

**Muskowekwan First Nation**  
**Consolidated Financial Statements**  
*March 31, 2016*

### Management's Responsibility

### Independent Auditors' Report

### Consolidated Financial Statements

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To the Members of Muskowekwan First Nation:

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

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

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

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

July 29, 2016

Signed by - Linda Hunter

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Management

## Independent Auditors' Report

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To the Members of Muskowekwan First Nation:

We have audited the accompanying consolidated financial statements of Muskowekwan First Nation, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows, and 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 financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Muskowekwan First Nation as at March 31, 2016 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

July 29, 2016

*MNP LLP*

Chartered Professional Accountants

**Muskowekwan First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2016*

	2016	2015
<b>Financial assets</b>		
<b>Current</b>		
Cash	177,048	-
Restricted cash (Note 3)	310,532	447,640
Accounts receivable (Note 4)	737,646	1,018,971
Inventory for resale	7,500	2,264
Due from related parties (Note 5)	48,911	36,096
<b>Subtotal of current assets</b>	<b>1,281,637</b>	<b>1,504,971</b>
<b>Restricted cash (Note 3)</b>	<b>1,268,069</b>	<b>1,152,974</b>
<b>Term deposits</b>	<b>51,121</b>	<b>51,121</b>
<b>Investments (Note 6)</b>	<b>33,466</b>	<b>46,586</b>
<b>Funds held in Ottawa Trust Fund (Note 7)</b>	<b>367,793</b>	<b>360,160</b>
<b>Total financial assets</b>	<b>3,002,086</b>	<b>3,115,812</b>
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 8)	-	289,285
Accounts payable and accruals	1,041,258	1,706,897
Deferred revenue (Note 9)	345,112	463,613
Due to related parties (Note 10)	11,772	174,888
Current portion of long-term debt (Note 11)	903,444	646,126
<b>Subtotal of current liabilities</b>	<b>2,301,586</b>	<b>3,280,809</b>
<b>Long-term debt (Note 11)</b>	<b>7,222,653</b>	<b>6,905,054</b>
<b>Total financial liabilities</b>	<b>9,524,239</b>	<b>10,185,863</b>
<b>Net debt</b>	<b>(6,522,153)</b>	<b>(7,070,051)</b>
<b>Contingent liabilities (Note 12)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 13)	32,808,727	33,556,010
<b>Accumulated surplus (Note 14)</b>	<b>26,286,574</b>	<b>26,485,959</b>

**Approved on behalf of Chief and Council**

Signed by - Jamie Wolfe for

**Chief**

Signed by - Holly Geddes

**Councillor**

# Muskowekwan First Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2016*

	2016 <i>Budget</i> <i>(Note 19)</i>	2016 <i>Actual</i>	2015 <i>Actual</i>
<b>Revenues</b>			
Indigenous and Northern Affairs Canada <i>(Note 18)</i>	6,501,196	6,356,848	5,924,018
Muskowekwan Gaming Inc.	-	1,372,040	1,317,624
Other	145,500	988,823	711,178
First Nations Trust	752,777	631,219	621,886
Health Canada	560,586	630,914	678,809
Lease	878,829	608,588	632,083
Rental income	480,138	519,866	566,511
CMHC	430,000	424,782	430,055
Dakota Dunes Community Development Corporation	282,574	363,210	315,764
Touchwood Agency Tribal Council	368,023	313,585	358,805
Insurance proceeds	-	59,148	-
Interest	35,989	49,060	51,963
Health Canada - forfeited funding	-	(11,088)	-
Loss from investments in government business enterprises <i>(Note 6)</i>	-	(13,120)	(31,362)
	<b>10,435,612</b>	<b>12,293,875</b>	<b>11,577,334</b>
<b>Program expenses</b>			
Band Government	1,403,107	1,600,475	1,635,200
Capital	129,904	234,035	392,673
Community Infrastructure	831,734	913,721	871,091
Education	3,985,668	4,327,885	4,520,277
Lands	678,986	557,980	510,141
Social Development	1,479,741	1,439,722	1,331,403
Health	553,982	757,254	757,657
Economic Development	55,000	148,917	110,999
Housing	889,037	941,365	1,153,302
Muskowekwan Gaming Inc.	-	1,472,649	1,479,284
<b>Total expenses</b>	<b>10,007,159</b>	<b>12,394,003</b>	<b>12,762,027</b>
<b>Surplus (deficit) before other items</b>	<b>428,453</b>	<b>(100,128)</b>	<b>(1,184,693)</b>
<b>Other items</b>			
Gain (loss) on disposal of tangible capital assets	-	(31,753)	118,882
Settlement <i>(Note 20)</i>	-	(67,504)	-
<b>Annual surplus (deficit)</b>	<b>428,453</b>	<b>(199,385)</b>	<b>(1,065,811)</b>
<b>Accumulated surplus, beginning of year</b>	<b>26,485,959</b>	<b>26,485,959</b>	<b>27,551,770</b>
<b>Accumulated surplus, end of year</b>	<b>26,914,412</b>	<b>26,286,574</b>	<b>26,485,959</b>

