

Shoal Lake Cree Nation

Consolidated Financial Statements

March 31, 2018

Shoal Lake Cree Nation

Management's Responsibility for Financial Reporting

March 31, 2018

The financial statements have been prepared by management in accordance with the Public Sector Accounting Standards (PSAS) of the Chartered Professional Accountants of Canada (CPA) and the reporting requirements of the funding agreement with Indigenous Services Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative 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 presentation 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.

The 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 auditors' report.

McClelland Debusschere CPA PC Inc., 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.

October 04, 2019

Signature On File

Shoal Lake Cree Nation Chief

Signature On File

Director of Finance



McClelland Debusschere

Chartered Professional Accountants
Assurance Tax Advisory

Independent Auditors' Report

To the Members of
Shoal Lake Cree Nation

We have audited the accompanying financial statements of Shoal Lake Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2018 and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Shoal Lake Cree Nation as at March 31, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



McClelland Debusschere

Chartered Professional Accountants
Assurance Tax Advisory

Independent Auditors' Report

The supplementary information contained in the accompanying schedules is presented for purposes of additional information to the membership and Indigenous Services Canada and does not form part of the consolidated financial statements. The schedules have not been audited other than in the course of our audit of the financial statements to the extent necessary to allow us to render an opinion thereon.

Other Matter

The financial statements of Shoal Lake Cree Nation for the year ended March 31, 2017 were audited by another practitioner who expressed an unqualified opinion on those financial statements on August 31, 2018.

*McClelland Debusschere
CPA PC INC*

Saskatoon, SK
October 04, 2019

Chartered Professional Accountants

Shoal Lake Cree Nation

Consolidated Statement of Financial Position

March 31, 2018

	2018	2017 (as restated Note 26)
Financial Assets		
Cash	\$ -	\$ 3,604
Restricted assets - capital projects (Note 2)	139,105	162,226
Restricted assets - CMHC replacement reserve (Note 2)	522,266	611,665
Accounts receivable (Note 3)	607,128	888,531
Trust funds held by federal government (Note 4)	35,253	34,884
Investments in Government Partnerships (Note 5)	1,899,240	1,884,963
Portfolio Investments (Note 6)	20,000	20,000
Total financial assets	3,222,992	3,605,873
Liabilities		
Bank indebtedness (Note 7)	167,597	397,735
Accounts payable and accruals (Note 8)	2,324,317	1,726,856
Deferred/unexpended revenue (Note 9)	909,702	806,651
Long term debt (Note 10)	4,034,174	4,654,037
Total liabilities	7,435,790	7,585,279
Net Debt	(4,212,798)	(3,979,406)
Non-financial assets		
Tangible capital assets (Note 11)	19,268,760	20,360,482
Accumulated Surplus (Note 12)	\$ 15,055,962	\$ 16,381,076
Contingencies (Note 13)		

Approved on behalf of the Cree Nation:

Signature On File _____, Chief

Signature On File _____, Councilor

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

Shoal Lake Cree Nation

Consolidated Statement of Operations

For the Year Ended March 31, 2018

	2018	2018	2017
	Budget	Actual	Actual (as restated Note 26)
Revenue			
Indigenous Services Canada (ISC) (Note 16)	\$ 4,323,981	\$ 4,983,863	\$ 6,250,231
Prince Albert Grand Council	1,433,859	1,599,376	1,547,657
First Nations and Inuit Health Branch	537,078	574,081	542,910
Canada Mortgage and Housing Corporation	-	403,390	328,719
First Nations Trust	320,400	328,977	324,358
Rental revenue	39,800	294,734	306,317
Other revenue	94,096	268,323	182,222
Northern Lights Community Development Corp.	-	192,045	99,761
Government business partnerships (Note 5)	-	64,277	52,261
Administration Fees	279,498	270,732	291,859
FNIHB forfeited funding	-	-	(50,516)
ISC Funding Recovery (Note 16)	-	(271,992)	(273,092)
Unexpended revenue - prior year	-	278,507	228,654
Unexpended revenue - current year	-	(493,978)	(278,507)
Deferred revenue - prior year	-	528,144	199,070
Deferred revenue - current year	-	(415,724)	(528,144)
	7,028,712	8,604,755	9,223,760
Expenses			
Band administration (schedule 1)	681,647	825,951	1,035,531
Band Based Capital/Housing (schedule 2)	216,360	657,780	508,302
Community infrastructure (schedule 4)	345,307	469,650	453,085
Economic development (schedule 5)	2,620	18,832	17,128
Education (schedule 6)	2,858,013	2,821,400	2,801,792
Health (schedule 7)	1,033,150	1,284,890	1,181,983
Other programs (schedule 8)	270,400	840,693	673,262
Social development (schedule 9)	1,489,860	1,769,454	1,745,020
Amortization	12,000	1,241,219	996,362
	6,909,357	9,929,869	9,412,465
Current surplus (deficit)	119,355	(1,325,114)	(188,705)
Accumulated surplus - Beginning of year	16,381,076	16,381,076	16,569,781
Accumulated surplus - End of year	\$16,500,431	\$15,055,962	\$16,381,076

