business entity (Note 6) | 228,551 | 100 |
| Funds held in Ottawa Trust Fund (Note 7) | 183,840 | 252,089 |
| Total financial assets | 6,254,490 | 4,735,567 |

Liabilities

Current

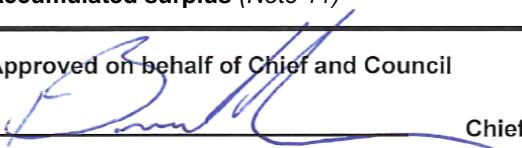
| | | |
|--|--------------------|-------------|
| Accounts payable and accruals | 1,807,442 | 817,601 |
| Deferred revenue (Note 8) | 2,328,798 | 1,458,990 |
| Current portion of long-term debt (Note 9) | 760,905 | 442,576 |
| Subtotal of current liabilities | 4,897,145 | 2,719,167 |
| Long-term debt (Note 9) | 4,195,393 | 4,323,041 |
| Total financial liabilities | 9,092,538 | 7,042,208 |
| Net debt | (2,838,048) | (2,306,641) |

Contingent liabilities (Note 14)

Non-financial assets

| | | |
|--------------------------------------|-------------------|------------|
| Tangible capital assets (Note 10) | 43,073,097 | 37,915,670 |
| Prepaid expenses | 40,250 | 24,865 |
| Total non-financial assets | 43,113,347 | 37,940,535 |
| Accumulated surplus (Note 11) | 40,275,299 | 35,633,894 |

Approved on behalf of Chief and Council

 Chief



Councillor



Moosomin First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual (Restated - Note 18) |
|---|--------------------------------------|------------------------|---|
| Revenues | | | |
| Indigenous and Northern Affairs Canada (Note 17) | 4,268,481 | 11,126,775 | 5,592,209 |
| Specific Land Claims Trust | 1,117,000 | 1,162,068 | 1,403,473 |
| Other | 422,220 | 708,340 | 518,321 |
| First Nations Trust | 656,000 | 577,707 | 663,014 |
| Rental | 196,294 | 406,111 | 357,696 |
| Canada Mortgage and Housing Corporation | - | 352,008 | 199,796 |
| Treaty 6 Education | 150,205 | 266,937 | 131,524 |
| Health Canada | 118,136 | 228,311 | 129,800 |
| Revenue trust funds (Note 7) | 400,000 | 193,751 | 285,659 |
| Battleford Agency Tribal Chiefs | 14,400 | 163,574 | 214,612 |
| Battle River Treaty 6 Health Centre | 215,265 | 160,992 | 189,240 |
| SITAG | - | 124,311 | 124,023 |
| CMHC RRAP | - | 46,316 | - |
| Insurance proceeds | 98,477 | - | 165,289 |
| Interest | - | - | 15,567 |
| Loss from investment in Nation business entity (Note 6) | - | (31,648) | - |
| | 7,656,478 | 15,485,553 | 9,990,223 |
| Program expenses | | | |
| Band Government | 642,763 | 806,665 | 825,175 |
| Band Based Capital | 361,395 | 646,452 | 510,151 |
| Major Capital | 321,506 | 95,030 | 548,351 |
| Community Infrastructure | 672,605 | 1,613,099 | 1,641,913 |
| Education | 2,641,191 | 3,181,365 | 2,513,946 |
| Other | 1,163,654 | 1,405,028 | 1,333,769 |
| CMHC Rental Housing | - | 640,892 | 269,069 |
| Specific Land Claim | 1,743,618 | 2,455,617 | 1,971,359 |
| Total expenses | 7,546,732 | 10,844,148 | 9,613,733 |
| Surplus | 109,746 | 4,641,405 | 376,490 |
| Accumulated surplus, beginning of year, as previously stated | 35,633,894 | 35,633,894 | 28,717,139 |
| Prior period adjustment (Note 18) | - | - | 6,540,265 |
| Accumulated surplus, beginning of year, as restated | 35,633,894 | 35,633,894 | 35,257,404 |
| Accumulated surplus, end of year | 35,743,640 | 40,275,299 | 35,633,894 |



Moosomin First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|---|--------------------------------------|------------------------|------------------------|
| Surplus | 109,746 | 4,641,405 | 376,490 |
| Purchases of tangible capital assets | - | (6,471,297) | (2,755,258) |
| Amortization of tangible capital assets | - | 1,313,870 | 1,129,566 |
| Proceeds on disposal of tangible capital assets | - | - | 15,995 |
| Acquisition of prepaid expenses | - | (15,385) | (24,865) |
| Change in net debt | 109,746 | (531,407) | (1,258,072) |
| Net debt, beginning of year | (2,306,641) | (2,306,641) | (1,048,569) |
| Net debt, end of year | (2,196,895) | (2,838,048) | (2,306,641) |