The accompanying notes are an integral part of these financial statements

**Muskowekwan First Nation**  
**Consolidated Statement of Changes in Net Debt**  
*For the year ended March 31, 2016*

	<b>2016 Budget (Note 19)</b>	<b>2016 Actual</b>	<b>2015 Actual</b>
<b>Annual surplus (deficit)</b>	<b>428,453</b>	<b>(199,385)</b>	<b>(1,065,811)</b>
Purchases of tangible capital assets	-	<b>(651,430)</b>	(209,540)
Amortization of tangible capital assets	-	<b>1,366,960</b>	1,409,051
Loss (gain) on disposal of tangible capital assets	-	<b>31,753</b>	(118,882)
Proceeds of disposal of tangible capital assets	-	-	149,283
	-	<b>747,283</b>	1,229,912
<b>Change in net debt</b>	<b>428,453</b>	<b>547,898</b>	164,101
<b>Net debt, beginning of year</b>	<b>(7,070,051)</b>	<b>(7,070,051)</b>	<b>(7,234,152)</b>
<b>Net debt, end of year</b>	<b>(6,641,598)</b>	<b>(6,522,153)</b>	<b>(7,070,051)</b>

**Muskowekwan First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2016*

	2016	2015
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual deficit	(199,385)	(1,065,811)
Non-cash items		
Amortization	1,366,960	1,409,051
Loss (gain) on disposal of tangible capital assets	31,753	(118,882)
Loss from investments in government business enterprises	13,120	31,362
	1,212,448	255,720
Changes in accounts		
Accounts receivable	281,325	717,633
Inventory for resale	(5,236)	967
Accounts payable and accruals	(665,639)	166,371
Deferred revenue	(118,501)	359,586
	704,397	1,500,277
<b>Financing activities</b>		
Decrease in due to related parties (net)	(163,116)	(121,517)
Advances of long-term debt	1,280,000	-
Repayment of long-term debt	(705,083)	(854,523)
	411,801	(976,040)
<b>Capital activities</b>		
Purchases of tangible capital assets	(651,430)	(209,540)
Proceeds of disposal of tangible capital assets	-	149,283
	(651,430)	(60,257)
<b>Investing activities</b>		
Decrease (increase) in restricted cash	22,013	(449,673)
Decrease in term deposits	-	49,672
Decrease (increase) in due from related parties (net)	(12,815)	10,838
Increase in funds held in Ottawa Trust Fund	(7,633)	(69,754)
	1,565	(458,917)
<b>Increase in cash resources</b>	466,333	5,063
<b>Cash deficiency, beginning of year</b>	(289,285)	(294,348)
<b>Cash resources (deficiency), end of year</b>	177,048	(289,285)
<b>Supplementary cash flow information</b>		
Interest paid	421,684	407,392



**1. Nature of Operations**

The Muskowekwan First Nation (the "First Nation") is located in the Province of Saskatchewan, and provides various services to its Members. The Muskowekwan First Nation financial reporting entity includes the First Nation's operations and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

**2. Significant accounting policies**

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

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity. The following entities and departments have been consolidated:

- Muskowekwan First Nation;
- Muskowekwan First Nation CMHC Housing;
- Muskowekwan Gaming Inc.;
- Muskowekwan Treaty Land Entitlement - Revenue Account;
- Muskowekwan Business Development Corporation

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

First Nation business entities, owned or controlled by the First Nation, but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include Muskowekwan Resources Ltd. and Muskowekwan Gas Bar & Confectionary Ltd. The Muskowekwan Treaty Land Entitlement Trust - Principal Account and Ledcor Trust - Principal Account are not included in the consolidated financial statements as they are administered and controlled by Trustees.

***Basis of presentation***

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

***Restricted cash***

Restricted cash consists of funds held for specific purposes. Cash held for specific purposes is maintained in separate bank accounts. Amounts restricted are for capital projects, CMHC replacement reserve, CMHC operating reserve and the Treaty Land Entitlement revenue account.

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

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of First Nation Members by the Government of Canada consist of:

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

Revenues from trust moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are managed and reported on by the Government of Canada.

***Portfolio investments***

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

***Inventory***

Inventory is valued at the lower of cost and estimated net realizable value.

***Tangible capital assets***

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

Land purchased is recorded at the purchase price. The First Nation holds original reserve land. This land is not recognized in the First Nation's financial statements.

***Amortization***

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortized the cost of the assets over their estimated useful lives:

	Rate
Housing	20 - 25 years
Buildings	25 years
Water and sewer	25 years
Equipment	10 years
Subdivision	25 years

Land is not amortized. Work in progress is not amortized until assets are put into use.

***Asset classification***

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

***Net debt***

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

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

**Revenue recognition**

*Non-government funding*

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

*Government Transfers*

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

*Other revenue*

Rental revenue is recognized over the rental term. Other revenues are earned from other services provided by the First Nation and are recognized when the services have been provided. Muskowekwan Gaming Inc. revenue is recognized when the bingo event has occurred. Interest revenue is recognized on an accrual basis.

**Liability for contaminated site**

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, 2016.

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 its settle 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, 2016.

**Use of estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, there are reported in the records in the period in which they become known.

**Segments**

The First Nation conducts its business through 12 reportable segments (Note 16). These operating segments are established by senior management to achieve the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

***Related Entities Financial Statements***

Separate financial statements are prepared for the following related entities:

- Muskowekwan First Nation CMHC Housing Authority;
- Muskowekwan Gaming Inc.;
- Muskowekwan Gas Bar & Confectionary Ltd.
- Muskowekwan Resources Ltd.;
- Muskowekwan Treaty Land Entitlement - Revenue Trust Account;
- Muskowekwan Ledcor Trust; and
- Muskowekwan Treaty Land Entitlement - Principal Trust Account;

These entities are owned by the First Nation, except for Muskowekwan Ledcor Trust and Muskowekwan Treaty Land Entitlement Trust - Principal Trust Account, which are related by common membership.

