

**Muskowekwan First Nation
Consolidated Financial Statements
March 31, 2023**

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Muskowekwan First Nation
Management's Responsibility for Financial Reporting
March 31, 2023

To the Members of Muskowekwan First Nation:

The accompanying consolidated financial statements of Muskowekwan First Nation are the responsibility of management and have been approved by Chief and Council.

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

Chalupiak & Associates CPA Professional Corporation, 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; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

On behalf of Muskowekwan First Nation:

Signature on file

Muskowekwan First Nation

02/06/2024

Date



Chalupiak & Associates CPA Professional Corporation

Chartered Professional Accountants
3261 Saskatchewan Drive
Regina, Saskatchewan S4T 6S4
Phone: 306-359-3711 Fax: 306-569-3030

Independent Auditors' Report

To the Members of
Muskowekwan First Nation

Opinion

We have audited the consolidated financial statements of Muskowekwan First Nation, which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, accumulated surplus, change in net debt and cash flows 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, 2023, and the results of its consolidated operations, its consolidated accumulated surplus, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

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 *Auditors' 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.

Auditors' 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 auditors' 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 financial statements.

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 auditors' 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 auditors' 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 Group 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.
- ♦ 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.

**Regina, Saskatchewan
February 7, 2024**

Chalupiak & Associates
CPA Professional Corporation
Chartered Professional Accountants

Muskowekwan First Nation
Consolidated Statement of Financial Position
March 31, 2023

	2023	2022
Financial Assets		
Cash and cash equivalents (Note 3)	\$ 3,929,679	\$ 5,480,832
Restricted cash (Note 3)	6,149,609	1,099,670
Restricted cash - CMHC (Note 3)	354,581	250,253
Trust funds held by federal government (Notes 3 and 4)	321,491	303,224
Accounts receivable (Note 5)	1,320,061	1,114,963
Due from related parties (Note 6)	535,986	519,340
Investment in government business enterprises (Notes 7 and 8)	5,982,365	5,935,855
Portfolio investments (Note 9)	12,105	12,105
	<u>18,605,877</u>	<u>14,716,242</u>

Liabilities

Bank indebtedness (Note 10)	156,955	-
Accounts payable (Note 11)	1,743,103	1,718,879
Due to related parties (Note 12)	919,882	932,722
Deferred revenue - unexpended funds - ISC (Note 13)	10,804,213	6,376,326
Current portion of long-term debt (Note 14)	204,911	246,204
Current portion of CMHC mortgages (Note 15)	470,688	467,286
Long-term debt (Note 14)	5,565,524	2,021,401
CMHC mortgages (Note 15)	4,651,232	5,123,008
	<u>24,516,508</u>	<u>16,885,826</u>

Net debt	<u>(5,910,631)</u>	<u>(2,169,584)</u>
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Non-financial Assets

Capital assets (Note 16)	30,698,299	30,071,794
Prepaid expenses (Note 17)	13,158	64,068
Inventory (Note 18)	7,120	4,412
	<u>30,718,577</u>	<u>30,140,274</u>

Accumulated Surplus (Note 19)	<u>\$ 24,807,946</u>	<u>\$ 27,970,690</u>
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Approved on behalf of the Muskowekwan First Nation:

Signature on file _____, **Chief**

Signature on file _____, **Councilor**

The accompanying notes are an integral part of the financial statements

Muskowekwan First Nation
Consolidated Statement of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada (ISC)	\$ 8,646,423	\$ 18,476,891	\$ 16,385,803
Trust funds held by federal government	-	79,690	108,566
Touchwood Agency Tribal Council (TATC)	422,456	1,161,800	854,294
Touchwood Child & Family Services Inc. (TCFS)	-	655,495	625,011
CANDO revenue	-	-	2,155,552
Canada Mortgage and Housing Corporation (CMHC)	-	976,895	545,730
First Nation Trust funds (FNT)	400,000	735,735	325,516
Gaming revenue	1,600,000	1,063,797	596,430
Land lease revenue	246,130	267,104	252,977
Nature Smart Climate Solutions Fund (NSCSF)	-	465,895	-
Dakota Dunes CDC	50,000	337,792	86,795
Western Economic Diversification Canada	-	164,721	333,333
Gain in government business enterprises	77,600	46,510	383,469
Investment income (dividends)	-	48,229	131,341
Insurance proceeds	-	348,930	-
Indigenous Gaming Regulators	-	35,145	28,676
Rental income & user fees	86,000	496,582	508,143
Interest income	16,512	47,778	30,050
Other revenue	954,127	2,706,215	1,088,117
Prior period reimbursements	-	-	352,149
Unexpended funds - prior year	-	6,376,326	1,808,187
Unexpended funds - current year	-	(10,804,213)	(6,376,326)
	12,499,248	23,687,317	20,223,813
Expenses			
Treaties and Indigenous Government (Schedule 1)	-	3,391,285	146,886
Community Infrastructure (Schedule 2)	1,935,225	2,794,561	1,107,772
Economic Development (Schedule 3)	-	236,054	108,639
Education (Schedule 4)	4,349,317	5,897,535	4,909,992
Indigenous Government Support (Schedule 5)	1,210,700	1,953,709	2,945,960
Land Management (Schedule 6)	472,178	920,880	715,664
Social Development (Schedule 7)	1,611,513	3,697,041	1,646,429
Registration and Membership (Schedule 8)	-	9,087	11,579
Health Services (Schedule 9)	1,146,043	2,777,034	1,292,952
CMHC Housing (Schedule 10)	-	572,180	566,627
Other Band Programs (Schedule 11)	625,000	1,005,438	1,321,090
Muskowekwan Gaming Inc. (Schedule 12)	1,600,000	1,304,598	816,544
Muskowekwan Family Healing & Wellness Centre Inc. (Schedule 13)	-	356,735	147,027
Amortization (Schedule 14)	-	1,933,922	1,631,895
	12,949,976	26,850,059	17,369,056
Current surplus (deficit)	\$ (450,728)	\$ (3,162,742)	\$ 2,854,756

The accompanying notes are an integral part of the financial statements

Muskowekwan First Nation
Consolidated Statement of Accumulated Surplus
For the year ended March 31, 2023

	2023	2022
Surplus at beginning of year	\$ 27,970,690	\$ 25,115,934
Current surplus (deficit)	(3,162,742)	2,854,756
Surplus at end of year	\$ 24,807,948	\$ 27,970,690

The accompanying notes are an integral part of the financial statements

Muskowekwan First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Current surplus (deficit)	\$ (450,728)	\$ (3,162,742)	\$ 2,854,756
Acquisition of capital assets	-	(2,560,428)	(5,669,601)
Amortization of capital assets	-	1,933,921	1,631,898
	-	(626,507)	(4,037,703)
Acquisition of prepaid asset	-	(13,158)	(64,068)
Use of prepaid asset	-	64,068	172,635
	-	50,910	108,567
Acquisition of inventory	-	(7,120)	(4,412)
Use of inventory	-	4,412	14,540
	-	(2,708)	10,128
Decrease in net financial assets	(450,728)	(3,741,047)	(1,064,252)
Net debt at beginning of year	(2,169,584)	(2,169,584)	(1,105,332)
Net debt at end of year	\$ (2,620,312)	\$ (5,910,631)	\$ (2,169,584)

