



**Muskowekwan First Nation**  
**Consolidated Financial Statements**  
*March 31, 2020*



# Muskowekwan First Nation

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*For the year ended March 31, 2020*

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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.

December 21, 2020

Signed by: Sheila Bigsky

Management

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## Independent Auditor's Report

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To the Members of Muskowekwan First Nation:

### Opinion

We have audited the consolidated financial statements of Muskowekwan First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, changes in net financial assets (debt) and cash flows, and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations, its consolidated changes in net financial assets (debt) and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

## Independent Auditor's Report *(continued from previous page)*

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As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan

December 21, 2020

*MNP LLP*

Chartered Professional Accountants



**Muskowekwan First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2020*

	2020	2019
<b>Financial assets</b>		
<b>Current</b>		
Cash resources	-	135,284
Restricted cash (Note 3)	496,773	33,614
Accounts receivable (Note 4)	708,278	2,066,906
Inventory for resale	13,396	13,395
<b>Subtotal of current assets</b>	<b>1,218,447</b>	<b>2,249,199</b>
<b>Restricted cash (Note 3)</b>	<b>286,538</b>	<b>975,064</b>
<b>Due from related parties (Note 5)</b>	<b>419,102</b>	<b>412,422</b>
<b>Investments (Note 6)</b>	<b>5,250,547</b>	<b>5,085,169</b>
<b>Funds held in Ottawa Trust Fund (Note 7)</b>	<b>328,311</b>	<b>425,129</b>
<b>Total financial assets</b>	<b>7,502,945</b>	<b>9,146,983</b>
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 8)	267,965	-
Accounts payable and accruals	1,011,159	1,017,243
Deferred revenue (Note 9)	555,246	256,926
Due to related party (Note 10)	958,370	971,210
Current portion of long-term debt (Note 11)	796,185	860,784
<b>Subtotal of current liabilities</b>	<b>3,588,925</b>	<b>3,106,163</b>
<b>Long-term debt (Note 11)</b>	<b>4,748,560</b>	<b>4,357,213</b>
<b>Total financial liabilities</b>	<b>8,337,485</b>	<b>7,463,376</b>
<b>Net financial assets (debt)</b>	<b>(834,540)</b>	<b>1,683,607</b>
<b>Commitment (Note 6)</b>		
<b>Contingent liabilities (Note 12)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 13)	24,378,238	23,835,025
Prepaid expenses and deposits	50,086	256,336
<b>Accumulated surplus (Note 14)</b>	<b>23,593,784</b>	<b>25,774,968</b>
<b>Approved on behalf of Chief and Council</b>		

Signed by: Leon Wolfe Jr.

Councillor

Signed by: Calvin Wolfe

Councillor



# Muskowekwan First Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2020*

	<i>2020 Budget (Note 18)</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
<b>Revenues</b>			
Indigenous Services Canada (Note 19)	6,647,993	6,971,804	7,213,068
Gaming	1,500,000	1,427,056	1,519,292
Other	677,000	1,200,478	658,421
First Nations & Inuit Health Branch	709,815	961,736	1,053,218
Touchwood Agency Tribal Council	581,448	741,437	803,749
First Nations Trust	600,000	589,263	597,500
Rental income	393,800	547,730	458,567
CMHC	370,000	466,219	770,627
Dakota Dunes Community Development Corporation	267,500	339,396	305,049
Leases	375,000	251,334	379,174
Earnings (loss) from investments in government business enterprises (Note 6)	27,000	165,378	(131,191)
Indigenous Gaming Regulators	-	131,992	101,003
CANDO	-	74,668	-
Touchwood Child & Family Services Inc.	1,133,000	46,353	1,652,445
Interest	50,000	36,336	38,307
Loss on disposal of tangible capital assets	-	-	(1,000)
	<b>13,332,556</b>	<b>13,951,180</b>	<b>15,418,229</b>
<b>Program expenses</b>			
Band Government	1,903,922	3,112,812	1,992,798
Capital	764,306	578,427	416,566
Community Infrastructure	800,859	1,076,041	974,031
Education	4,616,993	4,811,678	4,489,338
Lands	400,974	765,386	800,234
Social Development	1,127,070	1,600,713	1,414,112
Health	774,131	1,144,770	1,213,548
Economic Development	20,000	290,546	138,617
Housing	454,000	986,451	919,249
Muskowekwan Gaming Inc.	1,600,000	1,765,540	1,794,484
<b>Total expenses</b>	<b>12,462,255</b>	<b>16,132,364</b>	<b>14,152,977</b>
<b>Annual surplus (deficit)</b>	<b>870,301</b>	<b>(2,181,184)</b>	<b>1,265,252</b>
<b>Accumulated surplus, beginning of year</b>	<b>24,774,968</b>	<b>25,774,968</b>	<b>24,509,716</b>
<b>Accumulated surplus, end of year</b>	<b>25,645,269</b>	<b>23,593,784</b>	<b>25,774,968</b>

The accompanying notes are an integral part of these financial statements



**Muskowekwan First Nation**  
**Consolidated Statement of Changes in Net Financial Assets (Debt)**  
*For the year ended March 31, 2020*

