

# **Flying Dust First Nation**

**Consolidated Financial Statements**

**March 31, 2018**

## **Flying Dust First Nation**

### Management's Responsibility for Financial Reporting

March 31, 2018

The financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and the reporting requirements of the funding agreement with Indigenous and Northern Affairs Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgements. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the presentation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and review the financial statements and the external auditors' report.

McClelland Debusschere CPA PC Inc., an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

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Signature on file

Flying Dust First Nation

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October 05, 2018

Date



## **Independent Auditor's Report**

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To the Members of  
Flying Dust First Nation

We have audited the accompanying consolidated financial statements of Flying Dust First Nation, which comprise the Statement of financial position as at March 31, 2018 and the consolidated statements of operations, re-measurement gains and losses, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the consolidated Financial Statements*

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

### *Auditors' Responsibility*

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

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

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

### *Opinion*

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

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

### *Other Matter*

The financial statements of Flying Dust First Nation for the year ended March 31, 2017 were audited by another practitioner who expressed an unqualified opinion on those financial statements on September 8, 2017.

*McClelland Debusschere  
CPA PC INC*

Chartered Professional Accountants

Saskatoon, SK  
October 05, 2018

# Flying Dust First Nation

## Consolidated Statement of Financial Position

March 31, 2018

	2018	2017
<b>Financial Assets</b>		
Cash	\$ -	\$ 1,155,150
Restricted deposits (Note 2)	10,322,675	1,868,457
Marketable securities (Note 3)	427,273	549,350
Accounts receivable (Note 4)	1,077,849	386,669
Inventory (Note 5)	19,625	-
Unrestricted term deposits (Note 6)	51,604	570,901
Trust funds held by Federal Government (Note 7)	372,449	339,829
Advances Receivable (Note 8)	873,213	854,578
Investments (Note 9)	2,850,491	3,403,647
Limited Partnership Interests (Note 10)	6,178,608	5,491,988
<b>Total financial assets</b>	<b>22,173,787</b>	<b>14,620,569</b>
<b>Liabilities</b>		
Bank indebtedness	925,949	-
Accounts payable and accrued liabilities (Note 11)	1,082,486	1,405,847
Bank loan (Note 12)	285,316	227,115
Funding Loan (Note 13)	264,526	124,958
Long term debt (Note 14)	5,471,132	4,814,241
Advances payable (Note 15)	3,979,407	2,944,957
Unexpended Revenue (Note 16)	10,380,518	3,160,576
CMHC Reserves (Note 17)	585,506	582,488
<b>Total financial liabilities</b>	<b>22,974,840</b>	<b>13,260,182</b>
<b>Net Financial Assets (Debt)</b>	<b>(801,053)</b>	<b>1,360,387</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 18)	20,328,389	17,027,672
Prepaid expenses	15,990	28,020
<b>Total non-financial assets</b>	<b>20,344,379</b>	<b>17,055,692</b>
<b>Accumulated Surplus</b>	<b>\$ 19,543,326</b>	<b>\$ 18,416,079</b>

Approved on behalf of the Flying Dust First Nation:

Signature on file \_\_\_\_\_,

Signature on file \_\_\_\_\_

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

# Flying Dust First Nation

## Consolidated Statement of Operations For the Year Ended March 31, 2018

	2018		
	Budget	2018	2017
<b>Revenue</b>			
<b>Grants and Contributions</b>			
AANDC - Block contribution	\$ 5,030,200	\$ 5,346,122	\$ 5,220,637
AANDC - Fixed contribution	884,879	1,067,047	626,197
AANDC - Set contribution	64,874	125,359	1,976,949
AANDC - Flexible contribution	4,459,523	7,677,121	2,361,519
Meadow Lake Tribal Council	1,772,938	1,770,080	1,762,325
First Nations Trust - Gaming	-	467,450	460,826
Northern Lights Community Development	-	116,656	112,809
Canadian National Railway	-	-	583,200
Canada Mortgage and Housing Corporation	-	497,065	319,124
Health Canada	40,000	33,307	38,085
FSIN Taxation Commission	5,000	-	7,250
Government of Saskatchewan	12,752	13,559	7,981
Saskatchewan Lotteries	4,845	5,033	4,958
Province of Saskatchewan - Rebates	-	2,311,214	2,158,641
Earnings from Limited Partnership	-	686,619	1,382,465
Fuel Station earnings rebate	-	178,000	312,025
Bingo Proceeds	-	77,772	99,036
Northwest School Division	-	1,688,696	-
Tuition Billings	407,625	406,677	396,817
Other Revenue	247,977	432,401	274,740
Interest	500	20,276	13,936
Rental income	149,000	325,207	297,914
Expense Recoveries	227,221	164,208	211,713
Earnings Distributions	1,650	2,558	251,632
Earnings (loss) from government business enterprise	-	294,578	-
Administration Fee	110,476	212,098	250,014
Management Fee	-	25,000	25,000
Trust income	-	250,704	272,670
Gains on sale of capital assets	-	70,000	11,000
TLE Revenue Fund - Revenue allocation	-	35,409	41,447
Unexpended Revenue - Prior Year	82,853	3,160,575	1,590,388
Unexpended Revenue - Current Year	-	(10,380,517)	(3,160,576)
	<b>13,502,313</b>	<b>17,080,274</b>	<b>17,910,722</b>

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

# Flying Dust First Nation

## Consolidated Statement of Operations

For the Year Ended March 31, 2018

	2018		
	Budget	2018	2017
<b>Expenses</b>			
Lands	650,612	515,817	2,382,179
Reserves	7,100	9,583	10,505
Education	2,907,698	3,283,234	3,235,898
Social Services	456,973	1,334,257	1,530,602
Infrastructure	1,101,194	1,076,124	873,183
Capital	247,719	42,408	826,204
Band Support	990,703	1,162,665	1,105,306
Health	1,284,572	1,201,874	1,290,200
Economic	757,186	1,210,919	681,523
Other Programs	1,048,711	3,443,542	3,267,975
Unappropriated Programs	-	1,697,983	1,370,401
Amortization	135,000	1,229,799	286,178
	<b>9,587,468</b>	<b>16,208,205</b>	<b>16,860,154</b>
<b>Current surplus (deficit)</b>	<b>\$ 3,914,845</b>	<b>\$ 872,069</b>	<b>\$ 1,050,568</b>

Expense by object disclosure (Note 25)

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

# Flying Dust First Nation

## Statement of Change in Net Financial Assets (Debt)

For the Year Ended March 31, 2018

	2018	2017
Surplus (Deficit) for the year	\$ 872,069	\$ 1,050,568
Prior period adjustment	447,614	(286,851)
Market Garden adjustment	(916,691)	-
Capital asset additions	(3,958,827)	(1,459,273)
Amortization	1,382,365	1,259,355
	<hr/>	<hr/>
Decrease (increase) in prepaid expenses	(2,173,470)	563,799
	<hr/>	<hr/>
<b>Change in net debt</b>	<b>(2,161,440)</b>	578,700
Net debt, beginning of the year	1,360,387	781,687
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<b>Net debt, end of the year</b>	<b>\$ (801,053)</b>	<b>\$ 1,360,387</b>
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The accompanying notes are an integral part of these financial statements.