The financial results of the Muskowekwan Treaty Land Entitlement - Principal Trust Account and Muskowekwan Ledcor Trust are not included in the financial statements of the Muskowekwan First Nation as the Nation does not control the operations of the Trusts and they are governed by Trust Agreements.

***Other Economic Interests***

The Muskowekwan First Nation is a member of the Touchwood Agency Specific Claim. The Touchwood Agency Specific Claim is an organization of five Nations, whose purpose is to negotiate a specific claim with regards to the Department of Indigenous and Northern Affairs Canada's alleged mismanagement of funds of the Touchwood Agency during the period 1920 to 1924.

The Muskowekwan First Nation is a member of Touchwood Child & Family Services Inc. The Touchwood Child & Family Services Inc. is an organization of six member Nations, whose purpose is to provide Child and Family services to the seven member Nations.

The Muskowekwan First Nation is a member of Touchwood Post Secondary Program Inc. The Touchwood Post Secondary Program Inc. is an organization of three member Nations, whose purpose is to provide services to the member Nations.

The Muskowekwan First Nation is a member of Touchwood Agency Tribal Council Inc. The Touchwood Agency Tribal Council Inc. is an organization of four member Nations, whose purpose is to enhance the services provided to the member Nations.

The First Nation does not have a share in the profit or loss of the above entities. As a result, the financial statements of the Touchwood Agency Specific Claim, Touchwood Child & Family Services Inc., Touchwood Post Secondary Program Inc. and Touchwood Agency Tribal Council Inc. have not been consolidated in the financial statements of Muskowekwan First Nation.

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

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

***Recent accounting pronouncements***

**Financial instruments**

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

**Related Party Disclosures and Inter-Entity Transactions**

In March 2015, PSAB issued PS 2200 *Related Party Disclosures* and PS 3420 *Inter-Entity Transactions*. These new Sections define related parties and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

**Assets, Contingent Assets and Contractual Rights**

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

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

PS 3320 *Contingent Assets* establishes disclosure standards on contingent assets.

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

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

These standards are effective for fiscal years beginning on or after April 1, 2017. The First Nation does not expect the adoption of these new standards to have a material impact on its financial statements.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**3. Restricted cash**

	2016	2015
<b>Current</b>		
Capital projects	307,767	446,892
TLE revenue account	1,599	748
Muskowekwan Ledcor Trust	1,166	-
	<b>310,532</b>	<b>447,640</b>
<b>Long-term</b>		
CMHC replacement reserve	928,679	823,651
CMHC operating reserve	339,390	329,323
	<b>1,268,069</b>	<b>1,152,974</b>
	<b>1,578,601</b>	<b>1,600,614</b>

**4. Accounts receivable**

	2016	2015
Indigenous and Northern Affairs Canada	430,941	724,437
Dakota Dunes Community Development Corporation	108,150	93,533
Touchwood Agency Tribal Council	94,875	106,253
Other	64,698	59,238
Canada Mortgage and Housing Corporation	35,392	35,510
Health Canada	3,590	-
	<b>737,646</b>	<b>1,018,971</b>

**5. Due from related parties**

	2016	2015
Ledcor Trust	21,853	25,518
Muskowekwan Gas Bar & Confectionary Ltd.	19,254	10,578
Muskowekwan Resources Ltd.	7,804	-
	<b>48,911</b>	<b>36,096</b>

Amounts due from related parties are non-interest bearing, unsecured and without fixed repayment terms. Ledcor Trust - Principal Account is related by common membership and the First Nation owns Muskowekwan Gas Bar & Confectionary Ltd. and Muskowekwan Resources Ltd.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**6. Investments**

The First Nation has investments in the following entities:

	Opening balance	Cumulative share of earnings (loss)	2016 Total investment
<b>Portfolio investment</b>			
IMI Brokerage	24,500	-	24,500
<b>Government business enterprises:</b>			
Muskowekwan Gas Bar & Confectionary Ltd.	21,986	(13,120)	8,866
Muskowekwan Resources Ltd.	100	-	100
	22,086	(13,120)	8,966
	46,586	(13,120)	33,466

Summary financial information for each government business enterprise, accounted for using the modified equity method:

	<i>Muskowekwan Gas Bar &amp; Confectionary Ltd. As at March 31, 2016</i>	<i>Muskowekwan Resources Ltd. As at March 31, 2016</i>
<b>Assets</b>		
Cash	-	37,096
Accounts receivable	51,020	14,632
Inventory	74,105	-
Investments	-	1,009,027
Building and equipment	239,182	10,526
Due from related parties	-	11,772
<b>Total assets</b>	364,307	1,083,053
<b>Liabilities</b>		
Bank indebtedness	98,300	-
Accounts payable and accruals	209,542	13,517
Long-term debt / debenture	26,044	4,904,944
Due to related parties	21,254	7,804
<b>Total liabilities</b>	355,140	4,926,265
<b>Accumulated other comprehensive loss</b>	-	(2,320,309)
<b>Net assets excluding accumulated other comprehensive loss</b>	9,167	(1,522,903)
<b>Total revenue</b>	1,976,550	222,283
<b>Total expenses</b>	1,989,670	935,621
<b>Net loss</b>	(13,120)	(713,338)
<b>Other comprehensive loss</b>	-	(336,203)
<b>Comprehensive loss</b>	(13,120)	(1,049,541)

# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2016*

### 6. Investments (Continued from previous page)

In 2014, the First Nation's investment in Muskowekwan Resources Ltd. was reduced to \$100 which is the cost of the shares owned by the First Nation. The comprehensive loss recognized in the First Nation was \$1,227,801 less than the actual other comprehensive loss in Muskowekwan Resources Ltd. as the First Nation does not have a liability for additional unrealized losses incurred by Muskowekwan Resources Ltd. Therefore, the comprehensive loss in the current year has also not been recognized. The other comprehensive losses are a result of the decline in the fair market value of investments held by Muskowekwan Resources Ltd.