	<i>2020 Budget (Note 18)</i>	<i>2020 Actual</i>	<i>2019 Actual</i>
<b>Annual surplus (deficit)</b>	<b>870,301</b>	<b>(2,181,184)</b>	1,265,252
Purchases of tangible capital assets	-	<b>(1,990,724)</b>	(1,028,072)
Transfer of tangible capital assets (Note 6)	-	-	9,312,448
Amortization of tangible capital assets	<b>520,000</b>	<b>1,447,511</b>	1,421,706
Loss on disposal of tangible capital assets	-	-	1,000
Proceeds on disposal of tangible capital assets	-	-	9,000
Prepaid expenses and deposits	-	<b>206,250</b>	(106,336)
<b>Change in net financial assets (debt)</b>	<b>1,390,301</b>	<b>(2,518,147)</b>	10,874,998
<b>Net financial assets, beginning of year</b>	<b>1,683,607</b>	<b>1,683,607</b>	(9,191,391)
<b>Net financial assets (debt), end of year</b>	<b>3,073,908</b>	<b>(834,540)</b>	1,683,607

*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, 2020*

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	(2,181,184)	1,265,252
Non-cash items		
Amortization	1,447,511	1,421,706
Loss (earnings) from investments in government business enterprises	(165,378)	131,191
Loss on disposal of tangible capital assets	-	1,000
	(899,051)	2,819,149
Changes in accounts		
Accounts receivable	1,358,628	(1,801,448)
Inventory for resale	(1)	(6,639)
Accounts payable and accruals	(6,084)	347,242
Deferred revenue	298,320	117,768
	751,812	1,476,072
<b>Financing activities</b>		
Increase (decrease) in due to related party	(12,840)	605,160
Increase in bank indebtedness	267,965	-
Advances of long-term debt	1,188,335	1,434,618
Repayment of long-term debt	(861,587)	(6,029,713)
Transfer from Muskowekwan Land Development LP for debt repayment	-	4,248,825
	581,873	258,890
<b>Capital activities</b>		
Purchases of tangible capital assets	(1,990,724)	(1,028,072)
Proceeds on disposal of tangible capital assets	-	9,000
Prepaid expenses and deposits	206,250	(106,336)
	(1,784,474)	(1,125,408)
<b>Investing activities</b>		
Decrease in restricted cash (net)	225,367	99,081
Increase in due from related parties (net)	(6,680)	(311,613)
Decrease (increase) in funds held in Ottawa Trust Fund	96,818	(16,540)
	315,505	(229,072)
<b>Increase (decrease) in cash resources</b>	(135,284)	380,482
<b>Cash resources (deficiency), beginning of year</b>	135,284	(245,198)
<b>Cash resources, end of year</b>	-	135,284

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, 2020*

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### 1. Nature of Operations

The Muskowekwan First Nation (the "First Nation") is located in Treaty 4 territory 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 Family Healing & Wellness Centre Inc.;
- Muskowekwan Treaty Land Entitlement - Revenue Account;
- Muskowekwan Business Development Company Ltd.;
- 211413 Saskatchewan 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 its 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., Muskowekwan Business Development Company II Ltd. and MFN Land Development Limited Partnership (including its general partner 102048326 Saskatchewan Ltd.). The Muskowekwan Treaty Land Entitlement Trust - Principal Account and Leducor Trust - Principal Account are not included in the consolidated financial statements as they are administered and controlled by Trustees.

#### **Other Economic Interests**

The Muskowekwan First Nation is a member of Touchwood Agency Specific Claim. Touchwood Agency Specific Claim is an organization of five Nations, whose purpose is to negotiate a specific claim with regards to Indigenous Services Canada's alleged mismanagement of funds of the Touchwood Agency during the period 1920 to 1924. (See note 12)

The Muskowekwan First Nation is a member of Touchwood Agency Band Misadministration Claim Trust. Touchwood Agency Band Misadministration Claim Trust consists of beneficiaries of five First Nations. The purpose of the Trust is to jointly advance the claims of the First Nations with regards to Indigenous Services Canada's alleged mismanagement of funds of the Touchwood Agency during the period 1920 to 1924. (See Note 12)

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



# **Muskowekwan First Nation**

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

*For the year ended March 31, 2020*

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

The Muskowekwan First Nation is a member of Touchwood Post Secondary Program Inc. Touchwood Post Secondary Program Inc. is an organization of three member Nations, whose purpose is to provide education support services to the member Nations. Subsequent to year end, the First Nation began managing its own post secondary funding.

The Muskowekwan First Nation is a member of Touchwood Agency Tribal Council Inc. 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 Touchwood Agency Specific Claim, Touchwood Agency Band Misadministration Claim Trust, 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.

#### ***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.

#### ***Cash resources***

Cash resources include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that limit its use to specific purposes is included in restricted cash.

#### ***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 for resale***

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.

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

Funds held in trust on behalf of the First Nation 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.



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

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

#### **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 and deposits.

#### **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.

#### **Revenue recognition**

##### *Funding*

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the 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 income and lease revenues are recognized over the rental term. Other revenues from services provided by the First Nation 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.