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

Shoal Lake Cree Nation

Statement of Changes in Net Debt

For the Year Ended March 31, 2018

	Budget	2018	2017 (as restated Note 26)
Annual surplus (deficit)	\$ 119,355	\$ (1,325,114)	\$ (188,705)
Acquisition of tangible capital assets	-	(149,497)	(1,594,537)
Amortization of tangible capital assets	12,000	1,241,219	996,362
Gain/Loss on disposal of capital assets	-	-	(113,442)
Proceeds of disposal of tangible capital assets	-	-	113,442
	<u>131,355</u>	<u>(233,392)</u>	<u>(786,880)</u>
Decrease (increase) in prepaid expenses	-	-	5,400
Change in net debt during the year	131,355	(233,392)	(781,480)
Net debt - Beginning of year	(3,979,406)	(3,979,406)	(3,197,926)
Net debt - End of year	\$ (3,848,051)	\$ (4,212,798)	\$ (3,979,406)

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

Shoal Lake Cree Nation

Statement of Cash Flows

For the Year Ended March 31, 2018

	2018	2017 (as restated Note 26)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (1,325,114)	\$ (188,705)
Non-cash items:		
Amortization	1,241,219	996,362
Loss (gain) on disposal of capital assets	-	(113,442)
Net income from government business partnerships	(64,277)	(52,261)
Change in working capital items:		
Change in receivables	281,402	(198,231)
Change in restricted assets - capital projects	23,121	91,209
Change in accounts payable	597,461	993,430
Change in deferred revenue	103,051	378,926
Change in prepaids	-	5,400
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	856,863	1,912,688
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments to acquire capital assets	(149,497)	(1,594,538)
Proceeds on disposal of capital assets	-	113,442
Change in trust funds held by federal government	(369)	(653)
Distributions from government business partnerships	50,000	50,000
Change in restricted assets - CMHC replacement reserve	89,399	(2,571)
NET CASH USED BY INVESTING ACTIVITIES	(10,467)	(1,434,320)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long term debt	(619,863)	(883,835)
Net cash increase (decreases)	226,533	(405,467)
Cash (bank indebtedness) at beginning of year	(394,131)	11,336
Cash (bank indebtedness) at end of year	\$ (167,597)	\$ (394,131)
Cash and cash equivalents consist of the following:		
Cash	\$ -	\$ 3,604
Bank indebtedness	(167,597)	(397,735)
	\$ (167,597)	\$ (394,131)

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

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

Shoal Lake Cree Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include the Shoal Lake Cree Nation government and all related entities which are accountable to the Cree Nation and are either owned or controlled by the Cree Nation.

1. Significant Accounting Policies

a. Basis of Accounting

These consolidated financial statements have been prepared in accordance with Public Sector Accounting Standards (PSAS) prescribed for governments as recommended by the Chartered Professional Accountants of Canada.

b. Principles of Consolidation

These financial statements consolidate the assets, liabilities and results of operations for the following entities, which use accounting principles which lend themselves to consolidation:

Shoal Lake Cree Nation - Operations

Shoal Lake Cree Nation - Section 95 Social Housing Operation

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Under the modified equity method of accounting, only Shoal Lake Cree Nation's investment in the government business partnership and its 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 Shoal Lake Cree Nation.

Entities recorded under the modified equity method include:

Prince Albert Development Corporation

Prince Albert First Nations Business Development LP

Eastern Sector Community Development Corporation

Eastern Sector Community Development LP

Long-term investments in non-controlled entities are recorded at the lower of cost or net realizable value.

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.

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

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

1. 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 Cree 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, 2018.

At each financial reporting date, the Cree 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 Cree 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. There are no known liabilities at March 31, 2018.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

1. 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 Shoal Lake Cree Nation's incremental cost of borrowing.

Amortization is provided for on a declining balance basis over their estimated useful lives. Half a year of amortization is recorded in the year of acquisition.

Vehicle and equipment	10-30%
Buildings	10%
Infrastructure	5%
Housing	4%

Tangible capital assets are written down when conditions indicate that they no longer contribute to Shoal Lake Cree 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.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

1. Significant Accounting Policies continued

h. Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts receivable and member advances are assessed for collectability annually and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements.

i. Segments

The Cree Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the Cree 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.

j. 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."

