

**Mosquito, Grizzly Bear's Head, Lean Man First Nation  
Consolidated Financial Statements  
March 31, 2017**

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Consolidated Financial Statements**  
*March 31, 2017*

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# **Mosquito, Grizzly Bear's Head, Lean Man First Nation**

## **Management's Responsibility for Financial Reporting**

*March 31, 2017*

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

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and review the financial statements and the external auditor's report.

Chalupiak & Associates, an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

Signature on file

Mosquito, Grizzly Bear's Head,  
Lean Man First Nation

July 27, 2017

Date

**Chalupiak & Associates**  
**Chartered Professional Accountants**  
**3261 Saskatchewan Drive, Regina, SK S4T 6S4**  
**Phone (306) 359-3711 Fax (306) 569-3030**

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**Independent Auditors' Report**

To the Members of  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**

We have audited the accompanying consolidated financial statements of Mosquito, Grizzly Bear's Head, Lean Man First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations, accumulated surplus, change 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 First Nation's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

*Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Mosquito, Grizzly Bear's Head, Lean Man First Nation as at March 31, 2017, and the results of its operations, accumulated surplus, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Regina, Saskatchewan**  
**July 27, 2017**

*Chalupiak & Associates*

**Chartered Professional Accountants**

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2017*

	2017	2016
<b>Financial Assets</b>		
Restricted cash - capital projects (Note 3)	\$ 1,220,268	\$ 258,538
Restricted cash - CMHC reserves (Note 3)	84,701	84,428
Trust funds held by federal government (Notes 3 and 4)	32,023	22,125
Accounts receivable (Note 5)	2,428,271	1,064,564
Investment in government business enterprises (Note 6)	23,692	42,256
Portfolio investment (Note 7)	50,000	50,000
	<u>3,838,955</u>	<u>1,521,911</u>
<b>Liabilities</b>		
Bank indebtedness (Note 3 and 8)	101,450	113,629
Accounts payable (Note 9)	818,927	795,732
Deferred revenue - unexpended funds (Note 10)	432,977	526,031
Deferred revenue (Note 11)	1,236,405	24,041
Due to related parties (Note 12)	35,800	35,800
Current portion of long-term debt (Note 13)	91,029	110,478
Current portion of CMHC mortgages (Note 14)	131,409	127,867
Long-term debt (Note 13)	2,484,878	995,898
CMHC mortgages (Note 14)	436,584	563,047
	<u>5,769,459</u>	<u>3,292,523</u>
<b>Net debt</b>	<u>(1,930,504)</u>	<u>(1,770,612)</u>
<b>Non-financial Assets</b>		
Capital assets (Note 15)	17,788,937	17,404,678
Prepaid expenses (Note 16)	35,444	27,811
	<u>17,824,381</u>	<u>17,432,489</u>
<b>Accumulated Surplus (Note 17)</b>	<u>\$ 15,893,877</u>	<u>\$ 15,661,877</u>

**Approved on behalf of the Mosquito, Grizzly Bear's Head, Lean Man First Nation:**

Signature on file \_\_\_\_\_, Chief

Signature on file \_\_\_\_\_, Councilor

The accompanying notes are an integral part of the financial statements

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - grant	\$ 362,375	\$ 383,972	\$ 362,375
INAC - fixed	2,044,692	2,401,996	2,158,960
INAC - set	1,992,767	1,991,925	2,313,969
INAC - flexible	269,074	1,758,874	413,074
INAC - current year receivable (payable)	-	(15,272)	(53,863)
INAC - prior period revenue (recovery)	-	(15,109)	607
Health Canada	125,000	139,120	112,917
Funds earned and held in trust by federal government	350,000	374,898	388,048
CMHC	12,000	88,315	103,529
First Nations Trust	450,808	483,945	525,703
Battle River Treaty 6 Health Centre Inc.	66,000	144,805	147,241
BATC Community Development Corporation	118,019	76,648	126,041
Saskatchewan Government	-	79,517	102,887
SIIT - Labour Force Development	15,000	75,553	-
CMHC rental income	-	148,402	132,614
Insurance proceeds	-	-	120,822
Land claim - future settlement (Note 21)	-	1,292,851	271,088
Equity change in corporations	-	(18,564)	27,383
Write down of old payables	-	12,896	55,494
Other revenue	59,860	707,457	115,755
Administration fees (Note 2.k)	-	155,071	37,739
Unexpended funds transferred - prior year	-	526,031	344,543
Deferred revenue - prior year	-	24,041	161,449
Deferred revenue - current year	-	(1,236,405)	(24,041)
	<b>5,865,595</b>	<b>9,580,967</b>	<b>7,944,334</b>
<b>Expenses</b>			
Claims and Indian Government (Schedule 1)	-	1,317,851	368,788
Community Development (Schedule 2)	540,162	662,665	551,457
Economic Development (Schedule 3)	-	14,897	47,897
Education (Schedule 4)	1,964,078	2,154,383	1,858,686
Indian Government Support (Schedule 5)	733,526	997,388	726,311
Land Management (Schedule 6)	124,369	210,609	97,576
Social Development (Schedule 7)	1,895,567	1,997,631	1,993,184
Indian Registration (Schedule 8)	10,006	10,613	7,686
Health (Schedule 9)	137,500	237,254	203,566
CMHC Operations (Schedule 10)	12,000	182,384	171,021
Other Band Programs (Schedule 11)	449,304	820,233	491,846
Amortization (Schedule 12)	-	944,910	936,286
	<b>5,866,512</b>	<b>9,550,818</b>	<b>7,454,304</b>

The accompanying notes are an integral part of the financial statements

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Addition of reserve lands (Note 22)</b>	-	634,830	-
<b>Current surplus before unexpended transfers</b>	(917)	664,979	490,029
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(432,977)	(526,031)
<b>Current surplus (deficit)</b>	\$ (917)	\$ 232,002	\$ (36,002)

