

**Flying Dust First Nation
Consolidated Financial Statements**

March 31, 2019



Flying Dust First Nation Contents

For the year ended March 31, 2019

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Management's Responsibility



To the Members of Flying Dust First Nation:

Management is responsible for the preparation and presentation of the accompanying 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 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 financial statements.

The Flying Dust First Nation Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by Council to audit the 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 the Council and management to discuss their audit findings.

July 2, 2019

Signed by Will Main

Band Manager

Independent Auditor's Report

To the Members of Flying Dust First Nation:

Opinion

We have audited the consolidated financial statements of Flying Dust First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations, accumulated surplus, remeasurement gains and losses, 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, 2019, and the results of its consolidated operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matter - Restated Comparative Information

We draw attention to Note 24 to the consolidated financial statements, which explains certain comparative information for the year ended March 31, 2018 has been restated. The consolidated financial statements of Flying Dust First Nation for the year ended March 31, 2018 were reported on by another professional accountant who expressed an unmodified opinion on those financial statements on October 5, 2018 prior to the restatement of the comparative information. Our opinion is not modified in respect of this matter.

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

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

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

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

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

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

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

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

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

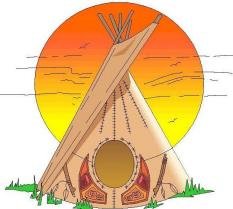
Saskatoon, Saskatchewan

July 2, 2019

MNP LLP

Chartered Professional Accountants

MNP



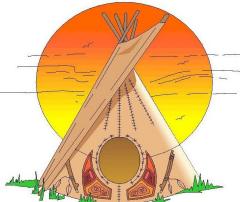
Flying Dust First Nation
Consolidated Statement of Financial Position
As at March 31, 2019

2019 **2018**
 As restated
 (Note 24)

Financial assets

Current

Accounts receivable (Note 4)	2,363,843	1,077,851
Investment in Gensource Potash Corporation (Note 5)	305,277	427,273
Inventory	19,625	19,625
Advances to related parties (Note 6)	220,324	873,213
Restricted cash (Note 7)	2,556,018	9,737,170
	5,465,087	12,135,132
Portfolio investments (Note 8)	53	2
Investment in Nation business entities (Note 9)	2,525,023	3,210,360
Funds held in trust (Note 10)	820,002	372,449
Restricted cash (Note 7)	-	585,506
Total financial assets	8,810,165	16,303,449



Flying Dust First Nation
Consolidated Statement of Financial Position
As at March 31, 2019

2019 **2018**
 As restated
 (Note 24)

Liabilities

Current

Bank indebtedness (Note 11)	481,915	1,159,661
Accounts payable and accruals	1,093,330	1,039,272
Deferred revenue (Note 12)	3,879,425	10,380,518
Advances from related parties (Note 13)	177,021	3,023,378
Current portion of long-term debt (Note 15)	1,345,743	378,239
	6,977,434	15,981,068
Term loans due on demand (Note 14)	404,084	264,526

Long-term debt (Note 15)

Total financial liabilities	15,568,246	22,154,957
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Net debt

Net debt	(6,758,081)	(5,851,508)
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Non-financial assets

Tangible capital assets (Note 16)	37,525,111	28,537,868
Prepaid expenses	10,431	16,931

Total non-financial assets

Total non-financial assets	37,535,542	28,554,799
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Accumulated surplus (Note 17)

Accumulated surplus (Note 17)	30,777,461	22,703,291
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Accumulated surplus is comprised of:

Accumulated surplus	30,722,185	22,526,019
Accumulated remeasurement gains	55,276	177,272
	30,777,461	22,703,291

Approved on behalf of Chief and Council

Signed by Jeremy Norman	Chief	Signed by Marie Gladue	Councilor
Signed by Connie Derocher	Councilor	Signed by Tyson Bear	Councilor
Signed by Richard Derocher	Councilor		



Flying Dust First Nation
Consolidated Statement of Operations
For the year ended March 31, 2019

	<i>Schedules</i>	<i>2019 Budget (Note 22)</i>	<i>2019</i>	<i>2018 As restated (Note 24)</i>
Revenue				
Indigenous Services Canada (Note 19)		6,163,288	17,571,257	5,919,543
MLTC Program Services Inc.		586,911	576,249	601,084
Meadow Lake Health & Social Development Authority		1,629,651	1,552,892	900,144
MLTC Child & Family Services Inc.		252,853	252,853	222,731
Health Canada		32,846	140,378	33,307
Canada Mortgage and Housing Corporation		-	486,978	490,815
Earnings from investment in Nation business entities (Note 9)		-	2,389,481	247,234
Sales Tax Revenues		-	2,048,211	2,311,214
Other revenue		382,561	362,769	659,185
Contracting income		-	1,613,231	111,475
Ottawa Trust Fund Revenue		-	499,307	250,704
First Nations Trust funds		250,000	437,749	467,450
Rental income		198,600	368,619	325,197
MLTC RDI		75,000	366,000	-
Northwest School Division		305,000	304,633	2,095,373
Administration		190,000	251,584	212,098
Sponsorship		83,640	176,951	18,469
Grant revenue		17,345	404,885	986,948
Western Economic Diversification grant revenue		-	396,854	-
Northern Lights Community Development Corp.		78,000	165,406	114,156
Bingo revenues		96,500	157,243	80,724
Dunmac security contracts		-	142,013	8,626
Property tax revenue		-	123,410	1,200
Insurance proceeds		-	65,000	72,152
Interest income		4,586	63,839	9,333
Administration fees		60,000	60,000	25,000
Contributions		-	42,362	72,498
Expense recoveries		32,000	39,150	263,295
Government of Saskatchewan		30,726	29,003	13,559
		10,469,507	31,088,307	16,513,514
Program expenses				
Administration	3	1,002,959	1,449,032	1,601,401
Band Programs	4	752,213	2,195,403	1,597,494
Capital	5	646,594	2,665,352	2,250,587
Economic Development	6	745,578	2,941,026	2,753,978
Education	7	3,040,796	3,557,554	3,525,975
Health	8	1,973,249	1,812,355	1,215,195
Infrastructure	9	1,694,285	1,898,582	1,945,055
Reserves and Trusts	10	711,654	5,720,996	515,284
Social Services	11	485,618	1,548,253	1,405,560
Total expenditures		11,052,946	23,788,553	16,810,529
Surplus (deficit) before other income (expense)		(583,439)	7,299,754	(297,015)
Other income (expense)				
Contribution of land (Note 16)		-	896,412	-
Surplus (deficit)		(583,439)	8,196,166	(297,015)