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

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

#### **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, 2020. There are no known liabilities at March 31, 2020.

#### **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, they are reported in the records in the period in which they become known.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Deferred revenues are recorded based on estimated eligible expenses incurred in the related programs.

#### **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.

### 3. Restricted cash

	2020	2019
<b>Current</b>		
Capital Projects	227,001	24,490
Muskowekwan Family Healing & Wellness Centre Inc.	183,287	-
Term deposit	85,176	-
Muskowekwan Ledcor Trust	1,115	(334)
TLE Revenue Account	194	9,458
	<b>496,773</b>	<b>33,614</b>
<b>Long-term</b>		
CMHC operating reserve	148,630	348,747
CMHC replacement reserve	137,908	626,317
	<b>286,538</b>	<b>975,064</b>
	<b>783,311</b>	<b>1,008,678</b>



# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2020*

### 4. Accounts receivable

	2020	2019
Indigenous Services Canada	148,811	14,839
Touchwood Agency Tribal Council	136,904	64,868
Dakota Dunes Community Development Corporation	127,528	103,739
Other	121,165	168,372
Canada Mortgage and Housing Corporation	99,617	30,790
First Nations & Inuit Health Branch	52,400	10,000
Muskowekwan Ledcor Trust - Principal Account	21,853	21,853
Touchwood Child & Family Services Inc.	-	1,652,445
	<b>708,278</b>	<b>2,066,906</b>

### 5. Due from related parties

	2020	2019
MFN Land Development Limited Partnership	319,457	309,800
Muskowekwan Gas Bar & Confectionary Ltd.	99,645	102,622
	<b>419,102</b>	<b>412,422</b>

Amounts due from related parties are non-interest bearing, unsecured and without fixed repayment terms. The First Nation owns MFN Land Development Limited Partnership and Muskowekwan Gas Bar & Confectionary Ltd.

### 6. Investments

The First Nation has investments in the following entities:

	<i>Opening balance</i>	<i>Share of earnings (loss)</i>	<i>Total investment</i>
<b>Portfolio investment</b>			
IMI Brokerage	12,005	-	12,005
<b>Government businesses:</b>			
Muskowekwan Gas Bar & Confectionary Ltd.	116,280	14,669	130,949
Muskowekwan Resources Ltd.	100	-	100
Muskowekwan Business Development Company II Ltd.	(70,720)	353	(70,367)
MFN Land Development LP	5,027,504	150,356	5,177,860
	<b>5,073,164</b>	<b>165,378</b>	<b>5,238,542</b>
	<b>5,085,169</b>	<b>165,378</b>	<b>5,250,547</b>



**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**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, 2020</i>	<i>Muskowekwan Resources Ltd. As at March 31, 2020</i>	<i>Muskowekwan Business Development Company II Ltd. As at March 31, 2020</i>	<i>MFN Land Development LP As at March 31, 2020</i>
<b>Assets</b>				
Cash	-	-	-	81,007
Accounts receivable / inventory	114,455	4,596	32	187,591
Investments	-	42,056	3,723,932	-
Property, plant and equipment	194,014	4,515	-	6,150,331
Due from related parties	-	79,670	1,000,100	-
Investment property	-	-	-	10,869,064
<b>Total assets</b>	<b>308,469</b>	<b>130,837</b>	<b>4,724,064</b>	<b>17,287,993</b>
<b>Liabilities</b>				
Line of credit / accounts payable	77,875	5,928	-	191,459
Deferred revenue	-	-	4,688,670	-
Long-term debt	-	7,720,289	-	11,397,773
Due to related parties	99,645	677,803	105,761	520,901
<b>Total liabilities</b>	<b>177,520</b>	<b>8,404,020</b>	<b>4,794,431</b>	<b>12,110,133</b>
<b>Accumulated other comprehensive loss</b>	<b>-</b>	<b>(3,288,290)</b>	<b>-</b>	<b>-</b>
<b>Net assets excluding accumulated other comprehensive loss</b>	<b>130,949</b>	<b>(4,984,893)</b>	<b>(70,367)</b>	<b>5,177,860</b>
<b>Total revenue</b>	<b>2,615,471</b>	<b>3,810</b>	<b>10,082</b>	<b>747,010</b>
<b>Total expenses</b>	<b>2,600,802</b>	<b>1,102,883</b>	<b>9,729</b>	<b>596,654</b>
<b>Net income (loss)</b>	<b>14,669</b>	<b>(1,099,073)</b>	<b>353</b>	<b>150,356</b>

MFN Land Development Limited Partnership

During the previous year, the First Nation created MFN Land Development Limited Partnership to operate the business of investing in, developing, constructing, operating and managing real estate and land, including the Nation's fee simple lands. As part of its creation the First Nation transferred \$9,312,448 of land at its carrying amount and received \$4,248,825 from the Limited Partnership to pay off the related debt. The First Nation received 5,063,623 partnership units valued at \$1 each in return for the amounts transferred. Of the \$9,312,448 transferred \$6,150,331 was originally contributed to the First Nation from Muskowekwan Treaty Land Entitlement Trust and \$3,162,117 had been obtained by the First Nation through its own source funds and financing. The land obtained from own source funds and financing plus purchases by the Limited Partnership during the year have been presented as investment property in the summary financial information.