The accompanying notes are an integral part of the financial statements

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2017*

	2017	2016
<b>Surplus at beginning of year</b>	\$ 15,661,875	\$ 15,697,877
<b>Current surplus (deficit)</b>	232,002	(36,002)
<b>Surplus at end of year</b>	\$ 15,893,877	\$ 15,661,875

The accompanying notes are an integral part of the financial statements



**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Current surplus (deficit)</b>	<b>\$ (917)</b>	<b>\$ 232,002</b>	<b>\$ (36,002)</b>
Acquisition of tangible capital assets	-	(1,329,171)	(521,267)
Amortization of tangible capital assets	-	944,910	936,286
	-	(384,261)	415,019
Acquisition of prepaid asset	(35,444)	(35,444)	(27,811)
Use of prepaid asset	27,811	27,811	22,235
	(7,633)	(7,633)	(5,576)
(Decrease) increase in net financial assets	(8,550)	(159,892)	373,441
Net debt at beginning of year	(1,770,612)	(1,770,612)	(2,144,053)
<b>Net debt at end of year</b>	<b>\$ (1,779,162)</b>	<b>\$ (1,930,504)</b>	<b>\$ (1,770,612)</b>

The accompanying notes are an integral part of the financial statements

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2017*

	2017	2016
<b>Cash flows from</b>		
<b>Operating activities</b>		
Current surplus (deficit)	\$ 232,002	\$ (36,002)
Items not affecting cash		
Amortization	944,910	936,286
	1,176,912	900,284
Change in non-cash operating working capital		
Accounts receivable	(1,363,707)	(188,381)
Prepaid expenses	(7,633)	(5,576)
Accounts payable	23,193	(207,389)
Deferred revenue - unexpended funds	(93,054)	181,488
Deferred revenue	1,212,364	(137,408)
	948,075	543,018
<b>Capital activities</b>		
Acquisition of capital assets	(1,329,169)	(521,268)
<b>Financing activities</b>		
Long-term debt - repayment	(1,048,305)	(383,055)
Long-term debt - proceeds	2,517,836	226,993
CMHC mortgages - repayment	(122,921)	(132,052)
	1,346,610	(288,114)
<b>Investing activities</b>		
Restricted cash - CMHC	(273)	(357)
Restricted cash - Trust funds held by federal government	(9,898)	12,952
Investment in government business enterprises	18,564	(27,383)
	8,393	(14,788)
<b>Increase (decrease) in cash and cash equivalents</b>	973,909	(281,152)
<b>Cash and cash equivalents, beginning of year</b>	144,909	426,061
<b>Cash and cash equivalents, end of year</b>	\$ 1,118,818	\$ 144,909
<b>Represented by</b>		
Cash	\$ (101,450)	\$ (113,629)
Restricted cash - capital projects	1,220,268	258,538
	\$ 1,118,818	\$ 144,909

The accompanying notes are an integral part of the financial statements

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**1. General**

Mosquito, Grizzly Bear's Head, Lean Man First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include the First Nation government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements do not include the Treaty Land Entitlement (TLE) Trust which is governed and controlled by appointed trustees.

**2. Basis of presentation and significant accounting policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

**(a) Reporting entity**

The Mosquito, Grizzly Bear's Head, Lean Man First Nation reporting entity includes the Mosquito, Grizzly Bear's Head, Lean Man First Nation government and all related entities that are controlled by the First Nation.

**(b) Principles of consolidation**

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Mosquito, Grizzly Bear's Head, Lean Man First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Mosquito, Grizzly Bear's Head, Lean Man First Nation.

Organizations accounted for on a modified equity basis include:

Mosquito Daycare Center Inc.

Mosquito Grizzly Bear's Head Lean Man TLE Makah Holding Corp

The following entities have not yet commenced active business activities and therefore there is no activity to include in these financial statements:

Mosquito Grizzly Bear's Head Lean Man First Nation Economic Development Company LP

Mosquito Grizzly Bear's Head Lean Man First Nation Petroleum Company Ltd.

**(c) Asset classification**

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

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**2. Basis of presentation and significant accounting policies (continued)**

**(d) Net debt or net financial assets**

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial assets is determined by its financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

**(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

**(f) Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts 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.

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's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**2. Basis of presentation and significant accounting policies (continued)**

**(g) Tangible capital assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Mosquito, Grizzly Bear's Head, Lean Man First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives. No amortization is recorded in the year of acquisition.

Buildings	20 years Straight line
Automotive equipment	3-5 years Straight line
Office equipment	3-5 years Straight line
Equipment	5-10 years Straight line
CMHC housing	25 years Straight line
Housing	20 years Straight line
Infrastructure	40 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Mosquito, Grizzly Bear's Head, Lean Man First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

**(h) Portfolio investments**

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

**(i) Use of estimates**

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**2. Basis of presentation and significant accounting policies (continued)**

**(j) Segments**

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributed 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.

**(k) Internal charges and transfers**

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

**(l) Revenue recognition**

Revenue is recorded in the period specified in the funding agreements entered into with Government agencies and other organizations. Funds received in advance of making the related expenses are reflected as deferred revenue in the year of receipt and classified as such in the financial statements. Any funding received pursuant to an agreement that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

**(m) Expense recognition**

Expenses are accounted for in the period the goods or services are acquired and a liability is incurred or transfers are due.

**(n) Comparative figures**

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**3. Cash and cash equivalents**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Mosquito, Grizzly Bear's Head, Lean Man First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement and Subsidy Fund.

Cash received to complete capital projects is held in separate bank accounts or guaranteed investment certificates.

Funds held in trust are held by the federal government in trust for the First Nation.