The accompanying notes are an integral part of the financial statements

Muskowekwan First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2023

	2023	2022
Cash flows from		
Operating activities		
Current surplus (deficit)	\$ (3,162,742)	\$ 2,854,756
Amortization	1,933,921	1,631,898
Earnings from investment in business partnerships	(82,802)	(353,762)
Earnings (loss) from investment in incorporated businesses	36,292	(29,707)
	(1,275,331)	4,103,185
Change in non-cash operating working capital		
Accounts receivable	(205,098)	(617,924)
Inventory	(2,708)	10,128
Prepaid expenses	50,910	108,567
Accounts payable	24,224	1,085,880
Deferred revenue - unexpended funds - ISC	4,427,887	4,621,101
Trust funds held by federal government	(18,267)	(11,566)
	3,001,617	9,299,371
Capital activities		
Acquisition of capital assets	(2,560,428)	(5,669,600)
Financing activities		
Due from related parties	(16,646)	(100,000)
Due to related parties	(12,840)	(12,840)
Long-term debt - repayment	(293,918)	(290,200)
Long-term debt - proceeds	3,796,748	2,255,405
CMHC mortgages - repayment	(468,374)	(465,129)
CMHC mortgages - proceeds	-	286,704
	3,004,970	1,673,940
Investing activities		
Restricted cash - CMHC	(104,328)	(180,210)
Increase in cash and cash equivalents	3,341,831	5,123,501
Cash and cash equivalents, beginning of year	6,580,502	1,457,001
Cash and cash equivalents, end of year	\$ 9,922,333	\$ 6,580,502
Represented by		
Cash	\$ 3,929,679	\$ 5,480,832
Bank indebtedness	(156,955)	-
Restricted cash	6,149,609	1,099,670
	\$ 9,922,333	\$ 6,580,502

The accompanying notes are an integral part of the financial statements

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

1. Operations

The Muskowekwan First Nation ("the First Nation") is located in the province of Saskatchewan, Canada on Treaty 4 territory and provides various services to its members. These financial statements include the First Nation's government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

The office of the First Nation is physically located on the Muskowekwan I.R. 85 and their mailing address is P.O. Box 249, Lestock, Saskatchewan, S0A 2G0, Canada.

2. Basis of presentation and significant accounting policies

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

(a) Reporting entity

The Muskowekwan First Nation reporting entity includes the Muskowekwan First Nation government and all related entities that are controlled by the First Nation.

(b) Principles of consolidation

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

Organizations that were fully consolidated in the fiscal year include:

Muskowekwan Gaming Inc.;
Muskowekwan Family Healing & Wellness Centre Inc.;
Muskowekwan Treaty Land Entitlement - Revenue Account;
Muskowekwan Business Development Company Ltd.; and,
211413 Saskatchewan Inc.

Under the modified equity method of accounting, only Muskowekwan First Nation's investment in the government business enterprise and the enterprise's net income (loss) and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Muskowekwan First Nation.

Organizations accounted for on a modified equity basis include:

Muskowekwan Gas Bar & Confectionary Ltd.;
Muskowekwan Resources Ltd.;
Muskowekwan Business Development Company II Ltd.; and,
MFN Land Development Limited Partnership (including its general partner 102048326
Saskatchewan Ltd.)

(c) Asset classification

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

2. Basis of presentation and significant accounting policies, continued

(d) Net debt

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt is determined by its financial assets less liabilities. Net debt does not include non-financial assets.

(e) Other economic interests

The First Nation is a member of Touchwood Agency Specific Claim. Touchwood Agency Specific Claim represents five First 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.

The First Nation is a member of Touchwood Agency Band Misadministration Claim Trust. Touchwood Agency Band Misadministration Claim Trust represents five First Nations who are the beneficiaries of the Trust. 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.

The First Nation is a member of Touchwood Child & Family Services Inc. ("TCFS"). TCFS is an organization of six member Nations, whose purpose it to provide Child and Family services to the member Nations.

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

The First Nation is a member of Touchwood Agency Tribal Council Inc. ("TATC"). TATC is an organization of four member Nations, whose purpose is to provide services to the member Nations.

The First Nation does not share in the control or profit (loss) of the above entities and the above entities have not been consolidated in the financial statements of the First Nation.

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

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments. Cash subjected to restrictions that prevent its use for current purposes is included in restricted cash.

(g) Restricted cash

Restricted cash consists of cash and cash equivalents held for specific purposes as defined by various agreements.

2. Basis of presentation and significant accounting policies, continued

(h) Trust funds

Funds earned and held in trust on behalf of First Nation members by the Government of Canada. Trust moneys consist of:

- Capital Trust moneys derived from non-renewable resources transactions on the sale of land or other First Nation 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 reported on by the Government of Canada.

(i) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2023. No contaminated sites have been identified as at March 31, 2023.

(j) Capital assets

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

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

Amortization is provided for using the straight-line method or declining balance method, as follows:

Buildings	25 years Straight line
Vehicles	30 % Declining balance
Equipment	3-10 years Straight line
Infrastructure	25-40 years Straight line
Band Housing	25 years Straight line
CMHC Housing	25 years Straight line

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

2. Basis of presentation and significant accounting policies, continued

(j) Capital assets, continued

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

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

(k) Asset retirement obligation

Accounting standard PS 3280 *Asset Retirement Obligation*, came into effect for fiscal years beginning after April 1, 2022.

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a capital asset at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related capital asset. The First Nation continues to review the possibility of a liability until it would be settled or otherwise extinguished. Disbursements made to settle the liability would be deducted from the reported liability when/if it is made.

(l) Use of estimates

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

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

2. Basis of presentation and significant accounting policies, continued

(m) Revenue recognition

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

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

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 events have occurred. Interest revenue is recognized on an accrual basis. Insurance proceeds are recognized when measurable, earned and collection is reasonably assured.

(n) Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. The First Nation subsequently measures all financial instruments at cost except for the portfolio investments in equity instruments that are quoted in an active market are measured at fair value. Transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost.

Financial instruments includes cash, restricted cash, accounts receivable, portfolio investments, accounts payable and accrued liabilities.

(o) Internal charges and transfers

The administration office provides services to other program areas. To recognize the cost of these services, some funding agreements allow for a percentage of revenue to be allocated to cover these expenses. At the discretion of the First Nation, a corresponding revenue and expense may be recorded and referred to as "Administration fees."

(p) Segment accounting

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

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

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

3. Cash and cash equivalents

This note is comprised of the following:

Unrestricted cash: Bank accounts used to facilitate day to day normal operations.

Restricted cash: Bank accounts that are restricted to a specific purpose as per the terms of an existing agreement. In some cases, these accounts are controlled by a project manager.

Restricted cash - CMHC: Under the terms of an agreement with Canada Mortgage and Housing Corporation, Muskowekwan First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement Reserve Fund and the Operating Reserve Fund.

Trust funds held by federal government: Revenues generated from land leases and/or head leases of reserve land are held in trust by the federal government for the benefit of the Muskowekwan First Nation.

