



**Muskowekwan First Nation**  
**Consolidated Financial Statements**  
*March 31, 2017*



# Muskowekwan First Nation

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*For the year ended March 31, 2017*

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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 28, 2017

Signed By: Anthony Cappel

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Management

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, 2017, 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, 2017 and the results of its operations, changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

July 28, 2017

*MNP LLP*

Chartered Professional Accountants



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

**2017**                      **2016**

**Financial assets**

**Current**

Cash	-	177,048
Restricted cash (Note 3)	<b>102,479</b>	310,532
Accounts receivable (Note 4)	<b>492,528</b>	737,646
Inventory for resale	<b>5,106</b>	7,500
Due from related parties (Note 5)	<b>318,359</b>	48,911

<b>Subtotal of current assets</b>	<b>918,472</b>	1,281,637
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<b>Restricted cash (Note 3)</b>	<b>1,378,733</b>	1,268,069
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<b>Term deposits</b>	<b>51,304</b>	51,121
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<b>Investments (Note 6)</b>	<b>162,016</b>	33,466
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<b>Funds held in Ottawa Trust Fund (Note 7)</b>	<b>393,994</b>	367,793
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<b>Total financial assets</b>	<b>2,904,519</b>	3,002,086
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**Liabilities**

**Current**

Bank indebtedness (Note 8)	<b>206,380</b>	-
Accounts payable and accruals	<b>760,102</b>	1,041,258
Deferred revenue (Note 9)	<b>139,158</b>	345,112
Due to related parties (Note 10)	<b>362,918</b>	11,772
Current portion of long-term debt (Note 11)	<b>916,376</b>	903,444

<b>Subtotal of current liabilities</b>	<b>2,384,934</b>	2,301,586
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<b>Long-term debt (Note 11)</b>	<b>8,813,873</b>	7,222,653
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<b>Total financial liabilities</b>	<b>11,198,807</b>	9,524,239
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<b>Net debt</b>	<b>(8,294,288)</b>	(6,522,153)
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**Commitment (Note 6)**

**Contingent liabilities (Note 12)**

**Subsequent event (Note 19)**

**Non-financial assets**

Tangible capital assets (Note 13)	<b>34,351,442</b>	32,808,727
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<b>Accumulated surplus (Note 14)</b>	<b>26,057,154</b>	26,286,574
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**Approved on behalf of Chief and Council**

Signed By: Karen Desjarlais

**Councillor**

Signed By: Leon Wolfe

**Councillor**

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



# Muskowekwan First Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2017*

	<b>2017 Budget (Note 18)</b>	<b>2017 Actual</b>	<b>2016 Actual</b>
<b>Revenues</b>			
Indigenous and Northern Affairs Canada (Note 20)	5,977,359	6,481,021	6,356,848
Muskowekwan Gaming Inc.	-	1,560,106	1,372,040
Other	295,500	1,103,426	988,823
Lease	693,300	732,230	608,588
Health Canada	592,822	707,959	630,914
Rental income	457,200	623,291	519,866
First Nations Trust	600,000	593,762	631,219
CMHC	439,400	419,474	424,782
Insurance proceeds	-	412,933	59,148
Touchwood Agency Tribal Council	295,400	393,980	313,585
Dakota Dunes Community Development Corporation	220,000	325,319	363,210
Gain (loss) from investments in government business enterprises (Note 6)	7,200	140,945	(13,120)
Interest	51,170	36,642	49,060
Health Canada - forfeited funding	-	(28,910)	(11,088)
	<b>9,629,351</b>	<b>13,502,178</b>	<b>12,293,875</b>
<b>Program expenses</b>			
Band Government	1,365,145	2,095,290	1,600,475
Capital	214,333	329,644	234,035
Community Infrastructure	789,186	1,218,906	913,721
Education	3,796,870	4,209,520	4,327,885
Lands	417,166	676,997	557,980
Social Development	1,395,394	1,550,809	1,439,722
Health	657,022	846,195	757,254
Economic Development	85,500	203,344	148,917
Housing	889,400	1,037,606	941,365
Muskowekwan Gaming Inc.	-	1,742,771	1,472,649
<b>Total expenses</b>	<b>9,610,016</b>	<b>13,911,082</b>	<b>12,394,003</b>
<b>Surplus (deficit) before other items</b>	<b>19,335</b>	<b>(408,904)</b>	<b>(100,128)</b>
<b>Other items</b>			
Gain on disposal of IMI Brokerage shares	-	179,484	-
Loss on disposal of tangible capital assets	-	-	(31,753)
Settlement	-	-	(67,504)
<b>Annual surplus (deficit)</b>	<b>19,335</b>	<b>(229,420)</b>	<b>(199,385)</b>
<b>Accumulated surplus, beginning of year</b>	<b>26,286,574</b>	<b>26,286,574</b>	<b>26,485,959</b>
<b>Accumulated surplus, end of year</b>	<b>26,305,909</b>	<b>26,057,154</b>	<b>26,286,574</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, 2017*