Principal repayments on long-term debt for this government business enterprise in each of the next five years, assuming all term debt is subject to contractual terms of repayment, are estimated as follows:

<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>Thereafter</i>	<i>Total</i>
319,227	372,614	387,745	401,336	415,403	9,501,448	11,397,773





# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2020

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

#### Muskowekwan Resources Ltd.

Muskowekwan Resources Ltd. ("MRL") was created to participate with a publicly-traded potash company in developing potash resources. MRL has entered into a head lease on certain lands owned by the First Nation, which it will sublease to the potash company.

MRL has a \$3 million demand debenture owing to First Nations and Metis Fund Inc. (the "Fund"), which bears interest at 12% per annum. At March 31, 2020, the total outstanding including accrued interest is \$7,720,289. Security for the debenture and accrued unpaid interest includes a specific interest in certain Encanto Potash Corp. shares and warrants owned by MRL, and a security interest in all other assets of the company. Should these shares be sold, the proceeds would first be directed to the payment of the outstanding debenture principal and accrued interest. The Fund would also receive 40% of any proceeds in excess of that amount. The debenture matured in 2017. The Fund has advised it does not currently intend to take action to enforce its security under the debenture, but reserves the right to take such action at any time.

MRL's accumulated other comprehensive loss is the accumulated decline in the fair market value of investments held by MRL. A significant portion of the realized accumulated deficit is accrued interest on the debenture owing to the Fund. The First Nation has no liability for these amounts, and therefore has not recorded any further losses on its investment in MRL once the carrying value of its investment was a nominal amount. The First Nation will only begin recognizing the investment when the value of the shares and warrants are sufficient to repay the outstanding debenture principal and accrued interest, or if the Fund forgives a sufficient amount of the debenture principal and accrued interest.

#### Commitment

Muskowekwan Business Development Company Ltd. has entered into a head lease with Her Majesty the Queen in Right of Canada for 319 acres of reserve lands, which they are subleasing to Muskowekwan Business Development Company II Ltd. In 2017, Muskowekwan Business Development Company II Ltd. then entered into a sub-sublease for this land for 98 years for which prepayment has been received in the form of partnership units and cash.

### 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.

	2020	2019
<b>Capital Trust</b>		
Balance, beginning and end of year	268,806	268,806
<b>Revenue Trust</b>		
Balance, beginning of year	156,323	139,783
Interest	6,600	9,766
Leases	41,940	52,132
Payments to First Nation	(145,358)	(45,358)
Balance, end of year	59,505	156,323
	328,311	425,129





# Muskowekwan First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2020*

### 8. Bank indebtedness

The First Nation has a line of credit with Royal Bank of Canada ("RBC") with an authorized limit of \$300,000 bearing interest at prime (2.45%) (2019 - 3.95%) plus 2.00%. The line of credit is secured by assignment of ISC transfers. As at March 31, 2020 the First Nation has drawn \$75,431 (2019 - \$159,166) on the RBC line of credit. The First Nation also has an available overdraft up to \$35,000 which bears interest at 24% with Peace Hills Trust ("PHT"). As at March 31, 2020 \$35,000 (2019 - \$66,490) was drawn on the overdraft with PHT. The remainder of bank indebtedness is comprised of outstanding cheques and deposits.

### 9. Deferred revenue

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Recognized</i>	<i>Balance, end of year</i>
CANDO - Family Healing & Wellness Centre Inc.	-	257,955	74,668	183,287
ISC - Biological Treatment Plant	140,643	200,000	205,923	134,720
ISC - Solid Waste Transfer Station	-	100,000	17,780	82,220
ISC - Community Navigator	-	85,000	26,529	58,471
ISC - P&ID Financial Management	-	49,800	800	49,000
ISC - School Assessment	-	50,000	2,452	47,548
ISC - Lagoon	116,283	-	116,283	-
	<b>256,926</b>	<b>742,755</b>	<b>444,435</b>	<b>555,246</b>

### 10. Due to related party

	<i>2020</i>	<i>2019</i>
Muskowekwan Business Development Company II Ltd.	<b>958,370</b>	971,210

Amounts due to the related party are non-interest bearing, unsecured and without fixed repayment terms. The First Nation owns this related entity.

### 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	<i>2020</i>	<i>2019</i>
XIV	675	1.82%	1-Sep-24	<b>33,200</b>	39,970
XV	1,094	0.96%	1-Sept-21	<b>79,629</b>	91,932
XVI	791	1.43%	1-Apr-22	<b>63,867</b>	72,373
XVII	1,381	2.35%	1-Jul-23	<b>121,992</b>	135,536
XVIII	1,045	1.92%	1-May-20	<b>102,716</b>	113,176
XIX	1,305	1.05%	1-Apr-20	<b>76,279</b>	91,059
XX	7,317	1.31%	1-Dec-21	<b>566,893</b>	646,703
XXI	7,514	2.14%	1-Mar-24	<b>1,068,345</b>	1,134,923
XXII	7,583	1.85%	1-May-20	<b>1,145,475</b>	1,214,579
XXIII	2,155	1.50%	1-Jul-22	<b>396,906</b>	414,531
XXIV	5,038	2.06%	1-Jan-25	<b>772,796</b>	-
				<b>4,428,098</b>	3,954,782