# Flying Dust First Nation

## Statement of Re-measurement Gains and Losses

For the Year Ended March 31, 2018

	2018	2017
Accumulated re-measurement gains and losses - beginning	\$ 299,350	\$ -
Re-measurement gains (losses) on investments	(122,078)	299,350
<b>Accumulated re-measurement gains and losses - ending</b>	<b>\$ 177,272</b>	<b>\$ 299,350</b>

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

# Flying Dust First Nation

## Statement of Surplus/Equity Balances

For the Year Ended March 31, 2018

	2018	2017
<b>Surplus, Appropriated for Investments</b>		
Balance, beginning of the year	\$ 3,403,647	\$ 3,292,065
<b>609045 Saskatchewan Ltd.</b>		
Earnings (loss) for the year	64,402	362,862
<b>625706 Saskatchewan Ltd.</b>		
Earnings (loss) for the year	(8,582)	(7,976)
<b>102026506 Saskatchewan Ltd.</b>		
Share capital	100	-
Earnings (loss) for the year	54,459	-
<b>FDB Farms Inc.</b>		
Capital redemption	-	(83,025)
Earnings (loss) for the year	(6,731)	129,899
<b>FDB Fuels Inc.</b>		
Earnings (loss) for the year	7,043	650
Prior period adjustment	8,525	-
<b>FDB Holding Corporation</b>		
Earnings (loss) for the year	183,980	(228,350)
Amortization of contributed surplus	(4,027)	(4,027)
Dividend distributed	-	(250,000)
<b>Flying Energy Inc.</b>		
Earnings (loss) for the year	7	(30)
<b>Meadow Lake Co-Op</b>		
Equity change	2,558	739
<b>Flying Dust Market Garden Inc.</b>		
Contributed surplus receipt	-	181,117
Capital contributed	-	269,920
Earnings (loss) for the year	-	(260,197)
Removal of Market Garden from investments	(854,891)	-
<b>Balance, end of the year</b>	<b>\$ 2,850,490</b>	<b>\$ 3,403,647</b>

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

# Flying Dust First Nation

## Statement of Surplus/Equity Balances

For the Year Ended March 31, 2018

	2018	2017
<b>Surplus, Appropriated for CMHC</b>		
Balance, beginning of the year	\$ 7,421	\$ 8,814
Adjustments by funding agency	181	(1,393)
Surplus (deficit) for the year	-	-
<b>Balance, end of the year</b>	<b>\$ 7,602</b>	<b>\$ 7,421</b>
<b>Equity in capital assets</b>		
Balance, beginning of the year	\$12,020,993	\$11,437,215
Capital assets additions	2,980,885	1,459,273
Flying Dust Market Garden adjustment	916,691	-
Amortization recorded during the year	(1,382,365)	(1,259,355)
Decrease (increase) in capital related debt	(656,890)	383,860
<b>Balance, end of the year</b>	<b>\$13,879,314</b>	<b>\$12,020,993</b>
<b>Surplus, Unappropriated</b>		
Balance, beginning of the year	\$ 2,984,018	\$ 626,379
Net income (loss)	872,069	1,050,566
Allocation of surplus in investments - investment equity	3,856,087	1,676,945
Amortization transfer to equity in capital assets	(2,558)	(251,632)
Capital Asset revenue transfer	1,382,365	1,259,355
Unrealized gain on investments	(2,312,668)	-
Income from government business enterprise	177,272	299,350
	(294,578)	-
<b>Balance, end of the year</b>	<b>\$ 2,805,920</b>	<b>\$ 2,984,018</b>
<b>Surplus, Appropriated for CMHC</b>		
<b>Balance, end of the year</b>	<b>\$19,543,326</b>	<b>\$18,416,079</b>

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

# Flying Dust First Nation

## Consolidated Statement of Cash Flows

For the Year Ended March 31, 2018

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Surplus (deficit) for the year	\$ 872,069	\$ 1,050,568
Amortization	1,445,355	1,259,355
Housing surplus adjustment	181	(1,393)
Gain on sale of capital asset	(70,000)	(11,000)
Earnings from Limited Partnership	(686,619)	(1,382,465)
Income from Government Business Enterprise	(294,578)	-
Change in receivables	(691,180)	73,112
Change in advances receivable	(18,635)	443,975
Change in inventories	(19,625)	-
Change in prepaid expense	12,030	14,901
Change in accounts payable	(323,361)	1,084,053
Change in unexpended revenue	7,219,942	1,570,188
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>7,445,579</b>	<b>4,101,294</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of capital assets	(3,958,827)	(1,459,273)
Disposal of capital assets	281,500	-
Change in term deposit	(5,480,703)	(570,901)
Net change in restricted assets	(2,454,218)	61,331
Net change in trust funds	32,620	(142,670)
Net change in CMHC reserve	3,018	3,574
Purchase of marketable securities	-	(250,000)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(11,576,610)</b>	<b>(2,357,939)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net proceeds of short-term debt	58,201	(65,130)
Net proceeds of long-term debt	1,991,731	(1,172,638)
<b>NET CASH USED BY FINANCING ACTIVITIES</b>	<b>2,049,932</b>	<b>(1,237,768)</b>
<b>Increase (decrease) in cash</b>	<b>(2,081,099)</b>	<b>505,587</b>
Cash, beginning of the year	1,155,150	649,563
<b>Cash (bank indebtedness), end of the year</b>	<b>\$ (925,949)</b>	<b>\$ 1,155,150</b>

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

# **Flying Dust First Nation**

## **Notes to the Financial Statements**

### **For the Year Ended March 31, 2018**

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

#### **1. Basis of Presentation and Significant Accounting Policies**

##### **a. Basis of Accounting**

These financial statements have been prepared in accordance with CPA Canada public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board Chartered Professional Accountants of Canada.

##### **b. Reporting Entity**

The Flying Dust First Nation reporting entity includes the Flying Dust First Nation government and all related entities, which are accountable to the First Nation and are either owned or controlled by the First Nation.

##### **c. Principles of consolidation**

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

Flying Dust First Nation - Operations  
Flying Dust First Nation - CMHC Housing Fund  
Flying Dust First Nation - Community Development Fund  
Flying Dust Market Garden Inc.  
Flying Dust Housing Corporation

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

Under the modified equity method of accounting, only Flying Dust First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Flying Dust First Nation. Entities recorded under the modified equity method include:

FDB Broadcasting Ltd.  
FDB Farms Inc.  
FDB Gravels Inc.  
609045 Saskatchewan Ltd.  
102026506 Saskatchewan Ltd.  
FDB Holding Corporation  
Flying Energy Inc.  
FDB Fuels Inc.

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

# **Flying Dust First Nation**

## **Notes to the Financial Statements**

### **For the Year Ended March 31, 2018**

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#### **1. Basis of Presentation and Significant Accounting Policies continued**

##### **d. Asset classification**

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

##### **e. Net debt or net financial assets**

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial assets is determined by its financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

##### **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.

##### **g. Inventory**

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

##### **h. 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, 2018.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 1. Basis of Presentation and Significant Accounting Policies continued

##### i. Tangible capital assets

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

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

Amortization is provided for on a straight-line basis over their estimated useful lives. No amortization is recorded in the year of acquisition.

Arena	40 Years straight line
Arena Equipment	4 Years straight line
Houses	25 Years straight line
Buildings	20 Years straight line
Roads and Infrastructure	25 Years straight line
Office Equipment and Furniture	5 Years straight line
Vehicles	4 Years straight line
Trailers	10 Years straight line
Machinery	5 Years straight line
General/Arena Equipment	4 Years straight line
Heavy Equipment	5 Years straight line
Buses	5 Years straight line
Computer	4 Years straight line

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

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

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

# **Flying Dust First Nation**

## **Notes to the Financial Statements**

### **For the Year Ended March 31, 2018**

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#### **1. Basis of Presentation and Significant Accounting Policies continued**

##### **j. Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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

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

##### **k. Segments**

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.

##### **I. Internal charges and transfers**

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

# **Flying Dust First Nation**

## **Notes to the Financial Statements**

### **For the Year Ended March 31, 2018**

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#### **1. 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 not practicable.

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

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

Revenue related to fees or services received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service performed. Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funds received in advance of making the related expenses are reflected as deferred revenue in the year of receipt and classified as such in the financial statements. Any funding received pursuant to an agreement that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

##### **n. Recognition of expenses**

Expenses are accounted for in the period the goods or services are acquired and a liability is incurred or transfers are due.