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

1. Significant Accounting Policies continued

k. Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is not practicable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor and are recognized as revenue when used for a specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service performed. 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.

I. Other Economic Interests

The Nation is a member of the Prince Albert Grand Council. The Prince Albert Grand Council is an organization of 12 Nations.

The Nation does not either share in the control or the profit or loss of the PAGC. As a result, the financial statements of the PAGC have not been consolidated or proportionately consolidated with the financial statements of Shoal Lake Cree Nation.

m. Investments

Portfolio investments which are owned by Shoal Lake Cree Nation but not controlled or influenced by the First Nation are recorded using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported at.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

1. Significant Accounting Policies continued

n. Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Cree Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

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

o. Pension Plan

The Shoal Lake Cree Nation provides a defined contribution plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid to the employee.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

2. Restricted Assets

The Cree Nation has received federal assistance through the CMHC, pursuant to Section 95 of the National Housing Act, to reduce mortgage interest and enable the Cree Nation to provide housing to members. The continuation of this interest rate reduction is contingent on the Cree Nation being in compliance with the terms of the agreement, which requires that a monthly amount be set aside to provide for major renovations to Nation housing in future years.

The Cree Nation has established a replacement reserve to ensure replacement of buildings financed by the CMHC, as well as a reserve related to surpluses generated in the post-1997 program, which are to be set aside and used to meet future subsidy requirements of income tested occupants over and above the maximum federal assistance.

The CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by the CMHC. Reserve withdrawals are credited first to interest and then to principal.

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

Restricted assets are comprised of the following:

	2018	2017
Restricted assets - capital projects	\$ 139,105	\$ 162,226
Restricted assets - CMHC replacement reserve	522,266	611,665
	\$ 661,371	\$ 773,891

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

3. Accounts Receivable

	2018	2017
Due from members	\$ 574,998	\$ 583,933
Less: allowance for doubtful accounts	<u>(569,998)</u>	<u>(562,279)</u>
	5,000	21,654
Canada Mortgage and Housing Corporation	203,395	215,153
First Nations and Inuit Health Branch	32,083	20,415
First Nations Trust	-	242,605
GST rebates	10,000	21,081
Indigenous Services Canada	203,413	290,610
Northern Lights Community Development Corp.	65,594	22,028
Prince Albert Grand Council	87,643	54,985
	\$ 607,128	\$ 888,531

4. Trust Funds Held by Federal Government

	2018	2018	2018	2017
	Revenue	Capital	Total	Total
Surplus, beginning of year	\$ 34,884	\$ -	\$ 34,884	\$ 34,231
Interest earned	369	-	369	653
	\$ 35,253	\$ -	\$ 35,253	\$ 34,884

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

5. Investments in Government Partnerships

Commercial enterprises are those organizations that meet the definition of government partnerships as described by Public Sector Accounting Standards of CPA Canada. Government partnerships 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 of 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. These partnerships are formed by multiple governments coming together to attain a common goal.

Investment in Government Business Partnerships consists of the following:

	2018	2017
Prince Albert Development Corporation - 8.33% ownership	\$ 25,292	\$ 24,815
Prince Albert First Nations Business Development LP - 8.33% ownership	1,873,948	1,860,148
	<u>\$ 1,899,240</u>	<u>\$ 1,884,963</u>

Summarized financial information for Prince Albert Development Corporation for the year ending March 31, 2018 is as follows :

	2018	2017
Balance sheet		
Total assets	\$ 313,012	\$ 305,287
Total liabilities	9,513	7,513
Shareholder's equity	303,499	297,774
Income statement		
Income	7,725	6,298
Expenses	<u>(2,000)</u>	<u>(2,000)</u>
Net earnings	<u>\$ 5,725</u>	<u>\$ 4,298</u>

Summarized financial information for Prince Albert First Nations Business Development Limited Partnership for the year ending March 31, 2018 is as follows:

	2018	2017
Balance sheet		
Total assets	\$ 22,919,783	\$ 22,716,433
Total liabilities	119,395	89,376
Shareholder's equity	22,800,388	22,627,057
Income statement		
Income	1,135,407	930,943
Expenses	<u>(362,077)</u>	<u>(301,817)</u>
Net earnings	<u>\$ 773,330</u>	<u>\$ 629,126</u>

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

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

5. Investments in Government Partnerships continued

Financial statements for Eastern Sector Development Corporation and Eastern Sector Development LP have not been prepared since the year ending March 31, 2015. At that time the corporation had minimal assets and liabilities. It is anticipated that little change has occurred since then as the corporation is inactive.