	<i><b>2017 Budget (Note 18)</b></i>	<i><b>2017 Actual</b></i>	<i><b>2016 Actual</b></i>
<b>Annual surplus (deficit)</b>	<b>19,335</b>	<b>(229,420)</b>	<b>(199,385)</b>
Purchases of tangible capital assets	-	<b>(2,954,951)</b>	(651,430)
Amortization of tangible capital assets	<b>275,000</b>	<b>1,412,236</b>	1,366,960
Loss on disposal of tangible capital assets	-	-	31,753
	<b>275,000</b>	<b>(1,542,715)</b>	747,283
<b>Change in net debt</b>	<b>294,335</b>	<b>(1,772,135)</b>	547,898
<b>Net debt, beginning of year</b>	<b>(6,522,153)</b>	<b>(6,522,153)</b>	(7,070,051)
<b>Net debt, end of year</b>	<b>(6,227,818)</b>	<b>(8,294,288)</b>	(6,522,153)

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



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

	2017	2016
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual deficit	(229,420)	(199,385)
Non-cash items		
Amortization	1,412,236	1,366,960
Gain on disposal of IMI Brokerage shares	(179,484)	-
Loss on disposal of tangible capital assets	-	31,753
Loss (gain) from investments in government business enterprises	(140,945)	13,120
	862,387	1,212,448
Changes in accounts		
Accounts receivable	245,118	281,325
Inventory for resale	2,394	(5,236)
Accounts payable and accruals	(281,156)	(665,639)
Deferred revenue	(205,954)	(118,501)
	622,789	704,397
<b>Financing activities</b>		
Increase (decrease) in due to related parties (net)	351,146	(163,116)
Advances of long-term debt	2,670,347	1,280,000
Repayment of long-term debt	(1,066,195)	(705,083)
	1,955,298	411,801
<b>Capital activities</b>		
Purchases of tangible capital assets	(2,954,951)	(651,430)
<b>Investing activities</b>		
Decrease in restricted cash (net)	97,389	22,013
Increase in due from related parties (net)	(269,448)	(12,815)
Increase in term deposits	(183)	-
Increase in funds held in Ottawa Trust Fund	(26,201)	(7,633)
Investment in Muskowekwan Business Development Corporation II	(100)	-
Proceeds from disposal of IMI Brokerage shares	191,979	-
	(6,564)	1,565
<b>Increase (decrease) in cash resources</b>	(383,428)	466,333
<b>Cash resources (deficiency), beginning of year</b>	177,048	(289,285)
<b>Cash resources (deficiency), end of year</b>	(206,380)	177,048
<b>Supplementary cash flow information</b>		
Interest paid	309,685	421,684

The accompanying notes are an integral part of these financial statements





# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2017*

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### 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 Company Ltd.

All inter-entity balances have been eliminated on consolidation.

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., Muskowekwan Gas Bar & Confectionary Ltd., and Muskowekwan Business Development Company II 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.

#### **Inventory**

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

#### **Portfolio investments**

Long-term investments in entities that are not owned or controlled 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.



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

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### 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.

#### **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.



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2017*

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### 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. Insurance proceeds are recognized when measurable, earned and collection is reasonably assured.

#### **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, 2017. There are no known liabilities at March 31, 2017.

#### **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.



# **Muskowekwan First Nation**

## **Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2017*

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

#### ***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 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 provide services 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.

#### ***Accounting pronouncements not yet effective***

##### **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**

In March 2015, Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 *Related Party Disclosures*.

This new Section defines related parties and establishes the disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they 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.