The accompanying notes are an integral part of these financial statements



Flying Dust First Nation
Consolidated Statement of Accumulated Surplus
For the year ended March 31, 2019

	2019	2018
		<i>As restated (Note 24)</i>
Accumulated surplus, beginning of year, as previously stated	22,526,019	19,102,210
Correction of an error (Note 24)	-	3,720,824
Accumulated surplus, beginning of year, as restated	22,526,019	22,823,034
Surplus (deficit)	8,196,166	(297,015)
Accumulated surplus, end of year	30,722,185	22,526,019



Flying Dust First Nation
Consolidated Statement of Remeasurement Gains and Losses
For the year ended March 31, 2019

	2019	2018
Accumulated remeasurement gains, beginning of year	177,272	299,350
Remeasurement losses on investments	(121,996)	(122,078)
Accumulated remeasurement gains, end of year	55,276	177,272



Flying Dust First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2019

	2019 <i>Budget</i> <i>(Note 22)</i>	2019	2018 <i>As restated</i> <i>(Note 24)</i>
Annual surplus (deficit)			
Purchases of tangible capital assets	(583,439)	8,196,166	(297,015)
Contribution of tangible capital assets	-	(9,192,717)	(3,958,827)
Amortization of tangible capital assets	135,000	1,101,886	1,382,365
Use of prepaid expenses	-	6,500	11,089
Change in remeasurement gains (losses) for the year	-	(121,996)	(122,078)
 Increase in net debt	 (448,439)	 (906,573)	 (2,984,466)
Net debt, beginning of year	(5,851,508)	(5,851,508)	(2,867,042)
 Net debt, end of year	 (6,299,947)	(6,758,081)	(5,851,508)



Flying Dust First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

2019 **2018**
As restated
(Note 24)

Cash provided by (used for) the following activities

Operating activities

Surplus (deficit)	8,196,166	(297,015)
Non-cash items		
Amortization	1,101,886	1,382,365
Earnings from Flying Dust business entities	(2,389,481)	(247,234)
Valuation loss on investments	243,992	244,155
	7,152,563	1,082,271
Changes in working capital accounts		
Accounts receivable	(1,285,992)	(691,182)
Inventory	-	(19,625)
Prepaid expenses	6,500	11,089
Restricted cash	7,766,658	(8,454,219)
Accounts payable and accruals	54,058	(366,575)
Deferred revenue	(6,501,093)	7,219,942
	7,192,694	(1,218,299)

Financing activities

Net advances of current portion of long-term debt	3,853,285	1,246,246
Repayment of current portion of long-term debt	(608,416)	-
Advances of term loans due on demand	139,558	139,568
	3,384,427	1,385,814

Capital activities

Purchases of tangible capital assets	(9,192,717)	(3,958,827)
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Investing activities

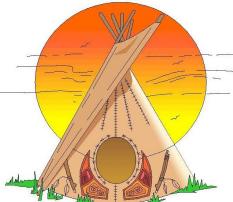
Advances (repayment) of bank indebtedness	(677,746)	1,159,661
Increase in funds held in trust	(447,553)	(32,620)
Net advances to (from) related Nation entities and departments	(259,054)	938,220
Investment in Plains North Contracting Limited Partnership	(51)	-
	(1,384,404)	2,065,261

Decrease in cash resources

	-	(1,726,051)
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Cash resources, beginning of year

Cash resources, end of year



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

1. Operations

The Flying Dust First Nation (the "First Nation") is located in the province of Saskatchewan, and provides various services to its members. Flying Dust First Nation financial reporting entity includes 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.

2. Change in accounting policy

Effective April 1, 2018, the First Nation adopted the recommendations relating to the following Section, as set out in the CPA Canada Public Sector Accounting Handbook:

- PS 3430 Restructuring Transactions

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from adopting the new Section.

3. Significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards set out in the CPA Canada Handbook - Public Sector Accounting as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities, which are recorded using the modified equity method.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Flying Dust First Nation
- Flying Dust CMHC Housing Program
- Flying Dust Market Garden Ltd.
- Flying Dust Housing Corporation
- Flying Dust Community Development Fund

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

Flying Dust First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- FDB Fuels Inc.
- FDB Holding Corporation
- FDB Gravel Inc.
- Flying Dust Power Corporation
- Flying Energy Oil & Gas Limited Partnership
- 625706 Saskatchewan Ltd. (Flying Dust Properties)



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

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

Other economic interests

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

The First Nation is a member of Meadow Lake Tribal Council. The Tribal Council is an organization of nine Nations.

The Flying Dust Treaty Land Entitlement Trust is not included in the consolidated financial statements as it is administered and controlled by independent Trustees.

Basis of presentation

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

Cash and cash equivalents

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

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Cost of inventories of items that are segregated for specific projects is assigned by using specific identification of their individual costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to March 31, 2019, the First Nation has committed to sell the asset;
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the First Nation can reasonably be expected within one year.

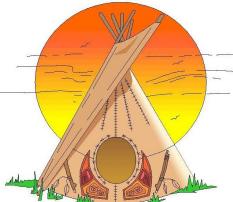
Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution where fair value can be reasonably determined.

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Buildings	declining balance	5 %
Houses	declining balance	5 %
Equipment	declining balance	20 %
Infrastructure	declining balance	2 %
Vehicles	declining balance	25 %

Assets under construction are not amortized until they are put into use. Land is not amortized.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

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

Portfolio investments

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

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 moneys consist of:

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

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

Asset classification

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount 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, 2019.

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 is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Management believes no liability exists and none has been recorded at March 31, 2019.

Net debt

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

Revenue recognition

Non-government funding

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

Government transfers

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



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

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

Other revenue

Rental revenues are recognized over the rental term. Other revenue is earned from services provided by the First Nation and is recognized when the service has been performed.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

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 tangible capital assets.

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

Segments

The First Nation conducts its business through 9 of reportable segments:

- Administration
- Band Support
- Capital
- Economic Development
- Education
- Health
- Infrastructure
- Reserves and Trusts
- Social Services

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Inter program administration fees have been recorded based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

Employee future benefits

The First Nation's employee future benefit programs consist of a defined contribution pension plan.

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.

Fair value measurements

The First Nation classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Quoted prices (unadjusted) are available in active markets for identical assets or liabilities;



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

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

- Level 2: Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the First Nation to develop its own assumptions.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy.

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. At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election in the current year.