	2023	2022
Unrestricted cash		
General operations	\$ 509,723	\$ 3,739,943
Education operations	1,082,004	256,712
Health operations	246,793	563,299
CMHC operations	61,024	144,604
Muskowekwan Family Healing & Wellness Centre Inc.	50,643	433,513
Muskowekwan Gaming Inc.	30,441	31,942
Historical site	697,970	-
Term deposits	334,463	250,219
Other	916,618	60,600
	<u>3,929,679</u>	<u>5,480,832</u>
Restricted cash		
Capital projects	6,064,771	1,089,275
TLE Revenue account	1,361	4,089
Muskowekwan Ledcor Trust	4,041	6,306
Specific Claims Settlement Trust - Maurice Law	79,436	-
	<u>6,149,609</u>	<u>1,099,670</u>
Restricted cash - CMHC		
CMHC Replacement Reserve	209,776	207,402
CMHC Operating Reserve	144,805	42,851
	<u>354,581</u>	<u>250,253</u>

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

3. Cash and cash equivalents, continued

Trust funds held by federal government

Capital account	268,806	268,806
Revenue account	52,685	34,418
	<u>321,491</u>	<u>303,224</u>
	<u>\$ 10,598,405</u>	<u>\$ 7,133,979</u>

4. Trust funds held by federal government

The Trust funds held by federal government arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada. The management of these funds are primarily governed by Sections 63 to 69 of the Indian Act.

	2023 Revenue	2023 Capital	2023 Total	2022 Total
Surplus, beginning of year	\$ 34,418	\$ 268,806	\$ 303,224	\$ 291,658
Withdrawals	(61,423)	-	(61,423)	(97,000)
Land leases	69,600	-	69,600	102,106
Interest earnings	10,090	-	10,090	6,460
	<u>\$ 52,685</u>	<u>\$ 268,806</u>	<u>\$ 321,491</u>	<u>\$ 303,224</u>

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

5. Accounts receivable

	2023	2022
Due from members		
Advances	\$ 167,901	\$ 68,700
Rent	412,214	412,214
SIEF loans - employees	916	916
Total due from members	581,031	481,830
Due from others		
Dakota Dunes CDC	412,395	167,604
Muskowekwan Ledcor Trust - Principle account	21,853	21,853
Touchwood Agency Tribal Council	220,278	254,572
CANDO	20,000	443,081
Others	37,400	30,119
Total due from others	711,926	917,229
Due from government and other government organizations		
Indigenous Services Canada (ISC)**	30,222	-
CMHC - subsidy	45,962	45,529
CMHC - special contribution	425,500	-
Indigenous Gaming Regulators Inc.	74,360	128,893
Total due from government and other government organizations	576,044	174,422
	1,869,001	1,573,481
Less: allowance for doubtful accounts	(548,940)	(458,518)
Total accounts receivable	\$ 1,320,061	\$ 1,114,963

** The accounts receivable from Indigenous Services Canada is made up of seven different program areas.

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

6. Due from related parties

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

Amounts due from related parties are unsecured, non-interest bearing and have no fixed repayment schedules.

MFN Land Development Limited Partnership	\$	336,342	\$	319,695
Muskowekwan Gas Bar & Confectionary Ltd.		199,645		199,645
		<u>\$</u>		<u>\$</u>
		535,987		519,340

7. Investment in government business enterprises

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

All of the following entities are 100% owned by the Muskowekwan First Nation:

	Investment, start of year	Prior period opening adjustment	Withdrawals	Share of earnings (loss)	Investment, end of year
Muskowekwan Gas Bar & Confectionary Ltd.	\$ 124,466	\$ (30,853)	\$ -	\$ 9,077	\$ 102,690
Muskowekwan Resources Ltd.	100	-	-	-	100
Muskowekwan Business Development Company II Ltd.	(61,969)	-	-	(14,516)	(76,485)
MFN Land Development Limited Partnership	5,873,258	-	-	82,802	5,956,060
	<u>\$ 5,935,855</u>	<u>\$ (30,853)</u>	<u>\$ -</u>	<u>\$ 77,363</u>	<u>\$ 5,982,365</u>

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

8. Investment in government business enterprises - summary

Muskowekwan Resources Ltd. losses are not recorded under the modified equity basis due to Muskowekwan First Nation not being responsible for the losses or the loans.

	Muskowekwan Gas Bar & Confectionary Ltd.	Muskowekwan Resources Ltd.	Muskowekwan Business Development Company II Ltd.	MFN Land Development LP
Cash and cash equivalents	\$ 100,550	\$ -	\$ -	\$ 45,520
Accounts receivable	81,833	78	-	187,591
Prepaid expenses	5,000	-	-	-
Inventory	81,517	-	-	-
Property, plant & equipment	179,025	-	-	6,150,331
Due from related parties	-	80,355	1,000,132	-
Investments	-	51,252	3,719,327	-
Investment property	-	-	-	10,869,064
Total assets	\$ 447,925	\$ 131,685	\$ 4,719,459	\$ 17,252,506
Bank indebtedness	\$ 27,403	\$ 102	\$ -	\$ -
Accounts payable	78,187	-	-	281,915
Note payable	-	-	-	200,805
Deferred revenue	-	-	4,650,150	-
Due to related parties	199,645	848,041	145,693	336,342
Short-term debt	40,000	-	-	-
Long-term debt	-	10,846,171	-	10,477,382
Total liabilities	345,235	11,694,314	4,795,843	11,296,444
Share capital	1	101	100	-
Equity	102,689	(11,562,730)	(76,484)	5,956,062
Total equity	102,690	(11,562,629)	(76,384)	5,956,062
Total liabilities and equity	\$ 447,925	\$ 131,685	\$ 4,719,459	\$ 17,252,506

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

8. Investment in government business enterprises - summary, continued

	Muskowekwan Gas Bar & Confectionary Ltd.	Muskowekwan Resources Ltd.	Muskowekwan Business Development Company II Ltd.	MFN Land Development LP
Revenue	\$ 3,031,675	\$ -	\$ 12,840	\$ 739,933
Rebates (net of customer)	306,825	-	-	-
Investment income (loss)	-	(145,810)	(14,516)	-
	3,338,500	(145,810)	(1,676)	739,933
Cost of Sales	2,794,943	-	-	-
Expenses	534,480	1,165,704	12,840	657,131
	3,329,423	1,165,704	12,840	657,131
Net income (loss)	\$ 9,077	\$ (1,311,514)	\$ (14,516)	\$ 82,802

MFN Land Development Limited Partnership

MFN Land Development Limited Partnership (the "Partnership") was created to operate the business of investing in, developing, constructing, operating and managing real estate and land, including the First 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 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 funding plus purchases by the 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:

<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>Thereafter</u>	<u>Total</u>
\$84,187	\$90,794	\$97,920	\$105,605	\$113,893	\$9,984,983	\$10,477,382

Muskowekwan First Nation
Notes to Consolidated Financial Statements
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8. Investment in government business enterprises - summary, continued

Muskowekwan Resources Ltd.

Muskowekwan Resources Ltd. ("MRL") was created to participate with Encanto Potash Corp. ("EPC") 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 Métis Fund Inc. (now CIC Asset Management Inc, "CIC"), which bears interest at 12% per annum. At March 31, 2023, the total outstanding including accrued interest is \$10,846,171 (2022 - \$9,684,082). Security for the debenture and accrued unpaid interest includes a specific interest in certain EPC 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. CIC would also receive 40% of any proceeds in excess of that amount. The debenture matured in 2017. CIC 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 CIC. 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 CIC forgives a sufficient amount of the debenture principal and accrued interest.

Commitment

Muskowekwan Business Development Company Ltd. had entered into a head lease with Her Majesty the Queen (now His Majesty the King) 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 with Port Regina Limited Partnership for 98 years for which repayment has been received in the form of partnership units and cash.

9. Portfolio investments

The portfolio investments are recorded at cost as they are not quoted in an active market.