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



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

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

#### 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. Under previous standards contingent assets could not be recognized.

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

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

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

The Nation does not expect the adoption of these new standards to have a material impact on its financial statements.

### 3. Restricted cash

	2017	2016
<b>Current</b>		
Capital projects	101,968	307,767
TLE revenue account	364	1,599
Muskowekwan Ledcor Trust	147	1,166
	<b>102,479</b>	<b>310,532</b>
<b>Long-term</b>		
CMHC replacement reserve	1,030,226	928,679
CMHC operating reserve	348,507	339,390
	<b>1,378,733</b>	<b>1,268,069</b>
	<b>1,481,212</b>	<b>1,578,601</b>



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2017*

### 4. Accounts receivable

	2017	2016
Canada Mortgage and Housing Corporation	131,742	35,392
Dakota Dunes Community Development Corporation	121,859	108,150
Indigenous and Northern Affairs Canada	103,507	430,941
TIPI Insurance Partners	55,635	-
Other	53,642	64,698
Touchwood Agency Tribal Council	26,143	94,875
Health Canada	-	3,590
	<b>492,528</b>	<b>737,646</b>

### 5. Due from related parties

	2017	2016
Muskowekwan Resources Ltd.	191,179	7,804
Muskowekwan Gas Bar & Confectionary Ltd.	98,947	19,254
Muskowekwan Ledcor Trust	28,233	21,853
	<b>318,359</b>	<b>48,911</b>

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

### 6. Investments

The First Nation has investments in the following entities:

	Opening balance	Purchase of investment	Cumulative share of earnings (loss)	Sale of investment	2017 Total investment
<b>Portfolio investment</b>					
IMI Brokerage	24,500	-	-	(12,495)	12,005
<b>Government business enterprises:</b>					
Muskowekwan Gas Bar & Confectionary Ltd.	8,866	-	140,945	-	149,811
Muskowekwan Resources Ltd.	100	-	-	-	100
Muskowekwan Business Development Company II Ltd.	-	100	-	-	100
	<b>8,966</b>	<b>100</b>	<b>140,945</b>	<b>-</b>	<b>150,011</b>
	<b>33,466</b>	<b>100</b>	<b>140,945</b>	<b>(12,495)</b>	<b>162,016</b>



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2017*

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

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, 2017</i>	<i>Muskowekwan Resources Ltd. As at March 31, 2017</i>	<i>Muskowekwan Business Development Company II Ltd. As at March 31, 2017</i>
<b>Assets</b>			
Cash	-	310,645	-
Accounts receivable	35,881	3,003	-
Inventory	95,658	-	-
Investments	-	1,470,477	3,793,523
Prepaid expenses	-	9,098	-
Building and equipment	232,632	8,508	-
Due from related parties	-	78,041	1,000,100
<b>Total assets</b>	<b>364,171</b>	<b>1,879,772</b>	<b>4,793,623</b>
<b>Liabilities</b>			
Accounts payable and accruals	79,502	31,064	-
Deferred revenue	-	351,348	4,730,400
Bank indebtedness	31,626	-	-
Due to related parties	98,947	191,180	63,123
Long-term debt/debenture	4,285	5,493,395	-
<b>Total liabilities</b>	<b>214,360</b>	<b>6,066,987</b>	<b>4,793,523</b>
<b>Accumulated other comprehensive loss</b>	<b>-</b>	<b>(1,858,859)</b>	<b>-</b>
<b>Net assets excluding accumulated other comprehensive loss</b>	<b>149,811</b>	<b>(2,328,356)</b>	<b>100</b>
<b>Total revenue</b>	<b>2,104,654</b>	<b>664,303</b>	<b>-</b>
<b>Total expenses</b>	<b>1,963,709</b>	<b>993,723</b>	<b>-</b>
<b>Net income (loss)</b>	<b>140,945</b>	<b>(329,420)</b>	<b>-</b>

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.

Muskowekwan Resources Ltd. has a demand debenture to the First Nations and Metis Fund Inc. in the amount of \$3,000,000. The debenture bears interest at 12% per annum and the amount owing at March 31, 2017 including accrued interest was \$5,493,395. Security on the debenture is Encanto Potash Corp. shares and warrants owned by Muskowekwan Resources Ltd. The debenture matured in the current year, but First Nations and Metis Fund Inc. has acknowledged it does not currently intend to take action to enforce its security under the debenture, but reserves the right to take such action at anytime.