##### **o. Other Economic Interests**

The Nation is a member of the Meadow Lake Tribal Council (MLTC). The MLTC is an organization of nine Nations.

The Nation does not either share in the control or the profit or loss of the MLTC. As a result, the financial statements of the MLTC have not been consolidated or proportionately consolidated with the financial statements of Flying Dust First Nation.

##### **p. Investments**

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

# **Flying Dust First Nation**

## **Notes to the Financial Statements**

### **For the Year Ended March 31, 2018**

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#### **1. Basis of Presentation and Significant Accounting Policies continued**

##### **q. Leased assets**

Leased assets that transfer substantially all the benefits and risks of ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the First Nation, and the obligation, including interest thereon, is repaid over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

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

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

Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Nation tangible capital assets; and

Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

##### **s. Pension Plan**

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

# **Flying Dust First Nation**

## **Notes to the Financial Statements**

### **For the Year Ended March 31, 2018**

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#### **1. Basis of Presentation and Significant Accounting Policies continued**

##### **t. Financial instruments**

###### **i. Fair values not materially different from book values**

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

###### **ii. Loans at floating rate of interest**

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

###### **iii. Liquidity risk**

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

###### **iv. Market risk**

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

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

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### 2. Restricted Assets

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

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

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

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

Restricted assets are comprised of the following:

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	2018	2017
<b>Restricted cash - capital projects</b>		
Railway	\$ 2,335,384	\$ 159,918
Capital Projects	<u>1,401,786</u>	1,126,051
	<u>3,737,170</u>	1,285,969
<b>Restricted cash - CMHC</b>		
Funded Reserve	585,505	582,488
Restricted term deposits	<u>6,000,000</u>	-
	<u>6,000,000</u>	-
<b>Total restricted assets</b>	<u>\$10,322,675</u>	\$ 1,868,457

Restricted term deposit is a Guaranteed Income Certificate issued by the First Nations Bank on March 5, 2018. The maturity date is March 5, 2019.

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

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### 3. Marketable Securities

The First Nation owns shares and warrants in Gensource Potash Corporation - the holdings are as follows:

	2018 Market value	2017 Market value	Cost
2,142,857 Common shares	\$ 300,000	\$ 385,714	\$ 150,000
909,909 Common shares	127,273	163,636	100,000
1,070,428 warrants to buy common shares at \$.12 before May 6, 2018	-	-	-
450,450 warrants to buy common shares at \$.17 before January 20, 2019	-	-	-
	<b>\$ 427,273</b>	<b>\$ 549,350</b>	<b>\$ 250,000</b>

### 4. Accounts Receivable

---

	2018	2017
Aboriginal Affairs and Northern Development Canada	\$ 160,467	\$ -
TLE Revenue Fund	64,385	145,001
Northern Lights Community Development	52,906	26,640
625706 Saskatchewan Ltd.	48,560	22,060
Member advances	18,000	24,999
Sales tax refund	22,765	18,189
Subsidy receivable	15,971	11,335
Meadow Lake Tribal Council	8,100	16,186
Post Secondary advances	74,917	-
Rent receivable	11,664	-
Daycare	14,385	4,075
Elders Lodge	13,670	-
Capital cost assistance	266,147	-
Insurance proceeds	111,841	-
Other accounts receivable	194,071	118,184
<b>Total accounts receivable</b>	<b>\$ 1,077,849</b>	<b>\$ 386,669</b>

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 5. Inventories

Inventory held by Flying Dust Market Garden consists of the following:

	2018
Potatoes	\$ 2,625
Seeds	<u>17,000</u>
<b>Total</b>	<b><u>\$ 19,625</u></b>

#### 6. Unrestricted Term Deposits

The Flying Dust First Nation has the following term deposits. The investments are recorded at cost, which approximates fair value.

	2018	Interest rate
GIC issued by CIBC on January 8, 2018. The maturity date is January 8, 2019.	\$ 5,939	0.45%
GIC issued by CIBC on May 24, 2017. The maturity date is May 24, 2018.	5,000	0.45%
GIC issued by CIBC on July 3, 2018. The maturity date is July 3, 2019.	<u>40,665</u>	<u>0.6%</u>
	<b><u>\$ 51,604</u></b>	

#### 7. Trust Funds Held by Federal Government

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	2018	2018	2018 Total	2017
	Revenue	Capital		
Surplus, beginning of year	\$ 115,391	\$ 224,438	\$ 339,829	\$ 197,159
Withdrawals	(145,584)	(72,500)	(218,084)	(130,000)
Interest earned	6,904	-	6,904	3,500
Lease revenue	49,041	194,759	243,800	269,170
Other revenue	-	-	-	-
	<b><u>\$ 25,752</u></b>	<b><u>\$ 346,697</u></b>	<b><u>\$ 372,449</u></b>	<b><u>\$ 339,829</u></b>

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

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

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### 8. Advances Receivable

The First Nation has made the following advances. The advances are unsecured, non-interest bearing and not subject to a fixed repayment schedule.

	2018	2017
FDB Fuels	\$ 496,319	\$ 418,319
FDB Holdings Corp	146,570	311,569
609045 Saskatchewan Ltd. (Flying Dust Gravel)	150,232	124,691
102026506 Saskatchewan Ltd. (Flying Dust Construction Inc.)	80,092	-
	<hr/> <b>\$ 873,213</b>	<hr/> <b>\$ 854,578</b>

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 9. Investments

The First Nation holds the following investments:

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	2018	2017
<b>609045 Saskatchewan Ltd.</b>		
100 Class A common shares	\$ 100	100
Contributed capital	497,022	497,022
Deficit	(198,538)	(262,940)
<b>625706 Saskatchewan Ltd.</b>		
100 Class A common shares	100	100
Deficit	(10,736)	(2,154)
<b>102026506 Saskatchewan Ltd.</b>		
100 Class A common shares	100	-
Retained earnings	54,459	-
<b>FDB Farms Inc.</b>		
Contributed capital	366,043	366,043
Deficit	(366,043)	(359,313)
<b>FDB Fuels Inc.</b>		
100 Class A common shares	100	100
Retained earnings	55,520	39,953
<b>FDB Holding Corporation</b>		
10 Class A shares	10	10
Contributed surplus	68,456	72,483
Contributed capital	1,632,896	1,632,896
Retained earnings	746,249	562,269
<b>First Nations Bank</b>		
537 Class A common shares	940	940
<b>Flying Energy Inc.</b>		
1000 Class A shares	10	10
Deficit	(855)	(863)
<b>Meadow Lake Co-Operative</b>		
Equity	4,656	2,098
<b>Flying Dust Market Garden Inc.</b>		
Contributed capital	-	949,920
Contributed surplus	-	181,117
Deficit	-	(276,146)
MLTC Resource Development Management Corp. - 1 class A common share (11%)	1	1
MLTC Resource Development Inc. - 1 class A common share	1	1
	<hr/> <b>\$ 2,850,491</b>	<hr/> <b>\$ 3,403,647</b>

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 9. Investments continued

The First Nation also holds one membership unit in MLTC Program Services Inc. and MLTC Child and Family Services Inc.

During the year Flying Dust Market Garden Inc. no longer met the definition of an investment. Therefore, it is no longer recorded using the modified equity method and is now fully consolidated.