	2023	2022
IMI Brokerage	\$ 12,005	\$ 12,005
KDM Business Development Limited Partnership	100	100
Total	\$ 12,105	\$ 12,105

10. Bank indebtedness

The First Nation has an available overdraft up to \$300,000 which bears interest at Royal Bank of Canada ("RBC") prime rate plus 2.0%. As of March 31, 2023 there was \$94,258 (2022 - \$nil) drawn on the overdraft with RBC plus outstanding cheques and deposits of \$62,697 totaling bank indebtedness of \$156,955.

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

11. Accounts payable

	2023	2022
Due to others		
Trade payables & accrued liabilities	\$ 1,255,148	\$ 1,288,845
4 directions Child & Family Services Inc.	408,256	362,149
Wages payable	47,090	38,808
GST payable	10,033	230
Accrued interest on long-term debt	19,540	5,197
	<u>1,740,067</u>	<u>1,695,229</u>
Due to government and other government organizations		
Indigenous Services Canada (ISC)	-	2,340
Canada Revenue Agency	3,036	21,310
	<u>3,036</u>	<u>23,650</u>
	<u>\$ 1,743,103</u>	<u>\$ 1,718,879</u>

12. Due to related parties

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

Amounts due to related parties are unsecured, non-interest bearing and have no fixed repayment schedules.

	2023	2022
<u>Muskowekwan Business Development Company II Ltd.</u>	<u>\$ 919,882</u>	<u>\$ 932,722</u>

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

13. Deferred revenue - ISC unexpended funds

Indigenous Services Canada (ISC) funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement, the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds - ISC" on the financial statements.

	2023	2022
Water systems	\$ 135,136	\$ 204,852
Waste water systems	21,915	11,804
Sanitation	490,534	490,534
Fire protection	38,679	-
Community building acquisition & construction	-	8,828
Immediate needs	795,491	238,334
Community development - infrastructure plan	25,000	-
Biological treatment plant	5,001,098	1,758,468
Solid waste transfer station	38,447	13,447
SPS flood repairs	275,000	275,000
Road & drainage	116,500	-
Historical site	146,453	-
Economic development - LEDSP	89,789	89,789
Core - education	945,022	989,724
Provincial school targeted HCSE	212,701	38,298
Student support	24,626	-
Elementary & secondary education	33,136	-
Post secondary	93,753	93,753
School assessment	801,034	614,434
Work experience	13,663	41,469
Community navigator	17,048	51,491
EMAP	121,813	144,232
P & ID	76,720	75,401
P & ID - IT	-	13,564
Perimeter security	391,713	498,349
Preparedness & mitigation	-	38,720
SA COVID-19	37,785	54,002
SA service delivery	116,319	-
Employment & training	314,076	248,490
FN representative service (Bill C-92)	185,365	-
Registration & membership	8,572	3,040
Health O&M	-	16,560
Capital investment	28,300	-
Health MT - vans	-	151,500
Health MT - administration	-	3,718
Health CDCM	208,525	208,525
	\$ 10,804,213	\$ 6,376,326

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

14. Long-term debt

	2023	2022
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, matured October 2022, secured by a general security agreement ("GSA").	\$ -	\$ 65,137
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, matured June 2022, secured by a GSA.	-	44,156
Royal Bank of Canada loan payable - 4 Direction Child & Family Services Inc. building: Interest at RBC prime rate plus 1.00% with fixed principal payments of \$9,364 monthly, matures September 2039, secured by the buildings with a net book value of \$2,316,606.	1,847,753	1,960,124
John Deere capital lease payable - Grader: Interest at 4.85% with blended principal and interest payments of \$6,878 semi-annually, matured July 2022, secured by equipment with a net book value of \$13,883.	-	5,914
John Deere capital lease payable - Grader: Interest at 4.95% with blended principal and interest payments of \$6,539 monthly, matures July 2028, secured by equipment with a net book value of \$371,073	363,814	-
John Deere capital lease payable - Backhoe loader : Interest at 4.95% with blended principal and interest payments of \$3,120 monthly, matures April 2028, secured by equipment with a net book value of \$117,236.	165,962	192,274
CIBC - 1910/1920 Surrender Claim Term loan: Bearing interest at prime plus 0.5%, due earlier of receipt of claim settlement or March 2026, secured by an insurance policy with Am Trust Europe Limited. Interest will be capitalized until such time as Claim's total loan facility outstanding is equal or less than the amount of approved drawdown limit. The loan is approved for \$2,988,160 and drawdowns will coincide with settlement expenses incurred	1,033,491	-
CIBC - Treaty 4 Agricultural Benefits Claim Term loan: Bearing interest at prime plus 0.5%, due earlier of receipt of claim settlement or March 2026, secured by an insurance policy with Am Trust Europe Limited. Interest will be capitalized until such time as Claim's total loan facility outstanding is equal or less than the amount of approved drawdown limit. The loan is approved for \$2,241,120 and drawdowns will coincide with settlement expenses incurred	826,853	-

Muskowekwan First Nation
Notes to Consolidated Financial Statements
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14. Long-term debt, continued

	2023	2022
CIBC - Railway Claim Term loan: Bearing interest at prime plus 0.5%, due earlier of receipt of claim settlement or March 2026, secured by an insurance policy with Am Trust Europe Limited. Interest will be capitalized until such time as Claim's total loan facility outstanding is equal or less than the amount of approved drawdown limit. The loan is approved for \$2,988,160 and drawdowns will coincide with settlement expenses incurred	743,880	-
CIBC - Mismanagement of Trust Claim Term loan: Bearing interest at prime plus 0.5%, due earlier of receipt of claim settlement or March 2026, secured by an insurance policy with Am Trust Europe Limited. Interest will be capitalized until such time as Claim's total loan facility outstanding is equal or less than the amount of approved drawdown limit. The loan is approved for \$2,241,120 and drawdowns will coincide with settlement expenses incurred	788,682	-
	5,770,435	2,267,605
Less: current portion	204,911	246,204
	\$ 5,565,524	\$ 2,021,401

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

2024	\$ 204,911
2025	209,445
2026	3,607,107
2027	219,190
2028	224,423
2029 and thereafter	1,305,359
	\$ 5,770,435

	2023	2022
Interest expense for the year on long-term debt	\$ 138,389	\$ 73,066

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

15. CMHC mortgages

	Phase number	Renewal date	Interest rate	Monthly payment	2023	2022
CMHC	14	5/1/2024	0.67	\$ 662	\$ 9,224	\$ 17,073
CMHC	15	6/1/2026	2.01	1,118	42,162	54,592
CMHC	16	4/1/2027	2.27	807	37,741	46,481
CMHC	17	7/1/2023	2.35	1,381	79,380	93,915
CMHC	18	9/1/2025	0.70	993	69,071	80,466
CMHC	19	3/1/2025	0.65	318	7,592	11,351
CMHC	20	12/1/2026	1.57	7,363	321,573	404,189
CMHC	21	3/1/2024	2.14	7,514	859,677	930,702
CMHC	22	1/1/2026	0.79	7,053	917,308	994,383
CMHC	23	7/1/2027	3.75	2,521	335,677	354,228
CMHC	24	1/1/2025	2.06	5,038	634,883	681,787
CMHC	25	4/1/2025	0.98	2,511	343,311	369,948
CMHC	26	1/1/2026	0.79	8,043	1,177,617	1,264,475
CMHC - advance	27			-	286,704	286,704

	5,121,920	5,590,294
Less: current portion	470,688	467,286

Total	\$ 4,651,232	\$ 5,123,008
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Principle portion of CMHC mortgages due within the next five years:

2024	470,688
2025	471,104
2026	473,037
2027	450,996
2028	376,807
2029 and thereafter	2,879,288

	5,121,920
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	2023	2022
Interest expense for the year on CMHC mortgages	88,369	73,387

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

16. Capital assets

Capital assets includes equipment under capital lease with a gross cost of \$659,236 (2022 - \$195,394), and accumulated amortization of \$170,926 (2022 - \$39,078).