#### Commitment

Muskowekwan Business Development Corporation has entered into a head lease with Her Majesty the Queen in Right of Canada for 319 acres of reserve lands, which they are sub-leasing to Muskowekwan Business Development Corporation II. Muskowekwan Business Development Corporation II then entered into a sub-sub lease for these land for 98 years in which prepayment has been received in the form of partnership units and cash.



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

### 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.

	2017	2016
<b>Capital Trust</b>		
Balance, beginning and end of year	268,806	268,806
<b>Revenue Trust</b>		
Balance, beginning of year	98,987	91,354
Interest	7,734	7,633
Leases	59,917	41,450
Payments to First Nation	(41,450)	(41,450)
Balance, end of year	125,188	98,987
	393,994	367,793

### 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%. Overdraft amounts in excess of the line of credit bear interest at 10%. The line of credit is secured by assignment of INAC transfers. As at March 31, 2017 the First Nation has drawn \$75,000 on the line of credit and has an overdraft amount of \$169,289.

### 9. Deferred revenue

	Balance, beginning of year	Recognized	Balance, end of year
INAC - Lagoon / Biological treatment	345,112	205,954	139,158

### 10. Due to related parties

	2017	2016
Muskowekwan Business Development Company II Ltd.	350,000	-
Muskowekwan Resources Ltd.	12,918	11,772
	362,918	11,772

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





# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2017*

### 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	2017	2016
VII	-	-	-	-	16,833
VIII	1,562	5.24%	1-Jan-18	15,278	32,734
XI	-	-	-	-	3,819
XII	686	1.07%	1-Jun-17	2,053	10,185
XIII	2,301	1.10%	1-May-18	31,992	58,966
XIV	675	1.82%	1-Sep-19	54,465	61,521
XV	1,094	0.96%	1-Sept-21	116,189	127,753
XVI	791	1.43%	1-Apr-22	89,021	97,067
XVII	1,338	1.67%	1-Jun-18	162,385	175,624
XVIII	1,045	1.92%	1-Apr-19	133,515	143,403
XIX	1,305	1.05%	1-Apr-20	120,163	134,490
XX	7,317	1.31%	1-Dec-21	803,266	946,042
XXI	7,499	2.11%	1-Jan-19	1,264,352	1,327,119
XXII	7,583	1.85%	1-Aug-19	1,349,191	1,414,719
XXIII	2,143	1.44%	1-Jul-17	453,299	472,377
				<b>4,595,169</b>	5,022,652
Peace Hills Trust loan payable, interest at 4.95%, with blended principal and interest payments of \$109,314, semi-annually, matures May 2017, secured by land				<b>2,648,197</b>	-
Peace Hills Trust loan payable, interest at 6%, with blended principal and interest payments of \$117,000 semi-annually, matures September 2021, secured by an assignment of land lease revenues and a credit facility				<b>1,075,821</b>	1,238,943
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				<b>893,986</b>	1,250,000
Peace Hills Trust loan payable, interest at 6%, with blended principal and interest payments of \$30,000 semi-annually, matures October 2018, secured by a GSA				<b>286,630</b>	327,580
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				<b>230,446</b>	286,922
				<b>9,730,249</b>	8,126,097
Current portion				<b>(916,376)</b>	(903,444)
				<b>8,813,873</b>	7,222,653



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

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

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:

2018	916,376
2019	986,414
2020	1,022,664
2021	680,630
2022	664,620

The general security agreement (GSA) provides a first right to the bank over INAC, Muskowekwan Gaming, lease and First Nations Trust revenues.