6. Portfolio Investment

The portfolio investment is made up of 40 shares of 40 class C shares of Nipawin Biomass Ethanol New Generation Co-operative Ltd. There is no active trading market for these shares.

7. Bank indebtedness

The First Nation has an approved overdraft limit of \$ 200,000 with First Nations Bank bearing interest at prime plus 1.85%. The operating loan is secured by a Band Council Resolution authorizing redirection of ISC funding, a general security agreement, and access to on-reserve assets.

This line of credit is currently being used at 2018 year end in the amount of \$179,043.

8. Accounts payable and accruals

	2018	2017
Trade accounts payable	\$ 1,624,235	\$ 1,160,081
Indigenous Services Canada	365,116	273,093
Prince Albert Grand Council	265,193	170,532
Wages payable	57,130	80,187
First Nations and Inuit Health Branch	12,642	42,963
	<hr/> <u>\$ 2,324,317</u>	<hr/> <u>\$ 1,726,856</u>

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

9. Deferred/unexpended revenue

ISC funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area.

	Beginning of year	Revenue recognized	Current year deferral	2018
Unexpended Revenue				
ISC - Strategic plan	\$ 7,125	\$ (7,125)	\$ 7,125	\$ 7,125
ISC - Fire protection	23,226	(23,226)	21,949	21,949
ISC - Roads and bridges	9,580	(9,580)	-	-
ISC - Solid waste	118	(118)	-	-
ISC - Post secondary	80,174	(80,174)	188,464	188,464
ISC - School O&M	141,184	(141,184)	238,432	238,432
ISC - Social delivery	17,100	(17,100)	19,326	19,326
ISC - Child Nutrition	-	-	18,682	18,682
Total unexpended revenue	278,507	(278,507)	493,978	493,978
Capital funding				
ISC - Drainage project	9,903	(9,903)	9,903	9,903
ISC - Immediate needs housing	360,524	(360,524)	360,524	360,524
ISC - Multi-units project	16,504	(16,504)	-	-
ISC - Water treatment plant project	141,213	(141,213)	45,297	45,297
Total deferred capital revenue	528,144	(528,144)	415,724	415,724
	\$ 806,651	\$ (806,651)	\$ 909,702	\$ 909,702

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

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

10. Term Debt

	2018	2017
Scotiabank Phase 4 loan matured on February 1, 2018.	\$ -	\$ 14,337
CMHC Phase 5 loan bearing interest at 1.82% per annum, repayable in monthly blended payments of \$803. The loan is secured by a ministerial loan guarantee. The loan will be renewed on September 1, 2019.	56,857	65,372
CMHC Phase 6 loan bearing interest at 1.13% per annum, repayable in monthly blended payments of \$1,494. The loan is secured by a ministerial loan guarantee. The loan will be renewed on July 1, 2021.	130,322	146,691
CMHC Phase 7 loan bearing interest at 2.11% per annum, repayable in blended monthly payments of \$1,364. The loan is secured by a ministerial loan guarantee. The loan will be renewed on January 1, 2019.	156,237	169,170
CMHC Phase 8 loan bearing interest at 1.92% per annum, repayable in monthly blended payments of \$4,146. The loan is secured by a ministerial loan guarantee. The loan will be renewed on April 1, 2019.	489,801	529,766
CMHC Phase 9 loan bearing interest at 1.04% per annum, repayable in monthly blended payments of \$2,066. The loan is secured by a ministerial loan guarantee. The loan will be renewed on October 1, 2020.	180,710	203,497
CMHC Phase 10 loan bearing interest at 1.14% per annum, repayable in monthly blended payments of \$3,987. The loan is secured by a ministerial loan guarantee. The loan will be renewed on June 1, 2021.	372,958	416,293
CMHC Phase 11 loan bearing interest at 2.11% per annum, repayable in monthly blended payments of \$3,714. The loan is secured by a ministerial loan guarantee. The loan will be renewed on January 1, 2019.	428,510	463,673
CMHC Phase 12 loan bearing interest at 1.92% per annum, repayable in monthly blended payments of \$2,609. The loan is secured by a ministerial loan guarantee. The loan will be renewed on April 1, 2019.	312,419	337,486
CMHC Phase 13 loan bearing interest at 1.01% per annum, repayable in monthly blended payments of \$3,222. The loan is secured by a ministerial loan guarantee. The loan will be renewed on February 1, 2021.	633,444	665,544
Total CMHC mortgages	2,761,258	3,011,829
FNB loan interest bearing at prime plus 2.1% per annum, repayable in monthly payments of \$19,097 plus interest. The loan matures on March 1, 2021 and is secured by a Band Council Resolution authorizing redirection of 100% of First Nations Trust gaming distributions and 100% of Northern Lights Community Development Corporation distributions.	916,667	1,145,833
FNB loan bearing interest at prime plus 0.75% per annum, repayable in monthly payments of \$4,948 plus interest. The loan matures on March 1, 2021 and is secured by a Band Council Resolution authorizing redirection of 100% of First Nations Trust gaming distributions and 100% of Northern Lights Community Development Corporation distributions and assignment of term deposits and credit balances issued by the First Nation in the amount of \$475,000.	356,250	415,625
First Nations Bank loan matured on January 1, 2018.	-	80,750
	\$4,034,174	\$4,654,037