Moosomin First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2017

| | 2017 | 2016 |
|---|--------------------|-------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Surplus | 4,641,405 | 376,490 |
| Non-cash items | | |
| Amortization of tangible capital assets | 1,313,870 | 1,129,566 |
| Loss from investment in Nation business entity | 31,648 | - |
| | 5,986,923 | 1,506,056 |
| Changes in working capital accounts | | |
| Accounts receivable | 126,400 | (112,379) |
| Advances receivable | 99,146 | - |
| Prepaid expenses | (15,385) | (24,865) |
| Funds held in Ottawa Trust Fund | 68,249 | 77,357 |
| Accounts payable and accruals | 989,841 | 414,489 |
| Deferred revenue | 869,808 | 474,571 |
| | 8,124,982 | 2,335,229 |
| Financing activities | | |
| Advances of long-term debt | 690,645 | 2,672,653 |
| Repayment of long-term debt | (499,964) | (384,168) |
| | 190,681 | 2,288,485 |
| Capital activities | | |
| Purchases of tangible capital assets | (6,471,297) | (2,755,258) |
| Proceeds on disposal of tangible capital assets | - | 15,995 |
| | (6,471,297) | (2,739,263) |
| Investing activities | | |
| Contribution to Nation business entity | (260,099) | (100) |
| Increase in cash resources | 1,584,267 | 1,884,351 |
| Cash resources, beginning of year | 4,069,684 | 2,185,333 |
| Cash resources, end of year | 5,653,951 | 4,069,684 |
| Cash resources are composed of: | | |
| Cash and cash equivalents | 1,703,050 | 1,897,221 |
| Restricted cash | 3,950,901 | 2,172,463 |
| | 5,653,951 | 4,069,684 |
| Supplementary cash flow information | | |
| Interest paid | 115,751 | 98,738 |



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

1. Operations

The Moosomin First Nation (the "First Nation") is located in Treaty 6 Territory, Canada, and provides various services to its Members. Moosomin First Nation includes all entities that are accountable to the First Nation and are 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 financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities. Trusts administered by third parties on behalf of the Moosomin First Nation are excluded from the First Nation reporting entity.

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

- Moosomin First Nation
- Moosomin First Nation C.M.H.C. Housing Projects

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in the segment schedules in order to present the results of operations for each specific segment.

Moosomin First Nation's business entities, owned or controlled by the First Nation but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Moosomin First Nation Economic Development Limited Partnership

Basis of presentation

Sources of revenues and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become 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.

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.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for general operations is included in restricted cash. Restricted cash consists of CMHC Operating Reserve, CMHC Replacement Reserve, and capital project bank accounts.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Portfolio investments

Long-term 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.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

The First Nation's original reserve land is not recognized in the consolidated financial statements.

Amortization

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

| | Method | Rate |
|----------------|-------------------|-------------|
| Arena | declining balance | 5 % |
| Equipment | declining balance | 25 % |
| Housing | declining balance | 5 % |
| Housing (CMHC) | straight-line | 20-25 years |
| Infrastructure | declining balance | 5 % |

Land and assets under construction are not amortized. In the year of addition assets are amortized using half of the above rates.

Long-term debt

Long-term financing is recognized in the period the financing is received and recorded as an increase in long-term debt.

Repayments of long-term financing are recognized as a decrease in long-term debt.

Funds held in trust

Funds held in trust on behalf of the First Nation's 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.

Liability for contaminated site

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, 2017.

There are no known liabilities at March 31, 2017.

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 liabilities. Net debt combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Government Transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other revenues

Rental and lease revenue is recognized over the rental term. Other revenue is recognized as it becomes receivable or when it is earned.

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 revenues and expenses during the reporting period.

Segments

The First Nation conducts its business through 8 reportable segments (Note 15). 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, revenues 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.

Other economic interests

The First Nation is a member of several other entities. The First Nation does not share in the profit or loss of these entities. As a result these entities have not been included in these consolidated financial statements.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Recent accounting pronouncements

Financial instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. A related standard PS 1201, was issued to address changes to financial statement presentation related to financial instruments. In June 2015, the effective date was deferred to fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

Assets, Contingent Assets and Contractual Rights

In June 2015, PS 3210 *Assets*, PS 3320 *Contingent Assets* and PS 3380 *Contractual Rights* were included in the CPA Canada Public Sector Accounting Handbook (PSA HB).