### 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 Touchwood Agency Specific Claim 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, 2017 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, 2017 was approximately \$2,385,000 (2016 - \$2,480,000). The First Nation would be liable if 4 Directions Child & Family Services Inc. defaults on the loan. As at March 31, 2017 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, 2017*

**13. Tangible capital assets**

	<i>Housing</i>	<i>Buildings</i>	<i>Water and sewer</i>	<i>Equipment</i>	<i>Subdivision</i>	<i>Work in Progress</i>	<i>Purchased Land</i>	<i>2017</i>	<i>2016</i>
<b>Cost</b>									
Balance, beginning of year	20,750,738	12,104,805	2,881,662	2,541,874	2,257,394	654,324	14,374,658	55,565,455	54,969,925
Acquisition of tangible capital assets	-	19,816	-	58,834	-	205,954	2,670,347	2,954,951	651,430
Disposal of tangible capital assets	-	-	-	-	-	-	-	-	(55,900)
Transfer of completed projects	-	139,356	-	183,895	-	(323,251)	-	-	-
<b>Balance, end of year</b>	<b>20,750,738</b>	<b>12,263,977</b>	<b>2,881,662</b>	<b>2,784,603</b>	<b>2,257,394</b>	<b>537,027</b>	<b>17,045,005</b>	<b>58,520,406</b>	<b>55,565,455</b>
<b>Accumulated amortization</b>									
Balance, beginning of year	12,545,930	7,652,445	402,145	1,795,024	361,184	-	-	22,756,728	21,413,915
Annual amortization	602,712	465,774	72,041	181,413	90,296	-	-	1,412,236	1,366,960
Disposal of tangible capital assets	-	-	-	-	-	-	-	-	(24,147)
<b>Balance, end of year</b>	<b>13,148,642</b>	<b>8,118,219</b>	<b>474,186</b>	<b>1,976,437</b>	<b>451,480</b>	<b>-</b>	<b>-</b>	<b>24,168,964</b>	<b>22,756,728</b>
<b>Net book value</b>	<b>7,602,096</b>	<b>4,145,758</b>	<b>2,407,476</b>	<b>808,166</b>	<b>1,805,914</b>	<b>537,027</b>	<b>17,045,005</b>	<b>34,351,442</b>	
<b>2016 Net book value</b>	<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>



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

**14. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2017</b>	<b>2016</b>
Operating	<b>(1,478,284)</b>	(1,423,554)
Capital Asset	<b>25,515,179</b>	25,932,630
Commercial	<b>162,016</b>	33,466
CMHC Operating Reserve	<b>404,775</b>	377,047
CMHC Replacement Reserve	<b>1,059,474</b>	999,192
Ottawa Trust Funds	<b>393,994</b>	367,793
	<b>26,057,154</b>	26,286,574

**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.



# **Muskowekwan First Nation**

## **Notes to the Consolidated Financial Statements**

*For the year ended March 31, 2017*

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### **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.

### **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. 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.

### **18. Budget information**

The budget information disclosed was prepared and approved by management and Chief and Council. The First Nation did not budget for the operations of Muskowekwan Gaming Inc.

### **19. Subsequent event**

Subsequent to year end, the First Nation received loan advances to purchase land for approximately \$430,000.



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

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**20. Indigenous and Northern Affairs Canada (INAC) reconciliation**

INAC funding per confirmation	6,298,295
Add:	
Deferred revenue - beginning of year	345,112
16/17 Tuition reconciliation	57,289
16/17 Basic Needs reconciliation	32,739
16/17 Band Employee Benefits reconciliation	13,479
Deduct:	
Deferred revenue - end of year	(139,158)
Funding for Muskowekwan Resources Ltd. included on confirmation	(38,800)
16/17 Environmental Prevention reconciliation	(72,428)
16/17 Economic Development reconciliation	(1,734)
16/17 NCBR reconciliation	(3,800)
17/18 Basic Needs reconciliation	(9,973)
	<hr/> 6,481,021 <hr/>



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

	<b>2017</b>	<b>2016</b>
Salaries and benefits	2,673,622	2,787,366
Amortization	1,412,236	1,366,960
Social assistance	1,238,223	1,166,814
Repairs and maintenance	1,102,379	365,854
Cost of sales	1,068,006	1,067,761
Tuition	928,901	1,020,027
Contracted services	886,466	806,539
Community support	749,849	370,999
Program education	624,679	624,679
Travel	466,532	305,916
Honourarium	382,344	339,203
Youth and elder activities	263,094	300,816
Interest on long-term debt	247,959	247,332
School supplies	179,685	54,970
Insurance	165,924	126,400
Professional fees	159,964	176,932
Utilities	153,271	215,048
Rent	128,534	130,749
Professional development	124,320	54,074
Office supplies	112,641	68,737
Supplies	108,382	105,883
Administration	101,773	94,911
Student expenses	97,141	90,853
Training	77,279	54,268
Vehicle	74,442	60,757
Telephone	70,822	72,500
Bank charges and interest	68,114	106,848
Property tax	49,028	54,870
Administration	43,213	43,217
Cultural	36,505	25,156
Office equipment lease	34,137	28,831
Funeral	30,630	11,992
Miscellaneous	16,597	2,465
Program expense	10,830	10,885
Advertising	8,143	7,936
User fees	6,978	10,404
Cash short	4,896	8,249
Management fees	3,100	2,432
Bad debts	443	-
Land appraisal	-	4,370
	<b>13,911,082</b>	<b>12,394,003</b>