	2017	2016
Unrestricted cash		
Health operations	\$ (34,033)	\$ (6,437)
CMHC operations	12,226	96
General operations	(189,126)	(131,098)
Land claims	14,712	-
Lawyers' Trust accounts	94,771	23,810
	(101,450)	(113,629)
Restricted cash - capital projects		
Other capital projects	(20)	14
Multiplex	1,122,364	-
Water treatment plant	63,054	258,329
Band office/health clinic rebuild	34,870	195
	1,220,268	258,538
Restricted cash - CMHC reserves		
Replacement reserve	34,679	34,499
Replacement reserve term deposits	50,022	49,929
	84,701	84,428
Restricted cash - trust funds held by federal government		
Revenue	32,023	22,125
<b>Total cash and cash equivalents</b>	<b>\$ 1,235,542</b>	<b>\$ 251,462</b>

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**4. Trust funds held by federal government**

	2017 Revenue	2017 Capital	2017 Total	2016 Total
Surplus, beginning of year	\$ 22,125	\$ -	\$ 22,125	\$ 35,078
Withdrawals	(365,000)	-	(365,000)	(401,000)
Lease revenue	373,593	-	373,593	387,225
Interest earnings	1,305	-	1,305	822
<b>Surplus, end of year</b>	<b>\$ 32,023</b>	<b>\$ -</b>	<b>\$ 32,023</b>	<b>\$ 22,125</b>

**5. Accounts receivable**

	2017	2016
<b>Due from members</b>		
Advances - band	\$ 14,733	\$ 4,347
Advances - health	9,275	9,275
	<b>24,008</b>	<b>13,622</b>
<b>Due from others</b>		
GST receivable	21,020	14,658
Battleford River Treaty 6 Health Centre Inc.	64,836	53,721
Others	44,064	-
Land claims settlement (Note 21)	2,257,604	964,753
	<b>2,387,524</b>	<b>1,033,132</b>
<b>Due from government and other government organizations</b>		
INAC	8,665	10,945
Health Canada	11,668	9,830
CMHC	7,260	6,060
	<b>27,593</b>	<b>26,835</b>
	<b>2,439,125</b>	<b>1,073,589</b>
Allowance for doubtful accounts	(10,854)	(9,025)
	<b>\$ 2,428,271</b>	<b>\$ 1,064,564</b>



**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2017

**6. Investment in government business enterprises**

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

	Mosquito Daycare Centre Inc.	Mosquito Grizzly Bear's Head Lean Man TLE Makah Holding Corp	2017 Total	2016 Total
Current assets	\$ 2,129	\$ 4,725	\$ 6,854	\$ 5,726
Due from related parties	35,800	15,539	51,339	35,800
Tangible capital assets	4,303	-	4,303	4,123
Investment	-	-	-	-
<b>Total assets</b>	<b>\$ 42,232</b>	<b>\$ 20,264</b>	<b>\$ 62,496</b>	<b>\$ 45,649</b>
Current liabilities	\$ 5,831	\$ 32,973	\$ 38,804	\$ 3,393
Long-term liabilities	-	-	-	-
<b>Total liabilities</b>	<b>5,831</b>	<b>32,973</b>	<b>38,804</b>	<b>3,393</b>
<b>Equity</b>	<b>36,401</b>	<b>(12,709)</b>	<b>23,692</b>	<b>42,256</b>
<b>Total liabilities and equity</b>	<b>\$ 42,232</b>	<b>\$ 20,264</b>	<b>\$ 62,496</b>	<b>\$ 45,649</b>

  

	Mosquito Daycare Centre Inc.	Mosquito Grizzly Bear's Head Lean Man TLE Makah Holding Corp	2017 Total	2016 Total
Revenue	\$ 115,246	\$ 14,696	\$ 129,942	\$ 116,485
Expenses	115,647	31,741	147,388	123,809
<b>Net income</b>	<b>\$ (401)</b>	<b>\$ (17,045)</b>	<b>\$ (17,446)</b>	<b>\$ (7,324)</b>

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**7. Portfolio investments**

	2017	2016
<b>Avord Towers</b>	\$ 50,000	\$ 50,000

**8. Bank indebtedness**

The First Nation has an approved overdraft of \$100,000 on the education account held with Innovation Credit Union bearing interest at 4.95%; the unauthorized overdraft interest rate on all accounts is 19.80%. The First Nation also has an approved overdraft of \$50,000 with the Royal Bank of Canada (RBC) bearing interest at prime + 5.0%.

On March 31, 2017 the First Nation had issued cheques in excess of deposits totalling \$210,933 (2016 - \$137,439).

**9. Accounts payable**

	2017	2016
<b>Due to members</b>		
Accrued payroll	\$ -	\$ 44,739
<b>Due to others</b>		
Accounts payable - trade	715,033	624,828
London Life - pension	11,408	-
Battleford River Treaty 6 Health Centre Inc.	68,549	68,549
	794,990	693,377
<b>Due to government and other government organizations</b>		
INAC	23,937	53,863
INAC - band based capital	-	221,827
Canada Revenue Agency	-	3,753
	23,937	57,616
	\$ 818,927	\$ 795,732

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**10. Deferred revenue - unexpended funds**

INAC funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures for programs funded by Fixed Contribution; unexpended funds may be retained by the recipient, repaid to INAC, deferred to the following year, or transferred to another INAC program area. Excess funds that will be spent in the subsequent year are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

	2017	2016
Post Secondary	\$ 358,357	\$ 417,965
Land Management	53,714	92,454
Service Delivery	-	15,612
Student transportation	20,906	-
	<u>\$ 432,977</u>	<u>\$ 526,031</u>