### 7. Funds held in Ottawa Trust Fund

Funds held in Ottawa Trust Fund are held on behalf of the Members of Muskowekwan First Nation by the Government of Canada and consist of capital and revenue trust moneys. Moneys are transferred from these funds to the First Nation on the authorization of the First Nation's Chief and Council, with the consent of the Minister of Indigenous and Northern Affairs Canada.

	2016	2015
<b>Capital Trust</b>		
Balance, beginning and end of year	268,806	268,806
<b>Revenue Trust</b>		
Balance, beginning of year	91,354	21,600
Interest	7,633	8,082
Lease	41,450	87,072
Payments to First Nation	(41,450)	(25,400)
Balance, end of year	98,987	91,354
	367,793	360,160

### 8. Bank indebtedness

The First Nation has a line of credit with Peace Hills Trust with an authorized limit of \$75,000 bearing interest at prime (3.75%) plus 2.00%. The line of credit is secured by assignment of INAC transfers. As at March 31, 2016 the First Nation has drawn \$nil.

### 9. Deferred revenue

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Recognized</i>	<i>Balance, end of year</i>
INAC - Biological treatment and backup well	303,391	-	118,501	184,890
INAC - Lagoon	160,222	-	-	160,222
	463,613	-	118,501	345,112



**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**10. Due to related parties**

	2016	2015
Muskowekwan Resources Ltd.	-	174,888
Muskowekwan Business Development Corporation	<b>11,772</b>	-
	<b>11,772</b>	174,888

Amounts due to related parties are non-interest bearing, unsecured and without fixed repayment terms. The First Nation owns these related entities.

**11. Long-term debt**

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

Phase	Monthly Payment Including Interest	Interest Rate	Renewal Date	2016	2015
VII	1,682	0.55%	1-Feb-17	<b>16,833</b>	38,800
VIII	1,562	5.24%	1-Jan-18	<b>32,734</b>	49,306
XI	350	1.64%	1-Feb-17	<b>3,819</b>	7,923
XII	691	2.63%	1-Jun-16	<b>10,185</b>	18,094
XIII	2,328	2.37%	1-Jun-16	<b>58,966</b>	85,174
XIV	675	1.82%	1-Sep-19	<b>61,521</b>	68,445
XV	1,164	2.26%	1-Aug-16	<b>127,753</b>	138,705
XVI	800	1.67%	1-Apr-17	<b>97,067</b>	104,972
XVII	1,338	1.67%	1-Jun-18	<b>175,624</b>	188,630
XVIII	1,045	1.92%	1-Apr-19	<b>143,403</b>	153,092
XIX	1,305	1.05%	1-Apr-20	<b>134,490</b>	148,555
XX	8,002	1.64%	1-Dec-16	<b>946,042</b>	1,025,855
XXI	7,499	2.11%	1-Jan-19	<b>1,327,119</b>	1,388,457
XXII	7,583	1.85%	1-Aug-19	<b>1,414,719</b>	1,478,934
XXIII	2,143	1.44%	1-Jul-17	<b>472,377</b>	491,153
				<b>5,022,652</b>	5,386,095

Peace Hills Trust loan payable, interest at 6.5%, with blended principal and interest payments of \$90,000 quarterly, matures January 2020, secured by a GSA

**1,250,000**      -

Peace Hills Trust loan payable, interest at 6%, with blended principal and interest payments of \$117,000 semi-annually, matures September 2016, secured by an assignment of land lease revenues and a credit facility

**1,238,943**      1,371,563

Peace Hills Trust loan payable, interest at 6%, with principal and interest payments of \$30,000 semi-annually, matures October 2018, secured by a GSA

**327,580**      366,180

Peace Hills Trust loan payable, interest at 6%, with blended principal and interest payments of \$6,000 monthly, matures December 2020, secured by a GSA

**286,922**      -

Peace Hills Trust loan

-      232,305

Peace Hills Trust loan

-      137,933

Peace Hills Trust loan

-      30,460

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

Peace Hills Trust loan	-	26,644
	<b>8,126,097</b>	7,551,180
Current portion	<b>(903,444)</b>	(646,126)
	<b>7,222,653</b>	6,905,054

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

2017	903,444
2018	919,993
2019	922,459
2020	952,309
2021	615,559

**12. Contingent liabilities**

Funding

These consolidated financial statements are subject to review by the First Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

Touchwood Agency Specific Claim

The Government of Canada provided Touchwood Agency Specific Claim with an interest-free loan of approximately \$2,251,000 repayable on the earlier of March 31, 2010 or the date on which the claim is settled. The loan was advanced subject to conditions contained in a Native Claims Loan Agreement. If the conditions of this agreement are not met, the Agency must repay all funds advanced by the Government of Canada. The five Nations who are members of the Touchwood Agency Specific Claim may be directly or indirectly responsible for the repayment of this loan. The amount of the liability, if any, is not determinable at this time. If any liability results from the guarantee, it will be recorded in the period the liability is determinable. As of March 31, 2016 the Government of Canada has not requested repayment.