**Muskowekwan First Nation**  
**Ottawa Trust Funds**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2017*

	<i>2017</i>	<i>2016</i>
<b>Revenues</b>		
Lease	<b>59,917</b>	41,450
Interest	<b>7,734</b>	7,632
<b>Surplus before transfers</b>	<b>67,651</b>	49,082
<b>Transfers between programs</b>	<b>(41,450)</b>	(41,450)
<b>Surplus</b>	<b>26,201</b>	7,632





**Muskowekwan First Nation**  
**Government Business Enterprises**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2017*

	<i>2017</i>	<i>2016</i>
<b>Revenue</b>		
Gain (loss) from investments in government business enterprises	<b>140,945</b>	(13,120)
<b>Surplus (deficit)</b>	<b>140,945</b>	(13,120)



# Muskowekwan First Nation Band Government

## Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2017

	2017	2016
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	460,965	427,158
First Nations Trust	593,762	631,219
Other	579,266	576,947
Dakota Dunes Community Development Corporation	303,794	328,421
Rental income	18,551	4,932
Interest	336	16,408
	<b>1,956,674</b>	<b>1,985,085</b>
<b>Expenses</b>		
Community support	380,364	269,314
Honourarium	315,524	272,623
Salaries and benefits	301,077	278,507
Youth and elder activities	220,465	262,037
Travel	203,972	116,016
Contracted services	135,248	48,751
Rent	128,534	130,749
Professional fees	96,453	67,845
Professional development	58,419	147
Telephone	47,633	17,657
Insurance	39,559	26,771
Bank charges and interest	32,101	35,668
Administration	29,462	2,611
Funeral	29,330	11,992
Repairs and maintenance	26,002	6,203
Cultural	20,252	6,000
Office supplies	10,295	14,547
Office equipment lease	8,584	12,414
Utilities	6,108	4,957
Advertising	3,895	7,262
User fees	1,257	5,910
Vehicle	432	2,138
Miscellaneous	250	250
Supplies	74	106
	<b>2,095,290</b>	<b>1,600,475</b>
<b>Surplus (deficit)</b>	<b>(138,616)</b>	<b>384,610</b>



**Muskowekwan First Nation  
Capital**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**

*For the year ended March 31, 2017*

	<b>2017</b>	<b>2016</b>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	<b>554,540</b>	281,253
Rental income	<b>91,257</b>	-
Other	<b>3,093</b>	61,739
	<b>648,890</b>	342,992
<b>Expenses</b>		
Repairs and maintenance	<b>223,361</b>	110,087
Salaries and benefits	<b>35,684</b>	30,116
Insurance	<b>35,000</b>	30,833
Utilities	<b>10,270</b>	12,460
Bank charges and interest	<b>9,317</b>	29,816
Travel	<b>8,889</b>	5,478
Contracted services	<b>5,162</b>	13,484
Vehicle	<b>1,592</b>	1,761
Office supplies	<b>369</b>	-
	<b>329,644</b>	234,035
<b>Surplus</b>	<b>319,246</b>	108,957



**Muskowekwan First Nation**  
**Community Infrastructure**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	382,658	519,003
Insurance proceeds	412,933	59,148
Other	48,205	49,180
Health Canada	6,500	5,500
Rental income	6,300	3,778
	856,596	636,609
<b>Expenses</b>		
Repairs and maintenance	454,875	103,897
Amortization	276,893	226,106
Contracted services	267,426	369,285
Utilities	70,324	67,712
Salaries and benefits	59,607	43,553
Travel	23,990	22,058
Office supplies	19,594	33,398
Supplies	19,143	19,415
Vehicle	16,791	18,977
Bank charges and interest	4,288	454
User fees	2,971	2,683
Youth and elder activities	2,065	1,158
Telephone	808	1,175
Office equipment lease	131	802
Professional development	-	3,048
	1,218,906	913,721
<b>Deficit</b>	<b>(362,310)</b>	<b>(277,112)</b>