During the fiscal year the First Nation received the following earnings distributions: \_\_\_\_\_

	<b>2018</b>	<b>2017</b>
FDB Holding Corp	\$ -	\$ 250,000
Meadow lake Co-Operative	<b>2,558</b>	1,632
	<b>\$ 2,558</b>	<b>\$ 251,632</b>

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

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### 10. Limited Partnership

The First Nation has interest in the following limited partnerships. Details of the ownership are:

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	2018	2017
Flying Energy Oil & Gas LP	\$ 647,887	\$ 580,268
FDB Holding LP	(282,419)	(167,457)
MLTC Resource Development LP	<u>5,813,140</u>	5,079,177
	<u><u>\$ 6,178,608</u></u>	<u><u>\$ 5,491,988</u></u>
<b>Flying Energy Oil and Gas LP (99.9% interest)</b>		
Balance, beginning of the year	\$ 580,268	\$ 1,933,069
Earnings (loss) for the year	67,619	(16,858)
Distributions received	-	(1,335,943)
<b>Balance, end of the year</b>	<u><u>\$ 647,887</u></u>	<u><u>\$ 580,268</u></u>
<b>FDB Holdings LP (99.9% interest)</b>		
Balance, beginning of the year	\$ (167,457)	\$ (55,043)
Earnings (loss) for the year	(114,962)	162,489
Prior period adjustment	-	(274,903)
<b>Balance, end of the year</b>	<u><u>\$ (282,419)</u></u>	<u><u>\$ (167,457)</u></u>
<b>MLTC Resource Development LP (11.1% interest)</b>		
Balance, beginning of the year	5,079,177	3,842,343
Earnings (loss) for the year	733,963	1,236,834
<b>Balance, end of the year</b>	<u><u>\$ 5,813,140</u></u>	<u><u>\$ 5,079,177</u></u>

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

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### 11. Accounts payable

	2018	2017
Tuition billings	\$ 59,212	\$ 926,749
Trade accounts payable	835,638	454,402
Fuel rebate	14,032	-
Source deductions payable	24,188	23,493
Wages and benefits payable	86,411	-
Maintenance	17,860	-
Accrued interest	1,930	1,203
CMHC reserve liability	43,214	-
	<hr/> <b>\$ 1,082,486</b>	<hr/> <b>\$ 1,405,847</b>

### 12. **Bank Loan**

The housing corporation has short term bank financing from the Bank of Montreal to fund the home ownership program receivables. The receivable is collected from mortgage proceeds paid to individuals for their personal mortgages.

### 13. **Funding Loan**

The First Nation has received a loan from Indigenous and Northern Affairs Canada which is based upon expenditures for a specific claim filed with the Government. The loan is repayable on the earlier of March 31, 2021 or the date on which the specific claim is settled. If at that time the claim is in negotiation, the repayment term can be extended by five years. The loan is interest free unless the First Nation is in default when the promissory note comes to maturity.

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 14. Long Term Debt

The First Nation has the following long term debt outstanding:

	2018	2017
First Nations Bank loan for the construction of the arena, repayable quarterly at \$29,855 plus interest at 5.15% payable monthly.	\$ 1,701,779	\$ 1,821,202
CNH Capital finance contract, repayable at \$1,176 semi-annually including interest at 5.67%.	5,404	7,361
Toronto Dominion Bank loan for the construction of the arena, repayable quarterly at \$47,552 including interest at 5.15%. The loan is subject to renewal on April 1, 2018.	1,786,039	1,910,325
First Nations Bank loan	98,100	-
First Nations Bank loan, repayable at \$1,833.33 monthly including interest at prime plus 1.00%.	89,833	-
Market Garden - Loan with Beaver River C.F.D.C repayable at \$5,000 per month including interest at 9.00%. The loan is secured by FDB Holding Corporation and the Flying Dust First Nation.	82,462	-
<b>Total long term debt</b>	<b>\$ 3,763,617</b>	<b>\$ 3,738,888</b>

The First Nation has the following mortgages outstanding:

	2018	2017
Phase III - CMHC mortgage with payments of \$900 per month including interest at the rate of 2.11%. The renewal date is November 1, 2018.	\$ 7,146	\$ 17,681
Phase IV - CMHC mortgage with payments of \$407 per month including interest at the rate of 1.92%. The renewal date is August 1, 2018.	5,229	9,959
Phase V - CMHC mortgage with payments of \$4,437 per month including interest at the rate of 2.02%. The renewal date is August 1, 2018.	22,079	74,312
Phase VI - CMHC mortgage with payments of \$4,781 per month including interest at the rate of 1.53%. The renewal date is December 1, 2022.	519,726	568,510
Phase VII - CMHC mortgage with payments of \$800 per month including interest at the rate of 1.12%. The renewal date is February 1, 2020.	107,036	115,388
Phase VIII - CMHC mortgage with payments of \$3,429 per month including interest at the rate of 1.35%. The renewal date is May 1, 2022.	530,368	-
Phase IX - CMHC mortgage with payments of \$971 per month including interest at the rate of 1.84%. The renewal date is September 1, 2022.	190,931	-
Equity - Loan from First Nations Bank of Canada repayable at \$3,010 per month plus interest at prime plus 1.00%. The loan was originally taken out to provide equity for a CMHC Housing Project	325,000	289,504
<b>Total mortgages</b>	<b>\$ 1,707,515</b>	<b>\$ 1,075,354</b>

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

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### 14. Long Term Debt continued

The amount of debt repayable in subsequent periods is estimated to be:

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	<b>Long term debt</b>	<b>Mortgages</b>	<b>Total</b>
2019	\$ 221,628	\$ 156,611	\$ 378,239
2020	226,000	141,120	367,120
2021	233,000	145,120	378,120
2022	240,000	150,120	390,120
2023	-	156,120	156,120
Subsequent	2,842,989	958,422	3,801,411
<b>Total</b>	<b>\$ 3,763,617</b>	<b>\$ 1,707,513</b>	<b>\$ 5,471,130</b>

### 15. Advances Payable

The First Nation has received the following advances which are unsecured, non-interest bearing and not subject to a fixed repayment schedule.

---

	<b>2018</b>	<b>2017</b>
FDB Holdings LP	\$ 2,944,957	\$ 2,944,957
Flying Energy Oil & Gas	78,421	-
TLE Fund	139,558	-
Housing project mortgage advance	816,471	-
	<b>\$ 3,979,407</b>	<b>\$ 2,944,957</b>

Flying Dust First Nation holds an equity interest in both of the limited partnerships.

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 16. Unexpended revenue

INAC 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 INAC, deferred to the following year, or transferred to another INAC 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" on the financial statements.

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	Beginning of year	Current year deferral	Revenue recognized	Transfers	2018
<b>Unexpended funding</b>					
Contaminated Sites	\$ 234,654	\$ 2,681,225	\$ -	\$ -	\$ 2,915,879
Land Use Plan	82,853	-	(82,853)	-	-
Behaviour Modification	-	16,390	-	-	16,390
Institutional Care	(3,070)	9,151	-	-	6,081
Community Development	-	6,118	-	-	6,118
	314,437	2,712,884	(82,853)	-	2,944,468
<b>Capital funding</b>					
School	2,532,815	4,903,235	-	-	7,436,050
Cultural	313,324	-	(313,324)	-	-
	2,846,139	4,903,235	(313,324)	-	7,436,050
<b>Total deferred revenue</b>	<b>\$ 3,160,576</b>	<b>\$ 7,616,119</b>	<b>\$ (396,177)</b>	<b>\$ -</b>	<b>\$ 10,380,518</b>

#### 17. CMHC Reserves

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

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	2018	2017
Total obligation	\$ 615,479	\$ 558,419
Funded amount on deposit	(585,506)	(582,488)
<b>Outstanding obligation (overpayment)</b>	<b>\$ 29,973</b>	<b>\$ (24,069)</b>