The amount of debt repayable in subsequent periods is estimated at:

2019	\$ 664,097
2020	667,846
2021	671,656
2022	251,253
2023 and thereafter	1,779,322

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

11. Tangible Capital Assets

March 31, 2018	Buildings	Housing	Infrastructure	Vehicles & Equipment	Assets Under Construction	Total
Cost						
Balance, beginning of year	\$ 15,883,760	\$ 10,730,220	\$ 15,529,629	\$ 1,274,007	\$ 1,290,896	\$ 44,708,512
Additions	-	-	91,621	10,800	47,076	149,497
Balance, end of year	15,883,760	10,730,220	15,621,250	1,284,807	1,337,972	44,858,009
Accumulated amortization						
Balance, beginning of year	11,758,762	5,885,106	5,520,332	1,183,830	-	24,348,030
Amortization	412,500	295,939	509,627	23,153	-	1,241,219
Balance, end of year	12,171,262	6,181,045	6,029,959	1,206,983	-	25,589,249
Net Book Value, end of Year	3,712,498	4,549,175	9,591,291	77,824	1,337,972	19,268,760
March 31, 2017						
Cost						
Balance, beginning of year	14,788,139	10,546,375	9,552,831	1,274,007	6,952,623	43,113,975
Additions	1,095,621	183,845	5,976,798	-	1,377,898	8,634,162
Disposals	-	-	-	-	(7,039,625)	(7,039,625)
Balance, end of year	15,883,760	10,730,220	15,529,629	1,274,007	1,290,896	44,708,512
Accumulated amortization						
Balance, beginning of year	11,361,297	5,684,830	5,150,811	1,154,730	-	23,351,668
Amortization	397,465	200,276	369,521	29,100	-	996,362
Balance, end of year	11,758,762	5,885,106	5,520,332	1,183,830	-	24,348,030
Net Book Value, end of year	\$ 4,124,998	\$ 4,845,114	\$ 10,009,297	\$ 90,177	\$ 1,290,896	\$ 20,360,482

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

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

12. Accumulated surplus

	2018	2017
Operating Fund	\$ (4,191,558)	\$ (3,594,278)
Equity in capital assets	16,507,503	17,348,653
Equity in investments	1,899,240	1,884,962
CMHC reserves	<u>840,777</u>	<u>741,739</u>
	<u>\$15,055,962</u>	<u>\$16,381,076</u>

- The operating fund reports on the general activities of the Cree Nation's administration;
- Equity in capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services;
- Equity in investments reports on commercial business operations owned by the Cree Nation; and
- The CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

13. Contingent liabilities

Shoal Lake Cree Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the Cree Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Shoal Lake Cree 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 Shoal Lake Cree Nation's financial statements.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

14. Funded Reserves

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the Cree Nation is required to fund both an asset replacement reserve and an operating surplus reserve. Use of the funded reserves is subject to the terms of the agreement. For the fiscal year end the reserve obligation is:

	2018	2017
Total obligation	\$ 780,190	\$ 660,742
Funds on deposits	(522,266)	(611,665)
Outstanding obligation	\$ 257,924	\$ 49,077

15. Indigenous Services Canada

The Cree Nation has entered into funding arrangements with Indigenous Services Canada. The funds are used by the Cree Nation to administer its operations and provide service to its members in accordance with the terms of the funding arrangement. Funding received under these contribution agreements is subject to repayment if the Cree Nation fails to comply with the terms and conditions of the agreements.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

16. Reconciliation of ISC revenue

ISC revenue consists of the following:

	2018	2017
ISC - Fixed	\$ 2,684,373	\$ 2,440,165
ISC - Flexible	1,560,280	1,894,384
ISC - Grant	456,068	363,642
ISC - Set	283,142	1,552,040
ISC revenue per confirmation	4,983,863	6,250,231
ISC Funding Recovery	(271,992)	(273,092)
Total ISC revenue	\$ 4,711,871	\$ 5,977,139

The following is a reconciliation of the funds received from ISC:

	2018	2017
Balance per ISC confirmation	\$ 4,983,863	\$ 6,250,231
Current year receivable (payable)		
Basic Needs	(34,054)	(175,162)
National Child Benefit	-	(9,739)
Special Needs	(77,265)	(79,441)
Assisted Living	(152,673)	-
Governance Capacity Development - Financial Management	(8,000)	(8,750)
	\$ 4,711,871	\$ 5,977,139

17. Health Canada - Moveable Assets Reserve (MAR)

Health Canada funding agreements requires the Cree Nation to report on funding received and related expenditures for all assets over \$1,000 that are not permanently attached to the health facility building (e.g. medical equipment, furniture, vehicles).