**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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

Canada Mortgage and Housing Corporation Phase XXV loan advances	<b>411,727</b>	-
Royal Bank of Canada loan payable, interest at RBC prime rate plus 2.00% with blended principal and interest payments of \$57,000 semi-annually, matures June 2022, secured by GSA	<b>255,303</b>	349,783
Royal Bank of Canada loan payable, interest at RBC prime rate plus 2.00% with blended principal and interest payments of \$30,000 semi-annually, matures October 2022, secured by GSA	<b>172,077</b>	221,000
Royal Bank of Canada loan payable, interest at RBC prime rate plus 2.00% with blended principal and interest payments of \$90,000 quarterly, matures July 2020, secured by GSA	<b>165,930</b>	503,464
Royal Bank of Canada loan payable, interest at RBC prime rate plus 2.00% with blended principal and interest payments of \$6,000 monthly, matures May 2021, secured by GSA	<b>79,592</b>	145,180
John Deere capital lease payable, interest at 4.85% with blended principal and interest payments of \$6,878 semi-annually, matures July 2022, secured by equipment with a net book value of \$41,649	<b>32,018</b>	43,788
	<b>5,544,745</b>	5,217,997
Current portion	<b>(796,185)</b>	(860,784)
	<b>4,748,560</b>	4,357,213

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:

2021	796,185
2022	588,357
2023	524,290
2024	430,577
2025	420,528

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



## **Muskowekwan First Nation**

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

*For the year ended March 31, 2020*

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#### **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, 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, 2020 the Government of Canada has not requested repayment. If the claim is not settled, it is uncertain if the loan will have to be paid back to the Government of Canada.

##### Touchwood Agency Band Misadministration Claim Trust

During the year, the First Nation along with four other First Nations engaged legal counsel to jointly advance their claims related to the alleged mismanagement of the Touchwood Agency funds by Indian Affairs Canada from 1920 to 1924. Financing and an insurance policy to cover legal fees were obtained by Touchwood Agency Band Misadministration Claim Trust at the direction of the five First Nations. Financing has been authorized to a maximum of \$4,855,760 to cover expenses relating to the advancement of the claim. At March 31, 2020 there was a contingent fee agreement in place which ranged from 4% to 12% of the settlement depending on how the claim is settled. The financing and contingent fees are expected to be paid from settlement proceeds. Should there be any amounts in excess of settlement proceeds these would be expected to be covered by the insurance policy. The five Nations who are members of the Trust have guaranteed the financing obtained by the Trust and are responsible for the repayment of any amounts not covered by settlement proceeds or insurance. The Trust is not controlled or jointly controlled by the First Nation and as a result is not included in the consolidated financial statements.



**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**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>2020</i>	<i>2019</i>
<b>Cost</b>									
Balance, beginning of year	21,504,238	12,263,977	2,881,662	2,975,225	2,257,394	614,259	8,224,327	50,721,082	59,030,458
Acquisition of tangible capital assets	846,197	-	-	272,250	-	872,277	-	1,990,724	1,028,072
Disposal of tangible capital assets	-	-	-	-	-	-	-	-	(25,000)
Transfer to completed capital assets	-	-	386,235	-	-	(386,235)	-	-	-
Transfer to investments	-	-	-	-	-	-	-	-	(9,312,448)
<b>Balance, end of year</b>	<b>22,350,435</b>	<b>12,263,977</b>	<b>3,267,897</b>	<b>3,247,475</b>	<b>2,257,394</b>	<b>1,100,301</b>	<b>8,224,327</b>	<b>52,711,806</b>	<b>50,721,082</b>
<b>Accumulated amortization</b>									
Balance, beginning of year	14,318,798	9,049,761	618,271	2,267,155	632,072	-	-	26,886,057	25,479,351
Annual amortization	624,364	433,584	81,697	217,570	90,296	-	-	1,447,511	1,421,706
Disposal of tangible capital assets	-	-	-	-	-	-	-	-	(15,000)
<b>Balance, end of year</b>	<b>14,943,162</b>	<b>9,483,345</b>	<b>699,968</b>	<b>2,484,725</b>	<b>722,368</b>	<b>-</b>	<b>-</b>	<b>28,333,568</b>	<b>26,886,057</b>
<b>Net book value</b>	<b>7,407,273</b>	<b>2,780,632</b>	<b>2,567,929</b>	<b>762,750</b>	<b>1,535,026</b>	<b>1,100,301</b>	<b>8,224,327</b>	<b>24,378,238</b>	
<b>2019 Net book value</b>	<b>7,185,440</b>	<b>3,214,216</b>	<b>2,263,391</b>	<b>708,070</b>	<b>1,625,322</b>	<b>614,259</b>	<b>8,224,327</b>		<b>23,835,025</b>



**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

**14. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2020</b>	<b>2019</b>
Operating	<b>(2,397,583)</b>	(371,816)
Capital Asset	<b>19,254,726</b>	19,470,275
Commercial	<b>5,250,547</b>	5,085,169
CMHC Operating Reserve	<b>355,207</b>	347,574
CMHC Replacement Reserve	<b>802,576</b>	818,637
Ottawa Trust Funds	<b>328,311</b>	425,129
	<b>23,593,784</b>	25,774,968

At March 31, 2020 the CMHC reserves are underfunded by \$865,443. The possible effect of this violation of the CMHC funding agreement has not yet been determined.