The First Nation subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published market prices. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The First Nation has measured its investment in Gensource Potash Corporation at fair value. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurement's of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

4. Accounts receivable

	2019	2018
Trade receivables	1,507,805	858,882
Indigenous Services Canada	781,037	160,467
GST receivables	48,901	22,765
Canada Mortgage and Housing Corporation	21,000	15,973
Receivable from members	5,100	-
Rent receivable	-	11,664
MLTC Program Services Inc.	-	8,100
	2,363,843	1,077,851



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

5. Investment in Gensource Potash Corporation

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

	2019	2018
--	-------------	-------------

Measured at fair value:

Group 1 - 2,142,857 common shares	214,286	300,000
Group 2 - 909,909 common shares	90,991	127,273
	305,277	427,273

The First Nation also held 1,070,428 warrants to buy common shares at \$0.12 before May 6, 2018 and 450,450 warrants to buy commons shares at \$0.17 before January 20, 2019. Neither group of warrants was exercised in the year and have expired.

6. Advances to related parties

Flying Dust First Nation is related to the following entities by virtue of their ownership interest in them. The advances are unsecured, bear no interest and have no fixed terms of repayment.

	2019	2018
FDB Holding Corporation	122,026	146,570
Plains North Contracting Limited Partnership	98,298	-
FDB Fuels Inc.	-	496,319
FDB Gravel Inc.	-	150,232
Flying Dust Construction Inc.	-	80,092
	220,324	873,213

7. Restricted cash

	2019	2018
Current		
Bank - Railway Remediation Project	17,217	2,335,384
Bank - School Project	99,585	1,401,786
Restricted Term deposit - School Project	1,559,216	6,000,000
Restricted Term deposit - Railway Remediation Project	880,000	-
	2,556,018	9,737,170
Long-term		
Bank - CMHC reserves	-	585,505
	2,556,018	10,322,675



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

8. Portfolio investments

	2019	2018
		<i>As restated (Note 24)</i>
Measured at cost:		
Plains North Contracting Limited Partnership	51	-
MLTC Resource Development Limited Partnership	1	1
MLTC Resource Development Inc.	1	1
	53	2

9. Investment in Nation business entities

The First Nation has investments in the following entities:

	<i>Opening - as restated (Note 24)</i>	<i>Contributions</i>	<i>Withdrawals</i>	<i>Cash dividends</i>	<i>Share of earnings</i>	<i>Total investment</i>
Constructions Services	353,143	-	-	(460,000)	1,496,189	1,389,332
Real Estate Services	2,154,555	-	(2,796,137)	-	17,261	(624,321)
Energy Services	647,041	-	-	(315,000)	757,375	1,089,416
Retail Services	55,621	496,319	-	-	118,656	670,596
	3,210,360	496,319	(2,796,137)	(775,000)	2,389,481	2,525,023

Summary financial information for each First Nation business enterprise, by industry, for their year ended March 31, 2019 accounted for using the modified equity method, is as follows:

	Assets	Liabilities	Net Assets	Revenues	Expenses	Earnings
Construction Services	3,893,859	2,504,527	1,389,332	6,423,807	4,927,618	1,496,189
Real Estate Services	7,158,878	7,783,199	(624,321)	1,680,552	1,663,291	17,261
Energy Services	1,096,062	6,646	1,089,416	1,086,512	329,137	757,375
Retail Services	2,549,014	1,878,418	670,596	5,799,124	5,680,468	118,656



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

9. Investment in Nation business entities *(Continued from previous page)*

Principal repayments on long-term debt of the First Nation's business enterprises, by industry, in each of the next five years assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

	2020	2021	2022	2023	2024	Thereafter	Total
Long-term debt owed to parties external to the First Nation							
Construction Services	564,329	286,516	302,061	546,806	197,362	120,876	2,017,950
Real Estate Services	907,036	937,036	967,036	825,996	459,036	3,306,955	7,403,095
Retail Services	106,701	65,034	65,034	65,034	65,034	975,517	1,342,354
	1,578,066	1,288,586	1,334,131	1,437,836	721,432	4,403,348	10,763,399

Construction Services includes the following Nation business enterprises:

- FDB Gravel Ltd. - 100%
- Flying Dust Construction - 100%

Real Estate Services includes the following Nation business enterprises:

- 625706 Saskatchewan Ltd. (Flying Dust Properties) - 100%
- FDB Holding Corporation - 100%

Energy Services includes the following Nation business enterprises:

- Flying Dust Power Corporation Ltd. - 100%
- Flying Energy Oil & Gas Limited Partnership - 99.99%
- Flying Energy Inc. - 100%

Retail Services includes the following Nation business enterprises:

- FDB Fuels Ltd. - 100%

During the year, the following First Nation purchased supplies from business enterprises at their exchange amounts, which is the amount of consideration established between the parties.



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

10. Funds held in trust

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	2019	2018
Capital Trust		
Balance, beginning of year	346,697	224,438
Lease revenue	439,353	194,759
	786,050	419,197
Less: Transfers to Flying Dust First Nation	-	72,500
Balance, end of year	786,050	346,697
Revenue Trust		
Balance, beginning of year	25,752	115,391
Interest	8,913	6,904
Lease revenue	51,041	49,041
	85,706	171,336
Less: Transfers to Flying Dust First Nation	51,754	145,584
Balance, end of year	33,952	25,752
	820,002	372,449

11. Bank indebtedness

Bank indebtedness is represented by cash balances less outstanding cheques. At March 31, 2019 the First Nation has two separate lines of credit available totaling \$420,000 (2018 - \$420,000). At March 31, 2019, \$154,853 (2018 - \$285,316) had been drawn against these lines of credit. The line of credits both charge interest at bank prime plus 1.00% and are secured by redirection of ISC and MLTC funding.



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

12. Deferred revenue

	<i>Balance, beginning of the year</i>	<i>Amount received</i>	<i>Amount expended</i>	<i>Balance, end of year</i>
MLTC - Jordan's Principle	-	586,818	441,348	145,470
ISC - Capital School	7,436,050	-	5,796,382	1,639,668
ISC - Contaminated Sites (Railbed Remediation)	2,915,879	2,575,000	3,920,386	1,570,493
ISC - Phase I & II Environmental Site Assessment	-	300,000	100,610	199,390
ISC - Behaviour Modification	16,390	-	16,390	-
ISC - Institutional Care	6,081	-	6,081	-
ISC - Community Development	6,118	194,000	161,118	39,000
ISC - First Nations Lands	-	391,054	341,251	49,803
FDFN - Summer Games Fundraising	-	473,648	238,047	235,601
	10,380,518	4,520,520	11,021,613	3,879,425

13. Advances from related Nation entities and departments

Flying Dust First Nation is related to the following entities by virtue of their ownership interest in them. The advances are unsecured, bear no interest, and have no fixed terms of repayment.