**11. Deferred revenue**

	March 31, 2016	Funding received, 2017	Revenue recognized, 2017	March 31, 2017
<b>Federal government</b>				
Multiplex	\$ -	\$ 1,489,929	\$ (367,565)	\$ 1,122,364
Core area drainage project	24,041	-	-	24,041
Medical transportation	-	42,500	-	42,500
	24,041	1,532,429	(367,565)	1,188,905
<b>Other</b>				
Revenue trust funds	-	374,898	(327,398)	47,500
	<u>\$ 24,041</u>	<u>\$ 1,907,327</u>	<u>\$ (694,963)</u>	<u>\$ 1,236,405</u>

**12. Due to related parties**

	2017	2016
Mosquito Daycare Centre Inc.	\$ 35,800	\$ 35,800

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**13. Long-term debt**

	2017	2016
Innovation Credit Union - Temporary Band Office and Clinic Term loan - bearing interest at 5.20%, quarterly blended payments of \$55,000, maturing October 1, 2016, secured by a general security agreement and BCR.	\$ -	\$ 44,709
Innovation Credit Union - Water Treatment Plant Project Term Loan - bearing interest at 6.70%, quarterly blended payments of \$18,400, maturing January 10, 2018, secured by a general security agreement and BCR.	74,623	140,561
Innovation Credit Union - Land Claim Loan Term loan - bearing interest at 4.45%. Interest payments paid monthly and total principle due on November 1, 2018, secured by a general security agreement, BCR and assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$1,568,091 and drawdowns will coincide with settlement expenses incurred.	-	921,106
Innovation Credit Union - Grader Term Loan - bearing interest at 4.95%, monthly blended payments of \$2,073, maturing May 1, 2021, secured by equipment, a general security agreement and BCR.	93,448	-
Royal Bank - Land Claim Loan Term loan - bearing interest at prime plus 0.50%. Interest payments paid monthly and total principle due on June 26, 2021, secured by a general security agreement, BCR and assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$933,800 and drawdowns will coincide with settlement expenses incurred.	682,339	-
Royal Bank - Land Claim Loan Term loan - bearing interest at prime plus 0.25%. Interest payments paid monthly and total principle due on August 26, 2021, secured by a general security agreement, BCR and assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$2,988,160 and drawdowns will coincide with settlement expenses incurred.	1,725,497	-
	2,575,907	1,106,376
Current portion	91,029	110,478
	<u>\$ 2,484,878</u>	<u>\$ 995,898</u>

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**13. Long-term debt, continued**

Principal portion of long-term debt due within the next five years:

2018	\$	91,029		
2019		26,246		
2020		22,867		
2021		24,025		
2022 and thereafter		2,411,740		
	\$	2,575,907		
			2017	2016
Interest expense for the year on long-term debt	\$	65,142	\$	74,294

**14. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Monthly payment	2017	2016
Royal Bank	1	01/06/2019	2.63%	\$ 3,420	\$ 89,567	\$ 127,695
Royal Bank	2	01/05/2018	2.51%	2,633	36,307	66,569
Royal Bank	3	01/04/2019	2.94%	760	58,218	65,503
Royal Bank	4	01/01/2020	2.89%	1,535	128,266	142,751
Innovation Credit Union	5	01/10/2017	3.69%	2,246	103,969	122,920
Innovation Credit Union	6	01/02/2020	3.24%	1,810	151,665	165,476
					567,992	690,914
Current portion					131,408	127,867
					\$ 436,584	\$ 563,047

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
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**15. Tangible capital assets**

	Cost	Additions	Accumulated amortization	2017 Net book value
Land	\$ 5,337,320	\$ 634,830	\$ -	\$ 5,972,150
Buildings	9,170,531	12,425	5,744,501	3,438,454
Automotive equipment	124,941	-	114,715	10,226
Office equipment	62,242	1,500	37,845	25,897
Equipment	194,415	117,500	168,894	143,021
CMHC housing	3,435,094	-	1,446,191	1,988,903
Housing	2,472,743	367,565	968,377	1,871,931
Infrastructure	8,254,320	195,349	4,111,315	4,338,354
	<b>\$ 29,051,606</b>	<b>\$ 1,329,169</b>	<b>\$ 12,591,838</b>	<b>\$ 17,788,936</b>

	Cost	Additions	Accumulated amortization	2016 Net book value
Land	\$ 5,337,320	\$ -	\$ -	\$ 5,337,320
Buildings	9,063,353	107,178	5,299,864	3,870,666
Automotive equipment	124,941	-	96,082	28,859
Office equipment	62,242	-	24,897	37,345
Equipment	144,315	50,100	139,914	54,501
CMHC housing	3,435,094	-	1,323,269	2,111,825
Housing	2,472,743	-	844,613	1,628,130
Infrastructure	7,890,330	363,990	3,918,289	4,336,031
	<b>\$ 28,530,338</b>	<b>\$ 521,268</b>	<b>\$ 11,646,928</b>	<b>\$ 17,404,677</b>

**16. Prepaid expenses**

	2017	2016
Insurance	\$ -	\$ 5,611
Post Secondary - living allowance	35,444	22,200
	<b>\$ 35,444</b>	<b>\$ 27,811</b>

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2017

**17. Accumulated surplus**

	2017	2016
Restricted		
Trust funds held by federal government	\$ 32,023	\$ 22,125
CMHC reserves	527,818	492,915
Capital assets	17,052,873	16,528,495
Investments	73,692	92,256
	<hr/> 17,686,406	<hr/> 17,135,791
Unrestricted		
Operating deficit	(1,792,529)	(1,473,913)
	<hr/> \$ 15,893,877	<hr/> \$ 15,661,878

**18. INAC reconciliation**

	2017	2016
INAC confirmation	\$ 6,537,049	\$ 5,026,551
Saskatchewan Tax Loss Grant revenue	(282)	-
Prior period revenue (recovery)		
Basic needs	(7,338)	-
Capacity development	(3,251)	-
Business coaching	(4,520)	-
Skills Link	-	607
Prior year payable (receivable)		
Band Based Capital	-	221,827
Current year receivable (payable)		
Basic Needs	(22,237)	(15,308)
Band Employee Benefits (statutory)	5,799	(10,124)
Institutional Care	2,866	-
NCBR	(1,700)	(27,379)
Assisted Living - home care	-	(913)
Special Needs	-	(139)
	<hr/> \$ 6,506,386	<hr/> \$ 5,195,122

**19. Trusts under administration**

Mosquito, Grizzly Bear's Head, Lean Man First Nation holds assets in trust as a result of a Treaty Land Entitlement Trust; these assets are managed by appointed trustees and are not included on the statement of financial position as assets of Mosquito, Grizzly Bear's Head, Lean Man First Nation.