Guarantee

The First Nation has guaranteed debt on behalf of 4 Directions Child & Family Services Inc. for the construction of a youth support facility located on the First Nation's land. The outstanding debt at March 31, 2016 was approximately \$2,480,000 (2015 - \$2,570,000). The First Nation would be liable if 4 Directions Child & Family Services Inc. defaults on the loan. As at March 31, 2016 the First Nation has no liability associated with this guarantee.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**13. Tangible capital assets**

<b>Cost</b>	<b>Housing</b>	<b>Buildings</b>	<b>Water and sewer</b>	<b>Equipment</b>	<b>Subdivision</b>	<b>Work in Progress</b>	<b>Purchased Land</b>	<b>2016</b>	<b>2015</b>
Balance, beginning of year	20,750,738	12,104,805	2,881,662	2,266,971	2,257,394	333,697	14,374,658	54,969,925	54,856,889
Acquisition of tangible capital assets	-	-	-	330,803	-	320,627	-	651,430	209,540
Disposal of tangible capital assets	-	-	-	(55,900)	-	-	-	(55,900)	(96,504)
<b>Balance, end of year</b>	<b>20,750,738</b>	<b>12,104,805</b>	<b>2,881,662</b>	<b>2,541,874</b>	<b>2,257,394</b>	<b>654,324</b>	<b>14,374,658</b>	<b>55,565,455</b>	<b>54,969,925</b>
<b>Accumulated amortization</b>									
Balance, beginning of year	11,925,726	7,193,040	330,103	1,694,158	270,888	-	-	21,413,915	20,070,967
Annual amortization	620,204	459,405	72,042	125,013	90,296	-	-	1,366,960	1,409,051
Disposal of tangible capital assets	-	-	-	(24,147)	-	-	-	(24,147)	(66,103)
<b>Balance, end of year</b>	<b>12,545,930</b>	<b>7,652,445</b>	<b>402,145</b>	<b>1,795,024</b>	<b>361,184</b>	<b>-</b>	<b>-</b>	<b>22,756,728</b>	<b>21,413,915</b>
Net book value	<b>8,204,808</b>	<b>4,452,360</b>	<b>2,479,517</b>	<b>746,850</b>	<b>1,896,210</b>	<b>654,324</b>	<b>14,374,658</b>	<b>32,808,727</b>	
2015 Net book value	8,825,012	4,911,765	2,551,559	572,813	1,986,506	333,697	14,374,658		33,556,010

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**14. Accumulated surplus**

Accumulated surplus consists of the following:

	2016	2015
Operating	(1,423,554)	(1,523,783)
Capital Asset	25,932,630	26,401,712
Commercial	33,466	46,586
CMHC Operating Reserve	377,047	297,406
CMHC Replacement Reserve	999,192	903,878
Ottawa Trust Funds	367,793	360,160
	<b>26,286,574</b>	<b>26,485,959</b>

**15. Funds and reserves**

The Muskowekwan First Nation maintains the following funds and reserves as part of its operations.

- Operating Fund reports on the general activities of the First Nation's administration;
- Capital Asset Fund reports on the capital assets and projects of the First Nation;
- Commercial Fund reports on commercial business operations owned by the First Nation;
- CMHC Operating Reserve Fund is required as part of the First Nation's CMHC Housing Program, which receives funds pursuant to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under this Program;
- CMHC Replacement Reserve Fund is required as part of the First Nation's CMHC Housing Program. It has been established for replacement of capital equipment and for major repairs to the houses; and
- Ottawa Trust Funds report on trust moneys owned by the First Nation and held by the Government of Canada.

**16. Segments**

The First Nation has 12 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Ottawa Trust Funds - reports revenues allocated to the funds and transfers to other segments.

Investment in Business Entities - reports on gains and losses of the First Nation's business enterprises.

Band Government - reports on administration and governance activities.

Capital - reports on capital projects.

Community Infrastructure - reports on the maintenance of the community and its infrastructure.

Education - reports on the operations of education programs.

Lands - reports on activities for the development of the First Nation's land.

Social Development - reports on activities related to delivering social programs.

Health - reports on the First Nation's health programs.

Economic Development - reports on operations relating to developing the First Nation's economic opportunities.

Housing - reports on housing operations funded by Canada Mortgage and Housing Corporation.

Muskowekwan Gaming Inc. - reports on operations of the First Nation's not for profit organization.

Inter-segment transfers are recorded at their exchange amount. The accounting policies of the segments are the same as those described in Note 2.

Details of the segment revenues and expenses are provided in the accompanying schedules. There are no revenues or expenses that have not been allocated to a segment.

During the year, the First Nation reclassified the operations of one of its programs from the social development segment to the band government segment (see Note 21).

**17. Economic dependence**

Muskowekwan First Nation receives a significant portion of its revenues from the Government of Canada as a result of Treaties entered into with the Crown in Right of Canada. However, these Treaties are administered by Indigenous and Northern Affairs Canada under the terms and conditions of the Indian Act. The ability of the First Nation to continue to provide programming and essential services is dependent upon Canada's continued financial commitments as guaranteed by these Treaties.