There was no MAR for the current year.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

18. Economic dependence

Shoal Lake Cree Nation receives a significant portion of its revenue from Indigenous Services Canada (ISC) as a result of treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Cree Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

19. Expenses by object

	2018	2018	2017
	Budget	Actual	Actual
Salaries and benefits	\$ 3,147,266	\$ 3,388,291	\$ 3,127,403
Amortization of tangible assets	12,000	1,241,219	996,362
Social assistance - basic needs	930,371	1,237,192	1,222,851
Program Activities	442,162	659,237	496,836
Transportation program costs	412,000	579,462	525,036
Repairs and maintenance	246,794	515,535	466,076
Member assistance	159,000	507,432	505,503
Travel expenses	211,589	379,005	423,701
Supplies	154,003	316,577	256,063
Administration fees	277,696	302,006	291,859
Utilities	185,048	261,384	282,448
First Nations Games flow through	-	250,000	-
Student expenses	267,805	223,393	273,926
Insurance	86,148	156,677	170,499
Interest on long term debt	75,000	139,510	141,091
Sub-contracts	1,034	109,409	92,335
Bank charges and interest	8,400	109,122	36,593
Professional fees	204,016	94,597	57,624
Construction	-	44,700	-
Social assistance - special needs	89,026	39,628	85,285
Gain/Loss on disposal of capital assets	-	-	(113,442)
Transfer to capital assets	-	(47,076)	-
Transfer to CMHC reserves	-	(78,328)	-
Bad debt expense (recovery)	-	(499,103)	74,416
	\$ 6,909,358	\$ 9,929,869	\$ 9,412,465

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

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

20. Financial Instruments

a. Fair values not materially different from book values

The Cree Nation has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

b. Interest Rate Risk

The Cree Nation is exposed to interest rate cash flow risk to the extent that its loans payable are at a floating rate of interest. The Cree Nation is also exposed to interest rate price risk to the extent that agreements receivable are at a fixed rate of interest.

c. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. To manage this risk, the Cree Nation maintains a portion of its invested assets in liquid securities.

d. Market Risk

Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. The significant market risks to which the company is exposed are foreign exchange risk, interest rate risk and price risk.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

21. ISC funding

The Cree Nation (Recipient) receives funding from Indigenous Services Canada (ISC) by entering into an agreement with ISC:

There are five approaches that ISC 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 ISC 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 ISC. A plan must be submitted and approved by ISC 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 ISC.
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 ISC 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 ISC.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

22. Segmented information

The First Nation conducts its business through reportable segments as follows:

1 - Indigenous Services Canada

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

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

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 ISC'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 labour 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.

Social: 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.

Infrastructure: 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.

Government Services: Costs associated with Government Services activities.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

22. Segmented information continued

First Nations Programs: 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.

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.

Specific Claims: 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.

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 - Other 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.

Shoal Lake Cree Nation

Notes to the Financial Statements

For the Year Ended March 31, 2018

23. Annual Surplus Net of Capital Related Revenues and Amortization

	2018	2017
Annual surplus (deficit) as per Statement of Operations	\$ (1,325,114)	\$ (188,705)
Less capital related revenues included in annual surplus	(96,061)	(1,348,950)
Less income from Government Business Partnerships	(64,277)	(52,261)
Add amortization expense included in annual surplus	<u>1,241,219</u>	996,362
Adjusted annual surplus (deficit)	<u>\$ (244,233)</u>	<u>\$ (593,554)</u>

24. Budgeted figures

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the Shoal Lake Cree Nation Chief and Council.

25. Comparative figures

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

26. Prior period adjustment

During the fiscal year it was discovered that unexpended revenues were improperly recorded as there was no liability recorded in the financial statements to represent the obligation of the band to expend funds or be required to repay those funds back to the funding agency. As a result, opening retained earnings was reduced by \$218,654, liabilities were increased by \$271,382, and net income was decreased by \$52,727. It also was noted that additional liabilities were recorded for items already paid resulting in a decrease to accounts payable of \$113,375 and a corresponding increase to net income.