	2019	2018
FDB Gravel Inc.	98,600	-
Flying Energy Oil & Gas Limited Partnership	78,421	78,421
FDB Holding Corporation	-	2,944,957
	177,021	3,023,378

14. Term loans due on demand

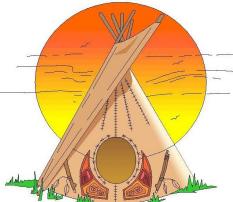
	2019	2018
Indigenous Services Canada term loan for expenditures relating to specific claim filed with Canada. Loan is interest free and repayable on the earlier of March 31, 2021 or the date on which the specific claim is settled.	404,084	264,526



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

15. Long-term debt

	2019	2018
TD bank loan for the construction of the arena, interest at 5.15%, maturity date of April 2032, repayable in quarterly instalments of \$47,552 plus interest. Secured by general security agreement.	1,651,244	1,786,039
BMO band unit housing construction loan repayable in monthly instalments of interest only at prime plus 1.50%. Terms will be established upon completion of the houses. Secured by general security agreement and second charge on all assets.	1,165,109	-
FNBC bank loan for the construction of the community arena, interest at prime plus 1.70% (2018 - 5.15%), maturity date of September 2033, repayable in quarterly instalments of \$29,855 plus interest, secured by general security agreement and second charge on all assets.	1,582,356	1,701,779
BMO market garden demand loan repayable in monthly interest only instalments at the lenders' rate prime plus 1.50%, due the earlier of July 2020 and receipt of grant income from Western Economic Diversification Canada.	656,926	-
BMO Phase XI CMHC housing loan, interest at prime plus 1.5%, maturity date of December 2023, repayable in monthly instalments of \$5,917 plus interest, secured by general security agreement and second charge on all assets.	337,250	-
FNBC Phase X CMHC housing loan, interest at prime plus 1.00%, maturity date of June 2027, repayable in monthly instalments of \$3,010 plus interest, secured by general security agreement and second charge on all assets.	297,910	325,000
BMO operating loan, interest at prime plus 1.50%, maturity date of May 2028, repayable in monthly instalments of \$2,500 plus interest, secured by general security agreement and second charge on all assets.	275,000	-
BMO Phase XII CMHC housing loan; repayable in monthly interest only instalments at prime plus 1.50%. Terms will be established upon completion of the houses. Secured by general security agreement and second charge on all assets.	251,956	-
BMO member home renovation loan, interest at prime plus 1.50%, maturity date of October 2028, repayable in monthly instalments of \$1,165 plus interest, secured by general security agreement and second charge on all assets.	133,935	-
FNBC bus loan, interest at prime plus 1.50%, maturity date of February 2023, repayable in monthly instalments of \$1,679 plus interest, secured by a general security agreement and second charge on all assets.	77,951	98,100
FNBC bus loan, interest at prime plus 1.00%, maturity date of May 2022, repayable in monthly instalments of \$1,833 plus interest, secured by general security agreement and second charge on all assets.	67,833	89,833
Beaver River Community Futures Development Corporation market garden loan, interest at the lenders' rate of 9.00%, maturity date of August 2019, repayable in monthly instalments of \$5,000, including interest.	27,676	82,462
CMHC housing mortgage - Phase IV, interest at 1.92%, maturity date of April 2019, repayable in monthly principal and interest payments of \$407. Secured by a ministerial guarantee.	407	5,229
CMHC housing mortgage - Phase VI interest at 1.97%, maturity date of December 2027, repayable in monthly principal and interest payments of \$4,884. Secured by a ministerial guarantee.	470,874	519,725



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

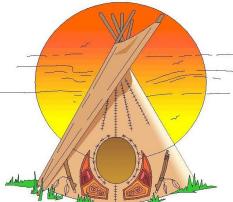
15. Long-term debt *(Continued from previous page)*

	2019	2018
CMHC housing mortgage - Phase VII interest at 1.12%, maturity date of February 2030, repayable in monthly principal and interest payments of \$800. Secured by a ministerial guarantee.	98,591	107,036
CMHC housing mortgage - Phase VIII interest at 1.35%, maturity date of May 2032, repayable in monthly principal and interest payments of \$3,429. Secured by a ministerial guarantee.	496,158	530,368
CMHC housing mortgage - Phase IX interest at 1.84%, maturity date of September 2037, repayable in monthly principal and interest payments of \$971. Secured by a ministerial guarantee.	182,709	190,931
CMHC housing mortgage - Phase X interest at 2.50%, maturity date of June 2033, repayable in monthly principal and interest payments of \$6,155. Secured by a ministerial guarantee.	885,462	-
CMHC housing mortgage - Phase XI interest at 2.70%, maturity date of November 2033, repayable in monthly principal and interest payments of \$3,338. Secured by a ministerial guarantee.	485,099	-
CMHC housing mortgage - mortgage advances towards completion of the Phase XII housing units. Terms to be established upon completion of construction. Secured by a ministerial guarantee.	388,025	816,471
CNH Capital finance contract - repaid during the year.	-	5,404
CMHC housing mortgage - Phase III, repaid during the year.	-	7,146
CMHC housing mortgage - Phase V, repaid during the year.	-	22,079
	9,532,471	6,287,602
<u>Less: current portion</u>	1,345,743	378,239
	8,186,728	5,909,363

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

2020	1,345,743
2021	665,442
2022	674,192
2023	652,919
2024	567,532
Thereafter	5,626,643

Long-term debt is subject to certain financial covenants with respect to timely submission of the annual audited consolidated financial statements to their lender as well as other restrictions that may be in place. It is management's opinion that the First Nation is likely to remain in compliance with all long-term debt covenants throughout the next twelve months subsequent to March 31, 2019.



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

16. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1. Details of amounts included in assets under construction are as follows:

Project	Budget	Cumulative costs to March 31, 2019
Capital School Housing	12,122,000 -	7,804,498 1,627,536

Tangible capital assets includes land with a carrying value of \$9,105,793 (2018 - \$8,209,381) for which no amortization has been recorded.

The First Nation's tangible capital assets include land contributed through the Flying Dust Treaty Land Entitlement Trust (TLE). Land is recorded at cost paid by the TLE. During the year, Flying Dust TLE acquired land for the beneficial use of the members of Flying Dust First Nation for \$896,412. This amount has been reflected as a contribution of land in the consolidated financial statements.

The First Nation holds works of art and historical treasures, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

17. Accumulated surplus

Accumulated surplus consists of the following:

	2019	2018
		<i>As restated (Note 24)</i>
Equity in Ottawa Trust Funds	820,002	372,449
Equity in investments	2,524,975	3,210,362
Equity in CMHC reserves	509,771	600,701
Equity in tangible capital assets	28,401,577	22,250,267
Operating surplus	(1,478,864)	(3,730,488)
	30,777,461	22,703,291

The equity in tangible capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating tangible capital assets that will be used to provide future services.

The CMHC reserves are replacement and operating reserve and are required to be funded to provide for future upgrades to existing CMHC housing units and finance any future operating deficits of the program as required by agreements with CMHC.

Equity in Ottawa Trust Funds report on trust moneys owned by the First Nation and held by the Government of Canada.

Equity in investments relates to earnings in commercial business operations owned by the First Nation.

18. Defined contribution pension

The First Nation provides a defined contribution pension 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 of the employee's withdrawal from the plan.



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

19. Reconciliation of funding from Indigenous Services Canada

Funding per ISC confirmation	12,766,494
Add:	
Prior year unearned funding	10,380,518
Less:	
Amounts not received relating to capital projects	(2,077,400)
Current year unearned funding	(3,498,355)
	17,571,257

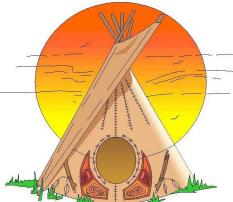
20. Canada Mortgage and Housing Corporation reserves

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the First Nation established the following:

- The replacement reserve to ensure replacement of capital equipment and for major repairs to housing units, which requires an annual cash allocation of \$37,001 to the reserve. At March 31, 2019, the reserve is required to be funded to a level of \$239,725 (2018 - \$341,593). At March 31, 2019 the cash balance in the reserve is \$nil (2018 - \$298,678).
- An operating surplus reserve established for housing units under the Post 1997 Fixed Subsidy Program which requires surpluses to be funded with cash. Future operating losses are able to draw on the reserve funds to sustain operations. At March 31, 2019 the operating reserve is required to be funded to a level of \$270,046 (2018 - \$259,108). At March 31, 2019 the cash balance in the reserve is \$nil (2018 - \$286,827).

Subsequent to March 31, 2019 the First Nation transferred \$239,725 and \$270,046 to the replacement and operating reserve, respectively.

In accordance with the terms of the agreement, CMHC reserve monies must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.



Flying Dust First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

21. 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.

Fair Value of Financial Instruments

The First Nation has measured its investment in Gensource Potash Corporation as a Level 1 financial asset. All other financial assets and financial liabilities have been assessed at Level 2.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The First Nation manages its credit risk by actively limiting the amount of non-funding accounts receivable outstanding.

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 borrow funds from financial institutions, for which repayment is required at various maturity dates.

The First Nation manages the liquidity risk resulting from term loans due on demand and long-term debt by actively managing its cashflows to insure it will have sufficient cash flows to fund its operations and to meet its obligations when due, under both normal and stressed conditions.

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.

The First Nation is exposed to interest rate risk with respect to its term loans due on demand and long-term debt.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The First Nation is exposed to other price risk through its investment in Gensource Potash Corporation, for which the market price fluctuates.

22. Budget information

The disclosed budget information has been approved by the Chief and Council of Flying Dust First Nation at a meeting held on July 31, 2018.

In preparation of the annual budget of the First Nation, management does not budget for purchases of capital assets, amortization, principal payments on debt, or earnings and distributions from investments in Nation business entities.

The budget process followed by management only includes activities directed by the First Nation. Management does not prepare a budget for capital projects administered through third party managers.

23. Economic dependence

Flying Dust First Nation receives substantially all of its revenue from Indigenous Services Canada (ISC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The treaty provisions provided under Treaty 6 include Education, Health, Hunting, Fishing and Gathering. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.



Flying Dust First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

24. Correction of an error

During the year, it was determined that the manner in which the First Nation had recorded its investments required restatement. Previously, the Nation's investments in MLTC Resource Development Limited Partnership and MLTC Resource Development Inc. were classified as government business enterprises and recorded using the modified equity method of accounting. However, it has been determined that based on the First Nation's level of equity participation in these entities that they should be classified as portfolio investments and recorded at cost.

During the year, it was determined that land acquired through the Flying Dust Treaty Land Entitlement Trust was not reflected in the accounts of the First Nation. The effect of restatement to record the land increased the amount reported as land by \$8,209,381.

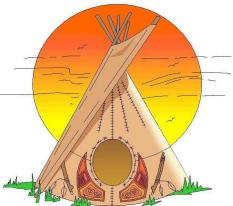
The amount of revenue recognized relating to funding for the construction of capital projects was determined to be overstated in the prior year by \$517,628.

Other adjustments were also made affecting CMHC reserves, Market Garden deferred capital gains, Advances from related Nation entities and departments, other investments, revenue, and expenses and are also noted below.

2018 accumulated surplus, beginning of year, as previously stated	19,102,210
Remove income previously recorded under modified equity method on investments	(4,893,293)
Record TLE land	8,209,381
Adjustments to CMHC reserve balances	32,002
Prior year surplus recognized as revenue relating to capital projects	517,628
Adjustment to Market Garden deferred capital grant	(144,894)
2018 accumulated surplus, beginning of year, as restated	22,823,034
2018 surplus, as previously stated	994,147
Current year equity pickups of investments under modified equity	(903,085)
Adjustments to CMHC reserve balances	(10,007)
Reduction in amount recognized as revenue relating to capital projects	(517,628)
Write off of due to TLE	139,558
2018 surplus, as restated	(297,015)
2018 accumulated surplus, end of year, as restated	22,526,019

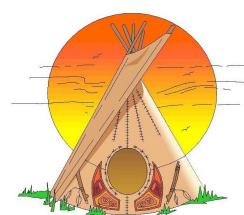
25. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.



Flying Dust First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Land</i>	<i>Houses</i>	<i>Building</i>	<i>Infrastructure</i>	<i>Equipment</i>	<i>Vehicles</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	8,209,381	13,156,640	14,735,427	5,919,174	1,735,276	1,551,530	45,307,428
Acquisition of tangible capital assets	896,412	1,748,912	1,118,011	-	34,703	197,291	3,995,329
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	9,105,793	14,905,552	15,853,438	5,919,174	1,769,979	1,748,821	49,302,757
Accumulated amortization							
Balance, beginning of year	-	10,848,728	4,103,038	3,181,711	1,343,026	631,292	20,107,795
Annual amortization	-	1,101,886	-	-	-	-	1,101,886
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	-	11,950,614	4,103,038	3,181,711	1,343,026	631,292	21,209,681
Net book value of tangible capital assets	9,105,793	2,954,938	11,750,400	2,737,463	426,953	1,117,529	28,093,076
2018 Net book value of tangible capital assets	8,209,381	2,307,912	10,632,389	2,737,463	392,250	920,238	25,199,633