**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**18. Indigenous and Northern Affairs Canada reconciliation**

INAC funding per confirmation	6,469,222
Add:	
Deferred revenue - beginning of year	463,613
15/16 Basic Needs reconciliation	18,944
Deduct:	
Deferred revenue - end of year	(345,112)
Funding for Muskowekwan Resources Ltd. included on confirmation	(187,200)
14/15 Tuition receivable	(30,101)
15/16 Institutional Care reconciliation	(16,678)
15/16 Employee Benefits reconciliation	(7,339)
15/16 Provincial Special Education reconciliation	(5,931)
15/16 Special Needs reconciliation	(1,600)
15/16 Home/Adult Care reconciliation	(970)
	<b>6,356,848</b>

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**19. Budget information**

The budget information disclosed was approved by Chief and Council on November 16, 2015. The First Nation did not budget for the operations of Muskowekwan Gaming Inc.

**20. Settlement**

In 2014 the First Nation had recorded a \$114,103 gain in regards to their discontinued farming operations after reaching a settlement with its largest creditor. During the year, it was determined that the First Nation owed one of its other creditors \$67,504 in regards to their discontinued farming operations.

**21. Comparative figures**

During the year, the First Nation reclassified \$267,081 of expenses that were recorded as social development in the prior year to band government in the current year to conform with current year presentation.

**Muskowekwan First Nation**  
**- Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2016*

	<b>2016</b> <b>Actual</b>	<b>2015</b> <b>Actual</b>
Salaries and benefits	2,787,366	3,014,017
Amortization	1,366,960	1,409,051
Social assistance	1,166,814	1,136,606
Cost of sales	1,067,761	1,084,338
Tuition	1,020,027	1,078,846
Contracted services	818,311	726,682
Program education	624,679	624,679
Community support	370,999	384,119
Repairs and maintenance	365,854	628,099
Honourarium	339,203	329,893
Youth and elder activities	300,816	266,848
Travel	294,144	262,798
Interest on long-term debt	247,332	274,135
Utilities	215,048	197,287
Professional fees	176,932	152,355
Rent	130,749	38,317
Bank charges and interest	106,848	122,230
Supplies	105,883	84,675
Administration	94,911	125,390
Student expenses	90,853	96,161
Insurance	126,400	160,910
Telephone	72,500	53,774
Office supplies	68,737	49,318
Vehicle	60,757	43,593
School supplies	54,970	43,520
Property tax	54,870	55,109
Training	54,268	40,676
Professional development	54,074	105,014
Administration	43,217	28,254
Office equipment lease	28,831	40,149
Cultural	25,156	34,220
Funeral	11,992	31,515
Program expense	10,885	13,286
User fees	10,404	2,196
Cash short (over)	8,249	(2,812)
Advertising	7,936	6,718
Land appraisal	4,370	-
Miscellaneous	2,465	15,629
Management fees	2,432	4,156
Bad debts	-	276
	<b>12,394,003</b>	<b>12,762,027</b>

**Muskowekwan First Nation**  
**Ottawa Trust Funds**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i><b>2016</b></i> <i><b>Actual</b></i>	<i><b>2015</b></i> <i><b>Actual</b></i>
<b>Revenues</b>		
Lease	<b>41,450</b>	87,072
Interest	<b>7,632</b>	8,083
<b>Surplus before transfers</b>	<b>49,082</b>	95,155
<b>Transfers between programs</b>	<b>(41,450)</b>	(25,400)
<b>Surplus</b>	<b>7,632</b>	69,755



**Muskowekwan First Nation**  
**Government Business Enterprises**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i><b>2016</b></i> <i><b>Actual</b></i>	<i><b>2015</b></i> <i><b>Actual</b></i>
<b>Revenue</b>		
Loss from investments in government business enterprises	<b>(13,120)</b>	(31,362)
<b>Deficit</b>	<b>(13,120)</b>	(31,362)

**Muskowekwan First Nation**  
**Band Government**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	427,158	415,151
First Nations Trust	631,219	621,886
Other	576,947	365,929
Dakota Dunes Community Development Corporation	328,421	268,800
Interest	16,408	6,064
Rental income	4,932	6,328
Lease	-	300
	<b>1,985,085</b>	<b>1,684,458</b>
<b>Expenses</b>		
Salaries and benefits	278,507	254,774
Honourarium	272,623	285,268
Community support	269,314	307,204
Youth and elder activities	262,037	232,630
Rent	130,749	38,317
Travel	116,016	56,960
Professional fees	67,845	75,192
Contracted services	48,751	134,611
Bank charges and interest	35,668	21,198
Insurance	26,771	32,877
Telephone	17,657	40,946
Office supplies	14,547	11,359
Office equipment lease	12,414	25,950
Funeral	11,992	31,515
Advertising	7,262	5,677
Repairs and maintenance	6,203	1,434
Cultural	6,000	200
User fees	5,910	1,250
Utilities	4,957	5,464
Administration	2,611	23,486
Vehicle	2,138	2,744
Miscellaneous	250	17,844
Professional development	147	29,074
Supplies	106	-
Bad debts	-	(774)
	<b>1,600,475</b>	<b>1,635,200</b>
<b>Surplus before other income</b>	<b>384,610</b>	<b>49,258</b>
<b>Other income</b>		
Gain on disposal of capital assets	-	15,000
<b>Surplus before transfers</b>	<b>384,610</b>	<b>64,258</b>
<b>Transfers between programs</b>	<b>-</b>	<b>25,400</b>
<b>Surplus</b>	<b>384,610</b>	<b>89,658</b>