Shoal Lake Cree Nation

Schedule #1

Band Administration

Schedule of Operations

For the Year Ended March 31, 2018

(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
ISC - Fixed	\$ 23,728	\$ 34,606	\$ 74,958
ISC - Grant	363,642	456,068	363,642
ISC - Set	27,244	51,231	30,271
Prince Albert Grand Council	11,000	19,949	19,929
Other revenue	40,000	173,815	153,803
Administration Fees	279,498	270,732	291,859
ISC Funding Recovery	-	(8,000)	(8,750)
Unexpended revenue - prior year	-	7,125	4,910
Unexpended revenue - current year	-	(7,125)	(7,125)
	745,112	998,401	923,497
Expenses			
Salaries and benefits	338,017	526,215	362,542
Member assistance	54,000	230,022	106,194
Travel expenses	80,400	143,359	191,696
Bank charges and interest	8,400	108,662	36,593
Interest on long term debt	75,000	94,891	86,070
Professional fees	48,000	79,076	47,624
Supplies	12,000	67,519	32,227
Sub-contracts	1,034	46,430	45,408
Utilities	18,744	20,917	39,271
Program Activities	28,000	7,964	-
Insurance	18,053	-	13,490
Bad debt expense (recovery)	-	(499,103)	74,416
	681,648	825,951	1,035,531
Current surplus (deficit)	\$ 63,464	\$ 172,450	\$ (112,034)

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

Shoal Lake Cree Nation

Schedule #2

Band Based Capital/Housing
 Schedule of Operations
 For the Year Ended March 31, 2018
 (unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
ISC - Flexible	\$ 216,360	\$ 182,483	\$ 182,483
Canada Mortgage and Housing Corporation	-	403,390	328,719
Rental revenue	-	277,220	287,117
Other revenue	-	66,602	5,795
Deferred revenue - prior year	-	16,504	-
Deferred revenue - current year	-	-	(16,504)
	216,360	946,199	787,610
Expenses			
Repairs and maintenance	150,000	417,666	307,555
Insurance	40,000	151,098	143,733
Administration fees	21,000	60,848	75,916
Interest on long term debt	-	44,619	55,021
Utilities	-	19,603	-
Supplies	5,360	15,583	2,867
Travel expenses	-	14,275	19,561
Professional fees	-	10,250	10,000
Salaries and benefits	-	1,973	7,091
Bank charges and interest	-	194	-
Gain/Loss on disposal of capital assets	-	-	(113,442)
Transfer to CMHC reserves	-	(78,328)	-
	216,360	657,780	508,302
Current surplus (deficit)	\$ -	\$ 288,419	\$ 279,308

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

Shoal Lake Cree Nation

Schedule #3

Capital Projects
 Schedule of Operations
 For the Year Ended March 31, 2018
 (unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
ISC - Flexible	\$ -	\$ -	\$ 1,678,024
Other revenue	-	145	-
Deferred revenue - prior year	-	511,640	199,070
Deferred revenue - current year	-	(415,724)	(511,640)
	<hr/>	<hr/>	<hr/>
		96,061	1,365,454
Expenses			
Construction	-	44,700	-
Professional fees	-	2,336	-
Bank charges and interest	-	40	-
Transfer to capital assets	-	(47,076)	-
	<hr/>	<hr/>	<hr/>
Current surplus before expended transfers	-	96,061	1,365,454
Current surplus (deficit)	<hr/>	<hr/>	<hr/>
	\$ -	\$ 96,061	\$ 1,365,454

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

Shoal Lake Cree Nation

Schedule #4

Community Infrastructure
 Schedule of Operations
 For the Year Ended March 31, 2018
 (unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
ISC - Fixed	\$ 202,722	\$ 227,922	\$ 202,654
ISC - Flexible	-	33,877	33,877
Prince Albert Grand Council	118,500	170,744	134,704
Other revenue	25,296	10,545	15,880
Unexpended revenue - prior year	-	32,924	34,157
Unexpended revenue - current year	-	(21,949)	(32,924)
	346,518	454,063	388,348
Expenses			
Salaries and benefits	175,143	229,277	187,851
Utilities	49,368	77,198	95,120
Sub-contracts	-	62,979	43,425
Repairs and maintenance	35,200	55,532	75,188
Supplies	12,181	20,549	25,022
Travel expenses	10,400	12,387	14,852
Administration fees	43,825	7,327	7,227
Insurance	19,190	4,400	4,400
	345,307	469,650	453,085
Current surplus (deficit)	\$ 1,211	\$ (15,587)	\$ (64,737)