Flying Dust First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Subtotal</i>	<i>Assets under construction</i>	<i>2019</i>	<i>2018</i>
<i>As restated (Note 24)</i>				
Cost				
Balance, beginning of year	45,307,428	3,338,235	48,645,663	44,968,337
Acquisition of tangible capital assets	3,995,329	6,093,800	10,089,129	3,958,827
Disposal of tangible capital assets	-	-	-	(281,500)
Balance, end of year	49,302,757	9,432,035	58,734,792	48,645,664
Accumulated amortization				
Balance, beginning of year	20,107,795	-	20,107,795	19,006,931
Annual amortization	1,101,886	-	1,101,886	1,382,365
Accumulated amortization on disposals	-	-	-	(281,500)
Balance, end of year	21,209,681	-	21,209,681	20,107,796
Net book value of tangible capital assets	28,093,076	9,432,035	37,525,111	28,537,868
2018 Net book value of tangible capital assets	25,199,633	3,338,235	28,537,868	



Flying Dust First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2019

	2019 <i>Budget</i> (Note 22)	2019	2018 As restated (Note 24)
Consolidated expenses by object			
Administration	238,428	270,271	214,074
Aggregate Expansion grant	250,000	250,000	-
Amortization	135,000	1,101,886	1,382,365
Assistance	-	1,109,271	1,009,235
Bank charges and interest	14,000	56,195	26,373
Bingo expenses	44,500	40,640	33,144
Bingo prize payouts	52,000	80,683	9,650
Community donations	38,500	349,203	78,141
Community events	55,200	210,480	221,909
Consulting	11,480	11,760	-
Contracted services	29,129	86,550	137,042
Contributions	-	-	457,158
Freight	7,638	14,534	11,833
Funeral	30,000	54,809	26,334
Furniture and equipment	225,500	16,524	42,588
Graduation assistance	6,500	7,531	6,406
Honouraria	97,600	97,155	92,575
IT support	42,000	81,515	70,482
Institutional adult care fees	45,374	53,622	38,395
Insurance	154,594	172,661	199,420
Interest on long-term debt	217,351	306,462	238,140
Meeting	102,706	108,016	100,949
Municipal agreements	156,480	147,058	191,692
Office supplies	60,419	101,477	94,582
Professional fees	617,384	922,096	585,233
Program expense	596,817	902,009	292,999
Railway Remediation	-	5,241,898	-
Rebate payments	-	1,339,659	1,543,554
Renovation materials	-	634,194	382,856
Rent	141,096	190,065	182,143
Repairs and maintenance	329,288	755,334	357,713
Retail costs	25,000	36,382	16,642
Salaries and benefits	4,920,156	5,635,819	5,416,174
Septic waste hauling	18,990	21,370	40,983
Specific claims expenses	-	24,000	102,219
Student expenses	6,204	282,967	332,425
Supplies	172,890	364,189	388,948
Telephone	73,570	90,782	79,488
Training	36,066	162,209	41,350
Transportation	135,832	270,412	249,359
Travel	253,149	422,942	440,749
Tuition	1,380,813	1,404,566	1,362,047
Utilities	331,292	359,357	313,160
	11,052,946	23,788,553	16,810,529



**Flying Dust First Nation
Administration**

Schedule 3 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	798,473	765,591	694,090
MLTC Program Services Inc.	-	1,000	-
Capital trust fund	-	439,353	250,704
Administration	190,000	251,584	212,098
Interest income	4,586	63,821	8,891
Administration fees	60,000	60,000	25,000
Revenue trust fund	-	59,954	-
GST Refund Revenue	37,404	37,404	8,708
Expense recoveries	20,000	18,077	36,323
Miscellaneous	60,000	14,476	9,379
Northern Lights CDC	2,500	5,000	-
	1,172,963	1,716,260	1,245,193
Expenses			
Administration	2,400	2,400	8,500
Advertising	2,000	303	225
Amortization	-	16,911	421,931
Bank charges and interest	14,000	23,752	15,903
Community events	-	-	1,593
Freight	1,450	1,102	1,114
Honouraria	63,500	66,700	62,100
IT support	11,000	31,238	18,744
Insurance	3,000	6,015	6,015
Meeting	6,500	7,416	9,362
Office supplies	30,300	64,697	37,979
Professional fees	80,000	142,122	78,457
Rent	34,700	34,652	33,247
Salaries and benefits	674,049	929,993	784,585
Supplies	5,000	4,770	5,741
Telephone	15,000	17,038	14,659
Training	3,500	4,212	5,035
Travel	53,500	95,711	96,211
Youth program expenses	3,060	-	-
	1,002,959	1,449,032	1,601,401
Surplus (deficit)	170,004	267,228	(356,208)



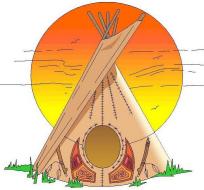
Flying Dust First Nation Band Programs

Schedule 4 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	250,000	250,000	(218,084)
MLTC Program Services Inc.	228,896	217,234	178,704
Meadow Lake Health & Social Development Authority	-	-	3,420
Earnings from investment in Nation business entities	-	2,389,481	247,234
Western Economic Diversification grant revenue	-	396,854	-
MLTC RDI	-	366,000	-
Fundraising revenue	2,500	257,281	6,730
Deferred fundraising revenue	-	(235,601)	-
Sponsorship	83,640	176,951	18,469
Bingo revenues	96,500	157,243	80,724
Dunmac security contracts	-	142,013	8,626
Grant revenue	4,845	135,552	415,698
Rental income	103,600	100,334	134,972
Northern Lights CDC	26,250	91,250	45,000
First Nations Trust funds	-	54,809	467,450
Miscellaneous	31,000	25,286	341,143
Flying Dust Pow Wow Committee	16,683	16,683	-
Concession booth revenue	-	14,662	-
SIEF Grant	-	10,176	2
Expense recoveries	-	582	218,720
First Nations Land Management Act funding	24,105	-	-
Retail sales	-	-	28,513
Government of Saskatchewan	-	-	1,812
	868,019	4,566,790	1,979,133