**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 Fund reports 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, 2020

### 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 Services 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

	Approved budget	Adjustments	Budget per consolidated financial statements
<b>Statement of operations</b>			
Revenues	13,332,556	-	<b>13,332,556</b>
Expenses	13,722,855	(1,260,600)	<b>12,462,255</b>
Annual surplus (deficit)	(390,299)	1,260,600	<b>870,301</b>

The budget information disclosed was prepared and approved in April 2019 by management and Chief and Council. The approved budget included in expenses \$860,600 of principal repayments on long-term debt and \$400,000 of transfers to related parties. These amounts have been adjusted to present the budget information in accordance with Canadian public sector accounting standards.



**Muskowekwan First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2020*

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**19. Indigenous Services Canada (ISC) reconciliation**

ISC funding per confirmation	7,109,354
Add:	
Deferred revenue - beginning of year	256,926
Deduct:	
Deferred revenue - end of year	(371,959)
Forfeited funding - HR Mgmt Cap Dev	(15,000)
18/19 Education Employee Benefits reconciliation	(5,363)
18/19 Tuition reconciliation	(1,904)
18/19 Institutional Care reconciliation	(250)
	<hr/> 6,971,804 <hr/>

**20. Significant event**

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on the First Nation due to restrictions put in place regarding travel, business operations, and isolation/quarantine orders. The First Nation has been impacted by office closures, travel restrictions, cancellation of events and increased costs of compliance with other guidelines and regulations. Funding has been received to cover some of the additional costs associated with the pandemic. The operations of Muskowekwan Gaming Inc. were forced to close in March 2020 and have remained closed subsequent to year end.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and isolation/quarantine measures that are currently, or may be put, in place to fight the virus. It is expected that future funding from First Nations Trust and Dakota Dunes Community Development Corporation will be negatively impacted by the pandemic due to the temporary closure of SIGA casinos.



# Muskowekwan First Nation

## Consolidated Schedule of Expenses by Object

*For the year ended March 31, 2020*

	<b>2020 Budget (Note 18)</b>	<b>2020 Actual</b>	<b>2019 Actual</b>
Salaries and benefits	2,794,715	3,302,810	2,981,989
Amortization	520,000	1,447,511	1,421,706
Contracted services	1,278,934	1,413,800	863,874
Social assistance	945,287	1,281,737	1,177,473
Community support	191,382	1,194,114	1,005,683
Cost of sales	1,600,000	1,139,979	1,128,402
Repairs and maintenance	701,828	841,457	688,267
Honouraria	570,180	816,273	643,517
Tuition	1,029,397	692,464	701,183
Flow through to Touchwood Post Secondary Program Inc.	624,679	688,758	675,721
Travel	419,345	552,694	485,304
Youth and elder activities	42,000	307,556	118,461
School supplies	109,394	301,074	222,627
Office supplies	70,250	239,990	120,715
Insurance	313,500	238,476	182,852
Utilities	181,200	195,120	212,016
Professional fees	115,000	173,379	170,918
Student expenses	75,200	159,457	164,363
Interest on long-term debt	136,500	135,753	224,554
Training	81,474	119,660	144,957
Vehicle	55,274	108,672	82,521
Bank charges and interest	133,670	99,735	90,711
Rent	-	96,033	102,592
Property tax	-	92,347	9,059
Bad debts	-	86,845	135,134
Professional development	94,167	76,940	95,947
Project startup costs	-	74,668	-
Telephone	63,000	74,520	48,968
Funeral	-	51,556	37,250
Office equipment	31,000	37,750	49,477
Administration	116,944	26,681	122,967
Management fees	-	23,767	10,358
Cultural	14,686	14,402	3,935
Advertising	4,400	10,095	7,377
Program expense	11,349	12,969	14,942
Miscellaneous	137,500	2,200	11,736
Cash (over) short	-	1,122	(4,579)
	<b>12,462,255</b>	<b>16,132,364</b>	<b>14,152,977</b>





**Muskowekwan First Nation**  
**Ottawa Trust Funds**

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

*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Revenues</b>		
Leases	<b>41,940</b>	52,132
Interest	<b>6,600</b>	9,766
<b>Surplus before transfers</b>	<b>48,540</b>	61,898
<b>Transfers between programs</b>	<b>(145,358)</b>	(45,358)
<b>Annual surplus (deficit)</b>	<b>(96,818)</b>	16,540



**Muskowekwan First Nation**  
**Government Business Enterprises**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2020*

	<i>2020</i>	<i>2019</i>
<b>Revenue</b>		
Earnings (loss) from investments in government business enterprises	<b>165,378</b>	(131,191)
<b>Annual surplus (deficit)</b>	<b>165,378</b>	(131,191)