# Muskowekwan First Nation Education

## Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2017

	2017	2016
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	3,378,155	3,463,521
Touchwood Agency Tribal Council	333,980	245,408
Other	333,296	265,242
Dakota Dunes Community Development Corporation	21,525	34,789
	<b>4,066,956</b>	<b>4,008,960</b>
<b>Expenses</b>		
Salaries and benefits	1,594,466	1,696,776
Tuition	928,901	1,020,027
Program education	624,679	624,679
Amortization	281,448	285,287
Contracted services	232,999	227,771
School supplies	179,685	54,970
Repairs and maintenance	84,288	31,757
Student expenses	61,691	52,890
Travel	56,112	42,621
Professional development	31,077	29,419
Supplies	29,175	36,882
Utilities	20,071	77,349
Bank charges and interest	16,799	33,299
Honourarium	13,286	8,600
Vehicle	12,568	14,942
Office equipment lease	12,157	11,680
Professional fees	11,813	29,895
Telephone	6,546	45,662
Insurance	3,170	2,047
Office supplies	2,520	1,578
Training	2,387	-
Miscellaneous	2,104	-
Advertising	878	-
Administration	500	-
Administration	200	200
Community support	-	(446)
	<b>4,209,520</b>	<b>4,327,885</b>
<b>Deficit before transfers</b>	<b>(142,564)</b>	<b>(318,925)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>35,951</b>
<b>Deficit</b>	<b>(142,564)</b>	<b>(282,974)</b>



# Muskowekwan First Nation Lands

## Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2017

	2017	2016
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	143,238	169,972
Lease	672,313	567,138
Interest	21,868	21,869
Other	8,292	32,455
Rental income	1,675	5,128
	<b>847,386</b>	<b>796,562</b>
<b>Expenses</b>		
Interest on long-term debt	222,384	148,162
Contracted services	110,856	53,804
Salaries and benefits	94,167	95,095
Travel	82,840	56,011
Honourarium	52,934	57,980
Property tax	49,028	54,870
Administration	11,908	11,910
Repairs and maintenance	10,207	912
Professional fees	9,415	32,193
Utilities	7,613	2,856
Office supplies	6,586	4,179
Vehicle	4,465	468
Community support	3,650	16,117
User fees	2,750	-
Youth and elder activities	2,500	-
Bank charges and interest	2,170	4,256
Telephone	1,724	1,697
Funeral	1,300	-
Office equipment lease	500	-
Administration	-	11,000
Land appraisal	-	4,370
Miscellaneous	-	1,900
Advertising	-	200
	<b>676,997</b>	<b>557,980</b>
<b>Surplus before other item</b>	<b>170,389</b>	<b>238,582</b>
<b>Other item</b>		
Settlement	-	(67,504)
<b>Surplus before transfers</b>	<b>170,389</b>	<b>171,078</b>
<b>Transfers between programs</b>	<b>41,450</b>	<b>41,450</b>
<b>Surplus</b>	<b>211,839</b>	<b>212,528</b>



# Muskowekwan First Nation Social Development

## Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2017

	2017	2016
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	1,500,916	1,463,484
<b>Expenses</b>		
Social assistance	1,238,223	1,166,814
Training	73,737	54,268
Salaries and benefits	69,586	67,540
Supplies	59,840	49,288
Student expenses	35,450	37,963
Office supplies	25,053	8,079
Community support	14,526	9,976
Cultural activities	14,102	18,206
Travel	10,373	16,395
Office equipment lease	5,893	-
Bank charges and interest	2,326	1,906
Contracted services	1,700	8,687
Professional development	-	600
	1,550,809	1,439,722
<b>Surplus (deficit) before transfers</b>	<b>(49,893)</b>	<b>23,762</b>
<b>Transfers between programs</b>	<b>-</b>	<b>(35,951)</b>
<b>Deficit</b>	<b>(49,893)</b>	<b>(12,189)</b>