**Muskowekwan First Nation**  
**Capital**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <b>Actual</b>	<b>2015</b> <b>Actual</b>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	<b>281,253</b>	167,166
Other	<b>61,739</b>	47,710
Rental income	-	21,124
Touchwood Agency Tribal Council	-	5,680
	<b>342,992</b>	241,680
<b>Expenses</b>		
Repairs and maintenance	<b>110,087</b>	201,226
Insurance	<b>30,833</b>	33,916
Salaries and benefits	<b>30,116</b>	49,016
Bank charges and interest	<b>29,816</b>	88,112
Contracted services	<b>13,484</b>	11,932
Utilities	<b>12,460</b>	3,452
Travel	<b>5,478</b>	3,383
Vehicle	<b>1,761</b>	1,636
	<b>234,035</b>	392,673
<b>Surplus (deficit) before other income</b>	<b>108,957</b>	(150,993)
<b>Other income</b>		
Gain on disposal of capital assets	-	76,595
<b>Surplus (deficit)</b>	<b>108,957</b>	(74,398)

**Muskowekwan First Nation**  
**Community Infrastructure**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <i>Actual</i>	<b>2015</b> <i>Actual</i>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	519,003	425,478
Insurance proceeds	59,148	-
Other	49,180	11,863
Health Canada	5,500	5,500
Rental income	3,778	32,870
	<b>636,609</b>	<b>475,711</b>
<b>Expenses</b>		
Contracted services	369,285	207,707
Amortization	226,106	270,568
Repairs and maintenance	103,897	130,128
Utilities	67,712	67,539
Salaries and benefits	43,553	100,792
Office supplies	33,398	13,543
Travel	22,058	21,037
Supplies	19,415	24,008
Vehicle	18,977	27,934
Professional development	3,048	-
User fees	2,683	946
Telephone	1,175	879
Youth and elder activities	1,158	1,373
Office equipment lease	802	562
Bank charges and interest	454	855
Insurance	-	3,220
	<b>913,721</b>	<b>871,091</b>
<b>Deficit before other income</b>	<b>(277,112)</b>	<b>(395,380)</b>
<b>Other income</b>		
Gain on disposal of capital assets	-	27,287
<b>Deficit</b>	<b>(277,112)</b>	<b>(368,093)</b>

**Muskowekwan First Nation**  
**Education**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <b>Actual</b>	<b>2015</b> <b>Actual</b>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	3,463,521	3,374,636
Other	265,242	176,008
Touchwood Agency Tribal Council	245,408	242,807
Dakota Dunes Community Development Corporation	34,789	46,964
Interest	-	8,056
	<b>4,008,960</b>	<b>3,848,471</b>
<b>Expenses</b>		
Salaries and benefits	1,696,776	1,882,386
Tuition	1,020,027	1,078,846
Program education	624,679	624,679
Amortization	285,287	291,527
Contracted services	227,771	227,200
Utilities	77,349	79,568
School supplies	54,970	43,520
Student expenses	52,890	92,502
Telephone	45,662	5,528
Travel	42,621	57,652
Supplies	36,882	49,414
Bank charges and interest	33,299	3,926
Repairs and maintenance	31,757	11,191
Professional fees	29,895	-
Professional development	29,419	36,668
Vehicle	14,942	11,279
Office equipment lease	11,680	13,394
Honourarium	8,600	14,225
Insurance	2,047	2,251
Office supplies	1,578	826
Administration	200	-
Training	-	460
Advertising	-	846
Miscellaneous	-	(7,917)
Cultural activities	-	200
Community support	(446)	106
	<b>4,327,885</b>	<b>4,520,277</b>
<b>Deficit before transfers</b>	<b>(318,925)</b>	<b>(671,806)</b>
<b>Transfers between programs</b>	<b>35,951</b>	<b>27,143</b>
<b>Deficit</b>	<b>(282,974)</b>	<b>(644,663)</b>

**Muskowekwan First Nation**  
**Lands**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <b>Actual</b>	<b>2015</b> <b>Actual</b>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	169,972	119,106
Lease	567,138	544,711
Other	32,455	72,617
Interest	21,869	16
Rental income	5,128	-
	<b>796,562</b>	<b>736,450</b>
<b>Expenses</b>		
Interest on long-term debt	148,162	156,501
Salaries and benefits	95,095	79,395
Honourarium	57,980	29,900
Travel	56,011	50,381
Property tax	54,870	55,109
Contracted services	53,804	35,326
Professional fees	32,193	32,084
Community support	16,117	361
Administration	11,910	-
Administration	11,000	20,973
Land appraisal	4,370	-
Bank charges and interest	4,256	5,904
Office supplies	4,179	3,317
Utilities	2,856	1,239
Miscellaneous	1,900	900
Telephone	1,697	1,677
Repairs and maintenance	912	902
Vehicle	468	-
Advertising	200	-
Insurance	-	15,579
Youth and elder activities	-	2,600
Training	-	17,993
	<b>557,980</b>	<b>510,141</b>
<b>Surplus before other item</b>	<b>238,582</b>	<b>226,309</b>
<b>Other item</b>		
Settlement	<b>(67,504)</b>	<b>-</b>
<b>Surplus before transfers</b>	<b>171,078</b>	<b>226,309</b>
<b>Transfers between programs</b>	<b>41,450</b>	<b>-</b>
<b>Surplus</b>	<b>212,528</b>	<b>226,309</b>