Continued on next page



Flying Dust First Nation Band Programs

Schedule 4 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue <i>(Continued from previous page)</i>	868,019	4,566,790	1,979,133
Expenses			
Administration	-	7,000	4,077
Advertising	1,500	2,555	2,165
Amortization	-	114,714	116,330
Bank charges and interest	-	2,108	2,589
Bingo prize payouts	52,000	80,683	9,650
Charity payouts	32,000	18,929	16,895
Community donations	38,500	60,664	56,287
Community events	12,500	5,742	41,867
Contracted services	-	-	35,200
Elders programming expense	15,000	13,887	11,810
Freight	400	2,500	882
Funeral	30,000	54,809	26,334
Furniture and equipment	-	14,550	97,500
Honouraria	2,700	4,900	5,900
IT support	-	6,000	-
Insurance	5,967	18,732	10,192
Interest on long-term debt	-	107,615	9,389
Meeting	4,250	6,181	3,650
Office supplies	1,250	2,905	1,713
Operating costs	12,500	21,711	16,249
Professional fees	-	237,027	82,079
Program expenses	-	-	3,123
Rent	2,500	3,600	9,034
Repairs and maintenance	4,800	9,589	39,704
Salaries and benefits	377,423	683,599	617,044
Septic waste hauling	195	155	1,814
Specific claims expenses	-	24,000	81,422
Summer games event expenses	-	420,716	-
Supplies	14,000	81,592	86,822
Telephone	5,650	10,390	9,504
Training	3,000	2,625	1,355
Transportation	19,400	34,437	39,066
Travel	4,678	17,906	33,652
Utilities	102,000	119,064	114,944
Youth program expenses	10,000	4,518	9,252
	752,213	2,195,403	1,597,494
Surplus before transfers	115,806	2,371,387	381,639
Transfers between programs	-	(330,889)	-
Surplus	115,806	2,040,498	381,639



**Flying Dust First Nation
Capital**

Schedule 5 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	651,395	6,632,491	(427,321)
Canada Mortgage and Housing Corporation	-	486,978	490,815
Contracting income	-	381,963	111,475
Grant revenue	-	244,333	571,250
Rental income	-	147,670	128,172
Property tax revenue	-	123,410	1,200
Insurance proceeds	-	65,000	72,152
Sales Tax Revenues	-	50,000	-
Northern Lights CDC	6,250	25,000	-
Expense recoveries	-	2,555	2,610
Northwest School Division	-	-	1,688,696
	657,645	8,159,400	2,639,049
Expenses			
Administration	-	11,479	21,333
Advertising	-	17	377
Amortization	-	235,729	159,196
Bank charges and interest	-	26,198	5,061
Community donations	-	-	1,250
Contracted services	-	72,858	68,940
Freight	75	5,517	3,350
Honouraria	-	4,900	10,800
IT support	-	6,626	3,507
Insurance	67,716	91,722	136,248
Interest on long-term debt	-	124,292	50,749
Meeting	-	1,855	13,941
Professional fees	-	28,235	22,067
Program expenses	-	1,797	1,829
Renovation materials	-	634,194	382,856
Rent	-	56,101	50,655
Repairs and maintenance	150	413,073	148,980
Salaries and benefits	570,205	622,005	966,530
Septic waste hauling	-	16,945	32,136
Supplies	900	74,632	53,922
Telephone	5,748	6,497	6,871
Training	-	98,721	10,014
Transportation	1,800	84,966	61,557
Travel	-	38,729	31,854
Utilities	-	8,264	6,564
	646,594	2,665,352	2,250,587
Surplus	11,051	5,494,048	388,462



**Flying Dust First Nation
Economic Development**

Schedule 6 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	420,000	420,000	188,260
MLTC Program Services Inc.	59,315	59,315	57,910
Sales Tax Revenues	-	1,998,211	2,311,214
Power Generation reimbursements	82,969	82,969	-
Contributions	-	42,362	72,498
Miscellaneous	5,000	26,073	17,053
Expense recoveries	5,000	5,293	353
Interest income	-	18	443
MLTC RDI	75,000	-	-
	647,284	2,634,241	2,647,731
Expenses			
Administration	7,000	7,000	12,297
Advertising	-	8,098	6,452
Aggregate Expansion grant	250,000	250,000	-
Assistance	-	75,514	73,361
Bank charges and interest	-	1,214	1,102
Community donations	-	288,539	20,604
Community events	20,000	190,575	165,247
Contributions	-	-	457,158
Freight	250	322	258
Home ownership grants	-	27,000	-
IT support	3,000	3,000	2,750
Insurance	-	3,007	-
Meeting	64,306	68,224	54,326
Office supplies	1,500	5,715	4,481
Professional fees	182,884	362,273	243,355
Program expenses	-	2,000	-
Rebate payments	-	1,339,659	1,543,554
Rent	7,200	7,200	3,000
Repairs and maintenance	-	121,183	-
Salaries and benefits	156,659	90,949	70,971
Specific claims expenses	-	-	20,797
Supplies	1,000	892	500
Telephone	3,500	3,528	3,621
Training	1,000	27,378	5,637
Travel	47,279	54,756	64,507
Utilities	-	3,000	-
	745,578	2,941,026	2,753,978
Other income (expense)			
Contribution of land	-	896,412	-
Surplus (deficit) before transfers	(98,294)	589,627	(106,247)
Transfers between programs	-	330,889	-
Surplus (deficit)	(98,294)	920,516	(106,247)



Flying Dust First Nation Education

Schedule 7 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	3,136,127	3,219,221	2,978,604
MLTC Program Services Inc.	286,700	286,700	269,569
Northwest School Division	305,000	304,633	406,677
Expense recoveries	6,000	5,976	5,696
Miscellaneous	-	1,567	102,377
	3,733,827	3,818,097	3,762,923
Expenses			
Administration	65,521	67,403	63,917
Advertising	100	1,751	1,632
Amortization	-	74,621	151,349
Bank charges and interest	-	1,288	6
Bussing costs	6,000	5,810	7,023
Community events	14,000	11,852	7,138
Contracted services	2,329	202	5,340
Freight	900	846	1,415
Furniture and equipment	2,000	1,974	(66,412)
Graduation assistance	6,500	7,531	6,406
Honouraria	5,000	3,825	4,500
IT support	6,000	13,650	11,250
Insurance	13,174	14,281	12,265
Interest on long-term debt	2,351	2,351	6,355
LLRC Curriculum Development	25,467	8,169	23,911
LLRC Land-based Activities	29,712	17,692	58,732
Meeting	1,500	1,874	5,002
Office supplies	11,500	9,660	27,191
PAA Program Expenses	4,000	1,000	3,631
Professional fees	4,000	-	450
Rent	12,850	11,416	13,416
Repairs and maintenance	33,432	58,682	38,201
Salaries and benefits	1,229,251	1,339,767	1,295,421
Student expenses	6,204	282,967	332,425
Supplies	46,820	73,601	40,692
Telephone	7,600	11,227	9,269
Training	10,080	11,632	3,650
Transportation	35,200	37,043	29,924
Travel	21,000	25,788	23,539
Tuition	1,380,813	1,404,566	1,362,047
Utilities	40,992	38,285	32,422
Youth program expenses	16,500	16,800	13,868
	3,040,796	3,557,554	3,525,975
Surplus	693,031	260,543	236,948