# Muskowekwan First Nation Health

## Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2017

	2017	2016
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	33,427	32,457
Health Canada	701,459	625,414
Interest	67	30
Touchwood Agency Tribal Council	-	5,000
Other	-	3,260
Health Canada - forfeited funding	(28,910)	(11,088)
	<b>706,043</b>	<b>655,073</b>
<b>Expenses</b>		
Salaries and benefits	318,313	343,957
Contracted services	133,075	84,757
Amortization	82,247	82,247
Travel	46,800	24,756
Community support	44,494	43,138
Vehicle	38,594	22,471
Youth and elder activities	38,064	37,621
Professional development	34,824	20,860
Administration	30,805	31,307
Office supplies	17,667	4,893
Program expense	10,830	10,885
Repairs and maintenance	9,422	7,299
Utilities	9,413	16,509
Telephone	7,571	-
Miscellaneous	7,459	-
Office equipment lease	6,872	3,935
Insurance	3,995	7,357
Cultural activities	2,151	950
Administration	1,736	10,860
Bank charges and interest	1,113	1,449
Honourarium	600	-
Supplies	150	192
User fees	-	1,811
	<b>846,195</b>	<b>757,254</b>
<b>Deficit before other expense</b>	<b>(140,152)</b>	<b>(102,181)</b>
<b>Other expense</b>		
Loss on disposal of capital assets	-	(31,753)
<b>Deficit</b>	<b>(140,152)</b>	<b>(133,934)</b>





**Muskowekwan First Nation**  
**Economic Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2017*

	<b>2017</b>	<b>2016</b>
<b>Revenues</b>		
Indigenous and Northern Affairs Canada	<b>27,122</b>	-
Touchwood Agency Tribal Council	<b>60,000</b>	63,177
Other	<b>5,000</b>	-
	<b>92,122</b>	63,177
<b>Expenses</b>		
Amortization	<b>134,565</b>	118,745
Community support	<b>35,000</b>	18,400
Professional fees	<b>25,000</b>	-
Travel	<b>8,268</b>	11,772
Administration	<b>511</b>	-
	<b>203,344</b>	148,917
<b>Deficit before other income</b>	<b>(111,222)</b>	(85,740)
<b>Other income</b>		
Gain on disposal of IMI Brokerage shares	<b>179,484</b>	-
<b>Surplus (deficit)</b>	<b>68,262</b>	(85,740)



**Muskowekwan First Nation  
Housing**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**

*For the year ended March 31, 2017*

	<b>2017</b>	<b>2016</b>
<b>Revenues</b>		
Rental income	<b>443,256</b>	446,727
CMHC	<b>419,474</b>	424,782
Other	<b>126,274</b>	-
Interest	<b>6,189</b>	2,886
	<b>995,193</b>	874,395
<b>Expenses</b>		
Amortization	<b>602,711</b>	620,204
Repairs and maintenance	<b>254,115</b>	85,972
Insurance	<b>75,944</b>	52,338
Administration	<b>69,864</b>	70,240
Interest on long-term debt	<b>24,136</b>	96,636
Professional fees	<b>10,836</b>	15,975
	<b>1,037,606</b>	941,365
<b>Deficit</b>	<b>(42,413)</b>	(66,970)



**Muskowekwan First Nation**  
**Muskowekwan Gaming Inc.**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenues</b>		
Muskowekwan Gaming Inc.	1,560,106	1,372,040
Rental income	62,252	59,301
Interest	448	235
	<b>1,622,806</b>	<b>1,431,576</b>
<b>Expenses</b>		
Cost of sales	1,068,006	1,067,761
Community support	271,815	14,500
Salaries and benefits	200,722	231,822
Repairs and maintenance	40,109	19,727
Amortization	34,372	34,371
Office supplies	30,557	2,063
Utilities	29,472	33,205
Travel	25,288	10,809
Insurance	8,256	7,054
Miscellaneous	6,784	315
Telephone	6,540	6,309
Professional fees	6,447	31,024
Cash short	4,896	8,249
Advertising	3,370	474
Management fees	3,100	2,432
Interest on long-term debt	1,439	2,534
Training	1,155	-
Bad debts	443	-
	<b>1,742,771</b>	<b>1,472,649</b>
<b>Deficit</b>	<b>(119,965)</b>	<b>(41,073)</b>