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

### 18. Tangible Capital Assets

March 31, 2018	Houses	Buildings	Equipment & Furniture	Vehicles	Infrastructure & Roads	Assets under construction	Total
<b>Cost</b>							
Balance, beginning of year							
	<b>\$ 13,327,403</b>	<b>\$ 14,047,725</b>	<b>\$ 1,452,213</b>	<b>\$ 1,179,230</b>	<b>\$ 5,772,602</b>	<b>\$ 192,437</b>	<b>\$ 35,971,610</b>
Additions	<b>211,224</b>	<b>137,702</b>	<b>43,454</b>	<b>228,212</b>	<b>-</b>	<b>3,145,798</b>	<b>3,766,390</b>
Disposals	<b>-</b>	<b>-</b>	<b>(29,000)</b>	<b>(252,500)</b>	<b>-</b>	<b>-</b>	<b>(281,500)</b>
Market Garden adjustment	<b>-</b>	<b>550,000</b>	<b>415,181</b>	<b>14,500</b>	<b>-</b>	<b>-</b>	<b>979,681</b>
<b>Balance, end of year</b>	<b>13,538,627</b>	<b>14,735,427</b>	<b>1,881,848</b>	<b>1,169,442</b>	<b>5,772,602</b>	<b>3,338,235</b>	<b>40,436,181</b>
<b>Accumulated amortization</b>							
Balance, beginning of year							
	<b>10,277,430</b>	<b>3,717,471</b>	<b>1,215,377</b>	<b>757,768</b>	<b>2,975,889</b>	<b>-</b>	<b>18,943,935</b>
Market Garden adjustment	<b>-</b>	<b>20,625</b>	<b>38,740</b>	<b>3,625</b>	<b>-</b>	<b>-</b>	<b>62,990</b>
Amortization	<b>571,297</b>	<b>364,942</b>	<b>117,905</b>	<b>122,399</b>	<b>205,822</b>	<b>-</b>	<b>1,382,365</b>
Disposals	<b>-</b>	<b>-</b>	<b>(29,000)</b>	<b>(252,500)</b>	<b>-</b>	<b>-</b>	<b>(281,500)</b>
<b>Balance, end of year</b>	<b>10,848,727</b>	<b>4,103,038</b>	<b>1,343,022</b>	<b>631,292</b>	<b>3,181,711</b>	<b>-</b>	<b>20,107,790</b>
<b>Net Book Value, end of Year</b>	<b>2,689,900</b>	<b>10,632,389</b>	<b>538,826</b>	<b>538,150</b>	<b>2,590,888</b>	<b>3,338,235</b>	<b>20,328,389</b>
<b>March 31, 2017</b>							
<b>Cost</b>							
Balance, beginning of year							
	<b>13,063,825</b>	<b>13,080,075</b>	<b>1,428,369</b>	<b>975,029</b>	<b>5,772,602</b>	<b>-</b>	<b>34,319,900</b>
Additions	<b>263,578</b>	<b>967,650</b>	<b>23,844</b>	<b>204,201</b>	<b>-</b>	<b>192,437</b>	<b>1,651,710</b>
<b>Balance, end of year</b>	<b>13,327,403</b>	<b>14,047,725</b>	<b>1,452,213</b>	<b>1,179,230</b>	<b>5,772,602</b>	<b>192,437</b>	<b>35,971,610</b>
<b>Accumulated amortization</b>							
Balance, beginning of year							
	<b>9,745,557</b>	<b>3,280,148</b>	<b>1,146,080</b>	<b>742,728</b>	<b>2,770,070</b>	<b>-</b>	<b>17,684,583</b>
Amortization	<b>531,873</b>	<b>437,323</b>	<b>69,297</b>	<b>15,040</b>	<b>205,822</b>	<b>-</b>	<b>1,259,355</b>
<b>Balance, end of year</b>	<b>10,277,430</b>	<b>3,717,471</b>	<b>1,215,377</b>	<b>757,768</b>	<b>2,975,892</b>	<b>-</b>	<b>18,943,938</b>
Net Book Value, end of year	<b>\$ 3,049,973</b>	<b>\$ 10,330,254</b>	<b>\$ 236,836</b>	<b>\$ 421,462</b>	<b>\$ 2,796,710</b>	<b>\$ 192,437</b>	<b>\$ 17,027,672</b>

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 19. Contingent liabilities

The First Nation is contingently liable for the following bank loans:

	2018	2017
625706 Saskatchewan Ltd.	\$ 2,217,979	\$ 2,607,287
FDB Holding Corporation	3,373,670	3,682,706
FDB Holdings LP	<u>2,687,500</u>	2,837,500
	<u><u>\$ 8,279,149</u></u>	<u><u>\$ 9,127,493</u></u>

The loans were in a current position at March 31, 2018. The First Nation owns 100% of the corporations and 99.9% of the limited partnership.

#### 20. Aboriginal Affairs and Northern Development Canada

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

#### 21. Pension

The First Nation provides a defined contribution plan for eligible members of its staff. The First Nation matches employees' contributions between 4 - 9 %. The amount to be received by employees will be the amount of retirement annuity that could be purchased based on the employee's share of the pension plan at the time the employee's withdrawal from the plan.

#### 22. Financial instruments

The First Nation is exposed to credit risk, liquidity risk, and other price risk from its financial instruments.

The First Nation's member advances are exposed to credit risk. The First Nation manages its exposure to credit risk by actively limiting the amount of non-funding accounts receivable outstanding.

The First Nation is exposed to liquidity risk which are limitations on the ability of the First Nation to convert financial assets to cash in order to meet financial liabilities as a result of being economically dependent on funding from AANDC. The First Nation's approach to managing its liquidity risk is to ensure that it will have sufficient cash flows to fund its operations and to meet its obligations when due, under both normal and stressed conditions.

The First Nation is exposed to other price risk on its portfolio investments, which are subject to market fluctuation.

#### 23. Current year summary of surplus (deficit) by segment

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

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### 23. Current year summary of surplus (deficit) by segment continued

	Revenue	Expenditures	Transfers	Surplus (Deficit)
Lands	\$ 485,597	\$ 515,817	\$ -	\$ (30,219)
Reserves	9,139	9,583	-	(444)
Education	3,655,501	3,283,234	-	372,268
Social Services	1,420,451	1,334,257	(72,546)	13,649
Infrastructure	746,657	1,076,124	115,277	(214,191)
Band Support	952,270	1,162,665	72,546	(137,850)
Capital	2,078,509	42,408	315,790	2,351,890
Health	1,245,864	1,201,874	(46,121)	(2,131)
Economic	702,189	1,210,919	327,300	(181,428)
Other Programs	4,937,414	3,443,542	(1,511,456)	(17,581)
Unappropriated Programs	846,683	1,697,983	799,210	(52,089)
Amortization	-	1,229,799	-	(1,229,799)
	<u>\$ 17,080,274</u>	<u>\$ 16,208,205</u>	<u>\$ -</u>	<u>\$ 872,070</u>

### 24. **Economic dependence**

Flying Dust First Nation receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada.

# Flying Dust First Nation

## Notes to the Financial Statements

For the Year Ended March 31, 2018

### 25. Expenses by object

	2018	2018	2017
	Budget	Actual	Actual
Salaries and benefits	\$ 4,201,776	\$ 5,437,918	\$ 4,799,551
Education expenses	1,426,005	1,737,610	1,767,343
Contract Services	159,353	1,711,717	2,003,226
Rebates paid	-	1,490,034	1,334,097
Amortization	135,000	1,382,365	408,919
Assistance	11,500	1,021,760	1,171,371
Professional fees	483,364	1,010,788	1,130,631
Supplies	248,998	827,675	808,887
Other operating expenses	559,378	717,255	342,008
Utilities	377,948	400,351	398,143
Travel	192,801	350,417	273,761
Repairs and maintenance	318,956	347,529	308,772
Interest and bank charges	202,351	253,148	256,612
Vehicle Costs	112,563	240,792	148,302
Administrative fee	198,546	214,073	267,901
Activities	121,391	213,607	259,256
Insurance and licenses	175,174	199,420	179,904
Rental	104,698	194,869	164,618
Municipal Services	156,480	191,692	151,092
Health Programming Expenses	146,436	140,046	155,754
Meetings	31,047	102,053	92,161
Honorarium	54,000	95,530	98,259
Computer technical support	40,500	88,843	51,040
Project Expenses	80,352	72,304	72,258
Advertising and promotion	11,600	44,134	34,805
Training & Workshops	20,282	16,256	40,961
Staff Development	12,500	13,562	16,343
Freight and Postage	9,108	12,175	8,915
Communication expenses	362	7,431	16,227
Gaming	-	33,144	99,036
Transfer to capital assets	-	(2,360,293)	-
	\$ 9,592,469	\$ 16,208,205	\$ 16,860,153

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 26. INAC funding

The First Nation receives funding from Indigenous and Northern Affairs Canada (INAC) by entering into an agreement with INAC.