PS 3210 *Assets* provides additional guidance to clarify the definition of assets set out in PS 1000 *Financial Statement Concepts*.

PS 3320 *Contingent Assets* establishes disclosure standards on contingent assets. Under previous standards contingent assets could not be recognized.

PS 3380 *Contractual Rights* establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

These standards are effective for fiscal years beginning on or after April 1, 2017.

3. Restricted cash

| | 2017 | 2016 |
|-----------------------------|------------------------|------------------------|
| Lagoon upgrade project | 1,584,366 | 619,748 |
| School flood damage project | 1,043,585 | - |
| CMHC replacement reserve | 385,072 | 384,808 |
| CMHC operating reserve | 371,471 | 350,076 |
| Band development | 262,571 | - |
| Emergency flood project | 239,190 | 500,000 |
| New school project | 39,646 | - |
| Wind energy project | 25,000 | - |
| Sewage pump | - | 317,803 |
| Water treatment plant | - | 28 |
| | <hr/> 3,950,901 | <hr/> 2,172,463 |



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

4. Accounts receivable

| | 2017 | 2016 |
|--|----------------|-------------|
| Members | 198,123 | 228,742 |
| CMHC | 107,934 | 34,607 |
| Other | 78,341 | 62,395 |
| Health Canada | 11,664 | 11,664 |
| Battlefords Agency Tribal Chiefs Inc. | - | 70,419 |
| Battleford River Treaty 6 Health Centre Inc. | - | 59,635 |
| Indigenous and Northern Affairs Canada | - | 55,000 |
| Moosomin Daycare | - | 31,204 |
| | 396,062 | 553,666 |
| Less: Allowance for doubtful accounts | 208,925 | 240,129 |
| | 187,137 | 313,537 |

5. Portfolio investments

| | 2017 | 2016 |
|--|--------------|-------------|
| BATC Investments Ltd. - 10 Class A common shares - 20% ownership | 10 | 10 |
| BATC Investments Limited Partnership - 1,000 units - 20% ownership | 1,000 | 1,000 |
| BATC Land Holdings Ltd. - 25 Class A common shares - 20% ownership | 1 | 1 |
| | 1,011 | 1,011 |



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

6. Investment in Nation business entity

The First Nation has an investment in the following entity:

| | <i>Beginning of year</i> | <i>Net income (loss)</i> | <i>Contributions</i> | <i>2017 End of year</i> |
|--|------------------------------|------------------------------|----------------------|-----------------------------|
| Government Business Enterprise | | | | |
| Moosomin First Nation Economic Development Limited Partnership | 100 | (31,648) | 260,099 | 228,551 |

Summary financial information for the First Nation business enterprise, accounted for using the modified equity method, is as follows:

| <i>Moosomin First Nation Economic Development Company Limited Partnership As at December 31, 2016</i> | |
|---|--------------------|
| Current assets | 24,902 |
| Investment | 203,649 |
| Total assets | 228,551 |
| Accumulated surplus | 228,551 |
| Total revenues | (21,007) |
| Total expenses | 10,641 |
| Comprehensive loss | (31,648) |



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

7. Funds held in Ottawa Trust Fund

Capital and Revenue Trust monies are transferred to the First Nation on the authorization of Chief and Council, with the consent of the Minister of Indigenous and Northern Affairs Canada.

| | 2017 | 2016 |
|----------------------------|-------------|-------------|
| Revenue Trust | | |
| Balance, beginning of year | 252,089 | 266,430 |
| Land leases and interest | 193,751 | 285,659 |
| | 445,840 | 552,089 |
| Less: Transfers to Nation | 262,000 | 300,000 |
| | 183,840 | 252,089 |

8. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

| | <i>Beginning balance 2017</i> | <i>Contributions received</i> | <i>Contributions utilized</i> | <i>Ending balance 2017</i> |
|----------------------------------|-------------------------------|-------------------------------|-------------------------------|----------------------------|
| INAC - School Flood | 198,514 | 1,750,000 | 1,204,365 | 744,149 |
| INAC - Moosomin Saulteaux Lagoon | 469,480 | 3,000,000 | 2,878,904 | 590,576 |
| Specific Claims | 348,559 | - | 45,219 | 303,340 |
| INAC - Sports Grounds | - | 550,000 | 410,504 | 139,496 |
| Enbridge | 62,371 | 219,300 | 153,390 | 128,281 |
| INAC - Renos and additions | - | 250,000 | 124,244 | 125,756 |
| INAC - Sewage Pumping Station | 317,803 | 1,292,100 | 1,511,079 | 98,824 |
| INAC - Fire Truck and Fire Hall | - | 110,000 | 27,551 | 82,449 |
| INAC - Wind Energy | - | 50,000 | 6,047 | 43,953 |
| INAC - Land Use Plan | - | 75,000 | 36,050 | 38,950 |
| INAC - New School | - | 80,000 | 46,976 | 33,024 |
| INAC - Water Treatment | 56,261 | - | 56,261 | - |
| Land lease | 4,573 | - | 4,573 | - |
| BATC CDC | 1,234 | - | 1,234 | - |
| INAC - Lagoon | 195 | - | 195 | - |
| | 1,458,990 | 7,376,400 | 6,506,592 | 2,328,798 |



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

9. Long-term debt

The following loans are secured by government guarantees, and relate to the construction of on reserve housing. The First Nation receives a subsidy from Canada Mortgage and Housing Corporation to assist with the payment of principal and interest on the following loans:

| Phase | Monthly payment including interest | Interest rate | Renewal Date | <u>2017</u> | <u>2016</u> |
|--|------------------------------------|---------------|--------------|------------------|-------------|
| I | 1,851 | 1.12% | 1-Feb-2020 | 185,084 | 205,114 |
| II | 1,494 | 1.92% | 1-Apr-2019 | 189,707 | 203,867 |
| III | 3,893 | 1.31% | 1-Dec-2021 | 427,405 | 467,709 |
| IV | 2,714 | 1.85% | 1-Aug-2019 | 356,814 | 382,557 |
| V | 6,033 | 1.14% | 1-Jun-2021 | 946,771 | 1,006,228 |
| VI | 8,420 | 1.13% | 1-Jul-2021 | <u>1,336,613</u> | --- |
| | | | | 3,442,394 | 2,265,475 |
| Innovation Credit Union consolidation loan, repayable in quarterly instalments of \$73,290 including interest at 5.4%, due July 2020, secured by property and assignment of specified revenues | | | | 850,209 | 1,092,315 |
| Innovation Credit Union Western Alliance loan, repayable in quarterly instalments of \$14,151 including interest at 5.4%, due April 2021, secured by property and assignment of specified revenues | | | | 205,174 | - |
| Innovation Credit Union 2016 Christmas distribution loan, repaid in a single payment of \$200,000 plus interest at 4.45% in April 2017. | | | | 200,000 | - |
| Catholic Diocese loan, repayable in yearly payments of \$39,800 including interest at 3%, due June 2022 | | | | 183,130 | - |
| Innovation Credit Union mulcher loan, repayable in monthly instalments of \$3,547 including interest at 4.95%, due August 2018, secured by property and assignment of specified revenues | | | | 57,515 | - |
| Caterpillar Finance loan, repayable in monthly instalments of \$1,202 including interest at 6.55%, due June 2018, secured by a backhoe | | | | 17,876 | 30,100 |
| CMHC Phase 6 advances | | | | - | 1,365,165 |
| CMHC RRAP loan | | | | - | 12,562 |
| | | | | 4,956,298 | 4,765,617 |
| Less: current portion | | | | 760,905 | 442,576 |
| | | | | 4,195,393 | 4,323,041 |

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

| | |
|------|---------|
| 2018 | 760,905 |
| 2019 | 629,066 |
| 2020 | 639,575 |
| 2021 | 509,260 |
| 2022 | 371,261 |



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

10. Tangible capital assets

For the year ended March 31, 2017

| | Cost | | | Accumulated Amortization | | | 2017 <i>Net book value</i> |
|---------------------------|--------------------|-----------------------|--|--------------------------|-------------------------|-------------------|-------------------------------|
| | Opening balance | Transfer Additions | Ending assets under construction | Opening balance | Current amortization | Ending balance | |
| Arena | 2,655,571 | - | - | 2,655,571 | 1,727,385 | 46,409 | 1,773,794 |
| Equipment | 2,581,302 | 165,321 | - | 2,746,623 | 1,908,659 | 188,825 | 2,097,484 |
| Housing | 9,791,199 | - | 1,393,720 | 11,184,919 | 4,320,753 | 483,800 | 4,804,553 |
| Infrastructure | 18,701,054 | - | - | 18,701,054 | 6,804,117 | 594,836 | 7,398,953 |
| Assets under construction | 1,981,309 | 6,305,976 | (1,393,720) | 6,893,565 | - | - | 6,893,565 |
| Purchased land | 16,966,149 | - | - | 16,966,149 | - | - | 16,966,149 |
| | 52,676,584 | 6,471,297 | - | 59,147,881 | 14,760,914 | 1,313,870 | 16,074,784 |
| | | | | | | | 43,073,097 |