	Cost			Accumulated amortization			2023 net book value
	Balance, beginning of year	Additions	Transfer of AUC	Balance, end of year	Balance, beginning of year	Amortization on disposals	
Land	\$ 8,224,326	\$ -	\$ -	\$ 8,224,326	\$ -	\$ -	\$ 8,224,326
Buildings	14,677,108	-	3,289,214	17,966,322	10,443,177	639,403	6,883,742
Vehicles	462,530	119,000	-	581,530	298,162	65,630	217,738
Equipment	3,226,789	980,158	-	4,206,947	2,493,697	370,018	1,343,232
Infrastructure	5,525,291	69,116	-	5,594,407	1,766,321	173,721	3,654,365
Band Housing	6,366,154	-	-	6,366,154	5,369,608	65,661	930,885
CMHC Housing	18,302,202	176,626	-	18,478,828	10,860,916	619,489	6,998,423
Assets Under Construction	4,519,275	1,215,527	(3,289,214)	2,445,588	-	-	2,445,588
	\$ 61,303,675	\$ 2,560,427	\$ -	\$ 63,864,102	\$ 31,231,881	\$ 1,933,922	\$ 30,698,299

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

16. Capital assets, continued

	Cost			Accumulated amortization			2022 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization on disposals	
Land	\$ 8,224,326	\$ -	\$ -	\$ 8,224,326	\$ -	\$ -	\$ 8,224,326
Buildings	12,263,977	2,413,131	-	14,677,108	9,914,998	528,179	4,233,931
Vehicles	438,530	24,000	-	462,530	230,289	67,873	164,368
Equipment	2,984,316	397,615	(155,142)	3,226,789	2,467,759	181,080	733,092
Infrastructure	5,525,291	-	-	5,525,291	1,594,329	171,992	3,758,970
Band Housing	6,366,154	-	-	6,366,154	5,303,947	65,661	996,546
CMHC Housing	18,044,168	258,034	-	18,302,202	10,243,804	617,112	7,441,286
Assets Under Construction	1,942,455	2,576,820	-	4,519,275	-	-	4,519,275
	\$ 55,789,217	\$ 5,669,600	\$ (155,142)	\$ 61,303,675	\$ 29,755,126	\$ 1,631,897	\$ 31,231,881
							\$ 30,071,794

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

17. Prepaid expenses

	2023	2022
Legal retainer	\$ 13,158	\$ 13,982
Insurance deposit	-	50,086
	<u>\$ 13,158</u>	<u>\$ 64,068</u>

18. Inventory

	2023	2022
Bingo supplies	\$ 7,120	\$ 4,412

19. Accumulated surplus

	2023	2022
<u>Restricted</u>		
Capital assets	\$ 23,198,849	\$ 22,258,050
Investments in government business enterprises	5,982,365	5,935,855
Portfolio investments	12,105	12,105
Trust funds held by federal government	321,491	303,224
CMHC reserves	1,413,932	1,052,672
	<u>30,928,742</u>	<u>29,561,906</u>
<u>Unrestricted</u>		
Operating deficit	(6,120,796)	(1,591,217)
	<u>\$ 24,807,946</u>	<u>\$ 27,970,689</u>

Capital assets represent the net book value of capital assets less the balance of any long-term debt that was taken out to acquire the capital assets that will be used to provide future services.

Investments in government business enterprises represent amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

Portfolio investments represent other commercial business operations owned by the First Nation.

CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

Trust funds held by federal government are monies held by the federal government for use by the First Nation for specific purposes.

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

20. ISC contributions

	2023	2022
ISC revenue per funding confirmation	\$ 18,476,891	\$ 16,388,820
Prior period revenue (recovery)		
Institutional care	-	(677)
Current year receivable (payable)		
Medical Transportation	-	(2,340)
	<u>\$ 18,476,891</u>	<u>\$ 16,385,803</u>

21. CMHC reserves and restricted cash

It is a requirement of the CMHC operating agreement that operating and replacement reserves be established and monies be set aside in separate bank accounts. On March 31, 2023, the replacement reserve was underfunded by \$1,125,077 (2022 - underfunded by \$635,548) and the operating reserve was fully funded (2022 - underfunded by \$166,872).

22. Purchase of buildings and land from 4 Directions Child and Family Services Inc.

On May 3, 2021, the First Nation entered a Purchase and Sale Agreement with 4 Directions Child and Family Services Inc. to purchase buildings with a total purchase price of \$2,413,131. A Mortgage Assumption Agreement was entered into by the First Nation, 4 Directions Child and Family Services Inc. and Royal Bank of Canada on June 15, 2021.

As of March 31, 2023, the transaction is not finalized; however, the First Nation has gained control of the buildings and started paying the mortgage in June of 2021.

23. Related party transactions

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties. Due from (to) amounts are unsecured, non-interest bearing and have no fixed repayment schedules.

24. Economic dependence

The First Nation receives a substantial amount of its funding from Indigenous Services Canada ("ISC"). The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments.

25. Employee benefit obligations

Vacation and overtime

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

Post-employment benefits

Muskowekwan First Nation does not provide extended health, dental and life insurance benefits to retired employees; therefore, the First Nation has no obligations with regards to post employment benefits.

Pension plan

Muskowekwan First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute between 5-6% of their basic salary; Muskowekwan First Nation contributes a matching portion which is directed to the member's contribution account. Muskowekwan First Nation does not have any other obligations with regards to the pension plan as at March 31, 2023.

26. 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. The loan was used for research, development and negotiation of its claim related to the alleged mismanagement of the Touchwood Agency Funds from 1920 to 1924. The loan is interest free and repayable on the earlier of March 31, 2010 or the date on which the claim is settled. There are provisions in the loan agreement with Indigenous Services Canada to have the repayment period extended. The five Nations who are the 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 loan, it will be recorded in the period the liability is determinable. As of March 31, 2023, the Government of Canada has not requested the 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

In a previous 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, 2023 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, they would be expected to be covered by the insurance policy. The five First 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.

27. Financial instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed:

Credit concentration and risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. As at March 31, 2023, receivables from funding agencies accounted for 83% of the outstanding accounts receivable balance.

Risk management

The First Nation manages its credit risk by performing regular assessments and providing allowances for potentially uncollectible accounts receivable.

Fair Value of Financial Instruments

The carrying amount of cash, accounts receivable and trade payables and accruals approximate their fair value due to their short-term nature.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages its exposure to interest rate risk through normal operating and financing activities. The First Nation is exposed to interest rate risk with respect to its lines of credit, which are subject to variable interest rates ranging from 7.70% - 8.70%, and the First Nation's long-term debt (which includes CMHC mortgages), with fixed rates ranging from 0.67% - 4.95%. The First Nation has the option to renegotiate these loans at their maturity dates. The CMHC mortgages will be renewed at the rates set by CMHC at their renewal date.

Liquidity Risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The First Nation enters into transactions to purchase goods and services on credit, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the First Nation's future net cash flows for the possibility of negative net cash flow. The First Nation manages the liquidity risk resulting from its accounts payables and accrued liabilities by monitoring its cash and maintaining liquid assets.