There are five approaches that INAC may consider in the design and delivery of transfer payment programs:

1. Grant approach – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.
2. Set contribution approach – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to INAC annually.
3. Fixed contribution approach – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by INAC. A plan must be submitted and approved by INAC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by INAC.
4. Flexible contribution approach – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to INAC at the end of the project, program or agreement.
5. Block contribution approach – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by INAC.

#### 27. Segmented information

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

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 27. Segmented information continued

##### 1 - Indigenous and Northern Affairs Canada (INAC)

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

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

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

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

Infrastructure and Capital: 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.

Band 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.

# **Flying Dust First Nation**

## **Notes to the Financial Statements**

### **For the Year Ended March 31, 2018**

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#### **27. Segmented information continued**

##### **1 - Indigenous and Northern Affairs Canada (INAC) continued**

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

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

##### **2 - Health Programs (FNIHB)**

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

##### **3 - Canada Mortgage and Housing Corporation (CMHC)**

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

##### **4 - Other programs**

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

# Flying Dust First Nation

## Notes to the Financial Statements

### For the Year Ended March 31, 2018

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#### 28. Reconciliation of INAC revenue

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

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	2018
Balance received per INAC confirmation	<u>\$14,147,712</u>
<b>Current year receivable (payable)</b>	
Behaviour Provincial	11,313
Power Generation	22,400
Corp Capitalization	25,000
Community Development	<u>9,225</u>
<b>Total INAC revenue</b>	<u><u>\$14,215,650</u></u>

#### 29. Budgeted figures

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

#### 30. Comparative figures

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

#### 31. Prior period adjustments

It was discovered during the year that the shares of a publically traded company had not been adjusted to market value in previous years which resulted in an adjustment of \$299,350 to increase the investment balance and increase accumulated surplus. It was also noted that expenses were recorded in FDB Holdings LP for \$274,903 and revenue was incorrectly recorded in FDB Holdings Corp. for \$262,404. These adjustments resulted in a net decrease to accumulated surplus.

	2018	2017
Adjustment to bring Gensource Potash Corp. shares up to market value and increase unrealized gains (losses).	\$ -	\$ 299,350
Adjustment to increase the investment in FDB Holdings Corp. and increase equity in investments.	-	262,404
Adjustment to reduce the investment in FDB Holdings LP and reduce retained earnings.	-	(274,903)
Adjustment to capitalize assets under construction	\$ 192,437	\$ -

# Schedule #1

## Flying Dust First Nation

### Lands

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Fixed contribution	\$ 403,136	\$ 403,136	\$ 371,636
AANDC - Set contribution	-	-	1,600,000
AANDC - Flexible contribution	2,268,004	2,672,434	-
Canadian National Railway	-	-	583,200
Government of Saskatchewan	9,969	-	7,981
Unexpended Revenue - Prior Year	82,853	317,506	79,404
Unexpended Revenue - Current Year	-	(2,915,878)	(317,507)
Expense Recoveries	-	7,932	-
FSIN Taxation Commission	5,000	-	-
Other Revenue	25,750	467	25,349
	<b>2,794,712</b>	<b>485,597</b>	<b>2,350,063</b>
<b>Expenses</b>			
Salaries and benefits	315,033	197,803	218,452
Professional fees	204,995	181,320	134,147
Travel	26,755	29,326	30,125
Supplies	14,654	28,649	5,972
Contract Services	6,600	19,600	1,830,361
Office Rent	7,500	12,000	12,000
Meetings	13,047	11,930	27,987
Honorarium	10,000	9,275	7,915
Communication expenses	362	7,431	6,638
Utilities	6,766	4,451	5,781
Insurance and licenses	-	3,007	-
Computer technical support	3,000	2,750	3,000
Equipment Rent	2,700	2,319	2,091
Vehicle Fuel	1,000	2,088	388
Project Expenses	37,600	1,828	40,798
Training & Workshops	150	1,600	150
Freight and Postage	450	439	514
Advertising and promotion	-	-	818
Interest and bank charges	-	-	18
Administrative fee	-	-	55,024
	<b>650,612</b>	<b>515,816</b>	<b>2,382,179</b>
<b>Current surplus (deficit)</b>	<b>\$ 2,144,100</b>	<b>\$ (30,219)</b>	<b>\$ (32,116)</b>

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

## Schedule #2

### Flying Dust First Nation

Reserves

Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Block contribution	\$ 9,034	\$ 9,139	\$ 8,973
<b>Expenses</b>			
Salaries and benefits	-	5,000	-
Computer technical support	-	2,200	-
Utilities	1,600	1,655	1,411
Supplies	500	594	422
Freight and Postage	-	134	128
Meetings	-	-	1,719
Honorarium	5,000	-	6,725
Travel	-	-	100
	7,100	9,583	10,505
<b>Current surplus (deficit)</b>	<b>\$ 1,934</b>	<b>\$ (444)</b>	<b>\$ (1,532)</b>

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

# Schedule #3

## Flying Dust First Nation

### Education

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Block contribution	\$ 2,663,997	\$ 2,689,496	\$ 2,640,615
AANDC - Fixed contribution	226,422	230,077	52,550
AANDC - Set contribution	-	-	187,825
Tuition Billings	407,625	406,677	396,817
Unexpended Revenue - Current Year	-	(16,390)	-
Meadow Lake Tribal Council	269,569	269,569	288,612
Expense Recoveries	204,880	5,696	12,758
Gains on sale of capital assets	-	70,000	2,500
Other Revenue	-	377	-
	<b>3,772,493</b>	<b>3,655,502</b>	<b>3,581,677</b>
<b>Expenses</b>			
Education expenses	1,426,005	1,737,610	1,764,439
Salaries and benefits	1,198,465	1,190,220	1,104,541
Activities	50,957	74,642	82,528
Administrative fee	60,440	60,440	60,035
Supplies	42,500	49,177	55,834
Repairs and maintenance	16,500	32,852	27,979
Contract Services	24,529	24,454	47,585
Travel	11,000	23,495	10,883
Vehicle Costs	16,700	21,060	20,707
Insurance and licenses	6,900	11,263	7,157
Computer technical support	7,000	11,250	11,350
Utilities	6,600	9,269	7,936
Equipment Rent	12,402	7,416	7,139
Office Rent	5,000	6,000	6,000
Interest and bank charges	-	5,966	743
Meetings	2,000	5,002	1,730
Honorarium	5,000	4,500	3,825
Training & Workshops	4,000	3,631	-
Advertising and promotion	2,100	1,632	967
Staff Development	4,000	1,490	9,430
Freight and Postage	1,600	1,415	1,876
Professional fees	4,000	450	3,215
	<b>2,907,698</b>	<b>3,283,234</b>	<b>3,235,899</b>
<b>Current surplus (deficit)</b>	<b>\$ 864,795</b>	<b>\$ 372,268</b>	<b>\$ 345,778</b>