For the year ended March 31, 2016

| | Cost | | | Accumulated Amortization | | | 2016 <i>Net book value</i> (Restated - Note 18) |
|---------------------------|----------------------|-----------|-------------------|--------------------------|-------------------------|-------------------|--|
| | Opening balance | Additions | Ending balance | Opening balance | Current amortization | Ending balance | |
| | (Restated - Note 17) | | | (Restated - Note 17) | | | |
| Arena | 2,655,571 | - | 2,655,571 | 1,678,533 | 48,852 | 1,727,385 | 928,186 |
| Equipment | 2,320,731 | 260,571 | 2,581,302 | 1,728,789 | 179,870 | 1,908,659 | 672,643 |
| Housing | 9,791,199 | - | 9,791,199 | 4,032,835 | 287,918 | 4,320,753 | 5,470,446 |
| Infrastructure | 18,187,676 | 513,378 | 18,701,054 | 6,191,191 | 612,926 | 6,804,117 | 11,896,937 |
| Assets under construction | - | 1,981,309 | 1,981,309 | - | - | - | 1,981,309 |
| Purchased land | 16,966,149 | - | 16,966,149 | - | - | - | 16,966,149 |
| | 49,921,326 | 2,755,258 | 52,676,584 | 13,631,348 | 1,129,566 | 14,760,914 | 37,915,670 |

In the current year management revised its estimates of the useful lives of the CMHC Housing. This change in estimate is being applied prospectively. Amortization in the current year increased by \$125,143 as a result of this change.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

11. Accumulated surplus

Accumulated surplus consists of the following:

| | 2017 | 2016 |
|--------------------------|-------------------|-------------|
| Operating | (186,762) | 315,862 |
| Capital assets | 39,372,182 | 34,242,368 |
| Commercial | 23,377 | 1,111 |
| CMHC operating reserve | 396,551 | 391,544 |
| CMHC replacement reserve | 486,111 | 430,920 |
| Ottawa Trust Fund | 183,840 | 252,089 |
| | 40,275,299 | 35,633,894 |

12. Funds and reserves

The Moosomin First Nation maintains the following funds and reserves as part of its operations:

- Operating Fund reports on the general activities of the First Nation's administration.
- Capital Asset Fund reports on the capital assets and projects of the First Nation.
- Commercial Fund reports on commercial business operations owned by the First Nation.
- CMHC Operating Reserve is required as part of the First Nation's CMHC Housing Program, which receives funds 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 the Program.
- CMHC Replacement Reserve is required as part of the First Nation's CMHC Housing Program. It has been established for replacement of capital equipment and for major repairs to the houses.
- Ottawa Trust Fund reports on trust moneys owned by the First Nation and held by the Government of Canada.

13. Budget information

The disclosed budget information was approved by Chief and Council on June 21, 2016. The First Nation did not budget for SITAG, CMHC or capital projects. Budgets for capital project are prepared as applications for funding are submitted.

14. Contingent liabilities

- a) The First Nation has obtained legal counsel to represent them in various claims against the Government of Canada. Fees relating to these claims have not been invoiced. It is expected that any fees relating to these claims will be invoiced when the claim is resolved and will be paid from settlement proceeds.
- b) These consolidated financial statements are subject to review by the First Nation's funders. It is possible that adjustments could be made based on the results of their reviews.



Moosomin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

15. Segments

The First Nation has 8 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

- Band Government - includes administration and governance activities.
- Band Based Capital - reports on repairs and maintenance of infrastructure.
- Major Capital - reports on major capital projects.
- Community Infrastructure - includes operations for the maintenance of the Nation's buildings and infrastructure.
- Education - includes the operations of education programs.
- Other - reports on operations of other programs.
- CMHC Rental Housing - reports on Canada Mortgage and Housing Corporation rental housing.
- Specific Land Claims - provides for the management of a specific land claims trust and the annual income allocation to the First Nation.