28. Asset retirement obligation

The First Nation has considered its obligations under the new standard and determined that the most likely assets that would fall under the standard include buildings that may contain asbestos and a landfill site. Management has determined that they do not have any buildings that may contain asbestos. There is a landfill site that may need to be decommissioned at some point in the future, the date of which is unknown. An accurate estimate of the cost to decommission the landfill site, if any, is not available and it is unknown if this cost will be the responsibility of the First Nation or ISC. Therefore, the criteria as per PS 3280 (Policy 2(k)) has not been met to recognize an Asset Retirement Obligation and therefore, hasn't been recorded in these financial statements.

29. Budgeted figures

Budgeted figures are unaudited and have been provided for comparison purposes and derived from the estimates approved by Muskowekwan First Nation.

30. Comparative figures

Comparative figures have been reclassified, where applicable, to conform to current year's presentation.

Muskowekwan First Nation
Notes to Consolidated Financial Statements
March 31, 2023

31. Expenses by object

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Administration	\$ 149,911	\$ 94,756	\$ 204,513
Advertising	-	15,319	542
Amortization	-	1,933,922	1,631,895
Assistance - social development	1,199,224	2,290,026	1,433,015
Bad debts	-	90,423	46,304
Bank charges and interest	17,911	43,938	25,336
COGS - Gaming	1,600,000	857,299	438,123
Community support	381,030	1,696,729	1,187,130
Consultants and contractors	903,625	4,177,915	1,239,607
Cultural	63,980	211,604	309,927
Flow-through to Touchwood Post Sec Program Inc.	624,432	863,222	853,574
Funerals	51,000	113,493	87,747
Honorariums	436,000	534,501	412,220
Insurance	339,727	2,037,382	420,465
Interest on long-term debt	10,000	138,389	73,066
Interest on long-term debt - CMHC mortgages	-	88,369	73,387
Miscellaneous expenses	-	4,772	-
Office equipment and rentals	57,945	81,982	33,270
Office supplies	87,937	138,015	98,768
Pandemic expenses	85,802	347,829	1,063,751
Post secondary expenses	-	8,333	18,167
Professional development	126,000	520,489	87,718
Professional fees	81,715	255,709	218,622
Program expense	2,328	5,146	2,531
Program supplies	-	20,803	-
Project startup costs	-	92,970	105,059
Property tax	60,000	69,562	75,590
Rent	28,800	22,000	4,801
Repairs and maintenance	848,748	1,198,932	916,719
Residential school commemoration	-	-	23,655
School supplies and expenses	250,600	1,010,094	642,449
Telephone	86,388	112,095	90,943
Training	40,000	102,506	30,603
Travel, meetings and per diems	255,867	1,263,486	471,419
Tuition	960,709	774,897	818,153
Utilities	141,772	248,382	240,490
Vehicles - operations and maintenance	155,826	257,296	165,822
Wages and benefits	3,530,686	3,954,024	3,537,456
Youth and elder activities	158,013	1,173,450	302,719
Capital asset additions	214,000	2,560,428	5,653,100
Capital asset moved to balance sheet	-	(2,560,428)	(5,669,600)
	\$ 12,949,976	\$ 26,850,059	\$ 17,369,056

32. Segmented information

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

Treaties and Indigenous Government:

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

Community Infrastructure:

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

Economic Development:

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

Education:

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

Indigenous Government Support:

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

32. Segmented information, continued

Land Management:

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

Social Development:

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

Registration and Membership:

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

Health Services:

Reports on costs associated with the development of safe and healthy communities.

Canada Mortgage and Housing Corporation (CMHC):

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

Other Band Programs:

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

Muskowekwan Gaming Inc.:

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

Muskowekwan Family Healing & Wellness Centre Inc.:

Muskowekwan Family Healing & Wellness Centre Inc. reports on the operations of the Centre which is being created to assist members in healing from past traumas.

Inter-segment transfers are recorded at their exchange amount. 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.

Schedule #1
Muskowekwan First Nation
Treaties and Indigenous Government
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ -	\$ -	\$ 32,000
Prior period reimbursements	-	-	352,149
Unexpended funds - prior year	-	-	67,642
	-	-	451,791
Expenses			
Administration	-	2,970	4,746
Bank charges and interest	-	11,000	-
Community support	-	350	-
Consultants and contractors	-	1,722,768	80,295
Cultural	-	-	1,250
Insurance	-	1,590,235	-
Office supplies	-	140	-
Travel, meetings and per diems	-	57,872	60,595
Youth and elder activities	-	5,950	-
	-	3,391,285	146,886
Current surplus (deficit)	\$ -	\$ (3,391,285)	\$ 304,905

The accompanying notes are an integral part of the financial statements

Schedule #2
Muskowekwan First Nation
Community Infrastructure
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 1,260,835	\$ 1,242,015	\$ 1,156,235
Indigenous Services Canada - flexible	203,494	5,346,890	2,932,702
Touchwood Agency Tribal Council (TATC)	-	171,142	-
Insurance proceeds	-	348,930	-
Rental income & user fees	86,000	136,031	90,025
Other revenue	30,000	761,838	1,766
Unexpended funds - prior year	-	3,001,267	455,045
Unexpended funds - current year	-	(7,084,253)	(3,001,267)
	1,580,329	3,923,860	1,634,506
Expenses			
Administration	77,300	114,663	(58,642)
Advertising	-	83	-
Bank charges and interest	5,750	3,280	2,877
Consultants and contractors	288,800	1,074,767	233,202
Cultural	-	15,745	-
Community support	-	64,363	-
Honorariums	-	9,291	-
Insurance	-	197,158	1,351
Long term debt - principle & interest payments	-	86,633	-
Long term debt - principle repayment	-	(66,340)	-
Office equipment and rentals	19,600	18,671	-
Office supplies	34,120	17,750	11,470
Pandemic expenses	-	1,101	5,211
Professional development	40,000	8,450	150
Professional fees	11,725	-	-
Repairs and maintenance	713,100	617,765	472,358
Telephone	14,000	7,448	2,496
Travel, meetings and per diems	71,600	144,040	51,204
Utilities	66,500	91,629	63,671
Youth and elder activities	-	10,150	-
Vehicles - operations and maintenance	93,800	157,535	84,702
Wages and benefits	284,930	220,379	237,722
Capital asset additions	214,000	1,337,028	544,407
Capital asset moved to balance sheet	-	(1,337,028)	(544,407)
	1,935,225	2,794,561	1,107,772
Current surplus (deficit)	\$ (354,896)	\$ 1,129,299	\$ 526,734

The accompanying notes are an integral part of the financial statements

Schedule #3
Muskowekwan First Nation
Economic Development
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ -	\$ -	\$ 133,289
Touchwood Agency Tribal Council (TATC)	-	60,000	60,000
Other revenue	-	12,840	12,840
Unexpended funds - prior year	-	89,789	-
Unexpended funds - current year	-	(89,789)	(89,789)
	-	72,840	116,340
Expenses			
Administration	-	1,575	20,217
Community support	-	-	9,000
Consultants and contractors	-	209,497	72,092
Professional fees	-	11,025	-
Travel, meetings and per diems	-	13,957	7,330
	-	236,054	108,639
Current surplus (deficit)	\$ -	\$ (163,214)	\$ 7,701