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

Shoal Lake Cree Nation

Schedule #5

Economic Development
 Schedule of Operations
 For the Year Ended March 31, 2018
 (unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
Prince Albert Grand Council	\$ 3,100	\$ 18,100	\$ 18,100
Expenses			
Salaries and benefits	-	12,242	13,280
Supplies	500	3,467	-
Travel expenses	2,120	2,897	848
Bank charges and interest	-	226	-
Sub-contracts	-	-	3,000
	2,620	18,832	17,128
Current surplus (deficit)	\$ 480	\$ (732)	\$ 972

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

Shoal Lake Cree Nation

Schedule #6

Education

Schedule of Operations

For the Year Ended March 31, 2018
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
ISC - Fixed	\$ 2,010,874	\$ 2,099,867	\$ 2,090,575
Prince Albert Grand Council	810,290	885,391	872,930
Rental revenue	39,800	17,513	19,200
Unexpended revenue - prior year	-	221,358	162,393
Unexpended revenue - current year	-	(445,578)	(221,358)
	2,860,964	2,778,551	2,923,740
Expenses			
Salaries and benefits	2,120,867	2,090,970	2,001,587
Student expenses	267,805	223,393	273,926
Supplies	79,764	138,005	134,533
Administration fees	125,251	130,117	118,911
Utilities	91,516	112,754	106,826
Travel expenses	45,396	53,957	72,554
Program Activities	65,349	44,620	15,354
Repairs and maintenance	49,794	23,469	71,081
Professional fees	5,000	2,935	-
Insurance	7,271	1,179	7,019
	2,858,013	2,821,400	2,801,792
Current surplus (deficit)	\$ 2,951	\$ (42,849)	\$ 121,948

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

Shoal Lake Cree Nation

Schedule #7

Health

Schedule of Operations

For the Year Ended March 31, 2018
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
Prince Albert Grand Council	\$ 467,625	\$ 481,148	\$ 478,650
First Nations and Inuit Health Branch	537,078	574,081	542,910
Other revenue	28,800	17,216	6,744
FNIHB forfeited funding	-	-	(50,516)
	1,033,503	1,072,445	977,788
Expenses			
Transportation program costs	412,000	579,462	525,036
Salaries and benefits	381,147	402,256	364,340
Program Activities	90,785	105,456	80,542
Supplies	34,198	60,742	54,836
Administration fees	25,171	40,555	26,648
Travel expenses	50,996	46,640	74,742
Utilities	25,420	30,911	41,229
Repairs and maintenance	11,800	18,868	12,252
Sub-contracts	-	-	502
Insurance	1,634	-	1,857
	1,033,151	1,284,890	1,181,983
Current surplus (deficit)	\$ 352	\$ (212,445)	\$ (204,195)

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

Shoal Lake Cree Nation

Schedule #8

Other Programs

Schedule of Operations

For the Year Ended March 31, 2018
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
ISC - Fixed	\$ -	\$ 250,000	\$ -
First Nations Trust	320,400	328,977	324,358
Northern Lights Community Development Corp.	-	192,045	99,761
Government business partnerships	-	64,277	52,261
Unexpended revenue - prior year	-	-	10,000
	320,400	835,299	486,380
Expenses			
Member assistance	105,000	277,410	399,309
Program Activities	87,150	254,308	158,002
First Nations Games flow through	-	250,000	-
Administration fees	52,250	52,250	52,248
Travel expenses	-	5,975	-
Salaries and benefits	26,000	750	63,702
	270,400	840,693	673,262
Current surplus (deficit)	\$ 50,000	\$ (5,394)	\$ (186,882)

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

Shoal Lake Cree Nation

Schedule #9

Social Development
 Schedule of Operations
 For the Year Ended March 31, 2018
 (unaudited)

	2018	2018	2017
	Budget	Actual	Actual
Revenue			
ISC - Fixed	\$ 71,978	\$ 71,978	\$ 71,978
ISC - Flexible	167,794	1,343,920	-
ISC - Set	1,239,639	231,911	1,521,769
Prince Albert Grand Council	23,345	24,045	23,345
ISC Funding Recovery	-	(263,992)	(264,342)
Unexpended revenue - prior year	-	17,100	17,194
Unexpended revenue - current year	-	(19,326)	(17,100)
	1,502,756	1,405,636	1,352,844
Expenses			
Social assistance - basic needs	930,371	1,237,192	1,222,851
Program Activities	170,878	246,889	242,939
Salaries and benefits	106,091	124,609	127,010
Travel expenses	22,277	99,514	49,448
Social assistance - special needs	89,026	39,628	85,285
Administration fees	10,200	10,909	10,909
Supplies	10,000	10,713	6,578
Professional fees	151,016	-	-
	1,489,859	1,769,454	1,745,020
Current surplus (deficit)	\$ 12,897	\$ (363,818)	\$ (392,176)

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