**Muskowekwan First Nation  
Band Government**

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

*For the year ended March 31, 2020*

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	718,858	745,428
First Nations Trust	589,263	597,500
Other	564,553	307,954
Dakota Dunes Community Development Corporation	339,396	249,049
Touchwood Child & Family Services Inc.	46,353	1,652,445
Touchwood Agency Tribal Council	14,311	-
Interest	3,755	4,181
Loss on disposal of tangible capital assets	-	(1,000)
	<b>2,276,489</b>	<b>3,555,557</b>
<b>Expenses</b>		
Honouraria	699,438	550,371
Community support	491,473	172,695
Salaries and benefits	339,929	255,605
Contracted services	295,203	98,538
Youth and elder activities	275,907	94,421
Travel	259,023	210,139
Professional fees	136,041	130,843
Office supplies	131,560	11,902
Rent	96,033	102,592
Bad debts	86,845	135,134
Insurance	72,915	59,343
Bank charges and interest	66,940	49,173
Interest on long-term debt	61,463	-
Funeral	51,556	37,250
Telephone	30,651	23,479
Cultural	13,260	2,875
Office equipment	11,880	26,966
Repairs and maintenance	10,394	4,551
Professional development	9,150	11,680
Utilities	5,498	13,803
Vehicle	3,066	1,438
Miscellaneous	700	-
Administration	(36,113)	-
	<b>3,112,812</b>	<b>1,992,798</b>
<b>Annual surplus (deficit)</b>	<b>(836,323)</b>	<b>1,562,759</b>



# Muskowekwan First Nation Capital

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

For the year ended March 31, 2020

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	505,190	983,834
CANDO	257,955	-
CANDO - deferred revenue	(183,287)	-
Rental income	101,066	33,173
CMHC	81,107	10,000
Other	12,002	6,576
	<b>774,033</b>	<b>1,033,583</b>
<b>Expenses</b>		
Repairs and maintenance	334,561	259,465
Project startup costs	74,668	-
Insurance	70,000	35,000
Salaries and benefits	31,342	70,532
Contracted services	25,891	1,997
Utilities	12,230	9,697
Travel	10,388	18,328
Bank charges and interest	10,254	18,494
Honouraria	8,000	-
Office supplies	907	15
Vehicle	186	1,122
Youth and elder activities	-	1,916
	<b>578,427</b>	<b>416,566</b>
<b>Annual surplus (deficit)</b>	<b>195,606</b>	<b>617,017</b>



**Muskowekwan First Nation**  
**Community Infrastructure**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	491,560	456,574
Other	113,566	23,190
Rental income	15,100	9,018
	<b>620,226</b>	<b>488,782</b>
<b>Expenses</b>		
Amortization	390,055	366,769
Contracted services	298,890	253,026
Repairs and maintenance	111,413	73,065
Salaries and benefits	97,606	111,761
Utilities	78,202	78,943
Vehicle	42,775	39,971
Travel	28,177	26,949
Office supplies	27,540	22,508
Telephone	821	716
Bank charges and interest	562	323
	<b>1,076,041</b>	<b>974,031</b>
<b>Annual surplus (deficit)</b>	<b>(455,815)</b>	<b>(485,249)</b>



# Muskowekwan First Nation Education

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

For the year ended March 31, 2020

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	3,590,392	3,352,898
Touchwood Agency Tribal Council	596,672	683,955
Other	189,073	176,742
Dakota Dunes Community Development Corporation	-	1,000
	<b>4,376,137</b>	<b>4,214,595</b>
<b>Expenses</b>		
Salaries and benefits	2,096,246	1,832,296
Tuition	692,464	701,183
Flow through to Touchwood Post Secondary Program Inc.	688,758	675,721
School supplies	301,074	222,627
Amortization	290,407	281,805
Contracted services	277,999	246,137
Student expenses	150,257	164,363
Repairs and maintenance	89,133	100,931
Travel	53,501	48,875
Utilities	49,777	48,759
Professional development	41,511	56,445
Office equipment	14,722	11,783
Vehicle	14,436	10,118
Honouraria	13,537	12,295
Professional fees	9,975	9,450
Telephone	7,857	6,254
Office supplies	7,124	30,376
Community support	6,067	9,804
Bank charges and interest	3,746	9,567
Insurance	3,087	3,087
Miscellaneous	-	7,262
Training	-	200
	<b>4,811,678</b>	<b>4,489,338</b>
<b>Annual surplus (deficit)</b>	<b>(435,541)</b>	<b>(274,743)</b>