The accompanying notes are an integral part of the financial statements

Schedule #4
Muskowekwan First Nation
Education
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 3,487,462	\$ 5,317,100	\$ 5,519,066
Indigenous Services Canada - flexible	-	575,609	693,827
Touchwood Agency Tribal Council (TATC)	167,000	328,625	315,501
Touchwood Child & Family Services Inc. (TCFS)	-	32,639	53,958
Dakota Dunes CDC	-	45,000	-
Other revenue	70,500	440,688	120,721
Unexpended funds - prior year	-	1,736,209	122,121
Unexpended funds - current year	-	(2,110,272)	(1,736,209)
	3,724,962	6,365,598	5,088,985
Expenses			
Bank charges and interest	4,500	4,100	4,333
Consultants and contractors	150,000	391,242	333,108
Flow-through to Touchwood Post Sec Program Inc.	624,432	863,222	853,574
Insurance	4,212	5,817	4,213
Office equipment and rentals	22,000	21,912	22,723
Pandemic expenses	-	-	18,955
Post secondary expenses	-	8,333	18,167
Professional development	20,000	201,324	45,750
Professional fees	11,000	5,401	11,000
Repairs and maintenance	30,000	188,286	90,326
School supplies and expenses	250,600	1,010,094	642,447
Telephone	6,500	3,504	6,921
Travel, meetings and per diems	30,000	118,906	32,090
Tuition	960,709	774,897	818,153
Utilities	40,000	49,001	36,833
Vehicles - operations and maintenance	15,000	9,941	5,030
Wages and benefits	2,180,364	2,241,554	1,966,369
Capital asset additions	-	431,009	39,522
Capital asset moved to balance sheet	-	(431,009)	(39,522)
	4,349,317	5,897,534	4,909,992
Current surplus (deficit)	\$ (624,355)	\$ 468,064	\$ 178,993

The accompanying notes are an integral part of the financial statements

Schedule #5
Muskowekwan First Nation
Indigenous Government Support
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - grant	\$ 522,492	\$ 523,682	\$ 483,030
Indigenous Services Canada - fixed	-	-	530,582
Indigenous Services Canada - flexible	-	267,308	948,241
Investment income (dividends)	-	48,229	131,341
Gain in government business enterprises	77,600	46,510	383,469
Other revenue	100	105,860	123,985
Unexpended funds - prior year	-	863,226	845,289
Unexpended funds - current year	-	(620,957)	(863,226)
	600,192	1,233,858	2,582,711
Expenses			
Administration	-	(135,961)	93,776
Advertising	-	2,641	-
Bad debts	-	-	46,304
Bank charges and interest	-	20,063	7,896
Community support	-	13,339	10,196
Consultants and contractors	-	108,704	215,802
Cultural	-	15,350	1,336
Honorariums	406,000	478,450	355,968
Insurance	300,000	22,525	241,300
Interest on long-term debt	-	-	10,718
Office equipment and rentals	-	2,949	2,101
Office supplies	-	31,457	30,998
Pandemic expenses	-	320,472	935,492
Professional development	30,000	62,587	26,999
Professional fees	-	171,169	187,063
Repairs and maintenance	-	21,105	3,347
Telephone	-	19,692	19,117
Travel, meetings and per diems	62,500	307,784	138,589
Utilities	-	8,764	91,682
Vehicles - operations and maintenance	-	1,346	856
Wages and benefits	412,200	475,436	517,644
Youth and elder activities	-	5,836	8,776
Capital asset additions	-	3,705	1,904
Capital asset moved to balance sheet	-	(3,705)	(1,904)
	1,210,700	1,953,708	2,945,960
Current deficit before transfers	(610,508)	(719,850)	(363,249)
Transfers			
Transfer - Other Band Programs	-	61,423	97,000
Current deficit	\$ (610,508)	\$ (658,427)	\$ (266,249)

The accompanying notes are an integral part of the financial statements

Schedule #6
Muskowekwan First Nation
Land Management
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 151,925	\$ 151,925	\$ 151,925
Land lease revenue	246,130	267,104	252,977
Rental income & user fees	-	-	177
Interest income	16,000	18,163	23,367
Other revenue	95,000	64,900	5,000
	509,055	502,092	433,446
Expenses			
Administration	2,000	2,500	23,911
Bank charges and interest	2,220	1,190	1,799
Community support	73,700	403,296	252,550
Consultants and contractors	67,500	92,600	67,950
Honorariums	30,000	46,610	56,251
Insurance	-	769	-
Office supplies	4,700	8,366	10,143
Professional development	18,000	13,115	14,588
Professional fees	13,600	6,900	6,110
Property tax	60,000	69,562	75,590
Rent	24,000	22,000	-
Repairs and maintenance	22,250	29,719	11,059
Telephone	5,700	5,644	8,447
Travel, meetings and per diems	31,608	91,548	62,203
Utilities	6,000	2,366	10,029
Vehicles - operations and maintenance	-	3,864	2,777
Wages and benefits	110,900	120,831	128,757
Capital asset additions	-	-	13,030
Capital asset moved to balance sheet	-	-	(29,530)
	472,178	920,880	715,664
Current surplus (deficit)	\$ 36,877	\$ (418,788)	\$ (282,218)

The accompanying notes are an integral part of the financial statements

Schedule #7
Muskowekwan First Nation
Social Development
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ 142,963	\$ 490,712	\$ 154,314
Indigenous Services Canada - set	16,434	47,163	47,163
Indigenous Services Canada - flexible	1,632,293	3,302,152	2,003,694
ISC - current year receivable (payable)	-	-	(677)
Other revenue	18,000	2,641	-
Unexpended funds - prior year	-	302,493	109,565
Unexpended funds - current year	-	(653,545)	(302,493)
	1,809,690	3,491,616	2,011,566
Expenses			
Administration	12,000	-	-
Assistance - social development	1,199,224	2,290,026	1,433,015
Bad debts	-	90,423	-
Bank charges and interest	1,200	-	-
Community support	18,000	183,850	125
Consultants and contractors	124,700	138,425	10,640
Cultural	-	161,903	-
Office equipment and rentals	6,000	-	-
Office supplies	2,833	4,600	1,909
Pandemic expenses	30,000	16,854	13,975
Professional development	18,000	11,829	80
Professional fees	12,390	30,000	-
Telephone	3,500	2,800	2,700
Training	40,000	102,506	30,603
Travel, meetings and per diems	21,300	158,072	36,092
Vehicles - operations and maintenance	500	268	392
Wages and benefits	121,866	149,054	116,897
Youth and elder activities	-	356,431	-
	1,611,513	3,697,041	1,646,428
Current surplus (deficit)	\$ 198,177	\$ (205,425)	\$ 365,138