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2017

**20. Government Transfers**

	2017		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada (INAC)	\$ 4,747,512	\$ 1,758,874	\$ 6,506,386
Health Canada	139,120	-	139,120
Canada Mortgage and Housing Corporation (CMHC)	88,315	-	88,315
<b>Total</b>	4,974,947	1,758,874	6,733,821
<b>Provincial government transfers</b>	79,517	-	79,517
	<b>\$ 5,054,464</b>	<b>\$ 1,758,874</b>	<b>\$ 6,813,338</b>
	2016		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada (INAC)	\$ 4,782,048	\$ 413,074	\$ 5,195,122
Health Canada	112,500	-	112,500
Canada Mortgage and Housing Corporation (CMHC)	103,529	-	103,529
<b>Total</b>	4,998,077	413,074	5,411,151
<b>Provincial government transfers</b>	102,887	-	102,887
	<b>\$ 5,100,964</b>	<b>\$ 413,074</b>	<b>\$ 5,514,038</b>

**21. Land claim settlement**

Mosquito, Grizzly Bear's Head, Lean Man First Nation has entered into negotiations with Canada regarding specific claim settlements. Loans have been secured to provide funding for the negotiation costs. There are insurance policies guaranteeing repayment, should no settlement funds be received. There are two loans approved for a total of \$3,921,960 and draw downs will coincide with settlement expenses incurred. As of March 31, 2017 the amount of \$2,407,836 (2016 - \$921,107) had been drawn down. This amount is reported as a liability to the lending institution and a corresponding amount plus the interest paid to date on the loan has been recorded as a receivable in the amount of \$2,257,604 (2016 - \$964,753).

**22. Addition of reserve lands**

The First Nation signed a Treaty Land Entitlement agreement with the Government of Canada that provided \$9,596,792 to purchase "shortfall" acres of 20,096 to be converted to reserve status. In the current year there were 631 acres converted to reserve status at a cost of \$634,830; bringing the total acres to 11,987 (2016 - 11,356) at a total cost of \$5,972,150 (2016 - \$5,337,320).



**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**23. Contingent liabilities**

Mosquito, Grizzly Bear's Head, Lean Man First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Mosquito, Grizzly Bear's Head, Lean Man First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Mosquito, Grizzly Bear's Head, Lean Man First Nation's financial statements. The First Nation is currently not involved in any legal actions that are likely to result in a potential liability and no liabilities have been recorded in these financial statements.

Mosquito, Grizzly Bear's Head, Lean Man First Nation has guaranteed section 10 mortgages for various Band members. If the Band member defaults on their obligations, the Band is responsible for fulfilling the obligations with the lending institution.

**24. Employee benefit obligations**

**Vacation and overtime**

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year. There are no accrued liabilities reported in these statements for either vacation or overtime.

**Post-employment benefits**

Mosquito, Grizzly Bear's Head, Lean Man First Nation does not provide extended health, dental and life insurance benefits to qualifying retirees and their surviving spouses from the date of retirement.

**Pension plan**

Mosquito, Grizzly Bear's Head, Lean Man First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5.0% of their salary. Mosquito, Grizzly Bear's Head, Lean Man First Nation contributes a matching portion which is directed to the member's contribution account. Mosquito, Grizzly Bear's Head, Lean Man First Nation does not have any other obligations with regards to the pension plan as at March 31, 2017.

**25. Economic dependence**

Mosquito, Grizzly Bear's Head, Lean Man First Nation receives a significant portion of its revenue pursuant to a funding agreement with Indigenous and Northern Affairs Canada.

**26. Budgeted figures**

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the Mosquito, Grizzly Bear's Head, Lean Man First Nation Chief and Council.

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2017

**27. Expenses**

	2017 Budget	2017 Actual	2016 Actual
Administration	\$ -	\$ 155,071	\$ 37,739
Amortization	-	944,910	936,286
Assistance - social development	1,487,578	1,580,549	1,624,749
Assistance to band members	416,304	308,623	325,630
Bad debts	-	1,829	-
Community based funding activities paid direct	-	91,815	66,626
Consultants and contractors	718,535	1,451,707	1,261,457
Cultural programs	-	7,683	85
Equipment purchases	-	-	50,100
Fuel	13,000	24,710	31,290
Graduation, awards, prizes	8,250	975	2,650
Honorariums	351,470	308,987	253,221
Insurance	119,501	782,650	247,444
Interest and bank charges	6,460	27,807	19,133
Interest on specific claim insured loans	-	52,617	42,216
Land lease payments	-	7,500	-
Long term debt - payments (principle & interest)	-	139,554	600,404
Long term debt - principle repayment	-	(127,029)	(568,326)
Mortgages - payments (principle & interest)	-	148,844	148,845
Mortgages - principle repayment	-	(122,922)	(132,052)
NCB - Administration	32,600	30,398	31,129
NCB - Child care	8,400	8,401	10,090
NCB - Child nutrition	80,000	76,178	76,554
NCB - Cultural enrichment	29,728	24,873	19,337
NCB - Training initiatives	46,447	34,252	33,461
Professional fees	57,000	1,102,886	328,344
Recreational activities	16,000	20,674	11,951
Registration fees	800	27,179	6,272
Rent - equipment	1,000	4,073	23,541
Repairs and maintenance	28,115	79,302	28,436
Student allowance	237,000	340,182	209,400
Student incentives	16,540	11,308	12,213
Supplies	124,467	187,414	152,752
Telephone	18,400	47,761	54,405
Training	2,000	900	4,294
Travel - medical transportation	-	35,869	34,788
Travel, meetings, per diems	96,473	357,611	256,732
Tuition	235,956	230,761	73,925
Utilities	60,179	93,840	119,989
Wages and benefits	1,654,309	1,626,415	1,540,462
Transfer to capital assets	-	(575,339)	(521,268)
	<b>\$ 5,866,512</b>	<b>\$ 9,550,818</b>	<b>\$ 7,454,304</b>