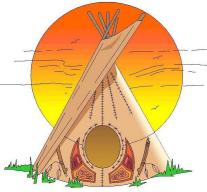


Flying Dust First Nation Health

Schedule 8 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Meadow Lake Health & Social Development Authority	1,525,951	1,449,192	896,724
MLTC Child & Family Services Inc.	252,853	252,853	222,731
Health Canada	32,846	140,378	33,307
MLTC Program Services Inc.	12,000	12,000	-
Indigenous Services Canada	140,375	-	-
Daycare fees	45,000	46,874	46,530
Expense recoveries	-	-	451
	2,009,025	1,901,297	1,199,743
Expenses			
Administration	152,161	163,644	94,459
Advertising	-	-	1,309
Amortization	-	-	13,322
Community based program fund expense	21,858	22,774	20,003
Community events	8,700	2,311	6,064
Contracted services	19,200	2,485	-
Diabetes program fund expense	5,000	6,518	4,612
Domestic violence program fund expense	12,000	12,534	-
FAS program fund expense	3,000	840	2,924
FNARF program fund expense	11,102	11,132	11,114
Freight	1,964	1,426	1,697
Furniture and equipment	42,000	-	-
IT support	15,500	15,000	13,500
Insurance	6,479	12,522	12,022
Meeting	4,100	927	1,710
NAYSPS program fund expense	16,332	9,911	10,803
Office supplies	9,269	9,313	14,471
Prenatal program fund expense	11,013	7,170	10,109
Professional fees	5,500	5,579	-
Program expenses	295,303	189,511	2,372
Recreation wellness program fund expense	15,450	12,613	-
Rent	42,988	34,785	32,319
Repairs and maintenance	10,250	10,082	13,005
Salaries and benefits	994,041	958,050	726,278
Supplies	27,330	27,676	27,349
Telephone	18,101	21,468	17,258
Training	11,127	4,007	3,057
Transportation	7,400	11,078	8,627
Travel	65,262	113,758	71,208
Utilities	50,399	50,399	13,981
Youth program expenses	90,420	94,842	81,622
	1,973,249	1,812,355	1,215,195
Surplus (deficit)	35,776	88,942	(15,452)

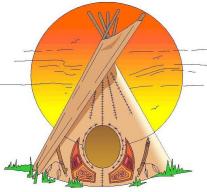


Flying Dust First Nation Infrastructure

Schedule 9 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	428,841	437,739	923,187
First Nations Trust	250,000	382,940	-
Rental income	95,000	120,615	62,053
Retail sales	45,000	45,179	8,396
Northern Lights CDC	43,000	44,156	69,156
Fundraising revenue	27,000	14,069	11,535
Miscellaneous	5,900	5,670	63,481
	894,741	1,050,368	1,137,808
Expenses			
Advertising	1,000	250	432
Amortization	135,000	659,911	520,237
Bank charges and interest	-	-	23
Contracted services	-	3,875	7,963
Fire protection agreement	24,480	27,795	20,313
Freight	1,249	871	1,370
Furniture and equipment	181,500	-	11,500
Insurance	50,911	20,366	16,662
Interest on long-term debt	215,000	72,205	171,646
Meeting	-	138	1,028
Municipal water agreement	95,000	93,083	134,735
Rent	18,158	21,229	23,151
Repairs and maintenance	280,656	142,726	117,823
Retail costs	25,000	36,382	16,642
Salaries and benefits	328,488	433,015	453,148
Septic waste hauling	18,795	4,270	7,033
Supplies	64,640	89,875	136,383
Telephone	7,625	9,102	8,376
Training	-	6,322	2,675
Transportation	71,032	100,753	108,097
Travel	2,730	9,652	3,178
Utilities	135,021	138,781	144,155
Waste disposal agreement	37,000	26,181	36,644
Youth program expenses	1,000	1,800	1,841
	1,694,285	1,898,582	1,945,055
Deficit	(799,544)	(848,214)	(807,247)



Flying Dust First Nation
Reserves and Trusts

Schedule 10 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	3,243,583	4,430,405	461,337
CN Rail Contracting	-	1,231,268	-
Government of Saskatchewan	30,726	29,003	11,747
Grant revenue	12,500	25,000	-
Expense recoveries	1,000	6,505	(859)
Miscellaneous	-	-	9,257
	3,287,809	5,722,181	481,482
Expenses			
Administration	975	975	-
Consulting	11,480	11,760	-
Contracted services	7,600	7,130	19,600
Freight	500	755	573
Honouraria	26,400	16,830	9,275
IT support	3,500	3,000	12,381
Insurance	3,000	3,007	3,007
Meeting	22,050	21,400	11,930
Office supplies	4,500	5,126	6,709
Professional fees	345,000	146,860	158,825
Program expenses	-	-	1,828
Railway Remediation	-	5,241,898	-
Rent	20,200	17,483	14,319
Salaries and benefits	196,924	174,765	199,799
Supplies	13,000	11,012	37,484
Telephone	5,486	5,162	5,011
Training	2,659	1,613	4,605
Transportation	1,000	2,135	2,088
Travel	44,500	48,519	26,755
Utilities	2,880	1,566	1,095
	711,654	5,720,996	515,284
Surplus (deficit)	2,576,155	1,185	(33,802)



**Flying Dust First Nation
Social Services**

Schedule 11 - Consolidated Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2019

	2019 Budget (Note 22)	2019	2018 As restated (Note 24)
Revenue			
Indigenous Services Canada	1,325,210	1,415,810	1,319,470
Meadow Lake Health & Social Development Authority	103,700	103,700	-
MLTC Program Services Inc.	-	-	94,901
Expense recoveries	-	160	-
Miscellaneous	-	-	6,081
	1,428,910	1,519,670	1,420,452
Expenses			
Administration	10,370	10,370	9,490
Assistance	-	1,033,757	935,874
Bank charges and interest	-	1,634	1,690
Freight	850	1,194	1,174
IT support	3,000	3,000	8,350
Institutional adult care fees	45,374	53,622	38,395
Insurance	4,347	3,007	3,007
Office supplies	2,100	4,061	2,038
Rent	2,500	3,600	3,000
Salaries and benefits	393,117	403,675	302,399
Supplies	200	139	55
Telephone	4,860	6,370	4,920
Training	4,700	5,700	5,323
Travel	14,200	18,124	89,845
	485,618	1,548,253	1,405,560
Surplus (deficit)	943,292	(28,583)	14,892