16. Economic dependence

Moosomin First Nation receives a significant portion of its revenue from Indigenous and Northern Affairs Canada (INAC) as a result of Treaties entered into with Her Majesty the Queen. 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.

17. Indigenous and Northern Affairs Canada Reconciliation

| | |
|--|-----------------------|
| INAC funding per confirmation | \$11,985,224 |
| Add: Deferred revenue, beginning | 1,050,612 |
| Deduct: Deferred revenue, ending | (1,897,177) |
| Risk management governance capacity development reconciliation | (4,959) |
| CPP/Pension - FN employer reconciliation | (6,925) |
| | <hr/> \$11,126,775 |

18. Prior period adjustment

During the year, the First Nation identified land purchased by the Treaty Land Entitlement Trust should have been reported as a tangible capital asset. As such, the financial statements have been restated with adjustment to the prior year to include \$6,540,265 of purchased land in tangible capital assets and an increase to opening and ending accumulated surplus of \$6,540,265.

19. Comparative figures

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



Moosomin First Nation
Schedule of Consolidated Expenses by Object
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|--|--------------------------------------|------------------------|------------------------|
| Salaries and benefits | 2,759,810 | 3,085,132 | 2,617,927 |
| Amortization of tangible capital assets | - | 1,313,870 | 1,129,566 |
| Repairs and maintenance | 768,072 | 1,136,734 | 952,596 |
| Contracted services | 1,429,954 | 1,027,881 | 1,469,717 |
| Member assistance | 595,000 | 929,897 | 694,150 |
| Student allowance | 484,000 | 751,341 | 408,363 |
| Travel, meetings and honoraria | 449,600 | 745,681 | 457,162 |
| Professional fees | 192,050 | 365,456 | 438,315 |
| Supplies | 290,256 | 361,983 | 221,442 |
| Insurance | 198,155 | 226,842 | 192,787 |
| Utilities | 202,660 | 220,767 | 221,736 |
| Other | 71,766 | 181,449 | 306,622 |
| Workshops and training | 37,600 | 164,810 | 166,665 |
| Interest on long-term debt | - | 115,751 | 98,738 |
| Rent | 9,000 | 85,430 | 59,000 |
| Contribution to Moosomin Treaty Land Entitlement Trust | - | 63,869 | - |
| Administration | 31,359 | 42,127 | 88,464 |
| Bank charges and interest | 27,450 | 22,387 | 36,378 |
| Bad debts | - | 2,741 | 54,105 |
| | 7,546,732 | 10,844,148 | 9,613,733 |



Moosomin First Nation
Band Government
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|---|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| Indigenous and Northern Affairs Canada | 682,196 | 788,271 | 722,239 |
| Other | - | 27,929 | 500 |
| | 682,196 | 816,200 | 722,739 |
| Expenses | | | |
| Salaries and benefits | 321,104 | 388,796 | 268,784 |
| Professional fees | 53,600 | 231,972 | 194,645 |
| Travel, meetings and honoraria | 19,800 | 103,466 | 20,241 |
| Contracted services | 139,000 | 71,957 | 239,986 |
| Supplies | 24,000 | 38,678 | 44,714 |
| Utilities | 12,600 | 9,879 | 12,316 |
| Bank charges and interest | 7,200 | 9,438 | 12,289 |
| Repairs and maintenance | - | 9,217 | - |
| Workshops and training | - | 6,262 | 15,758 |
| Other | 50,000 | - | 1,125 |
| Administration | 15,459 | (63,000) | 15,317 |
| | 642,763 | 806,665 | 825,175 |
| Surplus (deficit) before transfers | 39,433 | 9,535 | (102,436) |
| Transfers between programs | - | 39,369 | 220,696 |
| Surplus | 39,433 | 48,904 | 118,260 |



Moosomin First Nation
Band Based Capital
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|--|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| Indigenous and Northern Affairs Canada | 361,395 | 485,639 | 326,395 |
| CMHC RRAP | - | 46,316 | - |
| Other | - | - | 38,400 |
| Insurance proceeds | - | - | 24,413 |
| | 361,395 | 531,955 | 389,208 |
| Expenses | | | |
| Repairs and maintenance | 162,240 | 449,105 | 314,586 |
| Insurance | 123,155 | 123,155 | 119,990 |
| Salaries and benefits | 36,000 | 40,000 | 40,000 |
| Contracted services | 40,000 | 34,192 | 33,999 |
| Travel, meetings and honoraria | - | - | 1,576 |
| | 361,395 | 646,452 | 510,151 |
| Deficit before transfers | - | (114,497) | (120,943) |
| Transfers between programs | - | 117,834 | (2,125,899) |
| Surplus (deficit) | - | 3,337 | (2,246,842) |



Moosomin First Nation
Major Capital
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|---|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| Indigenous and Northern Affairs Canada | - | 6,150,241 | 1,452,198 |
| Other | 6,500 | 70,000 | 10,128 |
| Interest | - | - | 271 |
| Insurance proceeds | 98,477 | - | 114,472 |
| Battle River Treaty 6 Health Centre | 44,720 | - | 44,720 |
| | 149,697 | 6,220,241 | 1,621,789 |
| Expenses | | | |
| Repairs and maintenance | 208,832 | 95,030 | 175,189 |
| Contracted services | 100,341 | - | 253,886 |
| Professional fees | - | - | 101,684 |
| Rent | 9,000 | - | 9,000 |
| Administration | - | - | 5,000 |
| Utilities | 2,226 | - | 2,226 |
| Supplies | 841 | - | 841 |
| Bank charges and interest | - | - | 525 |
| Other | 266 | - | - |
| | 321,506 | 95,030 | 548,351 |
| Surplus (deficit) before transfers | (171,809) | 6,125,211 | 1,073,438 |
| Transfers between programs | 154,419 | (19,203) | (14,300,465) |
| Surplus (deficit) | (17,390) | 6,106,008 | (13,227,027) |



Moosomin First Nation
Community Infrastructure
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|---|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| Indigenous and Northern Affairs Canada | 562,092 | 559,312 | 598,531 |
| Other | 14,400 | 15,058 | 17,461 |
| Battleford Agency Tribal Chiefs | - | 12,286 | 10,000 |
| Insurance proceeds | - | - | 20,244 |
| | 576,492 | 586,656 | 646,236 |
| Expenses | | | |
| Amortization of tangible capital assets | - | 908,944 | 978,109 |
| Contracted services | 242,663 | 210,283 | 230,610 |
| Salaries and benefits | 153,717 | 163,948 | 159,837 |
| Utilities | 125,500 | 157,792 | 123,054 |
| Repairs and maintenance | 121,200 | 137,397 | 127,547 |
| Supplies | 28,325 | 31,337 | 18,570 |
| Travel, meetings and honoraria | 1,200 | 3,398 | 1,784 |
| Interest on long-term debt | - | - | 2,402 |
| | 672,605 | 1,613,099 | 1,641,913 |
| Deficit before transfers | (96,113) | (1,026,443) | (995,677) |
| Transfers between programs | - | - | 16,755,222 |
| Surplus (deficit) | (96,113) | (1,026,443) | 15,759,545 |



Moosomin First Nation
Education
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|---|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| Indigenous and Northern Affairs Canada | 2,662,798 | 3,143,312 | 2,492,846 |
| Treaty 6 Education | 150,205 | 266,937 | 131,524 |
| Other | - | 15,433 | 18,444 |
| | 2,813,003 | 3,425,682 | 2,642,814 |
| Expenses | | | |
| Salaries and benefits | 1,718,670 | 1,877,971 | 1,627,214 |
| Student allowance | 484,000 | 581,242 | 408,363 |
| Contracted services | 304,831 | 330,806 | 310,913 |
| Supplies | 107,990 | 233,915 | 122,509 |
| Administration | 15,900 | 63,000 | 32,947 |
| Travel, meetings and honoraria | 7,200 | 49,174 | 6,698 |
| Amortization of tangible capital assets | - | 27,174 | - |
| Workshops and training | 2,600 | 15,467 | - |
| Professional fees | - | 1,405 | 5,127 |
| Repairs and maintenance | - | 1,211 | 175 |
| | 2,641,191 | 3,181,365 | 2,513,946 |
| Surplus before transfers | 171,812 | 244,317 | 128,868 |
| Transfers between programs | - | - | (13,522) |
| Surplus | 171,812 | 244,317 | 115,346 |



Moosomin First Nation
Other
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|--|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| First Nations Trust | 656,000 | 577,707 | 663,014 |
| Other | 385,820 | 355,261 | 220,957 |
| Health Canada | 118,136 | 228,311 | 129,800 |
| Rental | 196,294 | 221,101 | 202,836 |
| Revenue trust funds | 400,000 | 193,751 | 285,659 |
| Battle River Treaty 6 Health Centre | 170,545 | 160,992 | 144,520 |
| Battleford Agency Tribal Chiefs | 14,400 | 147,358 | 204,612 |
| SITAG | - | 124,311 | 124,023 |
| Interest | - | - | 12,999 |
| Loss from investment in Nation business entity | - | (31,648) | - |
| | 1,941,195 | 1,977,144 | 1,988,420 |
| Expenses | | | |
| Member assistance | 185,000 | 245,799 | 306,493 |
| Contracted services | 547,072 | 235,092 | 338,104 |
| Other | 4,500 | 174,735 | 4,846 |
| Salaries and benefits | 130,048 | 162,523 | 122,654 |
| Workshops and training | - | 143,081 | 117,225 |
| Travel, meetings and honoraria | 51,400 | 131,133 | 55,820 |
| Repairs and maintenance | 128,100 | 114,918 | 177,449 |
| Interest on long-term debt | - | 65,331 | 47,341 |
| Contribution to Moosomin Treaty Land Entitlement Trust | - | 63,869 | - |
| Insurance | - | 27,888 | - |
| Professional fees | 8,450 | 11,790 | 14,922 |
| Administration | - | 11,527 | 10,000 |
| Utilities | 36,534 | 10,044 | 59,368 |
| Supplies | 72,300 | 6,718 | 18,392 |
| Bank charges and interest | 250 | 580 | 3,404 |
| Rent | - | - | 50,000 |
| Bad debts | - | - | 7,751 |
| | 1,163,654 | 1,405,028 | 1,333,769 |
| Surplus before transfers | 777,541 | 572,116 | 654,651 |
| Transfers between programs | (573,419) | (717,785) | (507,160) |
| Surplus (deficit) | 204,122 | (145,669) | 147,491 |



Moosomin First Nation
CMHC Rental Housing
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|---|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| Canada Mortgage and Housing Corporation | - | 352,008 | 199,796 |
| Rental | - | 185,010 | 154,860 |
| | - | 537,018 | 354,656 |
| Expenses | | | |
| Amortization of tangible capital assets | - | 377,752 | 151,457 |
| Repairs and maintenance | - | 143,911 | 10,512 |
| Interest on long-term debt | - | 48,544 | 49,905 |
| Insurance | - | 31,585 | 26,689 |
| Administration | - | 30,600 | 25,200 |
| Professional fees | - | 8,500 | 5,306 |
| | - | 640,892 | 269,069 |
| Surplus (deficit) before transfers | - | (103,874) | 85,587 |
| Transfers between programs | - | - | (85,832) |
| Deficit | - | (103,874) | (245) |



Moosomin First Nation
Specific Land Claim
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2017

| | 2017 Budget (Note 13) | 2017 Actual | 2016 Actual |
|-----------------------------------|--------------------------------------|------------------------|------------------------|
| Revenues | | | |
| Specific Land Claims Trust | 1,117,000 | 1,162,068 | 1,403,473 |
| Other | 15,500 | 224,659 | 212,431 |
| Battleford Agency Tribal Chiefs | - | 3,930 | - |
| Insurance proceeds | - | - | 6,160 |
| Interest | - | - | 2,297 |
| | 1,132,500 | 1,390,657 | 1,624,361 |
| Expenses | | | |
| Member assistance | 410,000 | 684,098 | 387,657 |
| Travel, meetings and honoraria | 370,000 | 458,510 | 371,043 |
| Salaries and benefits | 400,271 | 451,894 | 399,438 |
| Repairs and maintenance | 147,700 | 185,945 | 147,138 |
| Student allowance | - | 170,099 | - |
| Contracted services | 56,047 | 145,551 | 62,219 |
| Professional fees | 130,000 | 111,789 | 116,631 |
| Rent | - | 85,430 | - |
| Supplies | 56,800 | 51,335 | 16,416 |
| Insurance | 75,000 | 44,214 | 46,108 |
| Utilities | 25,800 | 43,052 | 24,772 |
| Bank charges and interest | 20,000 | 12,369 | 20,160 |
| Other | 17,000 | 6,714 | 300,651 |
| Bad debts | - | 2,741 | 46,354 |
| Interest on long-term debt | - | 1,876 | (910) |
| Workshops and training | 35,000 | - | 33,682 |
| | 1,743,618 | 2,455,617 | 1,971,359 |
| Deficit before transfers | (611,118) | (1,064,960) | (346,998) |
| Transfers between programs | 419,000 | 579,785 | 56,960 |
| Deficit | (192,118) | (485,175) | (290,038) |