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

# Schedule #4

## Flying Dust First Nation

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

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Block contribution	\$ 1,001,707	\$ 1,276,344	\$ 1,253,147
AANDC - Set contribution	45,374	45,374	29,124
AANDC - Flexible contribution	-	12,983	-
Unexpended Revenue - Prior Year	-	(3,070)	6,874
Unexpended Revenue - Current Year	-	(6,081)	3,070
Meadow Lake Tribal Council	94,901	94,901	92,137
Program Transfer	-	(72,546)	(71,227)
	<b>1,141,982</b>	<b>1,347,905</b>	<b>1,313,125</b>
<b>Expenses</b>			
Assistance	762,856	935,874	1,068,246
Salaries and benefits	383,788	328,948	388,561
Contract Services	45,374	36,223	32,194
Travel	8,300	9,640	10,513
Administrative fee	9,214	9,490	9,214
Utilities	2,950	3,055	2,711
Insurance and licenses	1,997	3,007	3,007
Staff Development	3,500	2,463	3,253
Other operating expenses	500	2,172	7,813
Interest and bank charges	-	1,690	1,272
Supplies	1,000	1,436	579
Freight and Postage	350	258	334
Education expenses	-	-	2,904
	<b>1,219,829</b>	<b>1,334,256</b>	<b>1,530,601</b>
<b>Current surplus (deficit)</b>	<b>\$ (77,847)</b>	<b>\$ 13,649</b>	<b>\$ (217,476)</b>

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

# Schedule #5

## Flying Dust First Nation

### Infrastructure

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Block contribution	\$ 516,183	\$ 521,607	\$ 512,126
AANDC - Fixed contribution	17,550	202,180	17,550
Interest	-	13,500	-
Rental income	5,000	2,630	1,000
Other Revenue	-	7,440	9,240
Expense Recoveries	-	(700)	711
Gains on sale of capital assets	-	-	4,500
Program Transfer	-	115,277	142,300
	<b>538,733</b>	<b>861,934</b>	<b>687,427</b>
<b>Expenses</b>			
Salaries and benefits	245,154	380,191	259,734
Municipal Services	156,480	191,692	151,092
Supplies	53,960	127,484	91,406
Vehicle Fuel	58,714	90,680	59,332
Repairs and maintenance	248,656	88,992	150,461
Utilities	92,682	88,617	74,893
Rental	18,158	34,178	21,913
Other operating expenses	162,795	31,138	16,015
Vehicle Operating Costs	8,135	15,037	21,756
Insurance and licenses	50,985	14,657	18,913
Contract Services	-	7,963	4,675
Travel	1,730	2,409	1,177
Training & Workshops	-	1,490	-
Freight and Postage	1,394	874	1,314
Interest and bank charges	2,351	395	503
Meetings	-	328	-
	<b>1,101,194</b>	<b>1,076,125</b>	<b>873,184</b>
<b>Current surplus (deficit)</b>	<b>\$ (562,461)</b>	<b>\$ (214,191)</b>	<b>\$ (185,757)</b>

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

# Schedule #6

## Flying Dust First Nation

**Band Support**  
**Schedule of Operations**  
**For the Year Ended March 31, 2018**  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Block contribution	\$ 581,551	\$ 586,483	\$ 575,823
AANDC - Fixed contribution	-	-	12,000
AANDC - Set contribution	19,500	19,500	-
Administration Fee	110,476	212,098	250,014
Management Fee	-	25,000	25,000
Other revenue	30,000	55,266	-
Meadow Lake Tribal Council	-	-	32,500
Interest	500	6,333	70
Expense Recoveries	3,000	36,323	3,227
Earnings Distributions	1,650	2,558	1,632
Sales tax refunds	22,677	8,708	9
Program Transfer	71,708	72,546	71,227
	<b>841,062</b>	<b>1,024,815</b>	<b>971,502</b>
<b>Expenses</b>			
Salaries and benefits	694,943	783,490	761,792
Travel	56,000	84,179	65,597
Professional fees	67,000	78,457	82,976
Honorarium	31,000	60,600	39,650
Supplies	52,600	43,789	54,383
Rental	18,500	33,247	36,571
Computer technical support	13,000	27,094	6,690
Utilities	14,410	16,524	15,136
Interest and bank charges	10,000	15,903	11,482
Meetings	5,000	5,933	4,976
Staff Development	1,500	3,994	1,294
Insurance and licenses	-	3,007	3,007
Training & Workshops	3,500	2,400	3,600
Freight and Postage	1,500	2,030	1,114
Activities	3,500	1,793	2,853
Advertising and promotion	2,000	225	964
Contract Services	16,250	-	-
Administrative fee	-	-	1,625
Communication expenses	-	-	9,589
Other operating expenses	-	-	2,006
	<b>990,703</b>	<b>1,162,665</b>	<b>1,105,305</b>
<b>Current surplus (deficit)</b>	<b>\$ (149,641)</b>	<b>\$ (137,850)</b>	<b>\$ (133,803)</b>

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

# Schedule #7

## Flying Dust First Nation

### Capital

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Block contribution	\$ 231,506	\$ 234,210	\$ 229,953
AANDC - Flexible contribution	1,850,000	4,741,704	2,270,000
Northwest School Division	-	1,688,696	-
Unexpended Revenue - Prior Year	-	2,846,139	1,500,210
Unexpended Revenue - Current Year	-	(7,436,050)	(2,846,139)
Other revenue	-	1,200	-
Interest	-	-	13,557
Expense Recoveries	-	2,610	-
Program Transfer	(1,731,506)	315,790	(649,953)
	<b>350,000</b>	<b>2,394,299</b>	<b>517,628</b>
<b>Expenses</b>			
Contract Services	30,000	1,517,157	30,000
Salaries and benefits	117,300	378,950	143,047
Professional fees	-	330,862	515,054
Insurance and licenses	98,919	105,142	106,915
Project Expenses	-	53,950	1,460
Utilities	1,500	11,312	12,713
Rental	-	3,000	9,200
Travel	-	2,058	1,081
Supplies	-	424	-
Advertising and promotion	-	377	-
Repairs and maintenance	-	184	4,086
Freight and Postage	-	68	-
Meetings	-	54	-
Interest and bank charges	-	-	34
Other operating expenses	-	-	2,614
Vehicle Fuel	-	(836)	-
Transfer to capital assets	-	(2,360,293)	-
	<b>247,719</b>	<b>42,409</b>	<b>826,204</b>
<b>Current surplus (deficit)</b>	<b>\$ 102,281</b>	<b>\$ 2,351,890</b>	<b>\$ (308,576)</b>

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

# Schedule #8

## Flying Dust First Nation

### Health

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
Meadow Lake Tribal Council	\$ 1,149,678	\$ 1,165,576	\$ 1,110,861
Health Canada	40,000	33,307	38,085
FSIN Taxation Commission	-	-	7,250
Gains on sale of capital assets	-	-	4,000
Other Revenue	55,000	46,530	47,355
Expense Recoveries	-	451	250
Program Transfer	-	(46,121)	-
	<b>1,244,678</b>	<b>1,199,743</b>	<b>1,207,801</b>
<b>Expenses</b>			
Salaries and benefits	732,076	713,783	727,978
Health Programming Expenses	146,436	140,046	155,754
Administrative fee	98,050	94,459	98,010
Travel	67,016	71,208	66,952
Supplies	30,684	41,820	23,943
Rental	31,938	32,319	29,987
Utilities	63,208	31,239	73,725
Other operating expenses	16,893	14,948	13,713
Computer technical support	14,500	13,500	18,000
Repairs and maintenance	19,000	13,005	24,284
Insurance and licenses	7,227	12,022	4,896
Activities	24,434	6,305	21,446
Vehicle Operating Costs	4,700	5,731	4,472
Staff Development	3,500	3,057	2,366
Vehicle Fuel	3,414	2,897	2,679
Meetings	2,500	2,529	1,705
Freight and Postage	1,964	1,697	2,031
Advertising and promotion	500	1,309	801
Professional fees	7,600	-	5,613
Contract Services	-	-	7,250
Training & Workshops	8,932	-	4,594
	<b>1,284,572</b>	<b>1,201,874</b>	<b>1,290,199</b>
<b>Current surplus (deficit)</b>	<b>\$ (39,894)</b>	<b>\$ (2,131)</b>	<b>\$ (82,398)</b>

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

# Schedule #9

## Flying Dust First Nation

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

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Fixed contribution	\$ 237,771	\$ 231,654	\$ 172,461
AANDC - Set contribution	-	60,485	160,000
AANDC - Flexible contribution	341,519	250,000	91,519
Unexpended Revenue - Current Year	-	(6,118)	-
Meadow Lake Tribal Council	55,773	57,910	56,274
Wage subsidies	-	78,202	-
Produce sales	-	28,513	-
Other revenue	27,250	1,190	-
Expense Recoveries	-	353	-
Program Transfer	27,000	327,300	48,250
	<b>689,313</b>	<b>1,029,489</b>	<b>528,504</b>
<b>Expenses</b>			
Salaries and benefits	134,048	381,526	145,628
Professional fees	199,769	273,354	216,401
Other operating expenses	326,190	270,323	159,152
Travel	15,500	64,887	37,053
Meetings	6,500	56,553	43,795
Supplies	2,200	52,980	3,153
Administrative fee	30,842	24,274	26,064
Utilities	2,387	13,519	2,441
Rental	5,500	12,034	6,000
Interest and bank charges	-	11,703	-
Repairs and maintenance	-	11,373	-
Vehicle Costs	-	20,809	127
Insurance and licenses	-	5,182	-
Computer technical support	3,000	2,750	3,000
Staff Development	-	2,557	-
Activities	-	1,593	-
Contract Services	-	1,500	-
Honorarium	1,000	1,500	7,375
Training & Workshops	-	1,075	1,000
Advertising and promotion	-	1,000	-
Freight and Postage	250	424	334
Project Expenses	30,000	-	30,000
	<b>757,186</b>	<b>1,210,916</b>	<b>681,523</b>
<b>Current surplus (deficit)</b>	<b>\$ (67,873)</b>	<b>\$ (181,427)</b>	<b>\$ (153,019)</b>

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

# Schedule #10

## Flying Dust First Nation

Other Programs

### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
AANDC - Block contribution	\$ 26,222	\$ 28,843	\$ -
Earnings (loss) from Government business enterprises (GBE)	-	294,578	-
Earnings from Limited Partnership	-	686,619	1,382,465
Government of Saskatchewan	12,752	2,324,773	2,158,641
Unexpended Revenue	-	-	3,900
Meadow Lake Tribal Council	203,017	182,124	181,940
Interest	-	385	280
First Nations Trust - Gaming	-	467,450	460,826
Rental income	144,000	194,395	173,083
Earnings Distributions	-	-	250,000
Other Revenue	87,300	54,021	60,861
Fuel Station earnings rebate	-	178,000	312,025
Expense Recoveries	19,340	76,060	120,814
Bingo Proceeds	-	77,772	99,036
Northern Lights Community Development	-	116,656	112,809
Trust income	-	250,704	272,670
Saskatchewan Lotteries	4,845	5,033	4,958
Program Transfer	537,500	(1,511,456)	(320,000)
	<u>1,034,976</u>	<u>3,425,957</u>	<u>5,274,308</u>

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

# Schedule #10

## Flying Dust First Nation

### Other Programs

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Expenses</b>			
Rebates paid	-	1,490,034	1,334,097
Salaries and benefits	380,969	480,413	623,127
Utilities	185,845	211,850	198,147
Interest and bank charges	190,000	161,396	199,745
Professional fees	-	129,455	79,842
Activities	37,500	129,274	152,430
Contract Services	36,600	97,720	50,300
Purchase of equipment	1,500	97,500	-
Supplies	50,900	81,719	49,395
Assistance	11,500	85,885	103,125
Pow Wow	-	74,247	-
Repairs and maintenance	34,800	61,868	77,927
Advertising and promotion	7,000	38,341	31,255
Elders assistance	-	43,988	-
Travel	6,500	31,960	38,378
Registration Fees	20,000	28,975	9,443
Funerals	30,000	26,334	38,092
Computer technical support	-	21,650	9,000
Vehicle Costs	19,900	20,933	21,445
Community support	-	20,870	16,876
Project Expenses	12,752	16,526	-
Grants to band members	-	14,750	-
Insurance and licenses	9,145	11,025	12,617
Honorarium	2,000	8,855	21,769
Training & Workshops	3,700	6,059	31,617
Meetings	2,000	5,837	3,606
Administrative fee	-	4,077	-
Rental	3,000	3,300	25,244
Christmas Tree Program	-	2,500	2,500
Freight and Postage	1,600	1,554	1,269
Veteran's Payments	1,500	1,500	1,500
Volunteer Costs	-	-	26,582
Fitup Costs	-	-	9,610
Gaming	-	33,144	99,036
	1,048,711	3,443,539	3,267,974
<b>Current surplus (deficit)</b>	<b>\$ (13,735)</b>	<b>\$ (17,582)</b>	<b>\$ 2,006,334</b>

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

# Schedule #11

## Flying Dust First Nation

### Unappropriated Programs

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
Canada Mortgage and Housing Corporation	\$ -	\$ 187,559	\$ 183,108
CMHC Subsidy	-	182,306	136,016
TLE Revenue Fund - Revenue allocation	-	35,409	41,447
Retrofit	-	127,200	-
Interest	-	58	28
Rental income	-	128,182	123,831
Other Revenue	-	150,486	131,925
Expense Recoveries	-	35,483	73,954
Program Transfer	-	799,210	779,403
	-	1,645,893	1,469,712
<b>Expenses</b>			
Salaries and benefits	-	597,595	426,691
Supplies	-	399,603	523,802
Amortization	-	152,566	122,741
Repairs and maintenance	-	139,254	24,034
Vehicle Costs	-	62,393	17,396
Interest and bank charges	-	56,095	42,815
Rental	-	49,055	8,474
Replacement reserve	-	33,742	29,442
Travel	-	31,254	11,901
Insurance and licenses	-	31,106	23,392
Sewage Pumpout	-	25,834	4,667
Administrative fee	-	21,333	17,928
Transfer to operating reserve	-	20,482	(485)
Professional fees	-	16,890	93,383
Meetings	-	13,887	6,643
Honorarium	-	10,800	11,000
Utilities	-	8,860	3,248
Computer technical support	-	7,649	-
Contract Services	-	7,100	860
Refuse	-	6,302	289
Freight and Postage	-	3,282	-
Inspections	-	1,650	2,180
Advertising and promotion	-	1,250	-
	-	1,697,982	1,370,401
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (52,089)</b>	<b>\$ 99,311</b>

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

## Schedule #12

### Flying Dust First Nation

#### Amortization

#### Schedule of Operations

For the Year Ended March 31, 2018  
(unaudited)

	2018	2018	2017
	Budget	Actual	Actual
<b>Revenue</b>			
<b>Expenses</b>			
Administration	\$ -	\$ 421,931	\$ 5,894
Community Buildings	-	194,889	4,630
Arena	135,000	142,981	142,981
Infrastructure	-	110,494	71,844
Student Transportation	-	108,944	34,119
Market Garden	-	74,805	-
Municipal Services	-	71,873	-
Fire Suppression	-	41,525	2,875
School Maintenance	-	40,829	2,179
Headstart	-	13,322	13,322
Housing Corporation	-	6,630	630
Instructional Services	-	1,576	7,704
	135,000	1,229,799	286,178
<b>Current surplus (deficit)</b>	<b>\$ (135,000)</b>	<b>\$ (1,229,799)</b>	<b>\$ (286,178)</b>

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