**Muskowekwan First Nation**  
**Social Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <i>Actual</i>	<b>2015</b> <i>Actual</i>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	1,463,484	1,394,743
Rental income	-	356
Other	-	297
	<b>1,463,484</b>	<b>1,395,396</b>
<b>Expenses</b>		
Social assistance	1,166,814	1,136,606
Salaries and benefits	67,540	70,301
Training	54,268	22,223
Supplies	49,288	11,253
Student expenses	37,963	3,659
Cultural activities	18,206	32,570
Travel	16,395	15,367
Community support	9,976	3,195
Contracted services	8,687	17,429
Office supplies	8,079	15,667
Bank charges and interest	1,906	2,235
Professional development	600	655
Office equipment lease	-	243
	<b>1,439,722</b>	<b>1,331,403</b>
<b>Surplus before transfers</b>	<b>23,762</b>	<b>63,993</b>
<b>Transfers between programs</b>	<b>(35,951)</b>	<b>(27,143)</b>
<b>Surplus (deficit)</b>	<b>(12,189)</b>	<b>36,850</b>

**Muskowekwan First Nation**  
**Health**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <b>Actual</b>	<b>2015</b> <b>Actual</b>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	32,457	27,738
Health Canada	625,414	673,309
Touchwood Agency Tribal Council	5,000	31,778
Other	3,260	-
Interest	30	47
Rental income	-	50
Health Canada - forfeited funding	(11,088)	-
	<b>655,073</b>	<b>732,922</b>
<b>Expenses</b>		
Salaries and benefits	343,957	343,244
Contracted services	84,757	92,477
Amortization	82,247	82,495
Community support	43,138	36,274
Youth and elder activities	37,621	30,245
Administration	31,307	28,254
Travel	24,756	53,523
Vehicle	22,471	-
Professional development	20,860	38,617
Utilities	16,509	7,588
Program expense	10,885	13,286
Administration	10,860	9,793
Insurance	7,357	7,736
Repairs and maintenance	7,299	10,451
Office supplies	4,893	49
Office equipment lease	3,935	-
User fees	1,811	-
Bank charges and interest	1,449	-
Cultural Activities	950	1,250
Supplies	192	-
Miscellaneous	-	1,680
Honourarium	-	500
Advertising	-	195
	<b>757,254</b>	<b>757,657</b>
<b>Deficit before other expense</b>	<b>(102,181)</b>	<b>(24,735)</b>
<b>Other expense</b>		
Loss on disposal of capital assets	(31,753)	-
<b>Deficit</b>	<b>(133,934)</b>	<b>(24,735)</b>



**Muskowekwan First Nation**  
**Economic Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i><b>2016</b></i> <i><b>Actual</b></i>	<i><b>2015</b></i> <i><b>Actual</b></i>
<b>Revenues</b>		
Touchwood Agency Tribal Council	<b>63,177</b>	78,540
Interest	-	25,518
	<b>63,177</b>	104,058
<b>Expenses</b>		
Amortization	<b>118,745</b>	96,146
Community support	<b>18,400</b>	14,853
Contracted services	<b>11,772</b>	-
	<b>148,917</b>	110,999
<b>Deficit</b>	<b>(85,740)</b>	(6,941)

**Muskowekwan First Nation**  
**Housing**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <b>Actual</b>	<b>2015</b> <b>Actual</b>
<b>Revenues</b>		
Rental income	<b>446,727</b>	448,081
CMHC	<b>424,782</b>	430,055
Interest	<b>2,886</b>	3,536
Other	<b>-</b>	36,754
	<b>874,395</b>	918,426
<b>Expenses</b>		
Amortization	<b>620,204</b>	633,944
Interest on long-term debt	<b>96,636</b>	114,657
Repairs and maintenance	<b>85,972</b>	263,705
Administration	<b>70,240</b>	71,138
Insurance	<b>52,338</b>	57,571
Professional fees	<b>15,975</b>	12,287
	<b>941,365</b>	1,153,302
<b>Deficit</b>	<b>(66,970)</b>	(234,876)

**Muskowekwan First Nation**  
**Muskowekwan Gaming Inc.**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<b>2016</b> <i>Actual</i>	<b>2015</b> <i>Actual</i>
<b>Revenues</b>		
Muskowekwan Gaming Inc.	<b>1,372,040</b>	1,317,624
Rental income	<b>59,301</b>	57,702
Interest	<b>235</b>	643
	<b>1,431,576</b>	1,375,969
<b>Expenses</b>		
Cost of sales	<b>1,067,761</b>	1,084,338
Salaries and benefits	<b>231,822</b>	234,109
Amortization	<b>34,371</b>	34,371
Utilities	<b>33,205</b>	32,437
Professional fees	<b>31,024</b>	32,792
Repairs and maintenance	<b>19,727</b>	9,062
Community support	<b>14,500</b>	22,126
Travel	<b>10,809</b>	4,495
Cash (over) short	<b>8,249</b>	(2,812)
Insurance	<b>7,054</b>	7,760
Telephone	<b>6,309</b>	4,744
Interest on long-term debt	<b>2,534</b>	2,977
Management fees	<b>2,432</b>	4,156
Office supplies	<b>2,063</b>	4,557
Advertising	<b>474</b>	-
Miscellaneous	<b>315</b>	3,122
Bad debts	<b>-</b>	1,050
	<b>1,472,649</b>	1,479,284
<b>Deficit</b>	<b>(41,073)</b>	(103,315)