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**28. INAC funding**

The First Nation (Recipient) receives funding from Indigenous and Northern Affairs Canada (INAC) by entering into an agreement with INAC.

There are five approaches that INAC may consider in the design and delivery of transfer payment programs:

1. **Grant approach** – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.
2. **Set contribution approach** – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to INAC annually.
3. **Fixed contribution approach** – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by INAC. A plan must be submitted and approved by INAC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by INAC.
4. **Flexible contribution approach** – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to INAC at the end of the project, program or agreement.
5. **Block contribution approach** – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by INAC.

# **Mosquito, Grizzly Bear's Head, Lean Man First Nation**

## **Notes to Consolidated Financial Statements**

March 31, 2017

### **29. Segmented information**

As previously discussed in note 2 (j) the First Nation conducts its business through reportable segments as follows:

#### **1) Indigenous and Northern Affairs Canada (INAC)**

##### **Claims and Indian Government:**

Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

##### **Community Development:**

Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

##### **Economic Development:**

Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

##### **Education:**

Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with INAC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labor market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

##### **Indian Government Support:**

Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2017

**29. Segmented information, continued**

**Land Management:**

Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

**Social Development:**

First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

**Indian Registration:**

Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as an Indian under the Indian Act.

**Governance and Institutions of Government:**

Costs associated with Governance and Institution of Government activities.

**2) Health Programs (FNIHB)**

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

**3) Canada Mortgage and Housing Corporation (CMHC)**

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth.

**4) Band programs**

Other programs that vary based on own source revenue. These could include First Nations Trust, Tribal Council, CDC, Band Trust Funds and other business ventures. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

**Schedule #1**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Claims and Indian Government**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - set	\$ -	\$ -	\$ 97,700
Land claim - future settlement (Note 21)	-	1,292,851	271,088
Other revenue	-	25,000	-
	-	1,317,851	368,788
<b>Expenses</b>			
Honorariums	-	11,866	2,200
Insurance	-	581,581	75,813
Interest and bank charges	-	3,037	-
Interest on specific claim insured loans	-	52,617	42,216
Professional fees	-	628,487	223,628
Travel and honoraria	-	40,263	24,931
	-	1,317,851	368,788
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Community Development**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed	\$ 169,983	\$ 176,855	\$ 193,338
INAC - flexible	269,074	1,758,874	413,074
Battle River Treaty 6 Health Centre Inc.	13,500	-	-
Insurance proceeds	-	-	120,822
Other revenue	-	97,908	18,891
Unexpended funds transferred - prior year	-	-	39,131
Deferred revenue - prior year	-	24,041	161,449
Deferred revenue - current year	-	(1,146,405)	(24,041)
	<b>452,557</b>	<b>911,273</b>	<b>922,664</b>
<b>Expenses</b>			
Assistance to band members	-	2,349	3,843
Consultants and contractors	189,496	746,934	636,172
Equipment purchases	-	-	50,100
Fuel	-	12,140	15,784
Honorariums	-	2,300	-
Insurance	116,501	135,245	104,512
Interest and bank charges	-	152	2,004
Long term debt - payments (principle & interest)	-	139,554	92,000
Long term debt - principle repayment	-	(127,029)	(75,602)
Professional fees	-	29,320	-
Registration fees	-	588	-
Repairs and maintenance	8,947	17,353	2,898
Supplies	29,000	67,199	55,674
Telephone	1,500	6,718	5,524
Travel, meetings, per diems	-	1,731	479
Utilities	40,179	51,942	63,236
Wages and benefits	154,539	151,510	116,102
Transfer to capital assets	-	(575,339)	(521,268)
	<b>540,162</b>	<b>662,667</b>	<b>551,458</b>
<b>Current surplus before transfers</b>	<b>(87,605)</b>	<b>248,606</b>	<b>371,206</b>
<b>Transfers</b>			
Transfer - Other band programs	58,715	58,715	150,000
Transfer - Health	-	12,458	-
Transfer - Amortization	-	(489,736)	(479,692)
<b>Current surplus (deficit)</b>	<b>\$ (28,890)</b>	<b>\$ (169,957)</b>	<b>\$ 41,514</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed	\$ -	\$ -	\$ 6,400
INAC - set	-	-	45,200
INAC - prior period revenue (recovery)	-	(4,520)	-
	-	(4,520)	51,600
<b>Expenses</b>			
Consultants and contractors	-	8,780	40,150
Professional fees	-	6,117	3,759
Travel, meetings, per diems	-	-	3,988
	-	14,897	47,897
<b>Current surplus (deficit)</b>	\$ -	\$ (19,417)	\$ 3,703