# Muskowekwan First Nation Lands

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

For the year ended March 31, 2020

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	144,972	160,510
Leases	209,394	327,042
Other	60,765	70,949
Interest	22,065	21,860
Rental income	13,000	-
	<b>450,196</b>	<b>580,361</b>
<b>Expenses</b>		
Community support	192,363	167,132
Contracted services	113,423	120,388
Salaries and benefits	107,960	93,363
Honouraria	95,298	80,851
Property tax	92,347	9,059
Travel	91,353	92,088
Repairs and maintenance	19,932	7,314
Utilities	9,500	22,769
Student expenses	9,200	-
Bank charges and interest	8,931	4,567
Telephone	8,727	9,006
Vehicle	4,678	1,139
Professional development	4,401	11,789
Professional fees	3,922	12,998
Office supplies	2,938	5,015
Advertising	413	832
Interest on long-term debt	-	152,365
Administration	-	9,455
Insurance	-	104
	<b>765,386</b>	<b>800,234</b>
<b>Deficit before transfers</b>	<b>(315,190)</b>	<b>(219,873)</b>
<b>Transfers between programs</b>	<b>145,358</b>	<b>45,358</b>
<b>Annual surplus (deficit)</b>	<b>(169,832)</b>	<b>(174,515)</b>



**Muskowekwan First Nation**  
**Social Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	1,463,470	1,480,397
Touchwood Agency Tribal Council	21,782	-
	1,485,252	1,480,397
<b>Expenses</b>		
Social assistance	1,265,380	1,176,207
Training	115,286	144,757
Contracted services	96,571	903
Salaries and benefits	94,100	60,670
Travel	13,266	7,768
Community support	11,189	20,921
Bank charges and interest	3,227	2,076
Office supplies	1,591	810
Vehicle	103	-
	1,600,713	1,414,112
<b>Annual surplus (deficit)</b>	<b>(115,461)</b>	<b>66,285</b>





# Muskowekwan First Nation Health

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

For the year ended March 31, 2020

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	33,427	33,427
First Nations & Inuit Health Branch	961,736	1,053,218
Touchwood Agency Tribal Council	48,672	59,794
Other	41,696	39,309
Interest	673	7
	<b>1,086,204</b>	<b>1,185,755</b>
<b>Expenses</b>		
Salaries and benefits	350,871	378,034
Community support	219,187	334,093
Contracted services	172,549	142,885
Amortization	91,848	99,424
Travel	74,119	63,217
Office supplies	46,123	15,457
Vehicle	43,428	28,733
Youth and elder activities	31,649	22,124
Telephone	23,492	6,420
Professional development	21,878	16,033
Social assistance	16,357	1,266
Program expense	12,969	14,942
Repairs and maintenance	11,338	10,829
Office equipment	11,148	10,728
Utilities	8,386	8,012
Advertising	3,982	638
Bank charges and interest	3,718	905
Cultural activities	1,142	1,060
Insurance	437	7,675
Training	149	-
Administration	-	51,073
	<b>1,144,770</b>	<b>1,213,548</b>
<b>Annual surplus (deficit)</b>	<b>(58,566)</b>	<b>(27,793)</b>



**Muskowekwan First Nation**  
**Economic Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenues</b>		
Indigenous Services Canada	23,935	-
Other	178,857	12,840
Touchwood Agency Tribal Council	60,000	60,000
	<b>262,792</b>	<b>72,840</b>
<b>Expenses</b>		
Amortization	137,322	137,322
Contracted services	133,274	-
Community support	19,950	1,250
Travel	-	45
	<b>290,546</b>	<b>138,617</b>
<b>Annual surplus (deficit)</b>	<b>(27,754)</b>	<b>(65,777)</b>



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

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

*For the year ended March 31, 2020*

	<b>2020</b>	<b>2019</b>
<b>Revenues</b>		
CMHC	<b>385,112</b>	760,627
Rental income	<b>357,012</b>	356,674
Interest	<b>3,243</b>	2,493
	<b>745,367</b>	1,119,794
<b>Expenses</b>		
Amortization	<b>535,948</b>	502,100
Repairs and maintenance	<b>219,631</b>	201,699
Insurance	<b>83,997</b>	69,604
Interest on long-term debt	<b>74,290</b>	72,189
Administration	<b>62,794</b>	62,439
Professional fees	<b>9,791</b>	11,218
	<b>986,451</b>	919,249
<b>Annual surplus (deficit)</b>	<b>(241,084)</b>	200,545



**Muskowekwan First Nation**  
**Muskowekwan Gaming Inc.**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2020*

	2020	2019
<b>Revenues</b>		
Gaming	1,427,056	1,519,292
Indigenous Gaming Regulators	131,992	101,003
Rental income	61,552	59,702
Other	39,966	20,861
Dakota Dunes Community Development Corporation	-	55,000
	<b>1,660,566</b>	<b>1,755,858</b>
<b>Expenses</b>		
Cost of sales	1,139,979	1,128,402
Community support	253,885	299,788
Salaries and benefits	184,756	179,728
Repairs and maintenance	45,055	30,413
Utilities	31,527	30,033
Management fees	23,767	10,358
Travel	22,867	17,895
Office supplies	22,207	34,632
Professional fees	13,650	6,409
Insurance	8,040	8,039
Advertising	5,700	5,907
Training	4,225	-
Telephone	2,972	3,093
Bank charges and interest	2,357	5,606
Amortization	1,931	34,286
Miscellaneous	1,500	4,474
Cash (over) short	1,122	(4,579)
	<b>1,765,540</b>	<b>1,794,484</b>
<b>Annual surplus (deficit)</b>	<b>(104,974)</b>	<b>(38,626)</b>