The accompanying notes are an integral part of the financial statements

Schedule #8
Muskowekwan First Nation
Registration and Membership
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - fixed	\$ -	\$ 14,619	\$ 14,619
Unexpended funds - prior year	-	3,040	-
Unexpended funds - current year	-	(8,572)	(3,040)
	-	9,087	11,579
Expenses			
Consultants and contractors	-	7,488	10,775
Office supplies	-	267	617
Travel, meetings and per diems	-	1,332	137
Vehicles - operations and maintenance	-	-	50
	-	9,087	11,579
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #9
Muskowekwan First Nation
Health Services
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - block	\$ 653,516	\$ 697,071	\$ 733,946
Indigenous Services Canada - fixed	100,000	12,960	19,570
Indigenous Services Canada - set	243,602	232,210	226,710
Indigenous Services Canada - flexible	231,407	130,475	182,907
ISC - current year receivable (payable)	-	-	(2,340)
Touchwood Agency Tribal Council (TATC)	205,456	555,493	366,505
Touchwood Child & Family Services Inc. (TCFS)	-	384,640	-
Nature Smart Climate Solutions Fund (NSCSF)	-	465,895	-
Other revenue	63,639	230,987	162,518
Unexpended funds - prior year	-	380,303	208,525
Unexpended funds - current year	-	(236,825)	(380,303)
	1,497,620	2,853,209	1,518,038
Expenses			
Administration	38,611	37,116	43,922
Advertising	-	12,595	-
Bank charges and interest	1,241	2,023	1,411
Community support	187,830	782,212	249,343
Consultants and contractors	147,625	269,155	152,090
Cultural	13,980	18,606	32,680
Funerals	1,000	-	1,000
Honorariums	-	150	-
Insurance	35,515	15,985	20,752
Office equipment and rentals	8,345	5,278	8,447
Office supplies	31,484	49,582	32,935
Pandemic expenses	55,802	9,402	90,118
Professional development	-	159,496	152
Program expense	2,328	5,146	2,532
Rent	4,800	-	4,800
Repairs and maintenance	39,898	75,160	30,827
Telephone	33,188	29,748	33,554
Travel, meetings and per diems	38,859	243,390	39,698
Utilities	9,272	45,465	10,340
Vehicles - operations and maintenance	43,326	83,637	72,015
Wages and benefits	420,426	537,444	437,910
Youth and elder activities	32,513	395,444	28,426
Capital asset additions	-	65,999	64,621
Capital asset moved to balance sheet	-	(65,999)	(64,621)
	1,146,043	2,777,034	1,292,952
Current surplus	\$ 351,577	\$ 76,175	\$ 225,086

The accompanying notes are an integral part of the financial statements

Schedule #10
Muskowekwan First Nation
CMHC Housing
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
CMHC - subsidies	\$ -	\$ 976,895	\$ 545,730
Rental income & user fees	-	289,797	329,106
Other revenue	-	139,537	18,848
	-	1,406,229	893,684
Expenses			
Administration	-	71,893	76,583
Insurance	-	166,615	138,675
Interest on long-term debt - CMHC mortgages	-	88,369	73,387
Professional fees	-	14,900	4,725
Repairs and maintenance	-	226,102	273,257
Utilities	-	4,301	-
Capital asset additions	-	176,625	258,034
Capital asset moved to balance sheet	-	(176,625)	(258,034)
	-	572,180	566,627
Current surplus	\$ -	\$ 834,049	\$ 327,057

The accompanying notes are an integral part of the financial statements

Schedule #11
Muskowekwan First Nation
Other Band Programs
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Trust funds held by federal government	\$ -	\$ 79,690	\$ 108,566
Touchwood Agency Tribal Council (TATC)	50,000	26,540	112,288
Touchwood Child & Family Services Inc. (TCFS)	-	238,216	571,053
First Nation Trust funds (FNT)	400,000	735,735	325,516
Dakota Dunes CDC	50,000	292,792	86,795
Rental income & user fees	-	10,052	26,557
Other revenue	677,400	794,078	346,780
	1,177,400	2,177,103	1,577,555
Expenses			
Administration - CMHC program	20,000	-	-
Bank charges and interest	3,000	-	-
Community support	101,500	108,738	548,998
Consultants and contractors	125,000	108,270	63,654
Cultural	50,000	-	274,661
Funerals	50,000	113,493	86,747
Interest on long-term debt	10,000	118,095	62,349
Office equipment and rentals	2,000	33,172	-
Office supplies	14,800	4,591	-
Professional development	-	29,580	-
Professional fees	33,000	-	-
Repairs and maintenance	43,500	25,088	9,636
Telephone	23,500	3,225	-
Travel, meetings and per diems	-	56,343	7,686
Utilities	20,000	-	1,843
Vehicles - operations and maintenance	3,200	705	-
Wages and benefits	-	4,500	-
Youth and elder activities	125,500	399,637	265,517
Capital asset additions	-	59,000	2,413,131
Capital asset moved to balance sheet	-	(59,000)	(2,413,131)
	625,000	1,005,437	1,321,091
Current surplus before transfers	552,400	1,171,666	256,464
Transfers			
Transfer - Indigenous Government Support	-	(61,423)	(97,000)
Current surplus	\$ 552,400	\$ 1,110,243	\$ 159,464

The accompanying notes are an integral part of the financial statements

Schedule #12
Muskowekwan First Nation
Muskowekwan Gaming Inc.
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Gaming revenue	\$ 1,600,000	\$ 1,063,797	\$ 596,430
Indigenous Gaming Regulators	-	35,145	28,676
Rental income & user fees	-	60,702	62,277
Other revenue	-	22,458	2,343
	1,600,000	1,182,102	689,726
Expenses			
Advertising	-	-	542
Bank charges and interest	-	2,045	1,462
COGS - Gaming	1,600,000	857,299	438,123
Community support	-	140,580	116,918
Insurance	-	15,641	14,174
Office supplies	-	12,524	10,699
Professional fees	-	15,504	9,724
Professional development	-	34,108	-
Repairs and maintenance	-	15,707	25,909
Telephone	-	4,486	4,952
Travel, meetings and per diems	-	52,097	35,793
Utilities	-	35,835	26,091
Wages and benefits	-	118,772	132,157
	1,600,000	1,304,598	816,544
Current deficit	\$ -	\$ (122,496)	\$ (126,818)

The accompanying notes are an integral part of the financial statements

Schedule #13
Muskowekwan First Nation
Muskowekwan Family Healing & Wellness Centre Inc.
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada - block	\$ -	\$ 125,000	\$ 425,000
CANDO revenue	-	-	2,155,552
Western Economic Diversification Canada	-	164,721	333,333
Touchwood Agency Tribal Council (TATC)	-	20,000	-
Other revenue	-	160,000	300,000
	-	469,721	3,213,885
Expenses			
Consultants and contractors	-	55,000	-
Bank charges and interest	-	235	5,558
Insurance	-	22,637	-
Miscellaneous expenses	-	4,772	-
Office supplies	-	8,738	-
Professional fees	-	811	-
Program supplies	-	20,803	-
Project startup costs	-	92,970	105,059
Residential school commemoration	-	-	23,655
Telephone	-	35,548	12,755
Travel, meetings and per diems	-	18,145	-
Utilities	-	11,020	-
Wages and benefits	-	86,056	-
Capital asset additions	-	487,062	2,318,451
Capital asset moved to balance sheet	-	(487,062)	(2,318,451)
	-	356,735	147,027
Current surplus	\$ -	\$ 112,986	\$ 3,066,858

The accompanying notes are an integral part of the financial statements

Schedule #14
Muskowekwan First Nation
Amortization
Schedule of Operations
For the year ended March 31, 2023

	2023 Budget (unaudited)	2023 Actual	2022 Actual
Revenue	\$ -	\$ -	\$ -
Expenses			
Community Infrastructure	-	558,988	476,738
Economic Development	-	137,322	137,322
Education	-	372,148	287,657
Health Services	-	101,532	113,068
CMHC Housing	-	619,488	617,110
Muskowekwan Family Healing & Wellness Centre Inc.	-	144,444	-
	-	1,933,922	1,631,895
Current deficit	\$ -	\$ (1,933,922)	\$ (1,631,895)

The accompanying notes are an integral part of the financial statements