The accompanying notes are an integral part of the financial statements



**Schedule #4**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed	\$ 1,616,789	\$ 1,966,648	\$ 1,710,558
INAC - set	149,162	16,353	164,819
INAC - prior period revenue (recovery)	-	-	607
Other revenue	-	191,583	25,831
Unexpended funds transferred - prior year	-	417,965	226,526
	<b>1,765,951</b>	<b>2,592,549</b>	<b>2,128,341</b>
<b>Expenses</b>			
Administration	-	136,416	17,739
Consultants and contractors	282,976	310,464	281,911
Fuel	-	626	92
Graduation, awards, prizes	8,250	975	2,650
Honorariums	1,800	8,000	4,650
Insurance	-	459	340
Interest and bank charges	960	1,173	36
Recreational activities	16,000	5,979	11,951
Registration fees	-	3,028	1,577
Rent - equipment	1,000	4,073	23,541
Repairs and maintenance	9,168	9,924	295
Student allowance	237,000	316,500	209,400
Student incentives	16,540	11,308	12,213
Supplies	56,467	88,378	58,366
Telephone	7,300	3,787	20,769
Training	2,000	900	717
Travel, meetings, per diems	33,400	14,970	26,792
Tuition	235,956	205,482	73,925
Utilities	20,000	41,898	56,194
Wages and benefits	1,035,261	990,043	1,055,527
	<b>1,964,078</b>	<b>2,154,383</b>	<b>1,858,685</b>
<b>Current surplus before unexpended transfers</b>	<b>(198,127)</b>	<b>438,166</b>	<b>269,656</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(379,263)	(417,965)
<b>Current surplus (deficit) before transfers</b>	<b>(198,127)</b>	<b>58,903</b>	<b>(148,309)</b>
<b>Transfers</b>			
Transfer - Amortization	-	(293,961)	(293,461)
<b>Current deficit</b>	<b>\$ (198,127)</b>	<b>\$ (235,058)</b>	<b>\$ (441,770)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Indian Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - grant	\$ 362,375	\$ 383,972	\$ 362,375
INAC - fixed	18,346	18,919	20,384
INAC - set	55,837	50,584	67,262
INAC - current year receivable (payable)	-	5,799	(10,124)
INAC - prior period revenue (recovery)	-	(3,251)	-
Battle River Treaty 6 Health Centre Inc.	36,000	-	-
Equity change in corporations	-	(18,564)	27,383
Other revenue	34,860	147,857	53,218
Administration fees	-	155,071	37,739
Write down of old payables	-	12,896	55,494
	<b>507,418</b>	<b>753,283</b>	<b>613,731</b>
<b>Expenses</b>			
Assistance to band members	-	400	1,000
Bad debts	-	1,829	-
Consultants and contractors	28,548	45,183	78,910
Honorariums	349,670	229,896	239,457
Interest and bank charges	2,500	14,851	10,869
Professional fees	52,000	340,308	70,123
Registration fees	-	12,395	4,586
Supplies	6,000	7,021	12,279
Telephone	7,800	26,911	28,112
Training	-	-	1,202
Travel, meetings, per diems	16,000	51,593	62,091
Utilities	-	-	558
Wages and benefits	271,008	267,001	217,125
	<b>733,526</b>	<b>997,388</b>	<b>726,312</b>
<b>Current deficit before transfers</b>	<b>(226,108)</b>	<b>(244,105)</b>	<b>(112,581)</b>
<b>Transfers</b>			
Transfer - Health programs	-	24,000	24,332
Transfer - Other band programs	116,108	209,769	-
Transfer - Amortization	-	(6,224)	(6,224)
<b>Current deficit</b>	<b>\$ (110,000)</b>	<b>\$ (16,560)</b>	<b>\$ (94,473)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Land Management**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed	\$ 124,369	\$ 124,369	\$ 120,485
INAC - set	-	47,500	-
Other revenue	-	-	950
Unexpended funds transferred - prior year	-	92,454	68,595
	124,369	264,323	190,030
<b>Expenses</b>			
Administration	-	18,655	20,000
Consultants and contractors	50,000	67,952	55,014
Fuel	-	200	-
Honorariums	-	3,100	-
Interest and bank charges	-	152	-
Land lease payments	-	3,000	-
Professional fees	-	50,295	-
Registration fees	800	-	109
Repairs and maintenance	-	1,357	2,481
Supplies	10,000	5,003	6,311
Telephone	1,800	-	-
Travel, meetings, per diems	12,438	24,493	13,661
Wages and benefits	49,331	36,402	-
	124,369	210,609	97,576
<b>Addition of reserve lands (Note 22)</b>	-	634,830	-
<b>Current surplus before unexpended transfers</b>	-	688,544	92,454
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(53,714)	(92,454)
<b>Current surplus</b>	\$ -	\$ 634,830	\$ -

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed	\$ 105,199	\$ 105,199	\$ 98,044
INAC - set	1,787,768	1,877,488	1,938,988
INAC - current year receivable (payable)	-	(21,071)	(43,739)
INAC - prior period revenue (recovery)	-	(7,338)	-
Unexpended funds transferred - prior year	-	15,612	10,291
	<b>1,892,967</b>	<b>1,969,890</b>	<b>2,003,584</b>
<b>Expenses</b>			
Assistance - social development	1,487,578	1,580,549	1,624,749
Assistance to band members	-	5,001	-
Consultants and contractors	111,015	108,481	110,042
Interest and bank charges	-	3,221	3,744
NCB - Administration	32,600	30,398	31,129
NCB - Child care	8,400	8,401	10,090
NCB - Child nutrition	80,000	76,178	76,554
NCB - Cultural enrichment	29,728	24,873	19,337
NCB - Training initiatives	46,447	34,252	33,461
Registration fees	-	5,400	-
Supplies	3,000	-	3,724
Training	-	-	1,200
Travel, meetings, per diems	4,635	3,968	5,888
Tuition	-	595	-
Wages and benefits	92,164	116,313	73,266
	<b>1,895,567</b>	<b>1,997,630</b>	<b>1,993,184</b>
<b>Current surplus (deficit) before unexpended transfers</b>	<b>(2,600)</b>	<b>(27,740)</b>	<b>10,400</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	-	(15,612)
<b>Current deficit</b>	<b>\$ (2,600)</b>	<b>\$ (27,740)</b>	<b>\$ (5,212)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Indian Registration**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed	\$ 10,006	\$ 10,006	\$ 9,751
<b>Expenses</b>			
Supplies	-	386	886
Travel, meetings, per diems	-	627	-
Wages and benefits	10,006	9,600	6,800
	10,006	10,613	7,686
<b>Current surplus (deficit)</b>	\$ -	\$ (607)	\$ 2,065

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Health**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
Health Canada	\$ 125,000	\$ 150,500	\$ 112,500
Health Canada - prior period revenue (recovery)	-	(11,380)	417
Battle River Treaty 6 Health Centre Inc.	16,500	144,805	146,283
Battle River - prior period revenue (recovery)	-	-	958
Deferred revenue - current year	-	(42,500)	-
	<b>141,500</b>	<b>241,425</b>	<b>260,158</b>
<b>Expenses</b>			
Assistance to band members	-	200	30
Community based funding activities paid direct	-	91,815	66,626
Consultants and contractors	50,500	32,151	28,158
Fuel	13,000	11,744	15,414
Insurance	3,000	3,396	1,049
Interest and bank charges	3,000	2,373	2,097
Repairs and maintenance	10,000	8,368	5,969
Supplies	19,000	5,878	11,337
Telephone	-	10,345	-
Training	-	-	1,175
Travel - medical transportation	-	35,869	34,788
Travel, meetings, per diems	9,000	4,097	7,366
Wages and benefits	30,000	31,018	29,557
	<b>137,500</b>	<b>237,254</b>	<b>203,566</b>
<b>Current surplus before transfers</b>	<b>4,000</b>	<b>4,171</b>	<b>56,592</b>
<b>Transfers</b>			
Transfer - Indian government support	-	(24,000)	(24,332)
Transfer - Community development	-	(12,458)	-
Transfer - Amortization	-	(24,857)	(24,857)
<b>Current surplus (deficit)</b>	<b>\$ 4,000</b>	<b>\$ (57,144)</b>	<b>\$ 7,403</b>

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
CMHC - subsidy	\$ -	\$ 88,315	\$ 95,729
CMHC - other	12,000	-	7,800
CMHC rental income	-	148,402	132,614
Other revenue	-	1	125
	<b>12,000</b>	<b>236,718</b>	<b>236,268</b>
<b>Expenses</b>			
Consultants and contractors	-	18,060	9,942
Insurance	-	61,969	65,729
Interest and bank charges	-	687	384
Mortgages - payments (principle & interest)	-	148,844	148,845
Mortgages - principle repayment	-	(122,922)	(132,052)
Professional fees	-	6,500	13,000
Repairs and maintenance	-	42,300	16,794
Travel, meetings, per diems	-	2,420	6,295
Wages and benefits	12,000	24,526	42,084
	<b>12,000</b>	<b>182,384</b>	<b>171,021</b>
<b>Current surplus before transfers</b>	-	54,334	65,247
<b>Transfers</b>			
Transfer - Amortization	-	(122,922)	(132,052)
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (68,588)</b>	<b>\$ (66,805)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Other Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC trust funds - revenue	\$ 350,000	\$ 374,898	\$ 388,048
First Nations Trust	450,808	483,945	525,703
BATC Community Development Corporation	118,019	76,648	126,041
Saskatchewan Government	-	79,517	102,887
Other revenue	25,000	245,108	16,740
SIIT - Labour Force Development	15,000	75,553	-
Deferred revenue - current year	-	(47,500)	-
	<b>958,827</b>	<b>1,288,169</b>	<b>1,159,419</b>
<b>Expenses</b>			
Assistance to band members	416,304	300,674	320,757
Consultants and contractors	6,000	113,702	21,159
Cultural programs	-	7,683	85
Honorariums	-	53,825	6,914
Interest and bank charges	-	2,161	-
Land lease payments	-	4,500	-
Long term debt - payments (principle & interest)	-	-	508,404
Long term debt - principle repayment	-	-	(492,724)
Professional fees	5,000	41,859	17,835
Recreational activities	-	14,695	-
Registration fees	-	5,767	-
Student allowance	-	23,682	-
Supplies	1,000	13,549	4,174
Travel, meetings, per diems	21,000	213,451	105,243
Tuition	-	24,684	-
	<b>449,304</b>	<b>820,232</b>	<b>491,847</b>
<b>Current surplus before transfers</b>	<b>509,523</b>	<b>467,937</b>	<b>667,572</b>
<b>Transfers</b>			
Transfer - Band support	(116,108)	(209,769)	-
Transfer - Community development	(58,715)	(58,715)	(150,000)
Transfer - Amortization	-	(7,210)	-
<b>Current surplus</b>	<b>\$ 334,700</b>	<b>\$ 192,243</b>	<b>\$ 517,572</b>

The accompanying notes are an integral part of the financial statements



**Schedule #12**  
**Mosquito, Grizzly Bear's Head, Lean Man First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Band Based Capital	-	250,940	250,318
Band Support Funding	-	6,224	6,224
CDC Programs	-	7,210	-
CMHC Operations	-	122,922	132,052
Health medical clinic	-	6,224	6,224
Health transportation	-	18,633	18,633
O & M Buildings	-	24,000	31,211
O & M Roads and Bridges	-	21,770	10,020
O & M School	-	293,961	293,461
O & M Water Systems	-	193,026	188,143
	-	944,910	936,286
<b>Current deficit before transfers</b>	-	(944,910)	(936,286)
Transfer - Programs	-	944,910	936,286
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements